THE DAILY RECORD-UNION.

SATURDAY.....JANUARY 24, 1880.

THE San Francisco office of the Daily RECORD-UNION and WEEKLY UNION is at 208 Montgomery street.

THE WEEKLY UNION.

The WEEKLY UNION is issued in semi-weekly parts of eight pages each, but it costs the subscriber not one cent more. He receives sixteen pages each week of choicest selected and original matter for $2 per annum, and an advantage accrues to him which he can gain from no other paper, to wit, the receipt of his paper in the middle and at the end of each week, thus bringing the news to him fresh and within a few hours after being recorded upon the tablets of the day. The departments of the WEEKLY UNION are very numerous, but not so much so as to be cumbersome. On the contrary, they are so eagerly read that the demand is for their enlargement. Special labor is put upon each department, and every one has the care and supervision and practical judgment of journalists of long experience in the best walks of the profession. The WEEKLY UNION is par excellence the family paper of the coast; the best newspaper; the best critical journal; the best reviewer of current political situations; the best paper for local news, general miscellany, for the farm, home, street and office. It contains full phonographic reports of the proceedings of the Senate and Assembly of the California Legislature.

NEWS OF THE MORNING.

IN New York yesterday Government bonds were quoted at 104¼ for 4s of 1907; 103¾ for 5s of 1881; 107⅝ for 4½s; sterling, $4 83@4 85; silver bars, 114½; silver coin, ¼ discount buying, par selling.

SILVER in London yesterday, 52⅜; consols, 98½; 5 per cent. United States bonds, 105⅝; 4s, 107⅞; 4½s, 111.

IN San Francisco half dollars are quoted at par; trade dollars, 95 buying, 96½ selling; Mexican dollars, 96 buying, 96½ selling.

AT Liverpool yesterday wheat was quoted at 10s 3d to 11s 2d for average California white, and 11s 1d to 11s 5d for club.

MINING STOCKS showed little of interest in San Francisco yesterday. The extreme north end stocks were a little higher. Utah advanced $1 50 from Thursday noon, Sierra Nevada $1 75, Union Consolidated $1, Mexican $1 50. The remainder of the Comstock list was lower, though the decline was less than $1 per share all round.

GEORGE TIBBETT, on trial for murder at Bakersfield, has been declared not guilty.

FIRE at Alton, Ill.

AT Cherry Vale, Ks., two men perished in the flames of a burning building.

THE Germans at Petersburg, Va., are making liberal contributions for the sufferers in Upper Silesia.

SEVERE shocks of earthquake occurred at Havana Thursday night—an unprecedented experience there

THE Irish relief fund received $700 from the Grand Opera House performance in New York.

THE Pope denies that he was indignant at Cardinal McCloskey's reception of Parnell in New York.

SIXTEEN prisoners escaped yesterday from the jail at Greensburg, Indiana.

NEAR Watsonville, yesterday, a whale nearly sixty feet long washed up on the beach.

A DIABOLICAL attempt was made on Monday to poison an entire family at Sheridan, Nev.

THE annual encampment of the Grand Army of the Republic is in session at Oakland.

THE special attention of our readers is called this morning to the inside pages of the RECORD-UNION. The second page contains a continuation of Farjeon's great story, "Set in a Silver Sea," and the annual report of the Board of Directors of the State Agricultural Society. On the third page will be found the regular departments of "Outdoor Amusements," "The Quiet Hour," and "The Household," together with poetry, miscellany and a spicy letter from New York. On the sixth page are given Nordenskjold's story of the Swedish expedition, Supreme Court rules, the weekly review of the San Francisco market, etc.

In the State Senate yesterday a large amount of business was transacted and many bills were passed to engrossment. The Senate adjourned until Monday at 10 A. M.

In the Assembly a number of bills were introduced, read and referred to committees. The Governor returned Assembly Bill No. 1 approved and signed. It was resolved to appropriate $480 for the purchase of forty copies of Hittell's Code. The Assembly adjourned until Monday.

COLOR-BLINDNESS.

Science has at last been brought to bear upon everyday business in regard to color-blindness. It has been shown that about one person in twenty-five in this country is color-blind; that is to say, is unable to distinguish red from green. Now, as red and green are the colors used in the railroad service all through the country for signaling, and as a mistake as to either of them may at any moment lead to the most serious casualties, it is evident that the question whether railroad employes are or are not color-blind is a very practical and important one. In most of the European railroad systems we believe tests have already been made, to weed out color-blind employes, and the same undertaking has recently been commenced in Massachusetts. This is the first step made in the United States to apply the discoveries of science in this connection, but it will clearly become necessary to adopt the examination plan on every American railroad, for it is certain that the public will demand it as soon as they realize that any engineer or conductor is liable to be color blind, and that if he is he may drive a passenger train into another one, or into an open draw, by mistaking a red danger signal for a green safety signal. Color blindness has no doubt been the cause of many railroad and steamship accidents in the past, and often when it has seemed to the public that some casualty could only be accounted for on the theory of incredible stupidity, the truth has been that the engineer or steersman was unable to recognize red or green when he saw it.

