EMPEROR MET BY A GREAT CROWD

Frances Joseph Welcomed by People of Budapest.

MAY BE INSULTED TODAY

WILL READ SPEECH DISSOLVING PARLIAMENT.

Budapest, Hungary, Jan. 2.—Emperor Francis Joseph, king of Hungary, arrived here this evening. He was met at the station by a great crowd of people, who gave the monarch an enthusiastic New Year's welcome. His majesty will read the speech from the throne before the members of parliament on Wednesday, and probably will return to Vienna on Thursday.

Count Albert Apponyi informed the Associated Press tonight that tomorrow he will formally throw in his lot with the independent party, whose president is Francis Kossuth. This news doubtless will cause a great sensation in political circles here, as rumors of the count's intention have not been taken seriously, but only as a threat. To the independent party the accession of a politician of the prominence and experience of Count Apponyi will be a great gain. He will take with him the members of the national party, numbering about twenty, and is likely to assume the position of leader in the chamber of deputies, while Herr Kossuth remains president of the independent party. Politicians regard Count Apponyi's action as a probable deathblow to his political prospects, destroying forever his hopes of becoming president of the council.

Work of Lifetime Undone.

Speaking of his decision, Count Apponyi said to the Associated Press:

"What this step costs me I cannot describe. It is very hard for me to sever my old political relations. For thirty years I have labored to support the Ausgleich of 1867 (an arrangement of the fiscal affairs in common between the two kingdoms of Austria and Hungary) which I have always regarded as sacred. Now, however, I consider it is being broken by Count Tisza's action in forcing the dissolution of parliament in an unconstitutional manner. The legal value of the Ausgleich of course remains, but it has no more moral force and no longer affords a guarantee to the nation or a basis of confidence between the crown and the people. Hungary must exclude all Austrian interference in its affairs and free itself from the Vienna camarilla, so-called. The common affairs existing between the two nations under the compromise of 1867 always have proven a hotbed of Austrian interference. While keenly regretting the necessity for my action, I feel that it is the only way of protesting against the government's violent illegalities and the only way of raising the spirits of the nation. Tisza has made a terrible mess of the affair. I am convinced that victory will ultimately be ours; while perhaps not in the first battle, yet surely in the end."

Emperor May Be Insulted.

Regarding the probability of scenes at the reading of the speech from the throne by the king on Wednesday, Count Apponyi said he could answer for nothing. "While the opposition leaders would deeply deplore such an occurrence," the count said, "they could not accept responsibility for the action of 150 members. They are now beyond control. Never before have I witnessed such excitement in political circles as prevails today."

In government circles it is not regarded as possible that any of the deputies should venture to interrupt in any way the sovereign's delivery of the speech from the throne, believing that the traditions of the old Spanish court etiquette will prove far too strong for such a proceeding.

TO CURE A COLD IN ONE DAY
Take Laxative Bromo Quinine Tablets. All druggists refund the money if it fails to cure. E. W. Grove's signature is on each box. 25c.

THE DEATH RECORD.

General E. H. Warner.

New York, Jan. 2.—Brevet Brigadier General Edward R. Warner, U. S. A., retired, died suddenly of heart disease in the Marlborough hotel, aged 69 years. His home was in Montrose, Pa.

HUNTING FOR PROPERTY.

New York, Jan. 2.—Nathan Loeser, receiver in the bankruptcy proceedings brought against Mrs. Cassie L. Chadwick in Cleveland, arrived today to look up some of her property which he believes is in this city.

MUSIC WITH AN ECHO

Warden Pratt Shows Lack of Appreciation of Convict Harmony on New Year's.

Many of the inmates of the state penitentiary indulged in an impromptu New Year's eve celebration Saturday evening, shortly after being locked in their cells, and as there was nothing of the kind upon the programme as outlined for the occasion by Warden Pratt, he decided to discipline those who were found to be responsible for the disturbance. A couple of convicts stated the jollification by singing "the tune the old cow died on," and to their voices were soon joined those of several other inmates of the cells. When there was a lull in the singing some of the convicts yelled at the tops of their voices. It was nearly daylight before the warden and his deputies succeeded in quieting all the unruly prisoners.

As a punishment Warden Pratt, after due inquiry, ordered that thirty-five of the prisoners be confined to their cells all day Sunday and Monday, and refused admittance Sunday to visitors. In consequence there were no exercises of the Christian Endeavor society in the morning, and the usual chapel exercises in the afternoon were not held.

