

ENGLAND STANDS
BY CANAL PROTEST

Sir Edward Grey's Reply to
Secretary Knox Virtually
Repeats Contention
Against Free Tolls.

DEFTLY ELUDES ARGUMENT

Insists There Are Grounds for
Arbitration and That It Should
Precede Occurrence of Any
Actual Friction Be-
tween the Countries.

(From The Tribune Bureau.)
Washington, Feb. 28.—The reply of
the British Foreign Office to the last
communication of Secretary Knox re-
garding the Panama Canal tolls was
placed in the hands of the Secretary of
State to-day by the British Ambassa-
dor. Its text will be made public on
Sunday.

Secretary Knox, although gratified by
the courtesy which prompted the sub-
mission of Sir Edward Grey's reply be-
fore the expiration of this administra-
tion, is disappointed because the Brit-
ish minister begins his communication
with the assertion that there was in-
sufficient time before March 4 to pre-
pare a full reply to all the points raised
by the American Secretary of State.

While publication of the text is de-
ferred, The Tribune correspondent is
permitted to give an authoritative out-
line of the communication.

Emphatic exception is taken to Mr.
Knox's contention that there is at this
time no ground for arbitration, be-
cause, in homely phrase, Great Britain
is crying before she is hurt. Sir Ed-
ward Grey submits that it is wholly
foreign to the spirit and practice of
arbitration to require a nation which
believes its rights have been questioned
to await the commission of some con-
crete act in violation of those rights—
some act involving actual injury—be-
fore appealing to arbitration.

The British Foreign Minister delicately
states that if the purely legal con-
tention of the American Secretary of
State were conceded it would be neces-
sary to wait until tolls had been actu-
ally levied on a British vessel before
that country would be held to have a
case in court, all of which is the oc-
casion of some irritation to the exact
legal mind of the Secretary.

Reiterates British Conception.

Having dismissed this contention, Sir
Edward Grey proceeds to reiterate the
conviction—although he refers to it as
a "conception"—of his majesty's gov-
ernment that the act of Congress de-
claring that no tolls shall be imposed
on vessels engaged in the American
coastwise trade constitutes a violation
of the treaty, which is not affected by
the specific manner in which the Presi-
dent may, in his discretion and on some
particular occasion, exercise the power
conferred on him. It is further pointed
out that, although Mr. Knox laid par-
ticular emphasis on the discretion
vested in the President, the Executive
is vested with no discretion whatever
to suspend or to modify the exemption
of vessels engaged in the coastwise
trade which is prescribed by Congress.

Greatly to the surprise of the Sec-
retary of State, his suggestion of a com-
mission to determine the facts, either
under the general arbitration treaty
not yet ratified or independently ap-
pointed in accordance with the pro-
visions of that convention, is gently but
firmly rejected. Sir Edward Grey
pointing out that his majesty's gov-
ernment regards the treaty of 1908—
the arbitration treaty now in force—as
quite sufficient to cover any desired
method of arbitration, and that its pro-
visions may be carried out in whatever
manner might prove of greatest con-
venience to the two governments.
Then he somewhat naively adds that,

Continued on second page, third column.

PRESIDENT TAFT'S
FILIPINO WARNING

Appeals to His Successor to Carry on Faith-
fully the Present Policy Toward
the Philippine Islands.

MUST FORGET ALL PARTY BIAS

In Special Article for The Tribune He Gives Strong
Arguments Against the Plan of "Unwise Advocates"
Who Seek Early Independence of the
"Little Brown Brother."

The Tribune presents this morning a special article by President
Taft, in which he gives his reasons why the United States should
retain its control over the Philippine Islands, and "voices one more
warning against the unwise and ill-considered policy of those who
advocate early Philippine independence."



PRESIDENT WILLIAM H. TAFT.

Who tells The Tribune why the Philippines are not ready for
independence.

BY THE PRESIDENT.

At a time when my fellow citizens
must accept my arguments as free from
partisan bias and devoid of political
consideration, but while I may still ad-
dress them from the powerful vantage
point of the White House, I am glad to
make one more appeal for the "little
brown brother" in the Philippines, to
voice one more warning against the un-
wise and ill-considered policy of those
who advocate early Philippine indepen-
dence.