WARDEN.

The Board of State Prison Directors have not yet appointed a Warden, and we are therefore encouraged to hope that they intend to give due weight to the earnest representations which have been made to them on this subject. They have it in their power to reform the administration of the State Prison, or to allow it to fall again into the disgraceful condition it has occupied hitherto. The problem before them is one which any business firm would solve in ten minutes. It is whether they shall secure a trained penalogist to do the work which none but a trained penologist can effectually accomplish, or whether they shall appoint somebody who possesses only political claims. To do the latter would be to abandon everything at the outset, and to proclaim that, notwithstanding all the efforts to get the State Prison out of politics, it is still regarded as one of the legitimate "spoils." We should entertain but faint hopes of reform if this line was taken by the Directors, and for the reason that no sophistry can conceal the plain path of duty in the premises, or justify its abandonment upon any consideration of political expediency. An opportunity is now offered to introduce reform to the penal administration, and reform is not to be had by appointing people to administrative offices who have everything to learn concerning their duties. There ought not to be any need of insistance on this matter, but unfortunately office-seekers are persevering and human nature is weak.

THE PHILOSOPHY OF FAILURE.

Once a year a circular is published by the mercantile agency of Dun, Barlow & Co., which gives an insight into the darker side of business life. It is a document giving the statistics of failure throughout the United States, and it is full of instruction for those who desire to learn the real tendencies of civilization. We have just received this circular for 1879, and it is even more than usually interesting. It appears that there were last year 6,658 failures in the United States, with liabilities aggregating $98,000,000. In 1878 the failures were 10,478, with liabilities of $234,000,000. The decrease for 1879 was therefore very large, being in numbers 3,820, and in liabilities $136,000,000. Nothing could be more convincing proof than these figures, of the reality of the wave of returning prosperity which last year swept over the whole country with the exception of the Pacific States. That the wave did not include the latter is shown with equal clearness by the statistics. For example, we examine the table of geographical distribution and percentage of failures, and we find that the percentage of failures in 1879 was as follows: In the Eastern States, 1 in every 85; in the Middle States, 1 in every 100; in the Southern States, 1 in every 93; in the Western States, 1 in every 159; in the Pacific States and Territories, 1 in every 45. It is further to be noted that the average liabilities in the Pacific States were greater ($13,940) than in the Western States ($13,188), though in the latter the failures were 1 in 159, and in the former 1 in 45. The prosperity of the Western States during 1879 was unexampled, as shown by the extraordinarily small percentage of failures. In the same region in 1878 the failures were 1 in every 70, or more than twice as numerous as last year. In regard to the Pacific States the fact is to be noted that whereas they escaped the waves of adversity which swept over the East and West from 1873 onwards, their decline has been coincident with the revival of business in the Atlantic and Western States. Why this should be so will perplex the average inquirer, and it is certainly not a problem to be solved without patient examination. It would be natural to suppose that even if California did not share the burdens of her neighbors during the bad years, she ought to share their prosperity when the reaction came. but it seems as though the occurrence of that reaction had been the signal for the collapse of business on this coast. No doubt it would be a mistake to imagine that any one cause is responsible for this singular condition of things, but it must be realized that the very agencies which separated us from the rest of the Union as far back as the rebellion era, and which have maintained here a currency and a commercial system unknown to the other States, have made it impossible to bring us into harmony with our neighbors when their fortunes began to rise. The causes of business prosperity in California have, moreover, been in several respects artificial and not natural, for many years. Trade was stimulated here during the inflation era by purchasing in greenbacks at the East and selling for gold at greenback rates in California. Our people were bled fearfully in this way, and nothing could have induced them to stand it but the traditions of flush pioneer times which still survived, to make the masses reckless and wasteful in money matters.

