The Weather
Maximum yesterday .....49
Minimum today.....31

# MEDFORD MAIL TRIBUNE

Predictions
Fair.

Daily—Fourteenth Year.
Forty-ninth Year.

MEDFORD, OREGON, MONDAY, MARCH 1, 1920.

NO. 290

# STEEL TRUST UPHELD BY SUPREME CT.

## DISSOLUTION PROCEEDING DISMISSED

**Majority Opinion Supreme Court Declares Steel Trust Dissolution Would Be Injury to Legitimate Business—Opinion Virtually Annuls Sherman Act Declares Justice Day in Minority Opinion—Only 7 Justices Participate.**

WASHINGTON, Mar. 1.—The supreme court today upheld formation of the United States Steel corporation and subsidiary combinations in the iron and steel industry.

Refusing to dissolve the socalled "steel trust" the court dismissed the federal government's Sherman law suit for dissolution.

Affirming the New Jersey federal court's dismissal of the government prosecution, the supreme court declined to enjoin the restraint of trade charged, and also denied an order to break up the super-combination, said to be the world's greatest industrial organization, with assets exceeding $2,000,000,000.

In dismissing the federal suit, however, the court ordered such dismissal "without prejudice" permitting the government to sue again if the corporation actually resorts to illegal wrongful or repressive practices.

In rendering the decision Justice McKenna said that since 1911 no act in violation of law can be charged against the steel corporation and that it was the opinion of the court that the practices complained of by the government had been abandoned.

Justices Pitney, Clark and Day dissented.

**Would Disrupt Business**

Justice McKenna said that to grant the government's request for disruption of the corporation and restore conditions in the industry as they were twenty years ago would be impracticable. It would disrupt business, the decision said and would not be in the public interest.

Justice McKenna said the tobacco and Standard Oil company cases offered no analogy as they had been guilty of certain objectionable practices which the steel corporation had not been.

In a dissenting opinion, Justice Day said the corporation violated the law in its formation and practices and that there ought to be a decree "as far as possible" for its dissolution because of its "open, notorious and continual violation of the law."

Justice Day said the majority opinion virtually annulled the Sherman act.

In deciding the suit the court announced its decree thru Justice McKenna. Only seven of the nine justices participated, Justices Brandeis and McReynolds taking no part.

## BULGARIA ESTABLISHES PROFITEERS PILLORY

BERNE, Mar. 1.—Usurers, blackmailers and profiteers are being placarded and marched in chains thru the streets of Bulgarian cities, according to advices received here. This exposure which recalls the medieval pillory, is said to be producing good results.

## W. VIRGINIA REFUSES TO RATIFY SUFFRAGE WHEN TIE VOTE CAST

CHARLESTON, W. Va., Mar. 1.—Ratification of the national suffrage amendment was refused by the West Virginia senate this afternoon, the vote to ratify being 14 to 14. When it was announced, Senator Harvey W. Harmer, who proposed the resolution, changed his vote to no. This was done, it was stated, in order that he might move for reconsideration.

## VILLA NOW ONLY ACTIVE BANDIT LEFT IN MEXICO

MEXICO CITY, Mar. 1.—Cirilo Arenas, a rebel leader, has been captured by secret military police at Puebla, according to an official telegram. Arenas was taken into custody when he attempted to enter the city of Puebla after leaving the gulf coast region. About a year ago a brigade of soldiers under command of Arenas and protecting the Inter-Oceanic railway revolted after Arenas received a large sum for the payment of the troops.

Semi-official reports announce the capture of Marcelo Caravo, in the state of Tamulipas.

Newspapers here in commenting upon the capture of Arenas and Caravo, point out the progress made by the present administration toward "complete pacification of the country," before the July elections.

Among outlaws who have been put to death or slain in battle during the past year were Felipe Angeles, Aureliano Blanquet, Francisco Alvares, Jose Inez Chavez Garcia and Emiliano Zapata. Among those captured were Guadenico de la Llave and Luis Caballero, while Guillermol Meixueriro is said to be negotiating with federal officials preparatory to surrendering.