Yesterday morning an entertainment was given by a number of young men and women under direction of Miss Nora Gleason, all prisoners attending except those confined to their cells. The following took part in the entertainment: Miss Helen Reedall, Miss Cora Fafek, Miss Marjorie Mulvey, Miss Irene White, George Soffe, George Glade, Matthew Shepherd, John Giles and Melvin Savine.

Stop that Cough by using Piso's Cure for Consumption. All druggists. 25c.

FREE TO COME AND GO

Dr. Chadwick Allowed to Visit His Wife in the Cleveland Jail.

Cleveland, O., Jan. 2.—Dr. Leroy S. Chadwick spent most of the day in his room at a hotel. During the afternoon he was out for a time and called upon friends. About 5 o'clock he visited his wife at the county jail. They were together for half an hour. The physician is experiencing no trouble in seeing his wife. There will be no conflict between the new sheriff and United States Marshal Chandler. All who have a right to see Mrs. Chadwick are being accommodated. This privilege is extended to her husband, her son Emil, her maid Freda and her lawyers, J. P. Dawley and Sheldon O. Kerrush. All other persons are prohibited from seeing the prisoner.

Dr. Chadwick will be taken into the criminal court tomorrow morning and surrendered by Attorneys J. P. Dawley and Virgil P. Kline, his bondsmen. The bond given for his release Sunday morning was but a temporary arrangement, as a new term of court will begin tomorrow morning and the bond must be renewed then. Dr. Chadwick will at once give bail, and the bond will doubtless be signed by Mr. Dawley and Mr. Kline.

A Sad Catastrophe.

(Collier's Weekly.)

Commander Brownson tells of a German, a recruit in the naval service, who, during a certain watch, was, in accordance with the regulations, calling the hours.

"Sefen bells, and all iss vell!" called the German, correctly enough. Those who heard the call were much astonished by this amusing variation:

"Eight bells, and all iss not vell! I haf dropped my hat overboard!"

STORY THOUGHT PROBABLE.

Berlin, Jan. 3.—Nothing is published in the morning newspapers today concerning the arrival of Russian torpedo boat destroyers and transports at Tsingtau. The official news agency which has closest connections with the government is silent on the subject. There is a possibility that two of the destroyers which a Chefoo dispatch reports to be missing may have taken refuge unnoticed in Tsingtau.

"You often get a square meal at a round table, so don't kick."

Tree Tea Selected Wisdom.
The Pure Good Tea, sold in packages only
M. J. BRANDENSTEIN & CO., Importers, San Francisco.

Now For An "Honest Clothing Sale"

Strange but true. An event out of the ordinary—where "honesty" is the first consideration. The details appear elsewhere in this paper, to which we direct your careful attention . . .

RICHARDSON & ADAMS
"A CLOTHES SHOP FOR MEN"
At "The Sign of the Four"
THIS
172 Main Street

TERMS OF SURRENDER WERE SOON ARRANGED

(Continued from Page 1.)

firmed from Russian sources. But the best informed circles at the war office, which are in possession of unpublished portions of dispatches taken by the torpedo boat destroyers to Chefoo, describing the state of affairs in the beleaguered garrison, accept the news as true, and it is not too much to say that it was received almost with a sense of relief, and also the fact that the remnant of the heroic defenders is not reserved for sacrifice at a final storming and perhaps all be subjected to the horrors and excesses incident to the entry of the victors in the passion of battle. General Stoessel's surrender does not meet with a word of criticism in Russia.

Earned Lasting Renown.

Even in defeat General Stoessel's wonderful defense of Port Arthur has earned for him an imperishable name in Russian military annals. Ever since confirmation was received of the destruction of the Port Arthur squadron it had been felt both at the admiralty and at the war office that the main reason for the sacrifice of the last man in the defense of the fortress had gone, and the progress made by the besiegers during the past fortnight, culminating in the capture of Wantai (signal) hill, which broke the chain of inner eastern forts, made it certain that the end was at hand. It was considered almost certain, however, that Stoessel would not surrender without the emperor's authorization, and that he probably asked to be allowed to communicate with his majesty through Tokio. As the emperor is in the south of Russia, the nature of any dispatches sent to him is not known at the war office.

News Not Published.

All portions of the dispatches forwarded from Chefoo describing the terrible straits to which the garrison was reduced are not published here. The report that General Stoessel, in addition to confirming the death of General Kondratenko, had announced the deaths of Generals Fock and Symrnoff, had a bad effect. The news was reflected on the bourse by a fall in imperial 4 per cents to 89, the lowest point since the war began.