The practical collapse of the Comstock Lode, and the uncertainties and apprehensions caused by the blatant advocacy of the most outrageous communism, came at the same time to supplement the depression caused by the failure of that commercial bonanza which the gold premium had proved for years to our merchants. Resumption, in fact, brought no new benefits to California, but abolished some very positive avenues of profit which had existed up to its advent. The local agencies, which threw everything out of gear, also estopped the public from longer maintaining that carelessness in money matters which had so long characterized the conventional Californian. They could not afford to pay the extravagant additions to Eastern prices which it had become the practice to charge, but for charging which no justification existed. Had our merchants been sagacious enough to realize that a new national departure had been taken, and that it was therefore necessary to trim their sails afresh, we believe that they would have escaped much of the disaster which fell upon them. But they made the mistake of endeavoring to maintain a state of things which had become impossible, and the result was failure and misfortune. It must have been evident to all thoughtful persons for some time that sooner or later it would be necessary to bring down prices on this coast to a fair proportion with Eastern prices. When resumption was accomplished the time for this reduction was really reached, but our merchants did not perceive the truth, so they suffered for their lack of perspicacity. The same hopeless attempt to keep up war prices after they have reached the bed-rock in every other part of the Union, must prolong the depression of last year if it is not abandoned. Only when the facts of the situation are recognized, and the onerous tariff, which custom and nothing else has established, is abandoned, will the Pacific coast regain its prosperity, and be prepared to share in the reaction which is enriching the East and West. In this regard the isolation of our currency has brought us evil. During the era of inflation and false values that isolation preserved us from the feverish speculation that leads to collapse, but when the greenback was brought to par, our want of connection with the East prevented us from benefiting from the fall of prices which was the natural accompaniment of that event. If our business men had had the foresight to adapt their prices to the Eastern schedules a year ago, California would have been fortified to a considerable extent against the depressing influences of those local mischiefs which contributed to render 1879 one of her gloomiest years.

But these local mischiefs were of themselves sufficient to do a great deal of harm, and there can be no doubt that they made the difference between pressure which could, and pressure which could not, be endured. The new Constitution and the break in mining stocks came together. The spurt in Sierra Nevada, which occurred in the fall of 1878, had demoralized the public, who, after the failure of the Bank of California and the segregation of the leading mines, had been strongly disinclined to speculate freely. The Sierra Nevada episode whetted the public appetite, however, drew much hoarded money into stocks, and paved the way for that crash which left the public pockets and nerves equally flaccid and limp. At such a juncture nothing could have prevented a general decline but the free investment of capital in legitimate industries. The capital was here, and the will to use it was not wanting. But precisely at that moment the demagogues who were seeking to crawl into place and plunder by flattering the ignorance and feeding the prejudices of the masses, began their crusade against capital, and all through the summer this fight was kept up with a ferocity and a malignity almost incredible. The result was what might have been expected. Capital withdrew into hiding. Investment was suspended. No man who had money dreamed of putting it into productive enterprises in a State where thrift and industry were denounced as crimes, and where it was seriously proposed to put every prosperous man under the harrow of taxation until his wealth was dragged out of him. When the new Constitution was adopted the alarm reached its climax. It was useless to think of building up a State thus given over to ruin by its own people, capitalists concluded, and accordingly many of them began to wind up their affairs, and prepare to leave California. All through the year these agencies worked together to produce the most depressed and paralyzed condition ever known on the Pacific Coast, and this in spite of a good harvest, and an unusual European demand for breadstuffs. The aggregate amount of failures for the Pacific States and Territories in 1879 was $9,953,358. The failures for the Eastern and Middle States together were only $41,000,000, though the proportion of people in business in these sections is as 312 (in the East) to 32 (on this coast). If we compare Pacific Coast business with Eastern we find that 1879 was for these States a worse year than 1876 was at the East. For example, in the latter year the failures at the East were 1 in 69, while in 1879 they were 1 in 45 here. Canada alone can show a greater depression than this, and her failures last year were 1 in 29. It remains to inquire how the example of 1879 is to be bettered on this coast. We have shown to what extent our business men have it in their own power to stimulate trade. They must wake up to the fact that the days of high prices have passed away, and that the Chinese Wall between California and the East can no longer be kept up. As regards the mischievous effects of the new Constitution the remedy is less easily available. It lies in conservative legislation and construction, and in the repeal of whatever provisions are found to interfere seriously with the progress and prosperity of the State. The mining situation is the only remaining factor of importance, and the indications are that this will in no long time adjust itself. It is evident that public faith in the honesty of Comstock manipulations is dead, and that speculation henceforth must be confined to a game of "diamond cut diamond." It is hardly possible that the people can be again gulled as they have been in the past, and if the other two great factors are once brought under control stock-gambling will probably not interfere seriously with the restoration of better times.

A SALUTARY MEASURE.

A bill has been introduced by Assemblyman Braunhart to prohibit the paying of percentages on prescriptions by druggists to physicians. A meeting of druggists was held in San Francisco the other night to discuss the measure, and it was unanimously approved, and some amendments making it more comprehensive were proposed. There were also some physicians present at this meeting, and a controversy arising as to where the responsibility for the percentage system rested, facts were adduced showing that both druggists and physicians had at various times sought to extend and maintain it. There can be no doubt that the percentage system is an inequitable and dishonest one. It is in fact an imposition upon patients, who are thus forced to pay a second fee to the doctor, in an underhand manner, and for no consideration. The physician has no claim whatever upon any part of the purchase-money of drugs, but the money that is so paid him of course never comes out of the druggist's pocket. It is the consumer, as in all such cases, who pays the tax, and the consumer would be just as well off if the doctor added the percentage to his regular bill. In fact, this would be the better plan of the two, for it is alleged (and by druggists themselves) that the percentage system sometimes leads to such a tampering with drugs as completely invalidates the prescriptions of the physicians. For instance, a certain druggist, to gain the custom of as many physicians as possible, will put his percentage very high. Experience soon shows him that he has put it so high as to cut off his own profits upon prescriptions involving the use of costly drugs. In order to save himself from loss he therefore deliberately tampers with the prescriptions, and only puts in half or one-third the quantity of the more costly drugs ordered, thus of course neutralizing the physician's combinations, and in many cases doubtless depriving the medicine of its beneficial effects.