The capture of more than a score of outlaws throughout the country also occurred during the year. This leaves only Francisco Villa, who is operating with a small force in a circumscribed district in the north and Manuel Pelaez and Felix Diaz, who are virtually powerless in the gulf coast region.

## PANAMA STRIKERS FAIL COMPLETELY

PANAMA, Sunday, Feb. 29—Leaders of striking canal zone maintenance of way workers tonight accepted the offer of mediation made by Andrew Percy Bennett, British minister to Panama and the men are expected to return to work tomorrow.

A committee of American workmen will confer with the governor tomorrow and request that American citizens replace aliens in the Panama canal service. Pending arbitration the men who participated in the walkout must accept a rating next below that held at the beginning of the trouble.

## U.S. DRY LAW WILL RESULT IN ANARCHY

**Rhode Island, in Anti-Prohibition Brief Declares 18th Amendment Means End of Liberty in America—If Congress Can Dictate on Drink Can Dictate on Everything—Means Oppression, Anarchy and Constitutional Revolution in America.**

WASHINGTON, Mar. 1.—The eighteenth amendment "is a direct invasion of jurisdiction and powers of the state and the rights of its people" the state of Rhode Island declares in its brief filed in the United States supreme court today in reply to the government's motion for the dismissal of its action to obtain injunctive relief from the amendment.

The brief, filed by Attorney General Herbert A. Rice of Rhode Island, asserts that the government's view that the amendment is unassailable, "can only lead to anarchy and oppression."

It contends it is the court's duty to keep congress in its amendments to the constitution "within the scope and jurisdiction of federal authority and maintain that line of jurisdiction between federal and state powers," which has "for so many years insured the harmonious operation of our dual system of government—ordained and established as perpetual."

The theory of the government "is so subversive of fundamental principles that its acceptance would bring about a constitutional revolution," continues the brief.

**Endangers Liberty**

"It would convert the sovereignty of the people into a sovereignty of officials. It would endanger civil liberty and those innumerable rights that have been inherited from the common law since the time of magna charta. Under its application the boundary between federal and state authority could be shifted at will. In fact, all power might be absorbed by the federal government."

The brief declares that article five of the constitution relating to amendments only provides for the "correction of errors committed in framing the constitution."

**Revolutionary Proceeding**

The proposal of the eighteenth amendment "to the states" the brief asserts, is unconstitutional "and is a revolutionary proceeding." Heretofore, it declares, congress has proposed amendments "to the legislatures of the several states."

"The different course which was pursued in this instance was adopted understandingly and with a purpose" continues the brief. "It was necessary to depart from the practice which had always heretofore obtained, in order to carry out the new constitutional doctrine that the word amendment in article five includes proposals covering the whole field of absolute sovereignty. In the proposal of the socalled amendment, neither a power nor a subject matter within the scope of the federal constitution was dealt with, on the contrary, the power involved resided in the sovereign people of the respective states and in them exclusively. It was necessary therefore, in order to obtain a surrender of such power, to propose the socalled amendment to those who possessed it.

**Congress as Dictator**

"Recognizing the necessity, congress made the proposal of the socalled amendment to the respective states, that is, to the sovereign people of the respective states.

"The entire proceedure is revolutionary and without constitutional sanction.

"It surpasses all understanding that congress while submitting the proposals 'to the states' declares that their legislatures shall bind them. When, pray, did congress become the dictator over the sovereign people of a state with respect to their sovereign powers? Sovereignty resides in the people and they alone may express sovereign will."

**5 Deaths, Flu, Portland.**

PORTLAND, Ore., Mar. 1.—Five deaths from influenza and fifteen new cases were reported by the city health bureau for the 24 hours ending at noon today.

## Senator Bankhead Influenza Victim

WASHINGTON, Mar. 1.—Senator John H. Bankhead of Alabama, died here today after an illness of several weeks from grip. This is the second death in the ranks of democratic senators in the past year.

