

# AMERICA IS LOSING

## Rebate Prosecutions Raise Rates to the Orient.

## JAPAN CONTROLS ALL MANCHURIA

Provokes China by Her Aggression and Shuts Out Rival Nations — Powers May Protest.

Washington, Feb. 20.—Information from unofficial and individual sources evidencing the aggressiveness of Japan in Manchuria has been accumulating in the State department for some time. That this condition is irritating in increasing degree to China is also a matter of knowledge here. It is said with authority, however, that in no manner has the Chinese government brought the matter to the attention of the American government, and no report on the subject is looked for.

A remarkable explanation of the attitude of our government in this important matter is developed as the result of inquiry directed toward officials who cannot be quoted, but are in positions to direct our policies. In effect, it is as follows:

"It is frankly admitted that America is losing her commercial foothold in the Orient. This loss, however, is not charged to Japan. Rather it is asserted to be the effect of the growing tendency toward international governmental regulation in the United States. As an illustration of this, attention is called to these facts:

"Five years ago flour in barrels was being shipped to the Orient from the Northwest, steel rails from Pittsburgh, and cotton in bales from Texas. These shipments were made possible because of an exceedingly low ocean freight rate arrived at by a railroad combination. This rate has been condemned by our courts as a conspiracy against trade, and the development of this trade has been abandoned. The domestic war, as it is characterized, against the Standard Oil company, which is credited with the largest Oriental trade of any American enterprise, is declared to have been disastrously effective in the Orient, while the tobacco and cotton goods trades are said to have been dealt heavy injury through the operation of the railroad legislation here.

"From this point it seemed easy for government officials here conversant with foreign matters, to view Japanese commercial aggression in Manchuria with a greater degree of complaisance than would be the case in the face of an urgent domestic demand for governmental assistance. Japan, it is asserted, without great difficulty, justify everything she has done in Manchuria as sanctioned by the 'open door' policy initiated by the late Secretary Hay, and adhered to by the greater nations, including Japan.

While Japan may justify these things through the 'open door' policy, it has been charged that there exists evidence of her use of many methods and practices which might not bear the light of impartial investigation. Besides her claim to an equal footing with other nations in Manchuria, on the 'open door' basis, she has, it is asserted, obtained many valuable concessions through which her control of the railroad and telegraphic facilities is practically complete. This control is known to be used primarily in the interest of Japanese tradesmen and to the detriment of all foreign competitors.

### Michigan Trains Snowbound

Detroit, Mich., Feb. 20.—At least 13 passenger trains poked their pilots into impervious snow drifts throughout Michigan, and late this afternoon reports from out in the state indicate that some of these trains are still snowbound. Traffic was completely abandoned in some instances. The blizzard which swept down upon the lower portion of Michigan from the West yesterday afternoon still prevails with great severity, and the snowfall ranges from eight inches in Detroit to 18 inches in the Southwest section of the state.

### Brazil Continues Rebates.

Washington, Feb. 20.—The president of the republic of Brazil, to commemorate the visit of the Atlantic fleet to the city of Rio Janeiro, has signed a decree authorizing the continuation of rebates on tariff charges on articles of American merchandise during the fiscal year 1908. The rebates which are continued apply to wheat, flour, condensed milk, manufactures of rubber, watches, writing ink, varnishes, typewriters, refrigerators, pianos, scales and windmills.

### More Deaths in Chicago.

Chicago, Feb. 20.—The blizzard which began here yesterday was still in progress today, although the greatest fury of the storm had passed. A light snow fell during the early part of the day, and was piled into deep drifts by a strong wind. Traffic on all surface and elevated streetcar lines, as well as on steam roads, was greatly delayed, though large squads of men worked all night in an endeavor to keep the tracks clear of snow.

### Blizzard in Adirondacks.

Plattsburg, N. Y., Feb. 20.—A north-west storm of such severity as to be unusual, even in this blizzard-acustomed region, is raging in Northern New York tonight, and is rapidly adding to the snow that covers the whole Adirondack region.