It is bad enough for the public to be charged two fees instead of one, but it is still worse not to be able to put confidence in the faithful compounding of the physician's prescriptions. In such cases the practical outcome is that in order to screw a little more money out of the patient the doctor endangers the results of his own professional efforts. The fact is that the drug business is at the best one in which the prices charged are out of all proportion to the value of the things sold. There is probably no business in existence where such exorbitant prices are maintained, and this has always been the case. Druggists used to be called Ninety-niners, because the tradition went that they made 99 per cent. profit upon everything. They make a great deal more than that, however, upon many things. Probably 1,000 per cent. would be no exaggeration of their gains in a number of instances. And when, therefore, these normally inordinate prices are still further enhanced by the addition of a percentage for the benefit of the physician, the robbery becomes greater than the public are called upon to endure. At the meeting referred to a druggist stated an instance where, because of the percentage system, one of the trade had charged $3 50 for some medicine which could have been put up at any other store for $1 50. In this case there was a dead robbery of the patient amounting to more than double the value of the medicine; and if the actual cost of the drugs used in the prescription were known, it would probably appear that 50 cents would have covered everything, and that all the rest was clear profit—or sheer plunder. It is said that respectable physicians and respectable druggists are equally opposed to the percentage system, but we fear it will not do to accept this statement, lest it lead us to the awkward conclusion that the number of respectable physicians and druggists is unpleasantly small. Rather let it be said that the system is a bad one which has grown up out of custom and competition, but which produces such ill effects that it is clearly public policy to put an end to it.

THE PROPOSITION TO LEGISLATE AGAINST FOREIGN INSURANCE COMPANIES.

We have already given some reasons why the bill to impose a stamp-tax upon foreign insurance companies should not become a law. We will now show, from the statistics of insurance in California, the absolute madness of the proposition. The paid-up capital of companies of other States doing business here is $27,935,00. The paid-up capital of foreign fire insurance companies doing business here is $27,074,000, and that of the foreign marine insurance companies is $11,325,903; total paid-up capital of all outside companies, $66,335,903. The total paid-up capital of the California fire and marine insurance companies is $2,100,000. It is therefore for the benefit of the representatives of these two millions of home capital that a stamp-tax is sought to be imposed upon the representatives of sixty-six millions of capital. The amount of risks written in California by the home companies in 1878 (fire and marine) was $79,374,092. The amount of risks written by companies of other States doing business here in the same year was $54,930,793; the risks written by foreign fire companies amounted to $120,842,760; and those of the foreign marine companies to $60,598,165. Total of risks written by all outside companies $236,371,719, as against $79,374,092 written by the home companies. The amount of risks written by the outside and foreign companies, moreover, was not much more than three times their paid up capital, while in the case of the California companies the risks amounted to thirteen times their paid up capital. These figures ought to be conclusive of the whole matter. It is perfectly apparent that California depends mainly for protection against fire and marine losses upon the outside companies doing business here, and that any legislation of a proscriptive and discriminating character undertaken against them would react most disastrously upon the business interests of the State. It is also perfectly apparent that no reliance could be placed upon the home companies in the event of any wide-spread disaster, and that in such a case the only hope of the community must lie in the solvency of the foreign companies.

Whoever drew up the bill we are discussing must have been misled, for it is inconceivable that anyone should with his eyes open undertake to deprive the public of protection against casualties by a deliberate attempt to drive from the State the corporations upon which the security of nearly all destructible property rests. Nor is it as though local capital could take the place of foreign, if the latter were forced out of business. It could do nothing of the kind. Perhaps there may be local companies that would be willing to take all the risks that might be offered, but assuredly they could not efficiently protect those risks, no matter what their nominal capital, for the reason that their assets would be destroyed together with the property they had underwritten, in the event of any extensive disaster. The normal tendency of healthy insurance is shown in the figures given above. Prudent business men naturally prefer to insure in companies whose available assets are not exposed to local dangers. The outside and foreign companies, moreover, represent far the largest aggregate of capital, and are therefore the more available. The logical consequence of these considerations is that legislation hostile to foreign insurance companies is emphatically against public policy, and that the only admissible legislation is that which invites and secures full and free competition. It is not the interest of the foreign companies that is in question, but the interest of California insurers. To protect their property every facility should be afforded for the widest distribution of risks. Unless this is done a fire will occur some day which will destroy San Francisco, and when the claims for insurance are presented it will be found that they are not worth the paper they are written on.

