

ligned to say that the annual requirement of \$2,500,000 on the part of the United States would so cripple the Union Pacific that I should be unwilling to assume any responsibility for the result. As respects the second scheme, I am advised that equalized payments, including those of the Central branch, would amount to about \$1,800,000 a year. There is, I think, a fair and reasonable prospect that the company could carry the burden. I do not pretend to speak with confidence, for even that load is a heavy one, and the future of a railroad is always a matter of uncertainty. While the Government compels the Union Pacific to meet competition in order to retain its traffic, it has, by its legislation, so tied up the hands of this company that it cannot meet its competitors on equal terms. I cannot but consider that the policy of late years pursued with this company, by the United States, is, economically, a faulty one. From my point of view it is not to the interest of either the Government or people to force the Union Pacific to annually take these large sums out of its quick capital and lock them up in an overhauling National Treasury. The Union Pacific serves six States and four Territories. There is not one of these States and Territories which is not to-day calling for railway development, which, if it could be provided, would not only afford whole communities sorely needing business facilities, but would add largely to the traffic and income of this country. Every dollar, therefore, which is taken out of our business annually is so much which could be applied to the development of the country, not only to the great advantage of the Union Pacific, but to increase the security of the government, so far as the ultimate recovery of its debt is concerned. Each request for these additional facilities which now reach me will have to be met with the answer that the money which would have sufficed to supply it has been paid into the national treasury. The government has taken from us and the communities we serve just so much fruiting capital. The Union Pacific now has, in the Thurman act, a sinking fund, bringing less than 3 per cent. interest a year, of some \$5,000,000. That five million would easily construct and equip 350 miles of railroad. These 350 miles of railroad would bring into the Union Pacific system probably ten times the net income of the sinking fund investments.

The first mortgage securities representing the ownership of this additional mileage might be deposited in the Treasury, and if at the maturity of our loan the company was unable to raise the necessary money to pay the government off, it must take the consequences. The government could sell out the securities representing the whole Union Pacific system to the highest bidder, and in all human probability no loss would have been incurred, while an inestimable benefit would have been conferred on the community which that system served. Such, it seems to me, would be the true business policy for the government to pursue with this company. Congress might impose any restrictions it saw fit in regard to the construction of auxiliary lines. It might insist upon their securities of every description being deposited in the Treasury; but, for a dozen years to come, before the Pacific loans mature, the people in the States and Territories beyond the Missouri and among the mountains would have the advantage of those lines, and thus what is now a barren sinking fund, useful to no one, would be converted into what seems to me the most beneficial system of improvement which could be devised. This plan, undoubtedly, Congress has fully considered and set aside as impracticable. I, therefore, do not urge it—I merely submit it as the original scheme of the directors of the Union Pacific Railway Company, and it seems to me to-day, from every conceivable point of view, a wise scheme and more financially sound than any other which has been suggested. Meanwhile, it only remains for the Union Pacific to accept such terms as are imposed on it. When the Thurman bill passed the government practically took control of this matter out of the company's hands. The plan its representatives had devised for meeting the government's obligations at maturity was then set aside, and another, devised by Congress substituted for it. The sinking fund plan was substituted for the auxiliary railroad system plan.

Since then the attitude of the company has been an expectant one. It was waiting to see what rule Congress, in its wisdom, shall impose, and when that rule is imposed, will live up to it. If, upon a fair trial, the burden exceeds the company's strength, the directors do not doubt that, in the interest of all concerned, Congress will modify it. This, therefore, is the view which the directors now take of the Senate judiciary bill, in the shape which I understand it has finally assumed. The company is willing to accept it, and to loyally live up to it to the best of its ability. Meanwhile, it is not responsible for it, and if, as I hope will not be the case, the burden shall be found to exceed its strength, it will be simply for Congress to say whether it proposes to take the property or to modify the act. There is one other matter to which I wish to refer, upon which much stress has been laid in discussions over the different measures proposed. It is a matter of some delicacy, but it seems to me very important, and in such cases I do not see that anything is

gained by not speaking out frankly, or, if need be, bluntly.

