

GOOD EVENING.
TODAY'S WEATHER
Tonight and Wednesday, partly cloudy, probably occasional rain; cooler tonight; southwest winds.

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PORTLAND, OREGON, TUESDAY, JANUARY 3, 1905—FOURTEEN PAGES.

PRICE FIVE CENTS.

VANQUISHED OFFICERS RETURN TO RUSSIA ON PAROLE RANK AND FILE SENT AS PRISONERS OF WAR TO JAPAN

FORTRESS OCCUPIED

Victorious Japanese Enter Remnants of Shattered Citadel.

COMPACT OF SURRENDER SIGNED BY BOTH SIDES

Terrible Condition of Remaining Soldiers at Arthur—Worn Out by Illness, Wounds and Starvation.

(Journal Special Service.)
Tokio, Jan. 3.—The Japanese today occupied Port Arthur. It is learned that the Russian officers and officials of the garrison at Port Arthur will be permitted to return to Russia on parole. The rank and file will come to Japan as prisoners of war.

Japanese and Russian commissioners signed the compact of surrender of the Russian forces at Port Arthur at 9:45 o'clock last night. The Russian commissioners accepted on the whole the conditions stipulated by the Japanese. A telegram was received from Nogi's headquarters stating that 10,000 Japanese besiegers will remain in Port Arthur to repair the fortress, while the remainder under command of Nogi will go to reinforce Oyama.



Mrs. Edward Harkness, Bride of the Standard Oil Millionaire, Worth \$25,000,000. She Was Formerly Miss Mary Stillman.

KAY'S FORCES ON DEFENSIVE

Indications Point Strongly to the Election of A. L. Mills to Be Speaker of the Oregon House of Representatives Which Will Begin Sessions Next Monday.

Indications point strongly to the election of A. L. Mills as speaker of the house in the next legislature. T. B. Kay of Marion county, who for several months past has been the leading candidate for the place, is now on the defensive and there are indications that his strength is slipping from him.

W. I. Vawter, the third candidate for the speakership, may remain in the race for a time, but there is reason to believe that the votes which he controls will eventually come to Mills. Multnomah's candidate has also the assurance of some support from eastern Oregon, which Kay has hitherto regarded as his own private property and where trespassing by rival candidates was strictly prohibited.

Kay's claims of votes pledged to him seem to have been over-sanguine. Many of the promises made to him were conditional and those who made them do not consider themselves bound in the light of recent developments. Originally the only candidates for speaker were Kay, Bailey and Vawter, and many members of the lower house who were willing to concede the abstract proposition that Multnomah should have the speaker were not willing to pledge their support to Bailey. But the advent of Mills as a candidate for speaker has changed the situation. He is widely and favorably known all over the state and he is regarded as a man free from political entanglements.

The tide of sentiment from the state representatives is setting strongly in the

direction of Multnomah's candidate, and unless unlooked-for developments occur this week he will be the speaker.

It is the opinion among members of the senate from this county that Dr. Kuykendall of Lane is sure to be chosen president of the upper house. Senator E. V. Carter, who is in the city today, declares on the contrary, that he confidently expects to capture the prize.

"All I can say now is that I am sure of being elected president of the senate," said Senator Carter this morning. "I cannot discuss details and I am not ready to give you the names of the senators upon whose votes I rely, but I confidently expect to win. The claims of Dr. Kuykendall's strength are exaggerated. I know that some of the votes credited to him are still unpledged."

Senator Carter said that he was keeping clear of any entanglement in the speakership fight, and that while Vawter's candidacy for that office might be somewhat injurious to his own interests, the relations between them were entirely friendly.

It is claimed by friends of Kuykendall that he has the absolute pledge of Senator Loughery of Polk, who was at one time in the doubtful list, and they also count upon Nottingham of Multnomah, notwithstanding the fact that as yet he has given no pledge to either candidate. Crook and Hobson of Marion are perhaps still on the doubtful list but they are expected to climb into the Kuykendall band wagon.

BIG EAGLE'S NEST.

Negotiations of Surrender Drawn Up Near Rihlung Mountain.

(Journal Special Service.)
Chefoo, Jan. 3.—The fort where the negotiations for the surrender of Port Arthur were held is called "Big Eagle's Nest" and is near Rihlung mountain.

According to reports received here, General Stoessel's proposal that the Russian sick and wounded should remain under Russian medical supervision and that the Japanese transfer non-combatants was acceptable to General Nogi, but the Russian proposal that the Russians should march out under arms caused some controversy.

Colonel Reiss represented General Stoessel in the negotiations for surrender. The table was spread with wine and food at Eagles Nest and the envoys treated each other with great courtesy, which quickly melted into an informal good fellowship. Each complimented the other on the bravery of their forces.

