

OLD TRUST IS OLDER THAN JOHN D.

Hundreds of Years Ago Burmese High Financiers Anticipated Standard Oil—British Now in Control—Americans as Drillers.

From Burma to the Straits Settlements, down to the extremity of what was called "Farther India," Mr. Haskin will next proceed. He will relate the history, so far as it is known, of a region where, apparently, traders have for untold centuries fought those battles that mean empire as well as trade. He will also indicate John Bull's position with reference to "strait settlements" in general.

By Frederic J. Haskin.

Washington, July 31.—That boastful American who takes pride in the commonly accepted theory that the United States was the first country in the world to produce petroleum and an oil must humble himself before the unbusiness-like Burmese. For more than 250 years the business of producing and refining petroleum oils and by-products has been pursued in Burma by a trust which was so close a corporation that it might well give points even to the beloved Standard Oil itself. That ancient trust has not terminated, although it has undergone two great changes in form, and within the last two years it has been transformed into a new form by the battle royal with John D. Rockefeller's corporation with its colors bravely flying and the laurels of victory set upon its greasy brow. Incidentally it may be mentioned that the oil industry is the most important in Burma and that it is a source of great and growing wealth.

Burma's First Oil Wells.

About the time that the inhabitants of Massachusetts were reduced to a pittance of five grains of rice for Thanksgiving dinner, a Burmese genius, whose tradition declares was a woman, conceived the notion of digging for oil. A grave was dug in the ground, and a yoke of bullocks or a half dozen men in harness, the bullocks, or the men, ran down a long incline plane and pulled the rope which was attached to a yoke of bullocks or a half dozen men in harness. The bullocks, or the men, ran down a long incline plane and pulled the rope which was attached to a yoke of bullocks or a half dozen men in harness. The bullocks, or the men, ran down a long incline plane and pulled the rope which was attached to a yoke of bullocks or a half dozen men in harness.

Growth of the Oil Trust.

As a paying proposition it was deemed wise to keep the business in the family of the original genius. Before the neighbors knew what was going on, the family had been digging for oil in the district where oil was known to exist. After several generations the family grew to be so numerous that a distinct form of organization was necessary. Thus came into existence the close corporation of the "Yoya." There were 24 families represented in the participation in the rights of the Yoya descended in strict order of primogeniture to the eldest son in the 18 families of which the male line was head, and to the eldest daughter in the remaining six families in which the female line ruled.

Success of John D.'s Plan.

The head of each of these families was known as a Twin-sa-yo, and the 24 elected one of their number to be president under the title of Twin-sa-yin. A well digger, Twin-sa-yin had to apply for permission to sink a well. That permission if granted was subject to the approval of the president, who was thus empowered to limit the supply of oil to the condition of the market. It was not long before the members of the Yoya had too much money to permit them to sell their hands with work. The Twin-sa-yin, however, was admitted from the outside, given wells and permission to dig. Such an "independent" well had to pay a fixed royalty to the Yoya, and also had to sell its oil product to the same corporation—an arrangement bearing a striking resemblance to that in vogue in later days and distant lands.

Royal Oil Monopoly Formed.

After a long time the Yoya became so rich and powerful that it was a menace to the state, having almost as much power as the petty king of Mandalay in whose dominions the oil field was located. Being unfettered by constitutional restrictions or otherwise political machinery, King Mindon stepped in and constituted a royal oil monopoly. He left the Yoya in possession of its ancient rights and told the corporation and the world that the production of

oil must remain independent. But he required, in the interest of the public welfare, that all the oil should be sold to him at a price which he fixed. This was in 1856, just at the dawning of the age of petroleum in the United States. King Mindon could not possibly have copied any western ideas in this movement, whatever precedent he may have established for the guidance of those who sold the petroleum business in trust for the use of mankind.

British Take Charge.