No one is more solicitous for the ul-
timate attainment of self-government by
the Filipinos than I, but no one realizes
more clearly than I that independence
of the Philippines prematurely granted
will mean inevitably the enslavement
of the Filipino. The father who grants
independence of parental control to his
adolescent son and permits him to
squander his heritage before he has

reached man's estate is guilty of no
greater folly and injustice to his of-
spring than would be the people of the
United States were they to yield to the
clamor of this immature people and to
grant to them an independence they
know not how to exercise nor to safe-
guard, and of which they would soon be
robbed as surely as would the youth to
whom was intrusted the independent
administration of his own fortune.

It is no more possible to contemplate
the proposition to grant independence
to the Philippines now or at any specific
future date without suspicion that a
selfish desire to escape responsibility
constitutes a large part of the im-
pelling motive than it is to contemplate
the conduct of a father who imposes
like responsibility on an immature son
without equal distrust.

From a careful study of and close in-

Continued on fifth page, second column.

JAMES MCCREA VERY ILL

Worry Over Retirement Aggra-
vates Kidney Trouble.

(By Telegraph to The Tribune.)
Philadelphia, Feb. 28.—James Mc-
Crear, ex-president of the Pennsylvania
Railroad Company, is gravely ill at his
home in Ardmore. Mr. McCrear is suf-
fering from kidney trouble, and his
condition is such that the specialists
who have examined him have been
forced to admit that his condition is
serious.

Friends of the former Pennsylvania
official say here that his retirement as
the head of the company is the thing
that is practically killing him. This
fact is so well known among his intim-
ates, it is said, that they are trying to
do everything in their power to cheer
him up and have him forget his wor-
ries.

COLLEGE MAN A SUICIDE

M. Vilas, of New York, Feared
He Would Become an Idiot.

Lebanon, N. H., Feb. 28.—Despondent
because of poor health, Maynard Vilas,
twenty-eight years old, son of Charles
N. Vilas, a New York hotel owner, com-
mitted suicide to-day by jumping into
the Mascota River in sight of hun-
dreds of mill operatives. His body was
recovered.

Vilas came here to-day from Newton,
Mass., where he had been undergoing
treatment at a sanatorium. He left a
note reading:
"Dear Father: This is the end. Doc-
tor says no hope. Will be total idiot."
Vilas formerly was a student at
Dartmouth College.

MAY CLOSE MACKAY ESTATE

Large Force of Employees at
Harbor Hills Dismissed.

More than two hundred and fifty em-
ployees have been dismissed from Har-
bor Hills, the estate of Clarence H.
Mackay, near Roslyn, Long Island, ac-
cording to people in Roslyn who are in
a position to know. Inquiry at the
estate, however, brought forth neither
confirmation nor denial of the report.
Many of the men discharged have told
the story of their dismissal in the vil-
lage.

It is reported in Roslyn that the deed
of trust in which Mrs. Katherine Mac-
kay relinquished her dower right to
Harbor Hills and the dismissal of so
large a force of workmen, just at the
season when it would reasonably be
expected additional men would be en-
gaged to prepare the show place for the
spring and summer, indicates the estate
is to be closed.

SQUIRRELS FIRE A CHURCH

Chew Electric Wire Insulation
and Loss Is \$30,000.

(By Telegraph to The Tribune.)
Boston, Feb. 28.—Fire destroyed St.
Joseph's Catholic Church, at the corner
of Highland avenue and May street,
Needham, early to-day, causing a loss
of \$30,000. Nothing but tottering walls
remain.

The fire is said to have been due
to squirrels and electric wires. Ac-
cording to Father Danahy, squirrels fre-
quent the basement of the church. He
thinks, and the fire department shares
in his belief, that the squirrels chewed
on the insulation until the wires were
bare, causing a short circuit.

GOULD REGRETS
VERACITY ATTACK

Maintains Shonts Asked Price
on Manhattan Stock—"Sug-
gested Trade" Filled Him
with Uneasiness.

STARTS ON PLEASURE TRIP

P. S. C. Advertises Hearing on
Certificate Transferred to In-
terborough—Approval of
Contracts Set Down
for Tuesday.

Both George J. Gould, president of
the Manhattan Railway Company, and
Theodore P. Shonts, president of the
Interborough Rapid Transit Company,
made public yesterday their versions of
what led up to the suggestion that the
Gould holdings of Manhattan stock be
purchased for \$175 in order that the
consent of the company might be ob-
tained to the certificate for third track-
ing the elevated lines.

The two accounts do not altogether
agree. That of President Shonts was
contained in a letter sent by him on
February 18 to John D. Rockefeller, Jr.,
representing large holdings of the
stock, estimated at 18,000 shares. The
explanation of Mr. Gould was given in
a letter sent by him to the Public Ser-
vice Commission yesterday.