I have seen it stated, not only in the papers, but in the debates in Congress, that practically the Union Pacific was still managed by Mr. Gould, and that I had simply been put forward by him as a figure-head in order to allay popular feeling and obtain terms more favorable than would otherwise have been given. In justice to Gould, as well as myself, I wish to state that this is in no degree the case. I was not Mr. Gould's choice for the position I now hold. Moreover, since the 17th of June last, when I became president of the Union Pacific Railway Company, I wish to be held solely responsible for whatever has been done in the management of that company. In the conduct of its affairs, Mr. Gould has been consulted, as other directors have been consulted, neither more nor less. Generally his views and my own have coincided. Where they have not coincided, he has invariably acquiesced in my conclusions, properly taking the ground that, as the responsibility of results rested on me, it was for me to finally decide what course should be pursued. It is, perhaps, as well that it should be publicly understood that the course in this respect which has been pursued heretofore will continue to be pursued so long as I remain president of the company. Whatever is done will be done because, after full discussion with the directors, I think it is the best and wisest thing to be done. If, at any time, a policy is imposed upon me by either any single director or a majority of the directors, which does not seem to be right, I shall forthwith make way as president for some one else more in sympathy with that policy than I. Meanwhile, till I do so, I assume in advance full responsibility, if need be, for the exclusion of every one else, for whatever I have done. Truly yours,

CHARLES F. ADAMS, JR., President.

Charles Francis Adams, in his letter to Senator Hoar, seems to have fallen into an error regarding the origin of and responsibility for the Union Pacific funding measure, which he discusses. The proposition to equalize interest payments on the Pacific Railroad Companies' indebtedness through the entire period of sixty years is only embodied in the bill introduced by Senator Hoar upon his own responsibility and was never discussed in the judiciary committee. The pending proposition of the committee is embodied in an amendment to the first bill reported, and provides that the semi-annual payments from the beginning are to include interest on the entire amount of unpaid debt. This, also has received the sanction of the judiciary committee of the Senate. Hoar's bill was, as he stated in the Senate, with the view of calling out the opinions of business men, and for the same purpose a copy was doubtless sent Mr. Adams before its introduction.

GALVESTON, 6.—The Galveston News' Denison special says: At 10 o'clock this morning, at a pre-arranged whistle signal, all the workmen in the Missouri Pacific shops at that place threw down their tools and quit work. An outdoor meeting was immediately held and committees appointed to guard the company's property and allow no one to go to work. The two yard engines were left unmolested, but at 3 o'clock, while the strikers were holding a meeting up town they received word that loaded cars were being slipped out of the yard by these engines. They then locked them in the round-house. It is understood the strikers have determined to allow no passenger coaches to leave Denison. A secret meeting is being held to-night.

At Marshall the situation remains unchanged. The executive committee of the strikers gave notice to-day to O. Haynes, master of the machinery department of the Texas Pacific, to leave town within 24 hours. Haynes is very obnoxious to the workmen. They assert that he was the prime mover in bringing about the recent reduction of wages and increasing the working hours of the men, and that General Manager Hoxie issued the order on plans submitted by Haynes. The strikers seem determined. Good order prevails. Details are watching the shops and yards and guarding the company's property.

At Longview the strikers are also watching the company's property. WASHINGTON, 6.—The first official act of President Cleveland was nominations to his Cabinet. The second to affix his signature to the commission of U. S. Grant as an officer of the retired list of the army with the rank of General. The crowd of callers at the White House to-day was even greater than yesterday. They began to arrive before the doors opened, and continued coming in large numbers all day. The President received some of them in the library and others in the East Room, just as it happened to be convenient. This arrangement kept him busy running up and down stairs. The majority of the callers consisted of delegations from the different States.

The President to-day accepted the resignation of Mr. Arthur's Cabinet and signed the commissions of the new Cabinet officers. They will probably enter upon the discharge of their duties to-morrow.