FORTS BLOWN UP.

Stoessel Destroys Shops, Magazines, Warehouses and Docks.

(Journal Special Service.)
Chefoo, Jan. 3.—Midshipman Ellsforth, commanding the launch which left Port Arthur at 8 o'clock last night, said today:

"No shot has been fired at Port Arthur for two days. The firing heard last night was that of the Russians blowing up the forts, ships, magazines, warehouses, docks and everything valuable."

"When we left Port Arthur the fortress and the town were almost completely wrecked. The warships died hard, several explosions being necessary to complete the wrecking of them. The harbor entrance is blocked with sunken ships. The statement that 5,000 fighting men remained is misleading, as a majority of these are sick or slightly wounded."

"The news that General Stoessel was prepared to treat for surrender was received by the soldiers with a feeling of the utmost relief. For the past month severe wounds have been gladly received by the soldiers because they were allowed to rest. When the men were not fighting they were tunneling on half rations."

"The bombardment of the last day or so was terrific. Everybody remarked that even General Stoessel must see the futility of further resistance when our guns were unable to reply."

"We might have surrendered a month ago with the highest honor. That resistance has continued effectively since is scarcely less than a miracle."

"The only navigable craft now at Port Arthur are hospital ships Kassen and Mongolia."

QUIET AT PORT.

City Is Peaceful and No Trouble Is Expected.

(Journal Special Service.)
Chefoo, Jan. 3.—A dispatch from Tsin Tsin says that a Japanese torpedo-boat destroyer entered that port at noon, and that others are outside.

The steamer Vina has arrived from Coochin China with several hundred soldiers aboard. It is reported that she belongs to the volunteer fleet for running reinforcements into Port Arthur. The

VANISHES FROM DANCE

Mrs. Saylor's Friends Fear She Was Drowned in Columbia.

MYSTERY OF A NEW YEAR REVEL AT SKAMOKAWA

Goes From Portland to Dress Maskers, Enjoys Herself, and in the Dark Hour of Night Disappears.

Since early last Sunday morning Mrs. Marie E. Saylor, 553 Morrison street, this city, has been missing, and her relatives believe that she was drowned in the Columbia river at Skamokawa, Wash. Since that time the river has been flagged by searching parties, but it has given no clue to its secret.

Mrs. Saylor was in the employ of the Chicago costume house, 388 Morrison street. The Saturday evening club of Skamokawa decided to celebrate the passing of the old year and the birth of the new with a masquerade ball and Mrs. Saylor was sent to that place to supply costumes to the revelers.

The ball was given in a large hall immediately adjoining the hotel at the little river town. The buildings overlooking the Columbia river. The woman was unable to locate a room at the hotel in which to display her wares, so she occupied a vacant apartment beneath the hall, from which a stairway leads to the floor below.

The floor is used for a sidewalk, and at the same time as a dock. Boards laid at the place, the channel is deep and the current swift. Near the foot of the stairway is a space from which the boards of the floor have been removed to make repairs. A plank was laid across the aperture on which those who desired might cross.

After having disposed of her costumes Mrs. Saylor went to the hall and joined in the dance. She danced her last quadrille at 3 o'clock Sunday morning. At 3:30 she could not be found. The dancers were made to find, and relatives have been unable to learn with whom she danced last.

At 3:30 o'clock the music ceased, and the dance was over. The masqueraders left the hall and went to the room where they had secured fancy costumes. The woman of whom they had rented the gay regalia was not there. Her lamp was burning low, and on a table were found her handkerchief, hat and gloves. She arrived shortly after 3.

Relatives and friends have dragged the river day and night since her disappearance. Anvils have been fired and giant powder exploded in the hope that the body might rise to the surface. Excursion boats have searched the bottom of the river and the rapids a short distance below the building.

Despairing of finding the body and fearing that the woman may have been the victim of foul play a detective left the city last night for the little town to investigate the affair. Local police have promised their assistance in solving the mystery.

The woman had only a small sum of money with her at the time of her disappearance, but she wore a diamond ring and diamond brooch, besides four rings with gems of value. She carried a chain-bag containing a portion of the money she had received from wearers of the masquerade costumes.

The missing woman was 28 years of age and the wife of M. F. Saylor, who conducts a billiard parlor at Tenth and Washington streets. She was married five months ago at Oregon City. For several years she had been employed at the Chicago costume house. Fred G. Wonder, manager of the place, left last night with the detective to investigate the affair. Her husband returned to the city this morning.

(Continued on Page Three.)



Mrs. Marie E. Saylor.

SCALP TORN OFF BOY BY LEOPARD

Youth Makes Faces at Caged Animal Which Reaches Out With Paw Seizing Him.