It would appear from the letter to
Mr. Rockefeller that when T. L. Chad-
bourne, Jr., personal counsel for Mr.
Gould, suggested the best way out of
it was to buy the Gould stock Mr.
Shonts had gone to J. P. Morgan & Co.
to see whether they would be willing to
take over the Gould stock. When they
refused Mr. Shonts went to Mr. Rocke-
feller.

Gould on Pleasure Trip.

There was no indication yesterday
on the part of Mr. Gould that he was
willing to recede from his position of
opposition to the certificate. As a mat-
ter of fact, he did not allow the tangle
in which the transit situation has been
thrown by his action to interfere with
his starting on a pleasure trip planned
some time ago. He left town with a
party of friends for Key West last
night, where they are to board his
yacht, the Atlanta, and take a trip to
the Panama Canal. He will not return
for three weeks.

However, it was said that full au-
thority to treat with the Interborough
for a settlement of the "differences"
had been given to Alfred Skitt, vice-
president, and E. J. Jeffrey, the other
members with him of a special com-
mittee authorized by the board of di-
rectors.

In the mean time the city officials
are going ahead with the programme
laid down. The Public Service Com-
mission yesterday received the certifi-
cate for third tracking, as changed
by counsel to run to the Interborough
and not to the Manhattan. The adver-
tisement of a hearing on the certificate
for the legal period of two weeks was
at once ordered and set down for 10
a. m. on Saturday, March 15. The plan
is to approve the contracts for opera-
tion and equipment and the certificate
for extensions to the elevated lines on
Tuesday. They will then be sent to
the Board of Estimate.

Mr. Gould also gave out yesterday
copies of the various opinions sent to
him by Mr. Chadbourne, including sug-
gestions for a modification of the cer-
tificate and a copy of the minutes of
the Manhattan board for February 13,
the day the certificate was rejected.

Rockefeller Letter Recalled.

After Mr. Shonts had seen the state-
ment of Mr. Gould's case as contained
in his letter to the Public Service Com-
mission he said:

"In reply I will make public a letter
I sent to John D. Rockefeller, Jr., one
of the large owners of Manhattan, who
was familiar with the negotiations to
the same extent as Mr. Gould, and who
in connection with Mr. Gould had
shaped the policy which we carried out
at Mr. Skitt's request.

"This letter answers all the essential
features of Mr. Gould's statement, ex-
cept that at no time has any sugges-
tion ever been made to me by Mr.
Gould that the Manhattan would re-
quire increased rental or anything
else as a consideration for approving
the contracts."

In his opening paragraph Mr. Shonts
declares Mr. Rockefeller had told him
that not only did the negotiations for
the third tracking certificate meet with
his approval, but also with that of Mr.
Gould. He said:

"In view of the statements made by
me to yourself that the circumstances
of the negotiations between the Inter-
borough company and the city authori-
ties respecting the completion of the
third track upon the Manhattan eleva-
ted system had from time to time
been fully disclosed to you by Mr.
Skitt, the vice-president of your com-
pany, and likewise by Mr. Gould, the
president of that company; that these
negotiations had met with your and
his approval, and that as representing
large interests in the Manhattan prop-
erty you felt that in protection of that
property as well as in good faith you
were committed toward taking what-
ever steps were proper to render the
proposed plan for rapid transit im-
provement effective, I feel it due to you
that I should state the exact facts in
connection with the refusal of the Man-
hattan board to accept the third track-
ing certificate or to consent to other

Continued on third page, fourth column.

VICE-PRESIDENT-ELECT AND MRS. MARSHALL.

Photographed on their arrival in Washington.

MARSHALL AT CAPITAL
AWAITS INAUGURAL

Silent as to Cabinet—"Bets" Women Will Get
Suffrage if They Want It—Declares
Himself a "Fan."

(From The Tribune Bureau.)

Washington, Feb. 28.—The Vice-
President-elect, Thomas R. Marshall,
of Indiana, arrived in Washington this
afternoon with Mrs. Marshall and took
possession of his apartment at the
Shoreham, where he will probably live
during the next four years. He was
calmly smoking a cigar and reading
the Bible when The Tribune repre-
sentative called on him this evening.