## DYNAMITE ENDS LIVES.

### Twenty-eight Killed by Explosion at California Powder Works

Berkeley, Cal., Feb. 21.—With a force that shook the entire bay region as an earthquake and a detonation heard for miles, the Judean packing house of the Hercules Powder Works at Pinole, 14 miles north of here, blew up at 4 o'clock this afternoon, and in the explosion four white men and 24 Chinamen were killed. Ten tons of dynamite went up in the terrific blast, shattering the sheds to dust and splinters.

W. W. Stillwell, foreman of the packinghouse, was blown to atoms at his post of duty. Not a particle of his body was recovered. Manuel Enos, Jose Grace and W. A. Rodriguez were the other white men killed. The 28 dead include every man at work in the packinghouse. None escaped.

Flames burst forth in the ruins after the explosion and threatened the gelatine house, where two score girls were at work. A panic ensued and many were cut by flying glass and crushed and trampled in the mad rush for the doors.

The panic and confusion following the explosion were pitiful. Families of the men who daily risk their lives at the powder plant came running from the little hamlet of Pinole seeking news of loved ones. Danger of additional explosions prevented those who escaped injury from approaching too near the wreck, and it was not until late in the evening that the number of dead and injured was known.

### SYNDICATE COMMITS FRAUD

#### Tillman Starts Postal Inquiry Into Coos Bay Land Deals.

Washington, Feb. 21.—The St. Paul & Pacific Timber syndicate, having an office at 525 Chamber of Commerce, Portland, is to be investigated by the Postoffice department, to ascertain whether or not it is using the mails for fraudulent purposes. Senator Tillman yesterday charged in the senate that this company is flooding the country with circulars, in which his name is used without authority and in which the company offers to "make \$5,000 out of \$200" invested with it, to be in turn invested in timber land in Coos and Douglas counties as soon as the government reverts title to the unpatented portion of the grant to the Coos Bay Wagon Road company.

Tillman charged that this company, of which Bryan R. Dorr is president, is engaged in a "scheme of swindling," and said he proposed "to stop the rascals from getting any more money." He accordingly laid the circular before the Postoffice department today, and by his request the concern will be investigated. If it is found that its circulars misrepresent facts, and if, as charged by Mr. Tillman, this company is swindling those who subscribe to its scheme, it will be dealt further use of the mails.

### HINTS AT GRAFF.

#### House Asked to Investigate Estimates for Naval Vessels.

Washington, Feb. 21.—A resolution was introduced in the house today by Lilley, of Connecticut, providing for the appointment by the speaker of a special committee of seven members to investigate the conduct of the Electric Boat company, of New Jersey, and its predecessor, the Holland Boat company, respecting the methods employed by the said companies in regard to the past and proposed legislation of ocean-greases.

The proposal of a congressional investigation is an outgrowth of the failure of the committee on naval affairs to support President Roosevelt's naval construction program. The president personally backed the Navy department in its request for the authorization of the four battleships, ten destroyers, four submarines, etc. The committee cut the battleships to two and raised the submarines to eight, and in connection with the latter craft adopted the Ludenberger amendment providing that they should be of the type of the Octopus, unless a superior type should be offered and demonstrated by October 1, 1908.

### Contempt Charge Holds.

Carson, Nev., Feb. 21.—For their criticism of the Supreme court that body today found Peter Breen, judge of the Third district, and J. Mastretti, district attorney of Lander county, guilty of contempt. Judge Breen was ordered to expunge the false and scurrilous remarks he made against the court or be disbanded from practicing law in any of the courts of the state of Nevada. He was given 20 days to execute this order. Mastretti was disbanded from the practice of law in any state court for the period of 30 days.

### Company Is Threatened.

Salt Lake City, Feb. 21.—A letter signed by Joe Train and Fred Stack, as alleged leaders of the "Black Hand," was received today by Manager Wade, of the Ogden end of the Utah Light & Power company, in which the threat is made that unless the company reduces the rates for light and power the Black Hand society will blow up the power company's dam in Ogden, the plant and offices in Ogden, and kill every officer or citizen who dares to interfere.

### Flood Probable in Ohio.

Toledo, O., Feb. 21.—The storm of last night is continuing today. Unless freezing weather comes quickly, a disastrous flood seems inevitable.