## N. Y. INCOME TAX IS UNCONSTITUTIONAL

WASHINGTON, Mr. 1.—The supreme court in an opinion today held the New York state income tax act of 1919 to be unconstitutional, insofar as it denies exemptions to citizens of other states, which are granted to its own citizens.

In declaring the act invalid the lower court held that it conflicted with article four and the fourteenth amendment to the federal constitution.

WASHINGTON, Mar. 1.—In interpreting the Sherman anti-trust act today the supreme court reversed federal court decrees which held that the statute did not prohibit re-sale price fixing unless there was intention of creating a monopoly.

## ATTEMPT MADE TO KILL LORD ACTON

LONDON, Mar. 1.—It is authoritatively learned that an unsuccessful attempt has been made to assassinate Lord Acton, the British minister to Finland at Helsingfors.

Lord Acton, who formerly was British consul general at Zurich, was appointed minister to Finland September 2, last. He began his career in the foreign office in 1884.

Great Britain recognized the independence of Finland May 6 of last year. Similar action was taken by the United States May 7.

market place in the early morning when shots were fired at him, but he was not struck. No arrests have been made. The motive for the attack has not been learned.

## ARSENATE LEAD SPRAY KILLS H. RIVER BEES

HOOD RIVER, Ore., Mar. 1—Hood River orchardists are expressing the fear that pollenization at the coming blossoming period will be poor as a result of the loss of a large percentage of the district's bees. Growers state that lack of care in application of arsenate of lead sprays has caused the death of 50 per cent of the bees.

**ELIS RUSH SEASON WITH PRACTICE FOOTBALL**

NEW HAVEN, Conn., Mar. 1.—Rudimentary football practice begins at Yale today, the earliest date for this sport in the records of the college. The squad of eighty or more will work in the gymnasium. Men will drop out to go into spring sports. The fall practice is to begin September 10.

Electric service in Reno, Nev., was disrupted temporarily yesterday when a giant American eagle flew into a 25,000 volt transmission wire, breaking it. Nothing but a few feathers of the eagle were found.

Dr. Charles F. Baker, decorated for bravery in the world war, was arrested in San Francisco last night charged with passing worthless checks amounting to more than $10,000 on local merchants.

## IMPORTANT CHANGES EAST ROADS

**R. H. Aishton, Formerly President and S. G. Strickland, General Manager, of Northwestern Are Ousted by Directors—Pennsylvania System Divided Into 6 Groups—No Excitement Marks Change From Government to Private Ownership.**

CHICAGO, Mar. 1.—Several important changes marked the return of railroads centering in Chicago to private stock control. The Pennsylvania system is reorganized in four regions, instead of two, and Vice-President J. J. Rogers today took charge of the Northwestern region, with headquarters here.

R. H. Aishton, formerly president of the Chicago and Northwestern, western regional director, formerly in direct control, passed out of the railroad world to be succeeded by Willam H. Finley. S. G. Strickland, formerly general manager, and federal manager of the road under Aishton, also was ousted by the directors.

In the majority of railroad offices no changes in personnel marked the transition.

WASHINGTON, Mar. 1—The United States railroad administration, the governmental agency which for more than two years has controlled the operating division of the U. S. railroad administration, today passed out of existence. With its passing at midnight, the 230 lines that had been merged into what was virtually one gigantic system again went under control of private interests, free to operate in competition as of old. The transfer was without incident.

Of the staff of directors and executives who controlled the roads during government operation, Director General Hines alone remains. He remains simply to clear up matters left pending when the government relinquished control. These include thousands of claims, contracts and grivances yet to be settled and among which are eighty-three compensation contracts with various roads which still are the subject of negotiations.