THE REPUBLICAN CAUCUS.

The Republican members of the Legislature did a sensible thing in holding a caucus to arrange for the swifter disposition of the public business. It is already evident that much more methodical practices will have to be adopted if the present session is to be completed within one hundred days, and it is clearly the duty of the Republicans to bring that about if it is possible. The session so far has been almost altogether wasted. There has been as much frivolous discussion over trifles as if the whole year was before members, and as if it cost the people nothing to run this elaborate machinery. If the rest of the hundred days is to be frittered away in like fashion an extra session of about three hundred days will be required to accomplish the work on hand. The feeble apprehension of the magnitude of the task before them which many members exhibit is strikingly illustrated by the recklessness with which new bills are brought forward. It looks now as though enough of them would soon be on the file to occupy the attention of both Chambers to the end of the session, and yet besides all this new legislation all the Statutes of the State have to be revised from beginning to end, and a multitude of untried constitutional provisions are to be enforced by appropriate laws. We are afraid that few members realize the confusion and pressure that are now being prepared for the latter part of the session, when the committees have all reported, and a mass of questions of the most important character come up for discussion and settlement. It is therefore not without good reason that the Republicans have resolved to do what they can to expedite and simplify matters, but it is plain that all other members are equally under obligation to assist in this work.

THE GERMAN ARMY.

A bill has been introduced in the German Bundesrath providing for an increase of the army. It is proposed to bring the peace footing up to 427,000 men. The reason given for this demand is the increase of the armies of neighboring powers. No doubt the bill will be carried, and this fresh burden will be laid upon the people of Germany. But as there is nothing to prevent Russia and France from following the example of Germany, and as every fresh increase on the part of one power may be availed of to justify a still further increase on the part of the others, the process can be carried on until the entire adult population of all these countries is under arms. Before that period is reached, however, there will be war. Nothing else can come of the present policy of these powers. Their tremendous efforts to outdo one another in military preparations show that the certainty of war is accepted by all, and that being the case the strongest and swiftest will be very apt to choose its own time for fighting. It is becoming more probable every day that Germany has resolved to fight Russia soon, hoping to cripple her before France can come to the rescue. That is the favorite policy of Bismarck, and though the great German captains are now nearly all old men, there is no reason to suppose that their right hands have lost their cunning, or that they are not capable of sustaining another great war. Meantime German commerce must languish, however, and the progress of the nation be suspended while the revenues are absorbed in military preparations.

THE PRIVACY OF DISPATCHES.

A bill has been introduced to Congress to secure the privacy of dispatches. This measure ought to be adopted. It is as essential that the privacy of dispatches should be secured as that the mails should be inviolate. The principle is precisely the same in both cases. And the political events of the last few years have conclusively proved that it is not safe to withhold this guarantee from the telegraphic service, for that politicians are only too ready to avail themselves of real or assumed authority to violate the secrecy of dispatches whenever any capital can be made out of such work. Every dispatch sent by telegraph ought to be guarded as sacredly as are the mails, and there should be no means of prying into their contents. It is evident that to give this guarantee is the only way to secure to the telegraph its full usefulness, for as the case stands men must always hesitate about trusting momentous matters to such an agency, and it is plain that it may become unavailable at the very moment when its services are most urgently needed. Partisanship ought to be deprived of the temptations which the possibility of reading the dispatches of political opponents hold out, and the business public ought to be secured against those violations of confidence which at present are too lightly punished. This is a matter which the public should urge upon Congress with some emphasis, too, for it is not safe to leave to any Government the power to tamper with the communications of the citizens.

A MAP WHICH SHOULD BE PROCURED.

We are informed that a map of Suisun Bay and its surroundings has been prepared by the Pacific Coast Survey Department for the use of Congress, which ought to be in the hands of every member of the State Legislature. This map shows the encroachments which have been made upon the water marks of former times in the clearest manner. It gives the condition of the bay many years ago, and its present condition, and it shows how steadily the flow of mining debris is filling up the surrounding waterways, and threatening navigation. The map has not been engraved, but no doubt it could be lithographed at a small expense. It would be of great use in the coming discussion of the debris question, and on a proper representation from the Legislature Congress would unquestionably permit a copy of it to be furnished to the State. A motion to this effect put in the form of a joint resolution would be all that was necessary.

THE FUSIONISTS IN MAINE.