# OREGON STATE ITEMS OF INTEREST

## LOAN FUND INCREASES.

### Students to Be Assisted at University of Oregon.

University of Oregon, Eugene.—Hon. R. A. Booth, of Eugene, has just given to the student loan fund of the University of Oregon a check for \$500 to be used as an irreducible educational loan fund for students. The fund will be known as the "Booth Loan Fund" and will be kept separate from the general loan fund, which at present is distributed in loans ranging in amount from \$15 to \$50 among 10 students of the university. Since the establishment of the general fund five years ago, more than 30 students have been enabled to complete their college course who could not otherwise have done so. The university hopes to establish during the present year a loan fund of at least \$5,000, to be loaned under the direction of President Campbell, or some one designated by him, to boys and girls all over Oregon who wish to complete their education, but who cannot do so without assistance. It is believed that a loan of approximately \$100 a year, at a low rate of interest, to be repaid in two years after graduation, is much more preferable than an outright gift in the form of a scholarship. The fund will be guaranteed by 10 men against loss. Two signatures will be required on each note and a small amount of life insurance will be taken out to insure against loss by death. The present loan fund amounts to approximately \$1,000.

## TO BE WOOL CENTER

### Baker City Secures Low Rates on Shipments to Boston.

Baker City—Baker City will become one of the greatest wool markets in Oregon. Sheepmen have been in Portland consulting with the O. R. & N. officials and have secured a rate of \$1.75 from Baker to Boston. The Sumpter Valley has made a rate of 20 cents from Austin to Baker, and the reduction by the two roads means that more than 1,000,000 pounds of wool from Grant and Wheeler counties will be hauled to Austin and then shipped to Baker for baling. Dayville is the present center of the sheep industry in Grant county, and the ranchers would much rather haul their wool to Austin because of the good roads. They have been paying \$2 to have their wool hauled to Shaniko because of the lower rate. The shipping of the wool via Baker City will mean that instead of the ranchers buying their supplies at Shaniko they will haul their wool to Austin, leave their teams there and come on to Baker City to secure their warehouse receipts and while here purchase their supplies. By this means the local banks will handle \$200,000 that would go to other cities. Although the rate on wool is still higher from Baker than from Shaniko, the ranchers can afford to ship via Baker because of the low cost of getting their wool to Austin.

### Mountain Farming Experiment.

Pendleton—An experiment in mountain farming of more than usual importance is being conducted by W. G. Warman, of this city, on his homestead in Fly valley, a secluded vale in the Blue mountains at an altitude of about 4,200 feet and located 50 miles southeast of this city. He has planted an orchard and is now sending to the agricultural department for hardy grass seed for spring sowing. There are thousands of acres of fine mountain land in the Blue mountain valleys which can be brought under cultivation and if this experiment is successful much of this land at high altitude will be farmed, it is thought.

### Oil Company for Klamath.

Klamath Falls—The incorporators of the Klamath Oil company have elected the following officers: G. Heitkemper, Jr., president; E. B. Hall, vice president and general manager; Pierce Evans, secretary, and G. White, treasurer. It has long been claimed that indications are very strong of vast deposits of coal oil beneath the volcanic blanket in this region, as proven by the fact that it oozes up at various places.

### Planting Nut Trees in Linn.

Albany—A meeting to discuss walnut culture and to stimulate interest in that line of industry will be held in Albany on February 27. A number of walnut growers will be present and will give instruction in the planting and care of walnut trees. Some new walnut orchards are being set out in this county and there will probably be a greatly increased acreage during the coming two years.

### Can Fish Up to the Illinois.

Gold Beach—The gasoline launch Sheba, which has lately been put on Rogue river to carry fish to the cannery and cold storage plant, is greatly facilitating the work of fishing. Fishermen are now able to ply their trade up to the mouth of the Illinois. This was impossible before because they could not tend their nets and bring their fish so far down the river.

### New Industry for Eugene.

Eugene—Eugene expects shortly to have in operation a complete concrete block cement brick manufacturing plant. The promotion department of the Commercial club has interested parties who have a large plant at Niagara Falls, N. Y., and the managers will be here in a few days to make arrangements for the establishment of the new plant.