At the admiralty a good deal of confusion exists, but it is not admitted that the fall of Port Arthur will alter the plans of Admiral Rojestvensky, such an event being fully anticipated when the Russian second Pacific squadron left Russian waters. The squadron is not bound for Port Arthur, but for Vladivostok.

Feeling of Gloom.

Nevertheless, the feeling is one of gloom, and a decision to order Rojestvensky to await further reinforcements before proceeding would not greatly surprise shrewd observers.

The political effect in Russia of the fall of Port Arthur is awaited with the greatest interest. The hour of grief of the loyal Russians is almost sure to be taken advantage of by the discontented elements to make demonstrations against the government. The revolutionary party has already decided to use the occasion for a general demonstration.

All Is Conjecture.

While all is still conjecture here regarding the proposed terms of the surrender of Port Arthur, the feeling at the war office is that in turn for abandoning further resistance and surrendering the fortifications and guns, General Stoessel should receive the honors of war and be allowed with the garrison to return home on parole. No surprise was created by the report that the ships in the harbor had been blown up, the instructions that they should not be allowed to fall into the hands of the Japanese were imperative.

The admiralty displays reticence in regard to the purpose of the torpedo boat destroyers which escaped from Chefoo to Tsingtau, but there is reason to believe that arrangements will be made with the help of colliers to have them try to proceed south in an attempt to join Admiral Rojestvensky's squadron, but if the conditions are adverse it is realized that they must be disarmed.

FLAG OF TRUCE.

Letter of Stoessel and Reply of Nogi.

Tokio, Jan. 2.—General Nogi reports as follows:

"At 5 in the afternoon of Jan. 1 the enemy's bearer of a flag of truce came into the first line of our position south of Shuishiying and handed a letter to our officers. The same reached me at 9 o'clock at night. The letter is as follows:

"'Judging by the general condition of the whole line of hostile positions held by you I find further resistance at Port Arthur useless, and for the purpose of preventing needless sacrifice of lives I propose to hold negotiations with reference to capitulation. Should you consent to the same you will please appoint commissioners for discussing the order and conditions regarding capitulation, and also appoint a place for such commissioners to meet the same appointed by me.

"'I take this opportunity to convey to your excellency assurances of my respect.

(Signed) "'STOESSEL.'

Nogi's Reply.

"Shortly after dawn today I will dispatch our bearer of a flag of truce with the following reply addressed to Stoessel:

"'I have the honor to reply to your proposal to hold negotiations regarding the conditions and order of capitulation. For this purpose I have appointed as commissioner Major General Ijichi, chief of staff of our army. He will be accompanied by some staff officers and civil officials. They will meet your commissioners, Jan. 2, noon, at Shuishiying. The commissioners of both parties will be empowered to sign a convention for the capitulation without waiting for ratification, and cause the same to take immediate effect. Authorization for such plenary powers shall be signed by the highest officer of both the negotiating parties and the same shall be exchanged by the respective commissioners.

"'I avail myself of this opportunity to convey to your excellency assurances of my respect.

(Signed) "'NOGI.'"

SPIRIT OF MAGNANIMITY.

Stoessel's Army May March Out With Honors of War.

Tokio, Jan. 2.—A dispatch from the Japanese army before Port Arthur, received at noon today, says:

"The enemy's forces occupying Keekwan mountain and "Q" fort, following an explosion at 12:30 this morning, opened a sudden and fierce rifle fire which suddenly stopped.

"Our scouts were dispatched to the scene and immediately afterwards found the enemy evacuating these places. Our forces immediately occupied these two forts and also the heights known as "M" and "N," south of the forts. This morning almost all the enemy's ships, large and small, were blown up in the entrance and inside the harbor. Our offensive movements have been suspended pending the negotiations."

It is believed here that the Port Arthur garrison has received liberal terms. There is a general disposition to be magnanimous, in view of the garrison's marvelous defense. The public has not been informed of the result of the meeting of the capitulation commissioners at noon today, but it was believed that the terms had already been agreed upon. In military circles the opinion was expressed that the discussion covered only a few questions, including allowing the garrison to march out carrying their arms, permitting the garrison to return to Russia with or without their officers, and requiring their parole not to take any further part in the war. It is possible that Japan will permit the entire garrison to return to Russia with arms upon giving their parole.

ONLY ONE DESCRIPTION.

Port Arthur For the Past Few Days Has Been Simply Hell.