The Fusionists in Maine appear to be preparing to recede from their defiant position. Why they have been permitted to keep up the pretense of a separate Legislature so long is not at all clear. If the Republican Administration and Legislature are the only lawful ones, it follows that the Fusionists are law-breakers, and that it is the duty of the authorities to disperse or arrest them. It is possible that the apprehension of resistance, liable to involve partisans on both sides in a serious quarrel, may have induced the Administration to refrain from positive action heretofore, but it is clear that the spectacle of a double Legislature cannot be submitted to as a permanent arrangement, and that sooner or later Governor Davis and the Republican Legislature will be compelled to vindicate the legitimacy of their position by treating the Fusionists as fomenters of sedition. The fact that the Democratic politicians generally have given up all hope of doing anything further in the way of capturing the State Government, will no doubt tend to weaken the Fusion members who still hold out. Evidently their best policy now is unconditional surrender, and the longer they hang on the less likely does it appear that they will obtain any effective support from their own faction.

A LIGHTNING-ROD FRAUD.

As an illustration of the low grade of scientific knowledge commonly possessed it may be stated that a company was not long since incorporated in the West for making a new kind of lightning-rods, the principle of which was that they had no connection with the earth. They were laid along the ridge of the roof, and at each end a point turned up. Of course they were considerably worse than useless as protection against lightning, for they actually exposed the buildings to which they were attached. But they sold for all that, and the company was making money, when some educated man exposed the fraud. The company had the amazing impudence to sue him for libel, and claim $50,000 damages, and he has procured letters from every scientific electrician in the world, almost, declaring the so-called invention a preposterous fraud. The company will be beaten, but the Western people who bought the new kind of conductors do not even yet appear to realize how egregiously they were swindled.

A GREAT PROJECT.

How the Southern Pacific Railroad will Benefit California.

[Sacramento Correspondent S. F. Examiner.]

A good many of the railroad people are here, and from them I learn much of interest with regard to the Southern Pacific enterprise, an enterprise of more importance to San Francisco than seems yet to be appreciated. Work on this road was stopped last May, the heat of the Arizona desert being so intense during the summer that work cannot be done to advantage. It was the intention to resume it again in October, but another delay was caused by the business boom in the East, which so crowded the rolling-mills with orders that the steel rails which had been contracted for could not be obtained with promptness. Now, however, rails, ties and materials of all kinds have been accumulated at the front, and on Monday last the first gang of men for the resumption of work started from San Francisco and have since been followed by other bodies. Unless some unexpected obstacle intervenes, there will be no more interruptions, but track-laying will proceed at the rate of from one to two miles a day. By the time May comes again the intensely hot district will have been passed through, and the work will be pushed without stop until tide-water on the Gulf of Mexico is reached. Within eighteen months, or at most two years, this road will be completed from ocean to gulf, and a continuous line of steel rails, owned by one company, will stretch from San Francisco to Galveston, and perhaps to New Orleans. Now this means not merely the opening of another transcontinental line similar to that already existing, nor does it merely mean a line of 1,600 miles from ocean to ocean, instead of 3,000. It means a transcontinental line on which there shall be no break of ownership, and which will be controlled from the Pacific coast, and, no matter how selfish its owners may be, controlled with a view to the settlement and development of the Pacific coast.

The Central Pacific Railroad is now but a single section of the great overland road, and in all their arrangements relating to through business its owners are very much at the mercy of the Eastern roads. This is the reason (I am giving the statement of railroad men) for the unjust discriminations which compel Nevada wool-growers to first ship their wool to San Francisco, to be brought back again on its way East, and which makes a ticket from San Francisco to New York cheaper than from Reno. The Central Pacific people, they say, have long realized that these discriminations are against their true interests, and have wished to put down fares to such a low figure as to attract immigration, but have been prevented by the demands of the other roads, the Union Pacific, especially, having been actuated by the policy of keeping the tide of immigration from flowing west of Ogden, in order that it might spread along its line, taking up its lands and building up a way business. Of the $65 charged for emigrant tickets, the Central Pacific gets but $6, they not having been able to induce the other roads to unite with them in cutting down rates, and so being compelled to stand the brunt of the reduction themselves, in order to make even a comparatively low rate. But with a road from ocean to ocean, they will be masters of the situation. They will not only be able to carry passengers and freight as low as they please from New Orleans to the Oregon line, but they will be able to dictate terms to roads, which, when the Southern Pacific advances a little further eastward, will be anxious to make connection with it.

During the next year and before tide-water on the other side is reached, it is the intention, by building a road along the northern verge of the Mojave desert, to avoid the heavy grade and the long tunnel on the present line of the Southern Pacific between San Francisco and Los Angeles. This cut-off will be the main line over which all the through business will be carried, only light local trains being run to Los Angeles. Thus a road will be secured between San Francisco and New Orleans which will nowhere have a grade of over 42 feet to the mile, on which one locomotive will be able to pull 65 freight cars, and where there will be no difficulty from snow, and the great expense of maintaining snow-sheds and long tunnels will be altogether avoided.