But the British advance swept over King Mindon's realm and put an end to his reign. In his stead, so far as the oil business was concerned, there arose and reigned a proper British joint stock company, the Burma Oil company. That concern left the Twin-sa in possession of their property, but bought and vendored the oil. Finally the experiment of drilling wells with shaft drills, in the European fashion, was tried. The result was a practical failure. The oil was not in the ground, the cable drill brought into use, the wells were driven down to 1800 and 2000 feet, the deep springs in the rock and were found at just 20 years ago, the modern Burma oil industry had its birth.

Americans Do the Drilling.

The British still control the field in a financial way, although lands and wells are owned by natives of old Yoya stock, or Chinese and native speculators who have acquired land on cheap terms. The actual work in the field is done by Americans. Not long ago an American became involved in a quarrel with a native over a charge of attempted murder. It was proposed to try him summarily, before a local judge who happened to be counsel and without a jury. Petitions were circulated praying the government to have him tried in Rangoon before a jury of six persons. The petition which was signed by most respectable, was reinforced by the quiet whisper that a summary trial of an American on such a serious charge would result in a complete cessation of the oil business in that particular field, for every drill was being operated by an American. Whether such a threat was necessary or not, the man was taken to Rangoon, tried by a jury and acquitted.

John D. Barfield, for Once.

The great American company, the Standard, was not successful in its efforts to dominate the financial end of the Burma oil business. A company of competition was launched against the Burma company in India, and the American company delivered some stinging blows to its competitor. The Standard was going into territory heretofore exclusively belonging to the trade of the Standard. For several years the war went on at a ruinous rate, but two years ago the American concern agreed to a compromise. The Burma company had its natural sphere of influence in the Indian empire, and the Standard is bound not to send any but the highest grade of oil into Burma, and that must come in time and not in bulk.

Pipe Lines Introduced.

The Burma oil has been brought down from Yonagun, where it is produced, in tank floats and boats. But this, of course, proved too expensive and experiments have been made in pipe lines. One of the first being built recently which is nearly 300 miles long. Two few pumping stations were provided at first, but the line is now almost satisfactory, but this defect will be remedied in a short time.

The Burma oil is remarkable for

the proportion of paraffin wax which it contains, and for its extraordinary low flashing point, which is around 70 degrees Fahrenheit. It is refined in the country, and the candles made from the wax have an extensive sale throughout the Orient and Australia. Very little of the oil has been used for fuel, but with increased production and a cheaper method of bringing the oil to the seaboard this feature is expected to take on great importance within the next few years.

Primitive Native Methods.

Side by side with the up-to-date methods employed by the big company, the ancient Burmese pit-wells are still operated by a remnant of the Yoya. But the greater part of the native production, which is also taken by the Burma Oil company, is derived from the wells at Cheduba. The method of gathering oil in that section is of primitive type. The earth is spaded to a depth of about two feet and a rough bank thrown up around a space about two feet in diameter. The rains soon transform this into a shallow pond, and the oil well is ready for business. Each morning the owner goes out to his pond and finds it covered with a thin scum of thick, rich oil. He skims it off with a coconut shell dipped into a bamboo rod, and puts it into a refining pot. The pond is constantly bubbling with escaping gases, and the daily crop of oil from a new prospect is considerable.

Annual Production \$10,000,000.

Aside from the native pits operated by the ancient monopoly and the springs, which really furnish a small portion of the annual production, there are three big oil companies operating in oil production in Burma, having a combined capital of about \$20,000,000. The annual production is now valued at nearly \$10,000,000. Prospecting is carried on all the time, and new wells and new fields are reported frequently.

Government Regulation.

The British government, however, was not enough to avail itself of the late King Mindon's forerunner and power, and the whole business, regulated to a nicety by the conduct of the British government in this regulation, and pursuant to the excellent plan of conservation of resources adopted by the British government in the Indian empire, about one-third of the known oil-producing territory has been reserved to the government.

In the exchanges of Rangoon one

hears much talk of oil, and he also hears it asserted as an indisputable fact that the oil business is an industry which requires a monopoly for its proper and economic development. The history of the Burmese oil trust is a curious proof that, however wide the gulf between east and west, there is a good deal of human nature scattered all around the globe.

Sir William May's Birthday.