Chefoo, Jan. 2.—The Russian officers who arrived here today from Port Arthur on the torpedo boat destroyers which escaped from that place have a single word for what the fortress has been for the past five days, during which the Japanese have bombarded and assaulted it ceaselessly night and day. They use that word unprofanely and convincingly, declaring that the horrors witnessed were beyond any description. There was not a single spot in the town which was safe from shrapnel. Many of the hospitals were hit and the wounded refused to stay in them. Some lay in the streets on heaps of debris, exposed to the bitterly cold weather, and some staggered back to the front, hurling stones and defying the Japanese until taken prisoner or death came mercifully to end their sufferings.

There were five days and nights of this state of affairs. The stock of ammunition, which had been carefully husbanded for months, was almost gone, and it was all too evident that Japan was about to grasp the prize which had cost her an army of men and countless treasure.

The capture of 203-Metre hill by the Japanese was the garrison's first vital wound. Then came the capture of Rihlung, Sungshu and Panlung mountains. General Stoessel had announced that he would fight until the last.

"His plight last night," said Captain Kartow, commander of the torpedo boat destroyer Vlasini, "looked like 'the last.' There was no stopping the Japanese, who died in droves and fought with the last instinctive twitch of the nerves, with eyes fixed on the Liaotie mountain. Stoessel had killed a Japanese army and exhausted his ammunition. But," added Captain Kartow, "they became more furious, ferocious and fateful than ever. So the white flag went up."

SECURITIES HELD WELL.

Powerful German Bankers Came to the Rescue.

Berlin, Jan. 2.—Russian securities, which are largely dealt in on the Berlin boerse, stood the shock of the Port Arthur surrender with scarcely a quiver, government securities losing one-tenth of 1 per cent and private companies' shares losing from a quarter to half a point. So soon as the report reached the boerse, powerful financial influences immediately met it with statements that the Russian government would not deviate in the slightest from its determination to fight out the war, and by repeating the figures recently put forward that Russian finances, as shown by the expenditure of less than $40,000,000 over the usual budget since the war began, would permit Russia continuing the war for ten years without reaching a breaking point. It might be supposed that the news from Port Arthur would ruin the chances of the new Russian loan, but the bankers consulted by the Associated Press consider the loan is likely to be taken without difficulty.

The military critics treat the surrender of Port Arthur as the beginning of a new phase of the war, liberating General Nogi's army for co-operation with the armies before Mukden and removing causes for anxiety for the Japanese, who are now able to risk more in attacking General Kuropatkin. Captain von Pustau believes the Japanese will now proceed against Vladivostok and destroy the last Russian naval base in the far east. Colonel Gaedke, who has now returned from Mukden, says Port Arthur's defense practically saved General Kuropatkin's army, and that the Japanese have lost in the attack more men than the whole Russian garrison numbered.

All the newspapers here eulogize the courage and persistence displayed on both sides, and some of them regard the recall of the Russian second Pacific squadron as being a possibility.

SADNESS IN PARIS.

News of Surrender Created a Profound Impression.

Paris, Jan. 2.—The news of the surrender of Port Arthur created a profound impression here and was the universal theme of conversation in official and diplomatic quarters and the public generally. The newspapers discuss it at much length and in a tone of sadness. The Russian officials here learned the situation from Associated Press dispatches from Tokio, and the Japanese legation received a brief official summary of the progress of negotiations. The prevailing French view is summed up by the Temps, which says the historic defense of Sevastopol has now been surpassed. Port Arthur adding a glorious page to military annals which will long remain unequaled. Continuing, the Temps points out that the surrender will exert a tremendous moral effect favorable to Japan. The Japanese, the paper says, are now revenged for the loss of Port Arthur after the Chino-Japanese war.

French military critics regard the surrender of Port Arthur as rendering General Kuropatkin's position increasingly dangerous, as the besieging army of 80,000 men is now released and will reinforce the Japanese army in the north. It is expected that Admiral Rojestvensky's squadron will proceed no further in the direction of the seat of war.

The hope is expressed in some official quarters that the surrender of the fortress will hasten peace, but the prevailing view is that the fall will accentuate Russia's resistance. Some Paris journals assert that Japanese occupation of Port Arthur will constitute a menace to all Europe which the chancelleries should prepare to meet.

RESTED WITH STOESSEL.

Heroic Commander Vested With Discretionary Powers.

St. Petersburg, Jan. 3, 2 a. m.—While there is no longer any doubt in official circles in St. Petersburg that the fate of Port Arthur has been decided and General Stoessel's long and gallant defense ended, news of the surrender has not yet been allowed to reach the public. Foreign telegrams regarding the matter have been withheld from the newspapers pending the issue of the official announcement here. The government is following the dictates of its own judgment in this course; but the public so far is entirely unprepared for news which must prove a serious blow when it comes. The newspapers so far merely intimate that the defense of the garrison is proceeding as usual, but everyone has realized for some time that the end was approaching and there is no question that the majority, if they were prepared by a preliminary announcement by the government, could forgive the loss of the fortress in admiration of the garrison's heroic defense.