## TALKS BEAR FRUIT.

### Marion Farmers Buying Grafting and Spraying Supplies.

Salem—That the educational work among fruitgrowers by such men as M. O. Lowndale and E. C. Armstrong has been productive of great results in this vicinity, is evident from the unprecedented sale of grafting and spray materials by Salem dealers. During the last few days of clear weather there has been an immense demand for rosin, beeswax and tallow with which to make grafting wax, thus showing exclusively that farmers are acting upon the advice of Mr. Lowndale to cut down their old, neglected and diseased apple trees, with a view to grafting into the stumps.

Much of the grafting this year, however, will be in younger trees, which were permitted to form a top so high as to be out of reach, or which are of unmarketable varieties. In most instances where old trees are cut down, they will be cut close to the ground and the grafting will be done next winter in the shoots that come up from the old stump this summer. A great many cherry orchards are being grafted to marketable varieties—usually the Royal Anne—where the original tree is of a variety for which there is no demand.

## Sues to Cancel Contract.

Portland—The case of the state of Oregon against the Columbia Southern Irrigation company is being heard in the United States District court. The state is represented by A. M. Crawford, attorney general, and the irrigation company by W. T. Muir and Seneca Smith. Under the Carey act the irrigation company was to irrigate certain tracts of land in Eastern Oregon aggregating something like 27,000 acres. This was the agreement made between representatives of the state land board and the company several years ago. The state maintains that the company has not carried out its part of the contract and Mr. Crawford is asking that a receiver be appointed.

## Plan Rest Room at Milton.

Milton—An interdenominational society has been formed in which all the churches are interested to promote the establishment of a reading room in the city. Meetings of the society will be held every two weeks. The reading room is intended as a rest room for the country people. A library of 500 volumes has been arranged for. Committees representing different branches of the work have been appointed.

## Cannery Stock Subscribed.

Corvallis—Announcement has been made that enough stock had been subscribed to insure the success of the movement for a fruit cannery, and a meeting of stockholders has been called to perfect an organization. The capital stock is \$11,000, and the plant is to have a capacity of 12,000 cans daily. The machinery and appointments are to be of the very latest models, embodying everything necessary to turning out a perfect product.

## Begin Work for Pulp Mill.

Oregon City—Work preliminary to the construction of the new mill of the Hawley Pulp & Paper company was begun when a force of men started to build a walk leading from station A to the mainland. As soon as this work is done, actual construction of the new pulp mill on the site of station A will begin, and it is expected to have a portion of the plant in operation by April next.

## PORTLAND MARKETS.

Wheat—Club, 81c; bluestem, 83c; valley, 81c; red, 79c.  
Barley—Feed, \$26 per ton; brewing, \$32; rolled, \$29@30.  
Oats—No. 1 white, \$27; gray, \$27, per ton.  
Corn—Whole, \$32.50; cracked, \$33.50.  
Hay—Valley timothy, No. 1, \$17@18 per ton; Eastern Oregon timothy, \$20@21; clover, \$14@15; cheat, \$15; grain hay, \$14@15; alfalfa, \$12@13; vetch, \$14.  
Fruits—Apples, table, \$1.75@3.00; cooking, \$1.25@1.50 per box; cranberries, \$8@11 per barrel.  
Vegetables—Turnips, 75c per sack; carrots, 65c per sack; beets, \$1 per sack; cabbage, 1@1½¢ per pound; cauliflower, \$1.75 @1.85; celery, \$3.75@4 per crate; onions, 15@20¢ per dozen; parsley, 20¢ per dozen; peppers, 17½¢ per pound; pumpkins, 1@1½¢ per pound; radishes, 20¢ per dozen; spinach, 6¢ per pound; sprouts, 8¢ per pound; squash, 1@1½¢ per pound.  
Onions—\$2.50 per hundred.  
Potatoes—\$2.50 per hundred, delivered Portland; sweet potatoes, \$3.50@3.75 per cwt.  
Butter—Fancy creamery, 30@35¢ per pound.  
Poultry—Average old hens, 13@13½¢ per pound; mixed chickens, 12½@13¢; spring chickens, 12½@13¢; roosters, 10@11¢; dressed chickens, 14¢; turkeys, live, 14@15¢; dressed, choice, 15@17¢; geese, live, 9@10¢; ducks, 14¢@15¢; pigeons, 75¢@81¢; squabs, \$1.50@2.  
Eggs—Fresh ranch candled, 22½¢@23½¢ per dozen.  
Veal—75@125 pounds, 7c; 150 to 200 pounds, 5¢@6½¢.  
Pork—Block, 75 to 150 pounds, 6½¢@7¢; packers, 5¢@6¢.  
Hops—1907, prime and choice 4½¢@6¢ per pound; olds 1@2¢ per pound.  
Wool—Eastern Oregon average best 18@20¢ per pound according to shrinkage; valley 18@20¢ according to fineness; mohair choice 29@30¢ per pound.

