

ROOSEVELT IS FACING CRISIS

Railroads Ask to Be Allowed to Continue Watering Their Stocks.

IF PRESIDENT YIELDS NOW BATTLE IS LOST

Harriman Contends Railroads Have the Right to Float Securities Which Do Not Represent Actual Values—Insists on Doing It.

By John E. Lathrop. (Washington Bureau of the Journal.) Washington, March 16.—It is universally recognized that President Roosevelt faces the crucial moment in the anti-predatory corporation program in which he and such statesmen as La Follette and Bryan and Hearst have been playing leading roles for several years. Mr. Harriman has come to Washington to plead with the White House "to let up" on the railroads, and it was arranged that the president should issue a statement to allay the panic feeling which has almost torn down to its watery foundations the speculative structure erected by operators in Wall street in recent years.

But the struggle is by no means ended. It is recognized that Harriman has not yet admitted the true justice of his antagonist's cause, that it is not to slatter market values in the street for which the Roosevelt administration is fighting. It is recognized that the fight for honest valuation of rail properties as a basis of rate-making has been lost. It would mean that all speculations must continue as in the past, to overburden the people throughout the coming years.

Were the waters squeezed from Wall street securities railroad stocks and bonds would be as solid as government bonds, and there would be no more speculation. With honest capitalization accomplished, the 1,000 exchequer on the Wall street stock exchange, worth \$30,000,000 each, or a total of \$300,000,000 would sell at auction for a few cents to some dealer in antiques or the manager of some museum.

Hence, Harriman is the minister plenipotentiary of the financial empire which has heretofore ruled the industrial and transportation interests of the nation. He comes clothed with discretionary power. He may make at the court of Prince Roosevelt, what representations he will, so long as they avoid including in the understanding between the commonwealth of the people and that of the financial jugglers a stipulation that false stock and bond flotations shall cease.

Certainly, the crucial moment has arrived. President Roosevelt faces the crisis. Harriman must not be the victor. It is the cry of the president's followers. Yielding to him would be for him to see his popularity dissolve like frost in the hot sun. His leadership would be a thing of the past.

MILLS WILL OPEN

(Continued from Page One.)

There are a number of workmen on their payroll now who are there with the understanding that they are to help start the mills.

The strike leaders, however, confidently predict that they will be discharged from their camp and that men

When the King of England wants to see a show they bring the show to the castle and he hears it alone in his private theatre. In this country we are all kings as far as having our own private show is concerned. We simply buy an Edison Phonograph and listen to the latest popular song, to the famous tenor opera singer, to a fine old hymn, to a rag-time dance or to a funny dialogue.

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National Phonograph Company 75 Lakeside Ave., Orange, N. J. Dealers with established stores wanted to sell Edison Phonographs in every town not covered.

WILL REPRESENT TILLAMOOK



Miss Hazel McNair, who has been unanimously chosen to represent Tillamook county at the Jamestown exposition in the uniformed company of young ladies being organized by Colonel J. C. Cooper, McMinnville, for the purpose of advertising Oregon.

who have promised to help start the mills will refuse to do so when it comes to a showdown.

Anxious to Hear from Mills. The strikers are extremely anxious to receive some sort of proposal from the mill owners. While it was asserted at headquarters a few days ago that arbitration would not be considered, last night the announcement was made that any proposition of any kind received from the employers short of unconditional surrender would be put to a referendum vote of the men and the decision of the rank and file would dominate the action of the strikers.

The belief was expressed last night that the mill owners would submit a proposal for peace within the coming week. The strikers' press committee announced last night that the future policy of the I. W. W. will be to confine the strike to Portland and its immediate vicinity. There will be no attempt to bring about a general strike or to call out the mill workers in neighboring towns. This policy will be followed unless outside mill owners attempt to supply the local lumber market with the product. In such a case, organizers will be sent to the district and attempt will be made to tie up the offending mills.

LANE KILLS MEASURE

(Continued from Page One.)

records, and quite naturally it would be viewed with suspicion, and, while I do not think that your honorable body intended it to do so, such a procedure would be a reflection upon the auditor of this city and imply that a bit of jugglery was necessary and about to be practiced upon and at the expense of an unsuspecting community in this matter.