Fear Demonstrations.

Possibly some of the hesitation of the authorities here to make the announcement of the fall of Port Arthur is due to threats and rumors of radical demonstrations, coupled with the absence of the emperor; but it is certain that no demonstration is likely which could assume serious proportions, and the radical leaders would be sure to alienate the sympathy of many even of the more liberal Russians if they chose such a moment for a revolutionary demonstration.

It has been learned that the last message sent by Emperor Nicholas to General Stoessel vested the commander of Port Arthur with discretionary powers and urged him to exercise them rather than allow the defense to go to the last ditch. This may account for the apparently brief time required to conclude the negotiations between the Russian and Japanese commanders, no time having been occupied in communicating with Emperor Nicholas. It is equally certain that General Stoessel did not surrender without previous authorization.

Rumor of Peace Offer.

In diplomatic circles tonight, where there is every reason to believe there is the best information regarding the plans of the Japanese, it is stated that the fall of Port Arthur will be promptly followed by an offer of peace from Japan. It is understood that a strong effort will be made to have the offer come through President Roosevelt. It is even suggested that the terms might include an arrangement which would give Russia an outlet through the Persian gulf. There is, however, no indication as to whether an effort to induce President Roosevelt to move in the matter would be likely to succeed. It certainly is regarded as unlikely that such a suggestion should come through the United States unless the president has the strongest previous intimation that it would be favorably considered by the Russian government. It may be added that while it is known that Emperor Nicholas from the beginning regarded the war with great abhorrence, there is nothing yet to indicate that his government intends to recede from the programme of fighting to a finish, which is repeatedly announced.

No Difference to Rojestvensky.

There is much discussion relative to Vice Admiral Rojestvensky's voyage to the far east. It is rumored that his squadron may be recalled to the Baltic to await reinforcements and proceed eastward next summer, when it will be decidedly superior in strength to Admiral Togo's fleet. But there is nothing authoritative to support such a report. The situation, so far as Vice Admiral Rojestvensky is concerned, is not materially different from that when the Port Arthur squadron was first defeated. It is known that Admiral Rojestvensky had alternative instructions when he sailed covering such a contingency as has now arisen. So far as known he has no intention of altering his plans, owing to General Stoessel's surrender.

Curtails Czar's Trip.

The situation in the immediate future may be such as to necessitate the curtailing of the emperor's trip to the south and cause his return to St. Petersburg; but the report that his pilot train had been blown up is untrue. There have been a number of mishaps to freight and passenger trains, owing to a blizzard prevailing in south and central Russia, during the past few days. One train was derailed near Minsk, and this doubtless occasioned the rumor cabled to the United States that revolutionists had wrecked the train preceding the royal train.

The News in Rome.

Rome, Jan. 2.—The news of the fall of Port Arthur was received here today at first with incredulity. Pope Pius on hearing the news exclaimed:

"Let us hope that it is an augury that the end of the war is near, now that both nations have proved their metal!"

In military circles it is believed that Field Marshal Oyama, once he has been reinforced by General Nogi's troops from before Port Arthur, will take the offensive energetically, notwithstanding the rigors of the climate, while Port Arthur will become a Japanese stronghold should the fortunes of war turn against that nation.

FIGHTING FOR PRINCIPLE.

Japan Will Continue Until Her Rights Are Recognized.

Washington, Jan. 2.—Mr. Kogoro Takahira, the Japanese minister, was asked tonight whether, in his opinion, the fall of Port Arthur would hasten the end of the war with Russia. Without directly responding to the inquiry, for an answer he referred to the fact that while the fall of Port Arthur was impending and its capture by the Japanese inevitable, the Russians had despatched the second Pacific squadron to the far east and notice had been given of the intention to send a third army to Manchuria. The further prosecution of the war now, he said, rested with the Russians. If they should continue it Japan would be prepared to meet them on sea and land.

"Will Japan now welcome any offers for peace that might be made by Russia?" he was asked.

"Japan always has been for peace," the minister replied. "The Japanese always will be for peace if justice can be obtained for all concerned. Japan started in this war fighting for a principle, and she will continue to fight for a recognition of that principle and the just attainment of her rights."

Concerning the fortress at Port Arthur the minister expressed the opinion that it would be so cared for by the Japanese as to be prepared for any emergency.

