

Look up, not down; look out, not in; forward, not back; move ahead

# DAILY CAPITAL JOURNAL.

SALEM, OREGON, TUESDAY, MARCH 19, 1907.

NO. 68.

## PRESIDENT'S RADICAL VIEW

## THE STATE RAILROAD LAWS ARE ANNULLED

### GREATER GRAFT IS EXPOSED

### City and County Supervisors Got Away With \$700,000

### While Bribes Almost Innumerable Have Passed into the Hands of the Gang

San Francisco, March 19.—As revelations, said to have made before Monday's session of the grand jury, which did not end until almost 1 o'clock this morning, created a most profound sensation. Few of the county and city supervisors who are alleged to have been bribed, or who are under suspicion, slept last night. All are scurrying to avoid the jam Heney is trying to sweep upon them. It is freely stated that this morning some attempt to get away, but a corps of sleuths are maintaining a relentless shadow, and many of the men against whom in-

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### GRAND OPENING

OF Fine Millinery, Ladies' Coats, Ladies' Jackets, Spring Suits, Silk Waists, Lace Waists, Silk Petticoats, Dress Skirts.

### GRAND OPENING

OF New Spring Dress Goods, Fine Silks, New Embroideries, New Laces, New Dress Trimmings, Fancy Braids, Medallions, All Over Laces, Waisting Nets, Fine Hosiery, Summer Underwear and Ribbons.

### GRAND OPENING

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tions were imposed by the elisor this morning.

#### Heney Is Elated.

The grand jury decided not to hold a session this morning, the foreman ordering a postponement until 2 o'clock, when a great batch of indictments will be filed. The fact that indictments will be returned this afternoon was officially announced, but the indictments will be against Ruef for agreeing to accept a bribe. Prosecutor Heney was at his desk early, and, while showing the effects of the great strain he has been under for months, he was plainly elated over the turn of events. He declined to discuss the occurrences of Monday, and announced that from now on he must decline to discuss further plans.

#### 'Frisco Politics Rotten.

Detective Burns stated this morning that evidence of crookedness has been discovered in every department of the municipal government. The only official against whom there is not a particle of evidence, and who is being pointed out as one of the honest officials of the city, is the president of the Board of Public Works, George Duffy, who was a member of the board of supervisors until a few months ago, and who was given his present position, it is said, in order to get him out of the way.

#### Schmitz Case Continued.

Schmitz entered a plea of not guilty. When asked to plead the mayor arose with his eyes cast down, and his arms hanging loosely at his side, and answered in low, distinct tones, "Not guilty." After pleading he asked permission to add to or change his plea at any time. Granted. The case was continued until April 8th.

#### Fifteen Have Confessed.

Absolute confirmation of the reports in the morning papers was se-

cured this morning. It is asserted positively that 15 supervisors have confessed; that among the indictments to be returned this afternoon will be several against officials of the Home Telephone Company. While Langdon would not affirm or deny the statements that the supervisors had confessed, he admitted an undercurrent of truth in each report. Another who it is said will fall under the ban of the grand jury is T. C. Halsey, of the Pacific States Telephone Company, from whom Supervisor Lonergan is alleged to have confessed he received \$5000 for a vote. Ruef spent a night of horrors in his sumptuous quarters at the St. Francis. Cut off from his friends, he paced the small room in an agony of doubt and terror. For the first time since his indictment and arrest he realized the seriousness of his predicament. Time and again he threw himself on his bed in an effort to sleep, but, after a few moments' repose, would jump from his bed and again begin his ceaseless tramp. The elisor remained in the room with him all night, fearing the prisoner might attempt to do himself bodily harm.

Schmitz was plainly agitated when he appeared in Judge Dunne's court this morning to make his plea to one of the extortion indictments. He was pale and nervous and wore an expression of apprehension. He refused to make a statement, saying that when he had a statement to make that he would do it in court through his attorneys. Halsey, it was stated, will be indicted on at least 12 counts. Rumors came thick and fast as the day grew older, and indictments against practically every person mentioned as having been connected in yesterday's proceedings are prophesied, or an-

(Continued on Page 4.)