## TERMS ARE VIOLATED.

### Townsend Makes Report on Land Grants in Oregon.

Washington, Feb. 19.—The substance of the report of B. D. Townsend on his investigation of the Oregon & California railroad land grant was made public today for the first time, and shows in a general way the facts on which the government will base its suit to compel the railroad company either to comply with the law or forfeit its title to the grant. The report is so full and explicit as to require no explanation. The following extracts are made:

"The provision of the grant restricting the number of sales has never been respected. Lands have been sold to any person, whether settler or speculator, in as large quantities as possible and at the highest price possible. In making sales the railroad company has always observed the law of supply and demand and has never obeyed the law of congress. Substantial violations of the terms of the grant occurred from the very beginning. Among the first conveyances executed in 1872 several instances occur where land was sold at prices largely in excess of \$2.50 per acre, sometimes as high as \$10 per acre. In 1874 three instances are found of conveyances to a single purchaser of quantities exceeding 1,000 acres each. These violations continued throughout the history of the grant.

"When the Southern Pacific system secured control of the land grants the first thing they did was to organize an effective land department. Land examiners and timber cruisers were employed and a force set to work to ascertain and appraise the value of each specific tract of land contained in the grant; this had never been done before.

"About 1890 some of the old and experienced timbermen of Michigan, Wisconsin and Minnesota were attracted by reports as to the timber lands of Oregon. There suddenly arose a tremendous demand for lands by wealthy timbermen and speculators in the East. The railroad company was quick to see its opportunity to profit by disposing of lands contrary to the terms of the grant. It immediately began to make sales in quantities ranging from 1,000 to many thousands acres.

"Of 813,908 acres sold by the railroad company, only 127,418 acres were sold within the limitations of quantity and purchase price prescribed by the grant, and 515,928 acres were sold in quantities exceeding 160 acres, of which 363,991 acres were conveyed or sold to 38 purchasers in quantities exceeding 2,000 acres to each purchaser since the year 1897.

"At the expiration of 40 years after the enactment of the grant, 2,000,000 acres of the lands granted are vested in a single proprietor, with no public obligation and virtually controlling the commercial destiny of a large portion of Oregon. This is the very evil which the provisions of the grant were destined to avert. Yet that condition now exists, with the assertion of a legal right to make it permanent.

"The total assessed valuation of the land grant for the year 1907 was approximately \$18,000,000, whereas prior to the year 1902 the assessed valuation had never exceeded \$2,000,000. Of the total taxes paid by the railroad company on account of its land grant, from 1870 to the present time, more than one-half has been paid since 1902."

## WORST IN SCORE OF YEARS.

### Storm Paralyzes Traffic in Chicago and Causes Suffering.

Chicago, Feb. 19.—Several deaths, many injuries and much suffering followed today in the wake of one of the worst blizzards experienced in this section in several years. Traffic on surface and suburban lines is practically tied up tonight and downtown hotels are filled with residents of outlying districts, who found themselves unable to reach their homes.

The storm, which broke early in the day, raged with increasing fury until midnight, subsiding somewhat toward midnight. One of the most tragic occurrences in connection with the storm was the wrecking in the harbor at Waukegan of the fishing boat Ansonaph, in which two men lost their lives and six others had narrow escapes from death.

## Gorge Threatens Des Moines.

Des Moines, Feb. 19.—A blizzard which started last night and still rages today has delayed trains on all roads from one to four hours, stopped street cars and interfered with telegraph and telephone communications. Eight inches of snow has fallen and drifted badly. On Raccoon river an ice gorge six miles long has formed just above the city. City officials are using dynamite to blow up the gorge. People are moving out of houses on the lowlands. For the first time in the history of the city a big ice gorge threatens destruction.