The advices received at the Japanese legation say that General Nogi accepted the terms of surrender proposed by General Stoessel.

ONLY TOPIC DISCUSSED.

Capitulation of Port Arthur the Sensation of London.

London, Jan. 2.—The capitulation of Port Arthur was the sensation of London today. It was the one topic of discussion, from the street corners, where groups were sheltered from the driving snow, to the comfortable service clubs, the legations and the residences and offices of cabinet ministers. Everywhere the utmost admiration was expressed for the defenders and the attacking army, and the probability that General Nogi has made concessions to the gallant General Stoessel is received with much satisfaction.

The announcement of the fall of the Russian stronghold created little surprise in official and diplomatic circles, where it had been discounted by recent events. It was known as early as last October that, notwithstanding the brave showing in the official dispatches, Stoessel's resources were nearly at an end.

Nowhere, not even at the Russian embassy, was there a doubt concerning the generosity of the Japanese in arrangement of the final terms.

Peace Talk.

In diplomatic circles the main question was that of the effect of the surrender. The consensus of opinion was that it might tend in the direction of peace, but none dared venture to say that peace is in sight. It is believed it will do no more than to bring out suggestions from foreign governments. At the foreign office it was stated that the British government's attitude is unchanged; that, while peace is most desirable, affairs have not reached a stage where any foreign power could hope offerts its good offices with the assurance that it would be considered a friendly act by either of the belligerents.

Only a Fresh Incentive.

At the Russian embassy the same spirit of determination to prosecute the war to the bitter end was expressed. In fact, it was confidently stated that Russia would only regard the surrender of Port Arthur in the light of a fresh incentive and would spare no efforts for its recapture. First Secretary Poklewsky-Koziel, in the absence of Ambassador Benckendorff from the embassy, gave voice to this sentiment when he said to the Associated Press that he felt satisfied the surrender of the fortress would only serve to unite all Russia in the determination to put forth her whole strength in the spring with a view to retrieving the situation.

Cheerful Japs.

The general tone at the Russian embassy formed a striking contrast to the cheerfulness and activity prevailing at the Japanese legation. Minister Hayashi was the recipient during the day of hundreds of telegrams of congratulation from all parts of Great Britain and other countries, and official dispatches confirming the Associated Press news from Tokio were received at frequent intervals. Minister Hayashi was interviewed, but declined to discuss the probability of peace negotiations. He said, however:

"The fall of Port Arthur will at any rate end the horrible slaughter in one part of the theatre of war and I sincerely hope that in some way it will facilitate final peace. This depends upon Russia and not upon us. It may strengthen the determination of Russia to continue the war at all costs. Its effect on Japan, however, cannot be doubted. Our fleet is free, and the release of the besieging army gives us increased forces available for service elsewhere. Our base becomes more secure than ever."

Stoessel's Glory.

Speaking of General Stoessel, Minister Hayashi said:

"The surrender will in no way affect the glory belonging to him and his men, nor our admiration for their splendid defense."

Baron Suyematsu, son-in-law of Marquis Ito and former Japanese minister of the interior, said:

"Now that we have again got Port Arthur, we will not allow any other power to hold it after we have beaten Russia, and I am now more than ever confident that Japan will be victorious. I do not expect the fall of Port Arthur will make much difference with the progress of the war, though Japan will undoubtedly be in a better position."

In British naval circles the prevailing opinion is that the recall of the Russian second Pacific squadron has now become an absolute necessity.

FIRE WAS SLACKENING.

Japs Knew Russian Ammunition Was Getting Short.

London, Jan. 3.—The Daily Mail's correspondent with General Nogi says the capture of Wantai involved six hours of the fiercest fighting, while the attacks on the forts to the southeast were carried on simultaneously, describing the final siege, the correspondent says:

"The slackened fire at points in northern and eastern forts seemed to show that the Russian ammunition was failing. The position was now desperate. Great explosions around the forts proclaimed that the Russians were exploding their magazines. Flames and smoke in the harbor were followed by explosion after explosion, which revealed the destruction of the Russian ships. The Russians also apparently blew up two of their own forts. The battleship Sevastopol was blown up, and the other warships were destroyed as thoroughly as possible. The battleships Retvizan and Poltava and the protected cruiser Pallada caught fire."

CRITICISM OF STOESSEL.

Japs Angry Because the Warships Were Blown Up.

Tokio, Jan. 3, 9 a. m.—General Stoessel is being sharply criticised for destroying the Russian warships, attempting to choke the entrance to the harbor of Port Arthur, and dispatching the torpedo boat destroyers to Chefoo subsequent to his offer to surrender the fortress.