"At any rate, it would be a radical departure from any recognized procedure in this line that I have ever before heard of into a contract to secure a report upon his own official conduct."

Ranier has 400 children of school age, an increase of over 100 in a year.

Checks running into the millions were presented to Standard Oil banks to be certified. To appreciate the weight of such a blow it must be understood that the minute a check is certified the bank is compelled to hold in reserve every dollar represented by the check and dares not use it for any purpose although it is still compelled to remain custodian of the funds.

The moment these checks were certified, the Standard Oil people knew that the money would go soaring to 10, 20 and perhaps 30 per cent. They were compelled to call loans from their friends to restore the cash balances while holding these millions of idle money for the Morgan people. They saw the trick before the first card had fallen from the hands of the other side and instantly warned their friends not to buy stocks and not to borrow any money for a few days, as there was going to be a squeeze.

Harriman Wins Fight. On Wednesday the furious selling commenced. The Morgan people danced in glee for they believed they had their money cornered. They knew that Harriman personally was carrying about \$50,000 shares of stocks and they knew that \$50,000 shares of choice securities were lodged in the vaults of the City National bank. They were surprised on Wednesday at the calmness of the Standard Oil party, and especially of Harriman, who, while deploring the panic, was quietly gathering in the stocks which his enemies were shaking loose from the fearful public with the aid of the administration at Washington.

On Thursday the Morgan people, worried at the refusal of Harriman to call for help, started a furious drive on Reading and Union Pacific which ended in a panic. Harriman had his brokers on the floor selling stocks liberally, but for every one last sold there were two of his brokers buying and before the day was done he cashed over his short lines at enormous profit and calmly awaited the next move of the Morgan combination.

Cortelyou in on Game. The new secretary of the treasury, to whom the Morgan people had deared themselves through their campaign contributions of the past, carried out his part of the program by forcing the purchase of \$25,000,000 of bonds. Now, it happened that the National City bank owned about all the available bonds and it was first at the counter for the government cash.

When the show-down came late on Thursday night at a meeting uptown the Morgan-Carnegie-Baker combination discovered that it had purchased about \$25,000 shares of Union Pacific, Delaware & Hudson, Chicago & Northwest-

HARRIMAN ROUTS HIS OPPONENTS

(Continued from Page One.)

ern, Illinois Central and Baltimore & Ohio, but that Harriman seemed to have as much stock as when they started.

Plan of the Campaign. J. P. Morgan was informed by President Roosevelt that Mr. Harriman must go and Mr. Morgan said to have given definite assurances that Mr. Harriman would be disposed of providing the secretary of the treasury stood in the breach to prevent wild panic. Assurances were given, it was said, that this would be done.

The Morgan people at once unloaded vast quantities of stocks. They believed they were unloading them on the Standard Oil people and perhaps they were. Morgan is said to have sold 2,000,000 shares through James R. Keene. Keene is said to have disposed of 200,000 shares for himself on top of that. With the preliminary attended to the last cards were played.

Morgan sailed for Europe, leaving positive orders behind, and putting himself in mid ocean, placed it beyond the control of himself or anyone else to change the program.

Called Out All Cash. On Tuesday the Standard Oil people discovered the trick which was to be played, for the trick was extremely simple and could have but one meaning—all the millions of cash which had been by the Morgan combination were checked out of the Rockefeller banks at once.

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MORGAN UNHORSED

Roosevelt More Determined Than Ever to Carry Out Reform Plan.

(Publishers' Press by Special Leased Wire.) Washington, March 16.—J. Pierpont Morgan has been unhorsed by President Roosevelt. That the king of Wall street has at last made a serious tactical blunder can no longer be concealed. What the ultimate results of his recent hurried call upon President Roosevelt where and no man could have predicted his time to predict. The bolt in high quarters is that the president is more determined than ever to eradicate certain abuses in railroad management.

Although Mr. Morgan may have recovered from the president's emphatic affirmation of the latter's belief that Harriman's methods of railroad operation are a menace to the country, it is understood that he also learned that the president was determined to solve the problem of the evils growing out of railroad stock jobbing and over-capitalization.