**Compulsory Arbitration**

Under the socalled railroad reorganization bill which governed the return of the transportation systems to private ownership, but little jurisdiction is retained by the government. Under its terms the interstate commerce commission is given greater power to control rates and compulsory arbitration of labr disputes is required. The government also retains a certain amount of control over their bond issues but at the same time insures a fixed percentage of profit and makes it possible for the corporations to secure loans from a federal fund set aside for that purpose.

Specifically, the bill authorizes the president to settle all questions, including compensation and appropriates $200,000,000 for this purpose.

Provides guarantee of "standard return" to carriers for a period of six months after the termination of federal control.

**Creates Revolving Fund**

Creates a "revolving fund" of $300,000,000 for making new loans to carriers.

Creates a labor board and other machinery for the amicable settlement of disputes between employers and employes.

Directs the interstate commerce commission to fix rates that will provide for two years 5½ per cent returns to the railroads on the value of the aggregate railroad property devoted to the public use.

Provides that if any carrier earns in any year a net operating income in excess of six per cent one half of such excess must be placed in a reserve fund and the other half must be paid into a general contingent fund, to be used to make loans to carriers.

**Increases I. C. C.**

Gives to the interstate commerce commission the power to regulate the issue of railroad securities.

Increases the interstate commerce commission from nine to eleven members and their salaries fro$10,000 to $12,000.

Whether union labor leaders, who stubbornly opposed the measure in

(Continued on Page Six)

## W. G. M'ADOO BOOM IS LAUNCHED PORTLAND BY NEWTON M'COY FACTION

PORTLAND, Ore., Mar. 1.—Announcement was made today by Newton McCoy, a democratic leader of Portland, that he has opened presidential campaign headquarters here for William Gibbs McAdoo and that petitions to put the name of the former secretary of the treasury on the ballot as a candidate for the democratic presidential nomination in Oregon will be put into circulation immediately.

## U. S. EXPEDITION AFTER BANDITS IS ABANDONED

NOGALES, Ariz., Mar. 1.—With the death here early today of J. A. Fraser, American storekeeper of Ruby postoffice, thirty miles from here, the death toll as a result of a raid by Mexican bandits on Fraser's general store Friday was increased to two. Alexander Fraser, J. A. Fraser's brother and business partner, died Friday shortly after the attack.

Sheriff R. R. Earhart, who with a posse and bloodhounds, crossed the international border in search of the bandits gave up the chase yesterday and returned to Ruby camp last night. Troop A of the Tenth cavalry, a negro regiment, scoured the country around Ruby yesterday.

Colonel E. E. Carnahan, commanding officer of the Nogales military district declared today he was convinced the Mexican military authorities in Sonora were doing their utmost to apprehend the culprits.

Colonel Carnahan added he did not believe there would be any punitive expedition into Mexico as the result of the attack on the Fraser brothers.

## BODY MISSING MAN FOUND WILLAMETTE

PORTLAND, Ore., Mar. 1.—The body of Leon Weiner, who had been missing since last Friday was taken from the Willamette river here last night. Weiner who was 26 years old, was last seen on board a harbor dredge where he was employed. Officers who investigated the case said the circumstances pointed to accidental drowning.

## JAPAN GIVES UP GERMAN SYSTEM

TOKIO, Friday — The imperial prince will leave for France in April for a course of study at the military school at St. Cyr. This will occupy two years. He will be accompanied to France by Major Higashikuni.

Madame Shidehara, with her two sons, will also leave Japan in April to join M. Shidehara, Japanese ambassador at Washington.

## I.W.W. ATT'Y CENSURED BY COURT

**Judge Montesano Trial Threatens Court Punishment for Vanderveer If Methods Are Continued—Jury Dismissed While Barrister for Reds Is Given Severe Reprimand—More Defendants Maintain Hall Attacked Before Shooting.**

MONTESANO, Mar. 1.—Toward the close of the morning session when O. E. Bland, one of the defendants, was on the stand one of the defense counsel again attempted to introduce evidence of alleged threats toward the I. W. W. hall without showing a definite connection between the alleged threats and Grimm, and court sustained an objection to the question, dismissing the jury and rebuking Vanderveer to such an extent as to threaten court punishment if a repetition were attempted.