The Nichi Nichi says that while General Stoessel made a gallant defense, his action in blowing up the ships after he had offered to surrender leaves a lasting blemish on his military reputation. His act indicates a want of sincerity and leaves no room for an extension of treatment to him commensurate with the reputation won by the bravery and gallantry of his defense.

The Nichi Nichi contrasts the action of the emperor in directing that full military honors be paid, with that of General Stoessel.

The Jiji characterizes General Stoessel's action as mean and unlawful, and says that it should deprive him of any military honors at the hands of his captors.

The Jiji also revives the charges of Red Cross violations at Port Arthur and declares that no treatment would be too severe in fixing the terms of surrender. The Jiji compares the action of the emperor of Japan with that of General Stoessel.

Breaking the News Gently.

St. Petersburg, Jan. 3, 6:50 a. m.—While no official news from Port Arthur is printed in the newspapers here today that is later than the dispatch from General Stoessel dated Dec. 19, the papers are preparing to "break the news gently," mostly with telegrams from Paris giving the statement of the Japanese legation that Generals Stoessel and Nogi were exchanging letters, and stating that the fall of the fortress was imminent. Other paragraphs published state that the supply of munitions at Port Arthur was low and that it would be impossible to continue the defense much longer.

FOCK'S DEATH DENIED.

Russian General Said to Be Severely Wounded.

St. Petersburg, Jan. 2.—General Stoessel, in a dispatch to Emperor Nicholas, confirms the Port Arthur reports that Major General Kondratenko, commander of the Seventh East Siberian rifle brigade, was killed Dec. 15. In addition to confirming the reports of the death of General Kondratenko, it is understood that General Stoessel, in the dispatches filed at Chefoo today, also reported the deaths of Major General Fock, commander of the Fourth East Siberian rifle brigade, and Lieutenant General Smyrnoff, commander of the Port Arthur fortress.

Later in the day the report of the death of General Fock was denied. It was admitted that he was wounded, but it was stated that the report of his death had not yet been confirmed.

ANNOUNCED IN THE PRESS.

Sad News Though the Russians Had Expected It.

St. Petersburg, Jan. 3, 7 a. m.—The Novoe Vremya and the Russ briefly and sorrowfully announce the fall of Port Arthur. Those journals say that it will be sad news to Russians, though it had been expected and regarded as inevitable for weeks past. Both papers call upon the country passionately not to let the bloodshed during the last seven and a half months in defense of the fortress go for naught, but to continue the war with the same steadfastness of purpose as before.

The Novoe Vremya editorially declares that it has authoritative news that British warships are following Vice Admiral Rojestvensky's squadron and reporting its disposition and movements to Tokio from each cable port reached. The paper adds that the North sea incident has shown that Rojestvensky is a man whom it is dangerous to tamper with, and advises the British government to call off its "official spies," and thereby prevent the possibility of the occurrence "in the Indian ocean of an incident which would be regrettable alike to Great Britain, Russia and the whole of Europe."

War Will Go On.

Washington, Jan. 2.—Although he had no official news regarding the surrender of Port Arthur, Count Cassini, the Russian ambassador, had no hesitation in reiterating what he has repeatedly announced, that the loss of Port Arthur would not have the slightest effect on Russia's determination to fight to the end.

"Russia will pursue the war to the end, and the temporary loss of Port Arthur after such a valiant defense can only spur Russia on to an ultimate victory."

MORE SMOOT WITNESSES.

Marshal Serves Subpoenas on Several.

Marshal Heywood has already served subpoenas on J. W. N. Whitecotton and A. A. Noon of Provo, Postmaster H. M. Dougall of Springville, Judge W. M. McCarty, H. E. Booth, Judge C. W. Morse, Judge J. A. Miner, R. T. Burton, Jr., A. L. Thomas, William Hatfield, Glen Miller, Arthur Pratt of Salt Lake, and W. E. Borah of Boise to testify for Smoot.

Attorneys and friends of Senator Smoot were in conference again yesterday and, it is understood, agreed upon several additional witnesses to testify for the junior senator before the senate committee. The only name given out, however, was that of E. D. R. Thompson of Salt Lake.

A Dangerous Affection.

Professor Van Dyke of Princeton said in a recent address to a New York Sunday school:

"Errors of logic, inconsequent reasoning, are common to the young.

"A little Princeton boy the other day was walking with his mamma. As he passed the house of a friend he saw a dog playing on the lawn.

"'That dog is called Troy. Troy likes me, mamma,' he said.