## ROOSEVELT'S RADICALISM RAMPANT

### He Wipes Out All State Railroad Laws

### Federal Government Alone Can Deal With the Problems

Washington, March 19.—One of the most radical and far-reaching movements of American politics has been opened in the President's latest addition to the railroad policy. State regulation of fares on the railroads concerned will be whipped out in the state courts and legislatures. It is claimed by the administration that it has no jurisdiction to regulate railroads. This means that every act by every state legislature, passed or being passed since June, is unconstitutional. It means a two-cent fare and laws of demurrage, laws for safety coupler and similar laws by state legislatures are worth no more than the paper they are written on. These matters all will be hurried to the supreme court before Christmas. It is expected control by states will be a thing of the past. This refers to within state carriers, as well as interstate. The passage of the rate bill will do more than anybody suspected when whipped out state control over the common carriers. The constitution gives to congress power over interstate commerce. Up to the passage of the rate law by the federal government it had not assumed full power. The passing of that act by the national government took full

control of the railroads. Nothing remains for the states. The President's opinion is that states have no control. It is backed by Chief Justice Marshall, in the case of Ogden vs. Gibbons, in which that jurist held a steamship plying between New York and Albany as engaged in interstate commerce, although it didn't leave the state waters. It is expected the states rights senators will raise a big howl.

#### Lay Bare Hill System.

Preliminary examination into the doings of the Hill system of railroads has convinced the interstate commission that the light of day upon them will be beneficial to the business interests of the country. It is stated officially at the offices of the commission today that it will thoroughly examine the Hill lines in a similar way to the Harriman lines, now progressing. It will be made before next winter. Special attorneys are now gathering data.

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## PROGRESSIVE ELEMENT STRONGER

### Salem City Council Votes Down Slow Trains Through City

### Paving Ordinance Allowed to Sleep--Sidewalk Referred for a Legal Opinion--Parks Get \$550

The city council by vote of seven to six sat down on Alderman Haas' program of slow trains through city, following refusing to give Mr. Haas an endorsement: Churchill, Downing, Fraser, Goode, Greenbaum, Stockton, Waldo—7.

Those sustaining the Haas program were: Bayne, Gesner, Haas, Jacobs, Low, Radcliff—6.

On the Haas water rate ordinance the majority was still larger against the leader from the second ward: Churchill, Downing, Fraser, Gesner, Goode, Greenbaum, Low, Stockton, Waldo—9.

The council shows an increasing majority in favor of progress, but not a word was said at the meeting last night about paving State street. It is understood that Alderman Gesner has endless technical objections up his sleeve to interpose should anything be attempted. The faction he is posing as the leader of are playing the game of obstruction very adroitly and successfully.

This was shown in the disposition of a resolution to construct a sidewalk in front of one lot. The city attorney had drawn the description of the property, but a technical objection from Gesner sent it back to the city attorney for an "opinion."

Mr. Bayne made a desperate effort to get through a resolution endorsing Alderman Haas' slow-train program, calling it up for aye and nay vote three times.

A saloon ordinance extending the time for closing from midnight to 1 a. m. was introduced.

Ordinances were introduced raising the annual license of telegraph and express companies from \$100 to \$300.

The Park Board was given \$550 to expend on Willson avenue and Marion Square.

Mr. Bayne has prepared bills to fix rates of gas and electric light.

(Continued on page six.)

## CUBAN SITUATION SERIOUS

### Laying Foundation to Demand an American Protectorate

Washington, March 19.—The Cuban situation appears to be as follows: At the municipal election last June the property owners refused to vote, and the low element got the offices. The foreign powers make representations to this effect. This government will be forced to announce a protectorate. English, German and French citizens own \$150,000,000; American citizens, \$125,000,000 of the property of the island. Spain owns two-thirds of the land interests.

#### Two Killed for Love.

Helder, Ky., March 19.—In an old village in Southern Virginia Frank Dutton and Allene Rose eloped to this town. Sam Rose, the girl's brother, followed and killed Dutton at the end of the marriage ceremony. Elias Dutton, Frank's brother, killed Sam Rose and fled to the mountains. A posse is pursuing.

#### The Thaw Case.

New York, March 19.—Dr. Jelliffe was recalled and Jerome continued his relentless probing. Jelliffe remained cool and elusive in his an-

swers, and sparred with Jerome most skillfully.

Jerome insisted that Dr. Jelliffe describe the form of insanity from which Thaw is suffering. He shrewdly avoided him by finally saying that, from the facts in Jerome's hypothetical question, he could only say that he was insane, without attempting to say in what form.

The nearest Jerome got Jelliffe to a definite statement was that Thaw might have been suffering from circular insanity.

## HARRIMAN LINES TO BE TIED UP

Cleveland, March 19.—At a meeting of the executive board of the International Brotherhood of Boiler-makers and Iron Shipbuilders this morning an ultimatum was issued to Harriman that a general strike on all his lines will be declared within 48 hours unless the officials of the Chicago & Alton come to terms with the boiler-makers.

#### Further Bank Investigation.

Chicago, March 19.—Further investigation of the banking methods of Walsh were ordered by Judge Anderson this morning at the impaneling of a new federal grand jury. They were instructed to investigate the alleged violations of the banking laws prior to the division in 190 of the judicial circuit.