Although silent on the question of
Cabinet possibilities, proposed legisla-
tion for the special session and other
subjects which he thought should be
left for elucidation by President-elect
Wilson, Mr. Marshall talked about
woman suffrage, baseball, golf, the
President's right to go to the Capitol if
he wishes, the obligation of the United
States "scrupulously to observe treat-
ies" and other topics with considerable
freedom.

"The Cabinet of the new adminis-
tration is something I would not presume
to discuss, for the obvious reason that
that is solely Mr. Wilson's business,"
he declared.

Mr. Marshall said that while he was
aware of the personnel of President-
elect Wilson's Cabinet he preferred not
to give an intimation regarding Mr.
Wilson's selections. He added that he
was not aware that the President-elect
contemplated having him meet with his
Cabinet, but that if Mr. Wilson desired
he, of course, would do so.

"I shall do whatever Mr. Wilson
wishes, as he is my superior," declared
Mr. Marshall. "We are in perfect ac-
cord, and have reached a thorough un-
derstanding on subjects political."

Mr. Wilson, of course, has his pol-
icy mapped out and has an under-
standing with the leaders, but it is not
for me to discuss the subject," he said.

Neither would Mr. Marshall express
any opinion of the controversy between
the United States and Great Britain in

regard to free tolls for coastwise ves-
sels of the United States, except to say
that he believed that treaties should
be observed to the letter.

The Vice-President-elect is very gal-
lant or accommodating on the woman
suffrage question, because he says: "If
the women want it, why give it to
them." But his opinion is that a ma-
jority of the women are against the
movement to give them a chance to
vote.

"You can bet that if the women of
this country want suffrage they will
get it," he said. "If I had the prob-
lem to solve I would put it up to the
women themselves and let them decide,
as they would settle it anyway if a
majority of them are in favor of voting.
I have seen estimates, however, show-
ing that 90 per cent of the women are
against suffrage, and I have been told
by a great many women that they did
not favor the idea of voting, because
it would mean that they would have
to study the political questions. My
idea is to let the women argue the
subject and the men keep out of it."

Mr. Marshall gives promise of being
a worthy successor of the late Vice-
President Sherman as a baseball "fan,"
as he says the national game is the
only sport he really likes. He said he
would be a faithful rooter if Clark
Griffith's men offer an interesting ex-
hibition and do not "wool" the ball. In-
cidentally "wool" is Mr. Marshall's term
for what Shodgrass did last October.

"I am not one of those wild, fanatic
fans who throw their hats in the air
and yell themselves hoarse, but I can
sit still and thoroughly enjoy a good-
good, mind you—ball game," he ex-
plained. "When three players go after
a ball and 'wool' it I generally leave."
Coming directly from Trenton and
conference with President-elect Wil-
son, the Vice-President-elect was found a
welcome here to his liking, there being
no ostentation to jar his oft expressed
ideas of Jeffersonian simplicity.

Accompanied by Mrs. Marshall, the
Vice-President-elect was met at the
railroad station by a committee of Sen-
ators, Representatives and citizens.

WILSON WILL NEED FURS

Uncle Horace Predicts Icy In-
augural Tuesday.

(By Telegraph to The Tribune.)

Middleton, Conn., Feb. 28.—Uncle
Horace Johnson, the aged weather
prophet, who predicted the storm at
President Taft's inauguration four
years ago, when Chief Willis Moore
and the other government weather
sharps promised a fair day, has sent
word to Woodrow Wilson advising him
to take his fur coat with him to Wash-
ington, as in all probability he will
have to wear it Tuesday.

Uncle Horace, who is in his eighty-
ninth year, has been forecasting
weather conditions for seventy-five
years, and ever since his prediction of
the famous blizzard of 1888, farmers
throughout the state have placed great
faith in his predictions. He has made
his home at Middle Haddam, four miles
below here, upward of half a century,
living in a bungalow on the banks of
the Connecticut River.

A pony glass of ANGSTURA BITTERS
before meals a splendid tonic.—Advt.

WOMEN SCARE AMUNDSEN

Flees to Hotel Roof When Told
Suffragists Awaited Him.

(By Telegraph to The Tribune.)

Detroit, Feb. 28.—"I'd rather spend
ten weeks at the South Pole than face
ten suffragettes," said Captain Roald
Amundsen to-day. Then he made a
dash for the roof of his hotel to escape
four of them. There he tramped about
in the slush of melting snow, wishing
the women, who had come to interview
him, would go away.

He was talking with a reception com-
mittee and a group of newspaper men
when the women arrived. They were
in one of the hotel parlors.

"What?" he exclaimed, with a look of
alarm, when informed of their presence.
"Come on; let's get out of here."