Conference with Deneen. The Wall street king did not stay in this country long enough to witness the fiasco attending his efforts to bring the heads of the leading railroads and the president together. Mr. Morgan may know that his recent mission here in his special car has started the president on the road to feel the public pulse and to make his own selection of leading statesmen may harmonize with plans which he has but partially formulated for railroad legislation to be presented at the next session of congress.

That is what was disclosed today, when the president conferred with Governor Deneen of Illinois and the latter's attorney-general. Although they discussed Harriman's connection with the Chicago & Alton they went over the entire railroad situation of that great state. The president made it clear that he wished to absorb the local atmosphere and to gain the confidence of his distinguished callers, who had come to him in response to a special invitation, that he desired to familiarize himself with the sentiment of other states.

As if in corroborative confirmation, it was announced later from the White House that the president expected to have a conference with Governor Hughes of New York before the next session of congress. Deneen signified that he gave the fact that Mr. Taft joined in the conference.

Governor Deneen asked to be excused from discussing his visit with the president, and left the city early this evening for home. He gave every indication of having been well satisfied with his trip. One subject in which the president is deeply interested is that of securing proper valuation of railroad property. It is understood that he assured his visitors that while he expected any spirit of hostility in the states toward the railroads he gave free expression to his desire to have the states left free to legislate in the proper way for the correction of abuses within them. He made it clear that he earnestly desired the cordial support of the different states in the enforcement of regulations that would more properly come within the scope of the federal power.

It is hinted that the president observed with grave suspicion the attitude of certain railroad and financial men. The president's strength in effecting legislation has been in the people. No one recognizes this fact more than the interests which have been antagonistic to him since he entered upon his efforts to reform railroad management.

The president is not insensible to the fact that if it could be made to appear that he had allied himself with the railroads to ward off legislation in the states the powerful support the people have given him might have been alienated. It is understood that he has no intention of opposing state legislation in the way Wall street desires. His ill will, however, as aggressively against injustice by the people as he has fought the injustice by the railroad interests.

Roosevelt has been deeply annoyed by the reports that he has charged from the result of Morgan's visit. He made it clear today, as he has done previously, that he will receive any and all railroad presidents who care to call upon him.

Mellen Coming to Visit. It is in this spirit that he will receive President Mellen of the New York, New Haven & Hartford railroad. The latter, after the fashion of the railroad in New York, wired the president that he would be glad to call upon him any time after Monday. The president immediately informed Mellen that he would be glad to visit the president at 2 o'clock Tuesday afternoon. It is understood that Mellen was one of two railway men who, at the first conference, advised that the four men selected by the president to visit the president in a body and discuss railroad matters with him.

Secretary Cortelyou of the treasury department and Interstate Commerce Commissioner Lane were in conference with the president tonight. It is understood that they discussed the railroad situation.

CONFESSED TO SHOOTING

(Continued from Page One.)

The matter today is said to be due to the fact that it appeared useless for them to hold out against such strong evidence which has come to light since the investigation has been on. It is said every one of the five stand firmly on what they say, and there is absolutely no doubt about their seriousness in the affair.

At this hour it is impossible to get the names of the soldiers, who are naturally hiding out for the reason that they might expect some of the white people to become rather agitated after hearing the new side of the case, which convicts the negroes.

All Sign Affidavits. It is stated, however, on unquestionable authority, that the negroes have made affidavit of the foregoing statements and such statements are in the hands of the proper authorities here, who will take the testimony of the negroes before the inquiry committee which has the case. The statement cannot be secured tonight, though the fact that it has been witnessed is absolutely true.

With the aid of several policemen,



554 to 564 Williams Ave. (COR. KNOTT ST.)

Big East Side Department Store Passes Into Control of The Shafer-Whittier Co., of This City. Firm Will Re-open the "Emporium" at an Early Date for Disposal of the Stock.