All the Cabinet nominations were confirmed without debate or division, and by unanimous vote of the Senate. No other business was done. A lively debate is looked for when Senator Van Wyck's "backbone" resolution is reached for discussion and action. Senator Teller feels that an attack has been made upon the integrity of his

own official action as a member of the last Administration, and has declared his intention of making such defense as will leave no doubt of the propriety of the act in question or his indignation.

The Star says: Representatives Bayne, Hiscock and Millard called upon President Cleveland to-day, and had quite a long talk with him. They told the President they approved of the attitude he had taken in his inaugural, and in carrying out the policy therein declared he would have their hearty support. In this they spoke as Republicans, and said they believed they spoke for the large majority of the party. The President received their advances in the best possible spirit, and thanked them with much feeling and earnestness for their promises.

New York, 6.—Leland Stanford, president of the Central Pacific railroad, has officially announced the consolidation of the transcontinental interests. Hereafter the Southern Pacific Railroad of California, Arizona and New Mexico, the Galveston, Harrisburg and San Antonio, the Louisville, Western Texas and New Orleans and Morgan's Louisiana railway and steamship lines will be operated under one general organization. The Texas and Pacific and Missouri, Kansas and Texas system of roads will form the northern outlet, although not included in the consolidation. Railroad men say that the Huntington-Stanford consolidation scheme will ultimately be perfected by the operation of the Union Pacific railroads as one continuous line. The part that Jay Gould will take in this arrangement is not known. Mr. Gould's business associates say he has parted with all his investments in Union Pacific stock and is carrying only a small speculative interest. Mr. Gould and Mr. Sage have avowed their intention of retiring from the Union Pacific directory.

CHICAGO, 6.—Gen. John C. Black, of Danville, Illinois, is in the city in attendance at the reunion of the Thirty-seventh Illinois Infantry.

The following telegraphic correspondence is self-explanatory:

WASHINGTON, D.C., March 6.
To Gen. J. C. Black, Palmer House, Chicago.

The President thinks your official connection with this administration will contribute to his success, and desires me to ascertain if you will assume the duties of Commissioner of Pensions. I cordially join in his request.

Signed L. Q. C. LAMAR.
CHICAGO, Ills., 6.

To L. Q. C. Lamar, Secretary, Washington, D.C.:

I thank President Cleveland and yourself. If my appointment will contribute to the success of the Administration, I will accept the position. Telegraph me when I should arrive in Washington.

(Signed) J. C. BLACK.

Gen. Black says the appointment is unsolicited.

KANSAS CITY, 6.—The Times' Marion Centre, Kansas, special says: William Crow, the young man who gave information which led to the recent conviction of R. Cathoun, who was indicted for the debauchery of no less than 14 young girls, committed suicide this afternoon. It is supposed that Crow was a partner in the monstrous crime, and, to save himself, informed on Cathoun, when, fearing further developments, he took his own life.

LAWRENCEBURG, Ind., 5.—Wm. Corbin and John Gaynes, of Gaynesville, Ky., met at the small town of Grant, five miles south of the Ohio river, yesterday afternoon. Trouble had existed between the young men, resulting from the shooting of Corbin's dog by an employee of Gaynes. Corbin had demanded some compensation from Gaynes for the dead animal, which Gaynes refused to give. Yesterday the dispute was renewed, and in a few minutes both men were firing revolvers at short range. After several shots had been fired, Corbin fell dying, but not before he had lodged three bullets in Gaynes's body. Gaynes died last night. Several friends of the fighters were present at the time of the shooting, but they concerned themselves chiefly in getting out of range.

PHILADELPHIA, March 6.—Yesterday, when Dr. Georson was hanged, two convicts confined in prison were terribly affected by the knowledge of what was going on. Joseph Barrett, 55 years of age, confined in a cell near the gallows, showed intense interest in the hanging, but information was denied. His cell was sealed during the execution, but Barrett must have heard the footsteps of the solemn procession on its way to the gallows. When his cell was opened he was found dead. His death is attributed to fright. Another man, Joseph Taylor, under sentence of death for murder, became delirious with fear. He heard the noise as he sat in his cell, and the echo of the falling trap had hardly died away when the murderer was found writhing in convulsions.