No one made a move, and he looked
wildly at the little group of women in
another corner. "Come on; let's go on
the roof before they get to me," he re-
peated, and broke away himself.

The delegation waited two hours to
see him, but retired disappointed.
Later they sent an emissary, who
finally persuaded Captain Amundsen
to receive the suffragists.

HITS AT MORGAN
AS CHIEF FIGURE
OF MONEY TRUST

Pujo Committee Finds "Inner
Group" Controlling Finances
by Methods That Should
Be Changed.

OFFERS DRASTIC REMEDIES

Majority Report, Prepared by
Samuel Untermyer, Proposes
Federal Supervision of Stock
Exchanges and Clearing
Houses and Condemns
Present Methods.

TWO DISSENTING REPORTS

Three Republicans Declare Investiga-
tion Failed to Reveal Any Money
Trust, and One Member In-
sists New York Financiers
Are All Right.

(From The Tribune Bureau.)

Washington, Feb. 28.—Condemning
the New York Stock Exchange as a
"gambling institution," severely criti-
cizing J. Pierpont Morgan for the meth-
ods employed in gaining control of the
Equitable Life Assurance Society
stock, finding the existence of a "money
trust," and recommending quasi-federal
control of stock exchanges and
clearing houses, the majority members
of the Pujo "money trust" investi-
gating committee submitted the Unter-
myer report to the House to-day.

A minority report denying the exist-
ence of a "money trust" was filed by
Representatives Hayes, Head and
Guernsey, Republicans. Representa-
tive McMoran, another Republican,
filed separate dissenting views, which
means that three reports have come
from the eleven members of the com-
mittee.

The most caustic portions of the
Democratic report, which was prepared
by Samuel Untermyer, the committee's
counsel, relate to the New York Stock
Exchange and to Mr. Morgan.

Referring to Mr. Morgan's testimony
regarding his acquisition of the Equi-
table Life Assurance Society stock from
Thomas F. Ryan, the report says:

"It will be noted that the only reason
that Mr. Morgan gave for Mr. Ryan's
surrender of the stock was that he told
Mr. Ryan that he 'thought' it was a
good thing for him (Morgan) to have it."
"It may be that behind the reluctance
of Mr. Morgan to furnish a business or
other reason for this transaction lies a
hidden motive based on a high, disin-
terested sense of public duty. If so, we
have been unable to discover it."

The minority members find that the
testimony has not shown the existence
of a "money trust," but has disclosed a
dangerous concentration of credit in
New York City and to some extent in
Boston and Chicago. It is held, how-
ever, that the states should regulate
stock exchanges and clearing houses
and that Congress should not interfere
until the states have failed to act.

Mr. McMoran criticizes the general
conduct of the investigation, especially
the agreement that Samuel Untermyer
alone should conduct the examination
of witnesses.

Accompanied by Two Bills.

The report, signed by Chairman Pujo
and the six other Democratic members
of the sub-committee which conducted
the "money trust" inquiry, is accom-
panied by two long bills, one to regu-
late stock exchanges through forbid-
ding the mails to exchanges which do
not comply with federal regulations,
and the other to regulate clearing
house associations through forbidding
national banks to join such associa-
tions unless federal regulations are ob-
served. In the latter bill, proposed as
an amendment to the national banking
act, the conduct of national bank offi-
cers and directors is closely restricted.

The report is largely the work of
Samuel Untermyer, counsel for the
committee, who drew the bills pre-
sented. On the question of the exist-
ence of a "money trust" the report is
specific and detailed.

"It would, of course, be absurd," says
the report, "to suggest that control of
the bulk of the widely distributed
wealth of a great nation can be cor-
ralled by any set of men. If that is
what is meant by gentlemen who deny
the existence of a 'money trust' your
committee agrees with them. Such a
thing, of course, would be impossible
and its suggestion is ridiculous."

"It is not, however, necessary that a
group of men shall directly control the
small savings in the banks nor the
scattered resources of the country in
order to monopolize the great financial
transactions or to be able to dictate
the credits that shall be extended or
withheld from the more important and
conspicuous enterprises. This is sub-
stantially what has been accomplished
and fairly represents the existing con-
dition."

Using Others' Money.

The great bank or banker, "with ac-
cess to the main springs of the concen-
trated resources of other people's
money," the report declares, can handle
the vast issues of securities now de-
manded by the commercial and indus-
trial development of the country. But
the bank reserve system, it is con-

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