The owners of the Central Pacific already have a line of steamers running from San Francisco to China. They propose to put on between Liverpool and their eastern termins a similar line of large iron steamers, which may be run swiftly and cheaply. And this done, they will be prepared to compete with the Cape Horn route for the carrying trade of the Pacific coast, and with the Suez Canal for the carrying trade of Eastern Asia and Western Europe.

They propose to take in this way all the grain export of California. At all the stations in our great interior valleys will be erected warehouses, from which the grain will be dumped in bulk into cars. At Galveston or New Orleans it will be emptied into the holds of steamers, and be raised at Liverpool or London by elevators, thus avoiding the cost of handling, and what is a still greater item, the cost of sacks. There will also be paid the cost of insurance, all but a nominal rate between the Gulf port and the English port; as well as three months' interest. These items taken into consideration, the charge they propose will be so low that they will be able to turn the whole export trade into grain over their line, and in the cars, which must be hauled back, they propose to carry heavy freight westward at equally low rates.

But the great advantage of the California farmer will be that he will thus be enabled to profit by every rise in Liverpool quotations. Now when wheat rises in England tonnage rises in San Francisco, and a great part of what should be the profit of the California wheat-grower goes in higher freights. The railroad rate being uniform, the wheat-grower will get the full benefit of increased prices.

I have not space to follow up this magnificent scheme in all its main features, to say nothing of its details. It involves the development of Southern California, of Arizona and New Mexico and Western Texas, of the Northern States of Mexico, and ultimately, of that rich table land which dim ages ago was the seat of empire and civilization. It involves the opening of a new channel for the greatest trade of the world; it involves such an impetus to the growth of California in population and wealth as has not been given since the discovery of gold.

That the railroad people consider the Southern road as their "big thing," is very clear, and the statement printed by the New York *Tribune* yesterday, of a sale by them of a large block of Central Pacific stock is doubtless but a step in a well-defined policy.

The net gain in population by last year's passenger arrivals in California was 9,477, being less than for many years preceding. For ten years ocean steamers have taken away more passengers than they have landed. The Panama steamers last year brought 2,150 and took away 1,500; the China, 6,545 and 6,906; the Hawaiian Island, Australian and New Zealand steamers and ships brought only 1,926 and took away 4,262; British Columbian vessels, 1,411 and 1,671, and Mexican, 549 and 204. The arrivals by rail were 472,811, and the departures 280,869.

PACIFIC SLOPE NEWS.

DISPATCHES OF LAST NIGHT.

WESTWARD-BOUND PASSENGERS.

Unsuccessful Attempt to Poison a Family in Nevada.

GRAND ARMY ANNUAL ENCAMPMENT.

The Case of the O'Brien Estate Submitted Without Argument.

CALIFORNIA.

The O'Brien Estate Case — Submitted Without Argument.

SAN FRANCISCO, January 23d.—The examination on the opposition of John H. Burke to the allowance of the account filed by the executors of the O'Brien estate was reopened to-day, for the purpose of allowing the introduction of an instrument signed by Mrs. Coleman and Mrs. McDonough, the residuary legatees named in the will, approving the sales of stock to James G. Fair on January 19, 1878, amounting to $743,000. It was dated July 20, 1878, and acknowledged before a Notary Public January 23, 1880, and a duplicate of the original, which is lost. The case was then submitted for a decision of the referee without argument.

Annual Encampment of the G. A. R.

OAKLAND, January 23d.—The annual encampment of the Department of California of the Grand Army of the Republic convened this morning at 11:30 o'clock, in the Germania Hall building. The appointed hour for assembling was 10:30 A. M., but, as the San Francisco and other delegations were delayed by the fog on the bay, the Encampment was not called to order until the hour mentioned. There was a full attendance of delegates in the department from all parts of the coast, including Oregon and Nevada. After the appointment of committees and the usual introductory routine business had been conducted, a recess was taken until afternoon.

San Jose Presidential Straws.

SAN JOSE, January 23d.—The San Jose *Herald* has had interviews with 100 leading Democrats and 100 Republicans, who give the following Presidential preferences: Democrats—Field, 25; Thurman, 19; Bayard, 15; Seymour, 13; Hendricks, 13; Hancock, 9; Tilden, 6. Republicans—Blaine, 32; Washburne, 26; Grant, 16; Sherman, 11; Field, 9; Conkling, 13; Garfield, 2; Hayes, 1. Non-committal—Democrats, 4; Republicans, 6. Opposition to Grant is based on scruples concerning a third term. Nine Republicans favor Field on general principles, and because he is a Californian.

A Whale Ashore.

WATSONVILLE, January 23d.—A whale about 60 feet long washed up on the beach near this town last night.