FOREIGN.

LONDON, March 5.—Blowitz, the Times correspondent at Paris, in a letter attacks Bismarck for indirection in his dealings with the British foreign office concerning the South Pacific Islands. In the Blue Book on this subject, issued by the British Government, February 15th, there is given a conversation early in February between Bismarck and Malet, British Ambassador at Berlin. The German Chancellor

then read a dispatch, which he said he had sent Count Munster, German Ambassador at London the 5th of the preceding May, which purported to convey to England Bismarck's idea of how Great Britain could assist Germany in her colonization schemes, and his promise to reciprocate by helping English interests nearer home. The dispatch urged England to fall in with the suggestions made, because, in the event of refusal, Germany would be compelled to ask French aid. The Chancellor told Malet that as Count Munster seemed to make no progress, it was feared in Berlin that he had not stated the points of the dispatch with sufficient strength; so Count Herbert Bismarck was sent to London to assure the success of the negotiations. Herbert obtained from the British Foreign Office nothing but general assurances of friendship. These were valueless, Bismarck said, and when Malet expressed regret at the situation and assured Bismarck that England had no desire to thwart Germany's Colonial ambitions, and asked him what he wanted—New Guinea or Zululand—the Chancellor replied that it was now too late to discuss the matter with England, because Germany had already had an understanding with France. Blowitz accuses Bismarck of direct falsehood in these statements. He refers to the fact that Bismarck read the original dispatch to Malet as proof that it was never sent to London. Bismarck, Blowitz says, proceeded as if this dispatch had been sent to London to form the basis of the alliance of England and Germany concerning colonial annexations, as if its rejection by England had been formally and deliberately made; as if this rejection were an endorsement by England of the German-French alliance, and gave Germany certain liberty in the South Pacific, and then, when asked for explanations about his encroachments on British possessions, produced as his warrant the original of the very dispatch. This production, Blowitz avers, was made in nine months after the date of the dispatch, and just when it suited Bismarck's purpose.

The introduction of this system, says Blowitz, must create a panic in the political world. With such suppressed dispatches a strong power can do as it likes, and turn might into right at any time, so abolishing all international law. To prove his assertion that the dispatch read to Malet was never sent to London, Blowitz points to the fact that Granville, the foreign minister, on February 7th, immediately after Sir Edward Malet had communicated to him the Bismarck interview, wrote Sir Edward: "The dispatch in question was never communicated to me." Blowitz contends that it was impossible for the dispatch to have miscarried or been forgotten, because Count Munster would have resigned if he knew Lord Granville had seen the dispatch before making such a statement; while if Count Munster had really seen the dispatch, and failed to transmit it to the British foreign minister, Bismarck would have recalled Munster for neglect of duty. The fact that Herbert Bismarck, who, the German Chancellor alleges, was sent to London to second the minister in his efforts to secure a colonial alliance with England, failed to discover that the very dispatch which contained the terms of his mission had never reached Granville, Dr. Blowitz pronounces very strange. He declares the truth is, Bismarck did not believe England would give Germany the assistance desired. He knew better how to succeed with France. Behind the mission of his son, Bismarck intended to put England in the wrong. He proposed *amuser le tapis* to confront England with an accomplished fact.

LONDON, 5.—In the House of Lords, Earl Derby said that England formerly possessed undoubted rights along St. Lucia Bay. These had been in abeyance for some time, and the raising of the British flag at different points in the Cameroon Mountains, bounding the Cameroon territory occupied by Germany, was at present the subject of correspondence between London and Berlin.