"'How do you know Troy likes you, Charles?' the mother asked.

"'Because, one day he tasted of me,' said the boy."

Invention Baffled.

Archimedes had just invented his screw.

"Very good!" they cried. "But can't you give us a tack hammer that won't hit your thumb?"

Hereupon he could only bewail his ability to provide the needs of the simple life.

MUNYON'S COLD CURE
Price 25c
GET IT TO-DAY
Relieves the head, throat, and lungs almost immediately.
I WILL REFUND YOUR MONEY IF IT FAILS.
MUNYON, Philadelphia.

TO THE PUBLIC

I wish to announce that I have associated myself with the FREED FURNITURE AND CARPET CO., and would be pleased to have my customers and friends call and see me.

Wishing you a Happy New Year, I remain,

Very truly,

Hyman A. Leipsiger.

STOESSEL WOULD NOT SURRENDER

(Continued from Page 1.)

that mountain is not adapted for the best defense from the land side, and the Japanese would find its capture easier than the other tasks they have attempted. Tiger's Tail peninsula has to be similarly viewed, and Golden hill has been without ammunition for three months.

"The Japanese artillery was excellently served. They had four hundred guns bearing on 203-Metre hill. They advanced their trenches while their artillery was shelling the Russians out with a shower of metal and then occupied the Russian positions.

"In personal combat the Japanese was greatly inferior to the Muscovite. One Russian could take care of three Japanese in a bayonet fight, and some of our soldiers have records vastly higher than that. The Japanese are good, brave soldiers, although I have little liking for them.

Japs Lost 80,000 Men.

"It has cost the Japanese 80,000 men to take the fortress, while some say they have lost over a hundred thousand. The number of our own dead is not known, even to the high officers.

"The fighting since August has been merciless. When Rihlung mountain was taken five hundred men occupying a casemate were not able to emerge so quickly came the Japanese rush. The Russians tried to emerge by the use of their bayonets in the face of machine gun fire. Thus every man died—trying to resist machine guns with bayonets alone. The Japanese did not give them a chance to become prisoners, but the men would have preferred death anyway.

"Realize this end: Picture a fort strewn with shells and you have a picture of the end of Port Arthur.

Fought Ceaselessly.

"One peculiar incident of the siege was Fort No. 3, where for three months the Japanese occupied one part of the fort while the Russians occupied the other. They fought ceaselessly, assaulting each other and mining and countermining.

"Once when a Japanese prince was killed the Japanese sent to negotiate a truce in order that they might secure the body from heaps of others which had long remained unburied. The Russians received the envoys courteously and in an easy manner, as if they had untold breweries working, gave them the last bottle of beer at Port Arthur with the idea of creating an impression of plenitude. As a matter of fact the only real ration for three months has consisted of rice, which ultimately caused hundreds to fall sick of scorbut, a disease much like beri-beri. Last month the rations were reduced 40 per cent.

"Nothing was too great a sacrifice in order to impress the enemy that all was well inside the fortress.

"This is the first potato I have tasted for two months—and is this really, truly steak?"

RAILWAY EXTENSION.

Northwestern Will Build Across Shoshone Reservation.

(Special to The Herald.)

Washington, Jan. 2.—General Manager George F. Bidwell of the Chicago & Northwestern railway made personal application today to the Indian office for permission to survey and locate a line of railway from the eastern boundary line of Shoshone Indian reservation, Wyoming, across the reservation westerly to Lander and from Lander across the reservation northerly to Thermopolis.

Mr. Bidwell was informed by Assistant Indian Commissioner Larrabee that the general law governing the right of way across reservations restricts such right to one line of road until the good of the public demands that additional lines shall be given permission. In this instance right of way over practically the same route southeast by the Northwestern has been granted the so-called Belgo-American line, but in view of the speculative character of this road and the uncertainty that it will engage in actual railroad building, Commissioner Larrabee decided to grant the right of way to the Northwestern.

Mr. Bidwell states that his road will commence building operations without delay, and that it will not undertake to establish a new town on the border of the reservation as originally contemplated, but will build direct to towns already established at Lander and Thermopolis.

Pertinent Query.

(Chicago News.)

Applicant—Oi understand yez air afther wantin' a nurse gur-rul, mam.

Lady—Yes. I want a good girl capable of looking after the twins.

Applicant—Twins, is it? An' air th' both iv thim your'n, mam?

Still There.

(Philadelphia Press.)

"Of course," said the tourist, "the wealth of this country about here is in the soil."

"So fur's I'm consarned it is," replied the poor farmer. "I ain't dragged none out of it."