## Much Snow, But No Cold.

Kansas City, Feb. 19.—The snow storm that prevailed all day in Kansas and Western Missouri continues tonight, but without low temperature, most points reporting the thermometer above 20 degrees. In Kansas City the snow fell up to 9 o'clock tonight was about one and one-half inches deep, but in Southern and Central Kansas, four or five inches have fallen. Trains are not seriously delayed, and the storm is highly satisfactory to ranchers.

## Flood Nearing Cincinnati.

Cincinnati, Feb. 19.—Today and Thursday the crest of the flood is expected here, having passed Parkersburg yesterday. Inundation of lowlands has been reported all along the river, and thousands have been driven from their homes, but it is now believed that conditions will not grow much more serious.

# BUILD TO INTERIOR

## Central Oregon Is Promised Connections.

### FROM SUMPTER TO PRINEVILLE

Line Up Hood River Valley May Be Extended Southeast to Connect With Other Lines.

Hood River, Or., Feb. 22.—Preliminary plans being promoted by wealthy capitalists of Salt Lake who own the Mount Hood Railway extending up Hood River valley and the Sumpter Valley, running on Baker City, materialize. Central Oregon may have a railroad in the near future that will open up its many sources. The project provides for extension of the Mount Hood line through the mountains east of Hood, and a party of surveyors is in the field trying to locate a route through the mountains. The work is in charge of Joseph A. West, chief engineer of the Sumpter Valley.

Early last fall a large surveying party headed by Mr. West was taken to Central Oregon country from Hesperia Junction to determine the feasibility of building a railroad on that side of the mountains and his report is said to have been favorable. The money power behind proposed railroad is J. H. Eccles, the millionaire sugar manufacturer and lumberman, of Salt Lake City. If the project is completed two roads will connect at some point Crook county. By extension of the Sumpter Valley road south it will pass through Canyon City, Grant county, and also Prineville.

An extension of the Mount Hood line has already been commenced. A gang of men with a steam shovel is put to work at Dee, the present terminus of the line, and will build as far as it can be pushed through the miles of road toward Mount Hood. It has been surveyed and staked. It will be done to accommodate the rapidly developing fruit land in the Hood settlement. It is admitted, however, by W. H. Eccles and Charles Early, president and manager of the Mount Hood road, that it may be part of the connecting link of the proposed new line. Officers of both recently went over the territory and would be tributary to the project. It is learned that it is considered favorably. In addition to many acres of fertile farm lands, millions of feet of timber, for which there is now no outlet, it is said, could be utilized.

## TUNNEL UNDER RIVER.

### Manhattan Island Now Joined to Long Island City.

New York, Feb. 22.—The first of a great system of tunnels and subways which the Pennsylvania railroad has enabled to run a train from Philadelphia under the Hudson river to Manhattan island and under the river to Long Island City was completed today. The two ends of one of the tubes connecting Manhattan with Long Island city were brought together under the bed of the middle East river off Thirty-fourth street, for noon today and steel rings forming the shell of the tube were for the first time bolted in one continuous string from shore to shore. This was begun in August, 1905, and 1,000 feet in length. Two other tubes will be completed within a few days and the fourth will be finished in three months, according to an announcement made by the company.

## Fight Indian Liquor Sale.

Washington, Feb. 22.—The committee on Indian affairs today continued its consideration of the appropriation bill. Among the amendments adopted were: Increasing \$25,000 to \$40,000 the appropriation for the suppression of the traffic in intoxicating liquors among the Indians; making an appropriation for experimental experiments; authorizing the secretary of the treasury to expend \$100,000 for the purchase of agricultural lands and irrigation of them; and use of Indians in California.

## Denies Part in Grant.

Harrisburg, Pa., Feb. 22.—Senator Frank Pennypacker in his testimony before the state capitol conspiracy trial denied the statement of S. B. Ladd that the famous Houston letter was prepared at a conference between Pennypacker, Lewis and ex-Auditor General Boyd. Pennypacker declared that when Lewis said that this letter was intended to "whitewash," he stated himself.

## Kentucky Still Deadlocked.

Frankfort, Ky., Feb. 22.—The session of the legislature today was a failure. A roll call showed the following: Beckham, 57; Bradley, 47; Allen, 1; Blackburn, 1; Campbell, 1. Necessary to a choice, 65.