Sir William May, the new commander of the British navy, was born July 31, 1848, and entered the navy in 1863. He reached the grade of lieutenant in 1871 and four years later took part in the British expedition to the Arctic regions. For a number of years he served as naval attaché at the British embassies in the various capitals of Europe. Sir William was a particular favorite of the late Queen Victoria and was given command of the naval contingent in the Jubilee procession in 1897. Sir William was made director of naval ordnance and torpedoes in 1901 and the same year became a lord of the admiralty and controller of the navy. During the past few weeks he has been in command of the naval maneuvers in which the largest fleet of war vessels ever assembled under the British flag has taken part.

This Date in History.

1653—Thomas Dudley, governor of Massachusetts for 13 years, died in Roxbury. Born in England about 1578.

1777—Lafayette made a major-general in the American army.

1802—First issue of the Western Spy at Cincinnati.

1813—Plattsburg, N. Y., taken by the British.

1850—Delegates from Nova Scotia, New Brunswick and the Nova Scotia states met at Portland, Me., to discuss the project of a railway from Halifax to Portland.

1885—Governor Reeder, of Kansas, removed from office.

1897—Prince Luigi, of Savoy, and party reached the top of Mt. St. Elias and ascertained the altitude to be 18,100 feet.

Newport

(Continued from Page Eight.)

well, Fargo, N. D.; Miss Mabel Cooper, Independence, Or.; Dorothy Cooper, Independence, Or.; W. B. Burdum and wife, Prescott, Wash.; Margarette Bergh, Portland, Or.; Mrs. W. H. Wilson, The Dalles, Or.; Anna Hansen, The Dalles, Or.; O. F. Emerson, Portland, Or.; Hanna Emerson, Portland, Or.; H. M. Melner, Pekin, Ill.; M. Melner, Pekin, Ill.; Mrs. A. B. Salmon, Portland, Or.; Herbert Salmon, Portland, Or.; Blanch Wood, Medford, Or.

Columbia Beach

(Special Dispatch to The Journal.)

Columbia Beach, Or., July 30.—F. G. Kelly of Warrenton, a member of the Kelly Lumber company, has completed construction on the 50 ft. gallion tank which he had on the beach front. This tank is nearly 50 feet high and is visible from Clatsop Beach, as well as from the city of Warrenton. Peterson & Johnson, contractors, have the water system well under way. The main line is being laid down Fifth street.

Mr. Oller has completed his new cottage on Fifth street and expects to move in the early part of the week.

Rev. J. A. Leas and family took up their residence in their new cottage on Idaho street last Tuesday.

Recent arrivals at the hotel in Clatsop Park are: Mr. Cooper and family, M. E. Gruber of the Portland Police and family, L. Gustafson and family, Mr. Pones and family, T. A. Herbst and family, Mrs. Harsch and Mrs. H. W. Grable.

Registered at the hotel during the past week were the following: Mrs. Bassett of St. Paul, Minn.; Miss V. Kumer of Portland, Ore.; Mrs. E. L. Lilly and family of Portland, Ore.; Mrs. E. L. Lilly and family of Portland, Ore.; Mrs. E. L. Lilly and family of Portland, Ore.

Sam A. Older and crew of painters from Portland are again at work on the new beach.

The Oregon Baptist Summer assembly closed Sunday with a baptism in the Pacific ocean and all departed Monday morning, saying their good-byes at Columbia Beach.

Miss Emma and Lydia Reimers of Davenport, Iowa, left for Spokane after a sojourn at the beach since early in March.

Mr. and Mrs. Hall returned to Portland last Thursday after spending two weeks fishing. They report a most enjoyable vacation.

Mrs. H. L. Starrette and daughter returned Friday after spending a week at the beach.

Charles Harsch and family have taken up their camp quarters on their lot in the grove.

John Cole and family are spending an enjoyable vacation in their new camp.

James Hall has purchased a new span of driving horses and has a bus team for the Elmer hotel.

Cloud Cap Inn.

(Special Dispatch to The Journal.)