KEEPERS DRIVE BIG CAT BACK BUT BOY IS DYING

Wound as Clean as if Made by a Surgeon's Scalpel—Foolhardy Venture Will End Fatally.

(Journal Special Service.)
New York, Jan. 3.—Ten-year-old Isaac Dukoff had his scalp torn from his head by a leopard in the animal store of Lewis Ruhs this afternoon. The boy is now in Gouverneur hospital, and the surgeons despair of saving his life.

Little Isaac and several of his friends went to see the leopard. Isaac trying to appear heroic, slipped in under the barrier and put his face close to the cage, and according to one of the keepers, spat through the bars. In a moment, before the boy could move, a heavy paw with claws extended shot out between the bars and fell upon Isaac's head.

While his companions screamed, two keepers rushed to the cage where the leopard, growling and spitting, pulled the boy's head toward him, tearing the scalp of as clean as if the animal's claws had been a surgeon's scalpel. The big cat was driven back by the keepers and the boy carried unconscious to a nearby drug store. An ambulance was summoned from Gouverneur hospital, and the lad taken there dying.

SILVER MEDAL FOR OREGON MILK COMPANY

(Journal Special Service.)
St. Louis, Jan. 3.—Oregon Grape cream, manufactured by the Oregon Condensed Milk company of Hillsboro, Or., has received a silver medal at the Louisiana Purchase exposition.

NEGRO JOCKEY HANGED FOR KILLING HIS LOVE

(Journal Special Service.)
Winchester, Ky., Jan. 3.—John Hathaway, colored, a noted jockey, was hanged in the jail yard at 5 o'clock this morning for the murder of Ella Thomas, his sweetheart, on January 19, 1904. Jealousy was the motive.

POINT FOR J. J. HILL

Northern Securities Distribution Plan Upheld by New Jersey.

CASE WILL GO TO U. S. SUPREME COURT

On Its Ultimate Decision Will Hinge the Settlement of the Famous Northwestern Railroad Merger Case.

(Journal Special Service.)
Philadelphia, Jan. 3.—The United States court of appeals has reversed the decision of the United States circuit court in New Jersey which enjoined the carrying out of the Hill-Morgan plan for distributing the assets of the Northern Securities Co. The decision is in favor of the Northern Securities and against the Oregon Short Line.

Judge Dallas wrote the majority decision. Judge Acheson concurred. Judge Gray dissented. The majority decision is extremely voluminous.

The case will now be carried to the United States supreme court. Consequently, although this decision is a victory for J. J. Hill, the matter remains practically as it was, so far as any carrying out of the distribution plan is concerned, and will continue in that state until a final decision is had from the highest court in the land.

LAWSON'S SURPRISE

Statement From Him Used as a Bull Argument on 'Change.

STOCKS SAIL UPWARD WITHOUT AN EFFORT

Admits Buying on Recent Decline—His Action Puzzles Friend and Foe Alike—Is It a Joke?

(Journal Special Service.)
New York, Jan. 3.—"What happened to Lawson?" would be a title for a farce comedy, with a stock exchange setting. In the stock market today he turned almost a complete somersault and was mildly a "bull," while formerly he was about as bullish as a person could be.

The market was all anxiety for the appearance of the promised advertisements by Lawson. When they appeared, however, the public was completely mystified. He said not a single word against the stocks he told the public to sell short.

It is known to a certainty that Lawson was a heavy purchaser of stocks on Saturday—his admission that he was going to sell them today, if he did this it was not apparent, almost every one would be sure that he was hard to find except after an opening when a slight weakness was noted.

The action of Lawson today cannot be explained, even by his admirers. The only way they attempt to explain it is to say that Lawson must have some object in view for today's work, but that is not accepted by the general speculative public.

Today's advances all through the market were remarkable, and practically no resistance was shown during any part of the session. The largest gain was made by Pacific stock, which advanced \$1.25 over the previous closing.

Pacific Mail Up \$4.50.

The following are the advances shown today as compared with the closing of the market Saturday:

Amalgamated, \$1.12 1/2; Amalgamated Copper, \$1; Anaconda, \$1.12 1/2; American Smelter common, 3 1/4; Bismuth, 3 1/4; Rapid Transit, 75 cents; Baltimore & Ohio, \$1; Alton, 50 cents; Colorado Fuel, \$1.50; St. Paul, \$3.12 1/2; Chicago & North Western, \$1.12 1/2; Chesapeake & Ohio, 37 1/2 cents; Canadian Pacific, \$1.37 1/2; Erie common, \$2; Illinois Central, \$2 1/2; Metropolitan Elevated, 12 1/2 cents; Northern Central, 12 1/2 cents; Northern Pacific, \$1.37 1/2; Norfolk & Western, 25 cents; New York Central, \$1.52 1/2; Ontario & Western, 3 1/4 cents; Pennsylvania, \$1.12 1/2; St. Louis & San Francisco, \$1.12 1/2; Southern Railway common, \$1.12 1/2; Southern Railway preferred, \$1.12 1/2; Union Pacific common, \$1.12 1/2; United States Steel common, 75 cents; United States Steel preferred, 75 cents.