Portland folk will recall the opening, and short but meteoric career, of the palatial Emporium Department Store, at Williams ave. and Knott st., Albina, last fall. Opened under the most hopeful and encouraging auspices by a Mr. Marcus of San Francisco, with an immense and well selected stock of nearly \$10,000 worth of choice new merchandise, well received and generally patronized, not only by East Side residents, but by hundreds living on the West Side of the Willamette, its prospects seemed bright indeed. Early in December, however, rumors gained currency about town that trouble was brewing, and creditors became clamorous for their dues. One Monday morning, just before Christmas, the town awoke to find Manager Marcus among the missing, with the sheriff in charge of the beautiful new store. Debris had piled up against the missing merchant and, it is alleged, few bills had been paid. The store was seized by the creditors, closed by the court, and Mr. R. L. Sabin of this city appointed receiver in charge. Scores of clerks and helpers were thrown out of employment, some with wages due them, it is said. Last Thursday a settlement was effected by interested parties, the matter dismissed from the court, and the store with all its great stock of men's, women's and children's wear, millinery, house furnishing, crockery, glass and queensware, toys, groceries, etc., was transferred to the control of the Shafer-Whittier Co. of this city, well known business men and brokers of long

experience, who will at once proceed to close out the stocks at retail for whatever the goods will bring. Mr. Whittier of the firm, announced yesterday that the future of the store was problematical, but stated that all present stock, as well as fixtures would be sold as soon as the goods could be arranged for quick disposal in shortest time, and for whatever they will bring at forced sale. The store is located on one of the busiest corners in Upper Albina and has a frontage of 180 feet. Owing to the size of the stock and the fact that, under agreement, the purchaser, who was a large creditor, was obliged to accept several thousand dollars' worth of spring goods, mostly wearing apparel, contracted for by Mr. Marcus last December, it was impossible to find any one concern able to handle it with their own. Thus it was determined to close it at retail through the Shafer-Whittier Co., whose name is synonymous of unmatchable bargains all along the Pacific Coast. During this sale all street cars will transfer to the "U" line, which passes the store at intervals of every few minutes. Thirty-three big departments, filled to running over with the finest quality merchandise sold by any department store in Portland, all new goods, for less than the actual cost of producing. The sale will open next Saturday. Wait for it. Save your grocery orders and you'll save enough to purchase lots of Easter finery through your thrift and foresight. Next Saturday—The Emporium—East Side—Williams ave. and Knott st.—The Shafer-Whittier Co.

- Gold Crowns.....\$2.00
Bridge Work.....\$2.00
Plates.....\$2.00
Fillings, Silver......50
Fillings, Gold.....\$1.00
Painless Extraction... .50

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LABORERS GET STRAIGHT TIPS FROM THE JOURNAL

(Special Dispatch to The Journal.) Walla, Walla, Wash., March 16.—The labor situation in this county is being assisted by The Portland Journal more than any other paper. At a mass meeting of 100 farmers held in the Commercial clubrooms today to consider ways and means of stopping the labor famine, several letters were read in the Willamette valley in Oregon, saying they had read of a scarcity of labor about Walla Walla in The Journal and applying for jobs. Every letter read referred to The Journal.

MARCONI CALLS UNITED WIRELESS A CRIMINAL

(Special Dispatch to The Journal.) Seattle, March 16.—The Marconi Wireless Telegraph company has asked Prosecuting Attorney Mackintosh to take up the cudgel in its behalf and use his power as an officer of the law

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in putting the United Wireless Telegraph company, its competitor, out of business, on the grounds that the United company is making untrue statements about the Marconi corporation. Mackintosh promptly replied it was a case for civil and not criminal action and he would not take hold.

THREE MILLION GALLONS EVERY DAY AT OLYMPIA

(Special Dispatch to The Journal.) Olympia, Wash., March 16.—A new Heiser duplex compound fly wheel high-duty pump with a capacity of 3,000,000 gallons every 24 hours is being installed at the city water station. Other improvements are contemplated.

Bids for Washington Supplies. (Special Dispatch to The Journal.) Olympia, Wash., March 16.—The state board of control today began the task of opening bids for supplying the various state institutions for the period of six months. About \$100,000 worth of merchandise will be purchased by the board.