Verdict of Not Guilty.

BAKERSFIELD, January 23d.—In the case of George Tibbet, for murder, the jury brought in a verdict last night of not guilty.

NEVADA.

Passengers Passing Carlin for California.

CARLIN, January 23d.—The following passengers passed Carlin to-day, to arrive in Sacramento to-morrow: George W. Johnson, James D. Lynch, New York City; Mrs. Burnham and family, Omaha, Neb.; Miss Cochrane, New Orleans, La.; Mrs. L. Swarn, Miss Emma Swarn, Iowa; J. Johnson and family, J. J. Kittel, New York City; S. N. Burk, San Jose; J. S. Graves, New Orleans, La.; John L. Pike, California; W. T. Curtpatric, San Francisco; Charles C. Huff, Indiana; G. W. Betterfield, San Francisco; J. W. Ides, Chicago; William A. Farish, Denver, Col.; Mrs. H. J. Johnson, Kansas; E. H. Gammon and wife, Chicago, Ill.; A. B. Johnson, Washington, D. C.; Charles Helwig, Indianapolis, Ind.; M. E. McBurney, Pat. Rian, Elko, Nev.; 28 emigrants, including 21 males, to arrive in Sacramento January 25th.

Diabolical Attempt to Poison an Entire Family.

CARSON, January 23d.—On Monday last at Sheridan, a small place twenty-two miles south of Carson, Frank Butler, a negro, formerly a resident of Carson, was suspected of having poisoned all the food in the house of John Boston, with murderous intent. About noon he bought a bottle of strychnine, and immediately after was seen hanging around Boston's house. He was arrested and asked what he did with the poison, and appeared much frightened. He answered that he did not know. Butler's house was then searched and a strychnine bottle was found nearly empty. At 1 P. M., Peter Steffers, a German farm-hand employed by Boston, went into Boston's for lunch and took several bites of bread and butter lying on the table. The food tasted bitter, and he stopped eating and went into a saloon, where he was taken seriously ill and fell out of a chair. Dr. Smith was called, and he pronounced it a case of strychnine poisoning. All the food in Boston's house was then examined, and the bread, meat, vegetables and preserves were found to be thickly covered with strychnine; it was even thrown in the water-bucket. Steffers had noticed it on the butter and thought it was salt. The evidence against Butler is circumstantial only, there being nothing positive, though there is little doubt that he did it. Butler had made a pet of the seven-year-old daughter of the sister-in-law of Boston, but the latter disliked the looks of Butler and had ordered him not to call again at the house. It is supposed that Butler was enraged in consequence and determined on a terrible revenge. The examination of the case closed yesterday at Genoa, and Butler was held to answer before the Grand Jury in $5,000 bail, in default of which he was remanded to jail. Steffers is still alive, with some possibility of his recovery.

SAN FRANCISCO ITEMS.

[From San Francisco exchanges of January 23d.]

The force employed on the sea-wall has been increased to 175 men. About 150 piles have been driven for the third section.

Bogus standard dollars of the issue of 1879 are in circulation. They are a good imitation of the original, and well calculated to deceive.

From 10 to 25 per cent. of the domestic unmailable letters daily sent to the Dead Letter Office from this city are addressed to Oakland, and are dropped into the Post-office here with only a two-cent stamp on them.

The Board of Health met in executive session at the rooms of Mayor Kalloch, in the Palace Hotel, this morning. Present—Mayor Kalloch and Drs. Douglass, Simpson and Toland. It was decided to allow the cabin passengers in the quarantined steamship City of Peking to come on shore.

Cyrus S. Barnard and Charles F. Goss, having pleaded guilty in the United States District Court of robbing the Santa Barbara Postoffice, were sentenced by Judge Hoffman to-day, each to pay a fine of $50 and to be imprisoned for six months. The prisoners are 18 and 19 years of age respectively, and are represented to be well connected.

Two American ships came into port yesterday with coal from Callao. It is related of these vessels that both left Liverpool on the same day, that both arrived at and sailed from Callao within a day of each, and that one arrived here yesterday morning and the other yesterday afternoon. The names of these ships are the Alexander Gibson and the Alexander McCallum.

During the year 1879, 27 vessels registered at this port, aggregating 8,233 tons, were wrecked, involving a loss of $700,000. Of these 19 were schooners; 3 barks, 1 steamer, 2 sloops, 1 brig and 1 ship. The largest single loss was that of the steamer Great Republic, valued at $360,000. The number of persons drowned was 44 and 3 were killed by the breaking of a capstan.

About 425 men have been dispatched to work on the eastern end of the Southern Pacific, and no more will be required for the present. Of this number some 125 were Chinamen. It is calculated that one mile of track will be laid a day, at which rate it will take less than 65 days to reach Tucson, and probably a third longer before the road will be completed to the Tombstone mining district.