In the Commons Gladstone said public policy forbade his answering questions respecting the Russo-Afghan frontier difficulty. The Marquis of Hartington announced that the government intended to increase the strength of the army. He also said that if Gordon's diaries, when received, were found to be in the form of a substitute for his dispatches to the government, the government would treat them as such. If found to be of a private character, his relatives would be consulted about them.

Lord Edward Fitz-Maurice, Under Secretary of Foreign Affairs, said Sir Edward Malet, British ambassador, had exchanged with Germany assurances of neutrality in regard to the Samoan and Tonga Islands. He, however, declined to say whether Sir Peter Lumsden, British commissioner on the Afghanistan frontier question, had tendered his resignation. He said the government thought any advance by Gen. Graham from Suakim for the relief of the garrison at Kassala impossible. He said the government was unprepared to state the number of additional men they intended to enroll in the army.

The dispatches handed Gladstone by the Russian ambassador were from the Russian minister of foreign affairs, who denies that Russian occupation of Akroai, Zulufkar Pass and Sariyuse was designed to forestall the decision of the joint commission on the Russo-Afghan frontier. He says the advance of the Russians from Put-I-Khatum was only ordered after the

Afghans, in July last, during negotiations for the organization of the commission, occupied Penjeh, and in January occupied Sariyuse, whence the Afghans withdrew on the advance of the Russians. The Russian Minister does not maintain the right of Russia to hold the disputed outposts, but refuses to withdraw until the commission presents its report.

LONDON, 5.—The Daily News says: Our relations with Russia are perhaps not exactly strained, but the events of a single day might put upon them a strain difficult to bear.

St. Petersburg, 5.—The Novoe Vremya warns the English government that the malicious designs of Bismarck will cause a rupture between England and Russia.

LONDON, 5.—The territory annexed by Germany on the east coast of Africa is twice the superficial area of Prussia. The Daily News states that the territory surrounds Zanzibar, and the intention seems to be to make the Sultan of Zanzibar dependent upon Germany rather than England. All the morning papers express the hope that Count Herbert Bismarck's visit will result in reconciling Germany and England.

Advices from Cameroons, Jan. 19th, says Hickorytown, Fostown, Moskoko and Beltown are burned to the ground and the natives have sought refuge in the bush. King Bell is afraid to return. The German admiral notified the rebel chiefs that they must pay for the losses of English residents. A German judge will shortly adjudicate upon the claims. During a peace palaver hostile natives repeatedly plundered the English and German factories.

SHANGHAI, 5.—Admiral Courbet's squadron arrived off Gutzloff to-day. He will dispatch cruisers from this point to capture vessels carrying rice.

LONDON, 5.—At the Empire club banquet this evening, the resident colonial general of New South Wales announced that the government had accepted the colonial offers of troops for service in the Sudan.

SUAKIM, 5.—General Hudson, commanding the Indian contingent of the Suakim expedition, landed to-day.

LONDON, 6.—Baron De Stael, Russian ambassador, and Count Von Munster, ambassador from Germany, had an interview this morning with Earl Granville.

The total number of enrolled volunteers in Great Britain at the present time is 215,000 men. This is the greatest number yet attained.

SHANGHAI, 6.—Foreigners at Ningpo are exceedingly nervous, and threats are constantly made to massacre them.

SUAKIM, 6.—The troops are suffering severely in this vicinity from great scarcity of water.

KORTI, 6.—During the summer the main body of the British troops will remain in camp here, with headquarters at Dongola. The Mudir of Dongola's army will remain at Merawi with General Buller's contingent. Two movable columns under Generals Dorman and Brackenbury will be stationed between Debbeh and Handak, in constant readiness for action. The wind now blows like a furnace. Prince Hassan is bringing a pack of hounds to hunt antelope and beguile the time during the inaction. It is rumored that two friendly tribes in this vicinity have declared for El Mahdi.

KORTI, 6.—The report that General Wolsley has been recalled is denied. His health is improving and his eyesight is better. When the cantonment of the troops is effected, Gen. Wolsley will go on a tour of inspection to the Niles, between Assouan and Dongola. He has no intention of leaving Egypt.

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