The losses shown in the list today were nominal, the only one of note being a drop of 12 1/2 cents in Tennessee Coal & Iron.

Following is the statement issued this morning by Lawson:

"The valued structure which we have been erecting by fraud and chicanery during the last two years totters and sways like a juggler's tent set upon the mountain top with every breeze of truth. The result of my two recent advertisements, announced last Saturday, prove the instability of your card house. The only way to throw a ruined edifice because of this advertisement, I have to say it is not intended to direct, affect you or your fraud-built prices in any way to bring panic or disaster. To prove to you my faith in the efficacy in that direction, I assure you that I am today the holder of very large amounts of Amalgamated and other stocks which should be adversely affected in price by the truths contained in this announcement."

"When it became known that I proposed to publish another large advertisement today, stocks began to tremble. The market was correct, as my advertisement appeared, and further declines were averted. This buying was mine. I reasoned that the 'system' and the fraudulent financiers would be driven even when the appearance of my advertisement was disclosed and that stocks at least for an hour or so after the advertisement opened, would be made artificially strong. Watch out and see if my statement was correct. I say these things so you may know that I am absolutely in earnest in stating that this advertisement is not intended to cause any effect as was induced by my two last ones."

The New York Life Insurance company is out with a big advertisement this morning showing its financial position. It looks like a answer to Lawson's statement. The same show nothing but bonds in the line of securities.

RUSSIA NOW IS MENACED BY A REVOLUTION

(Journal Special Service.)
St. Petersburg, Jan. 3.—The censor to-day permitted the newspapers to publish the news of the fall of Port Arthur, no mention of which was made in yesterday's papers. Full recognition is given to the heroism of the defenders, while the bravery of the Japanese is spoken of in high terms. The difficulty of the task before General Kuropatkin is also mentioned.

Admiral Birlom, who will command the third Russian squadron, has ordered the work on the squadron to proceed day and night in order that it may soon be ready for sea.

A naval attaché says that since the mission of the Russian second Pacific squadron was to save the Port Arthur squadron, it will now probably wait until reinforced by the third and probably the fourth squadrons. Semi-official advice from Port Arthur indicates that

Russian officers, but not the rank and file, will be permitted to return to Russia.

Deep gloom overhangs Russia on account of the surrender. People are stunned by the calamity which evidently few expected. Great fear is expressed as to the effect of the fall upon the populace. The revolutionary parties, whose activity has been more noticeable lately, look upon it as an opportunity for the precipitation of a widespread outbreak. Many greet the calamity as a well deserved punishment for autocracy.

It is the general consensus of opinion that the fall of Port Arthur will not affect the future conduct of the war, as the czar is determined to continue his attempt to ultimately defeat the Japanese.

being sharply criticized for destroying the Russian warships, attempting to choke the entrance to Port Arthur and dispatching the torpedo destroyers to Chefoo, subsequent to his offer to surrender the fortress. Newspapers declare that Stoessel's action in blowing up his ships after he had offered to surrender is a lasting stain on his military reputation.

Officers arriving at Chefoo on the Russian torpedo destroyers state that Port Arthur fell from exhaustion not only of ammunition and food, but of men. The remnants of the garrison have been on duty for five days and five nights. Everywhere were faces black with starvation, exhaustion and nerve strain.

Lack of ammunition would not alone have been the cause of surrender. They have been short on ammunition for many months. When the result came they repulsed the enemy with bay-

onets. But the soldiers having existed for three months on reduced rations, could not stand the strain any longer. Even then General Stoessel was the last to yield. His wound had been both entering him, but he refused to surrender while one man remained, holding fanatically to this course until finally brought to reason by the insistence of his subordinates.

Artillery and tunnels have taken Port Arthur, rifle fire having accomplished little. The Japanese periodically assaulted and then if repulsed, calmly renewed their tunneling and recommenced their bombardments.

There was a meeting of patriotic Japs last night to discuss the victory of General Nogi at Port Arthur. It was decided that the money that was raised for a celebration be forwarded to Japan to be used to assist wounded soldiers or the families of those who were killed. Only a small portion of the sum will be expended in sending a message of congratulation to the mikado.

Japanese residents of Portland will send a message of congratulation to the mikado in honor of the fall of Port Arthur.