Hood River, Or., July 31.—Arrivals at Cloud Cap Inn.

From Portland—H. S. Butterfield, Mrs. H. S. Butterfield, Miss Butterfield, Horace Campbell, William B. Schade, Mrs. J. B. Bell, Alexander Bell, Mrs. H. C. Wortman, Helen Wortman, Everett Wortman, William Albee, J. P. Cronin, Mrs. Hamilton Brooks, Robert Livingston, Albert E. Dalrymple, John McIntyre, H. C. Campbell, Mrs. H. C. Campbell, W. A. Squire, Troutlake, E. Baker, Mrs. H. Baker, Sam Rea, H. Babson, Philip D. Atwater, Mount Hood, Margaret Wallace, Hood River, W. A. Howe, Mrs. Howe, Marion Howe, Carleton, Leslie Hastings, Harry Tyre, Boston, Mrs. L. H. Mangan, Charleston, S. C.; Dr. E. P. Hill, Mrs. E. P. Hill, Chicago.

La Grande, Or., July 31.—One thousand dollars worth of horses have been stolen from one ranch near Lostine within a month, according to reports brought by the district attorney, Ivanhoe, who returned from Enterprise where he represented the state before the grand jury and afterwards in court. The grand jury returned a not true bill against E. T. Schleur for violation of the local option laws, and found true indictments against Arthur Hulse and William B. Hunter on charges of horse stealing.

Arthur Hulse pleaded guilty and is now on the way to the penitentiary to serve a sentence of one year. Hunt has been arraigned, and failing to secure bonds for his appearance in court, his case will come up the next term of court.

The confession of Hulse disclosed the fact that in Wallowa county there is a well organized band of horse thieves.

UMATILLA WATER

(Special Dispatch to The Journal.)

Hermiston, Or., July 31.—Another round in the battle being waged between two rival boards of the Umatilla Water Users' association was started last evening.

Judge Bean, in deciding the case recently ruled in favor of the "new" board, thereby upholding the ruling of Secretary of the Interior Bailey.

CALIFORNIA HOTELS

(Special Dispatch to The Journal.)

San Francisco, Cal., July 31.—The Hotel Stewart, San Francisco, has been selected as the headquarters for the European plan \$1.50 a day up American plan \$3.00 a day up.

A new down town hotel, a steel and brick structure, furnished at a cost of \$150,000. Every comfort and convenience, on our lines transferring to all parts of city. Omnibus meets all trains and steamers.

HOTEL STEWART

STAIR STREET ABOVE UNION SQUARE JUST OPPOSITE HOTEL ST. FRANCIS

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linger. He ruled with the old board in this particular, however, that Fred A. Yates, clerk of the old board, was to all intents and purposes the clerk of the new board. He held that this was so, principally because no demand had ever been made upon Yates for possession of the books, records and seal of the corporation, and because Yates was in possession of these things and was acting in the capacity of clerk.

Last evening a mandamus suit was filed against Yates by attorneys for the "new" board and a writ was served, ordering him to turn over the books, records and seal before Monday or to appear in court on that day and show cause why he should not do so. It seems that in addition to holding the records and seal, Yates also holds the key to the building which is the property of the association, and that he has refused to turn over the key. For this reason the corporation, as well as the board of managers has, been made a party to the suit.

Want 5 Mill Road Tax.

Bristol, Wash., July 31.—Secretary Clyde M. Nicolson of the Central Good Roads club yesterday forwarded to County Commissioner William Morgan a recommendation by the club that this year's tax levy for road and bridge purposes for Bristol, Cook's addition and Bingen be fixed at 5 mills as against the 4 mills last year. The Bristol club, composed of a majority of the Central club, united on the amount of the tax, while the Cook's addition club failed to vote.

Christian Workers' Conference.

East Northfield, Mass., July 31.—The twenty-seventh annual session of the general conference for Christian Workers, one of the series of summer religious assemblies founded by the late Dwight L. Moody, opened here today. Noted divines and other religious workers are on the program.

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PORTLAND, OR.

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