"I have ruled on this question several times before," said the judge. "I have asked you to desist in this line of questioning. The next time you criticise the court's decision you will suffer the penalty. I do not care what you say in my chambers, to me, but this court shall have the respect it is entitled to receive and I insist that you show that respect. I am not going to allow you to discuss this question pro and con indefinitely. You must first show that deceased was a party to any alleged or rumored plot or conspiracy."

**Soldiers Attacked Hall**

James B. McInerney, 35, a defendant, succeeded Sheehan on the witness stand, testifying to Irish birth and that he had not asked for citizenship papers. He joined the I. W. W. in 1916, he said. He had heard considerable discussion of an alleged contemplated plan to raid the I. W. W. hall in Centralia, he said. He had never heard of plans for placing men in strategic positions to defend the hall, he testified. The revolver McInerney had on the day of the shooting was given to him by Loren Roberts, one of the defendants, McInerney testified. He did not shoot at any time, however, he said.

"I heard somebody command. I don't know who, and then the marchers rushed for the hall," he said. "All the windows were smashed and the shooting started when they were smashing in the door."

**Sheehan Takes Stand**

MONTESANO, Wash., Mar. 1.—Mike Sheehan, one of ten alleged I. W. W. on trial here for the murder for Warren O. Grimm, Centralia Armistice day parade victim, took the witness stand in his own behalf when the sixth week of the trial opened today. Sheehan, 60 years old, a native of Ireland, but not a citizen of the United States, testified that he did not participate in the shooting on November 11, last.

Sheehan said he went to Centralia the night before the shooting, intending to go to Tacoma on the night of the eleventh for the purpose of hearing Eamonn DeValera, Irish leader, speak. He went to the I. W. W. hall, he said, on the night of the tenth, and was there also on the eleventh.

**No Knowledge Raid**

Sheehan had no knowledge of an alleged contemplated raid on the hall, he testified. He said he did not hear the matter mentioned during the time

(Continued on Page Six)

## HOOD RIVER APPLE GROWERS MAKE AVERAGE OF $1.10 PER BOX IN 1919

HOOD RIVER, Ore., Mar. 1.—The Hood River Apple Growers association to date, according to a bulletin issued today, has made total distributions of $1.10 per box on all varieties and grades of apples not affected by frost, which were sold the past season. A total of 90 cents per box has been distributed on frosted fruits.

Net returns to the association on the principal pools that have been closed up to the present time, are as follows:

Winter bananas, large sizes, respectively as follows for the three grades, $2.80, $2.45 and $2.15; medium sizes, $2.55, $2.20 and $1.95; small sizes, $2.04, $1.74, and $1.54.

Kings, large sizes, $2.69, and $2.19; medium sizes, $2.49 and $1.99 and small sizes, $1.29 and $1.04.

Gravensteins, large sizes, $2.69 and $2.19; medium sizes, $2.49 and $1.99 and small sizes $2.11 and $1.64.

Pear prices follow: Large size d'Anjous, $3.29 and $2.78; Bosc, large sizes, $4.27 and $3.04; Winter Nellis, large sizes, $2.59 and $2.09.

## BOTH SIDES AGREE RATIFICATION OF TREATY WILL BE IMPOSSIBLE

WASHINGTON, Mar. 1.—An early and unfavorable vote on ratification of the peace treaty was forecast in the senate today when republican leaders, replying to the demands of the treaty's irreconcilable republican opponents, re-affirmed their decision not to accept any change of substance or of language in the republican reservation to article ten.

Both sides concede that enough democratic senators to defeat ratification are determined to stand with President Wilson and vote against the treaty unless article ten qualification is modified. The republican decision today was followed by evidences that all the elements in the senate fight would co-operate to end debate and let the treaty issue go undecided into the campaign.

Some of the leaders predicted a final vote by Thursday, but others thought it would not come before the first of next week.