

ADAMS AND HILL ARE NOT AGREED.

Radical Difference of Opinion Respecting the "London Agreement."

New York, July 5.—[Special.]—Northern Pacific developments, as was stated Wednesday, brought to light a radical difference of opinion between Mr. Adams, speaking in behalf of his committee, and James J. Hill, speaking on behalf of the Great Northern. Mr. Adams stated frankly that the "London agreement," by which it is presumed he meant the agreement made between Mr. Hill and the Deutsches Bank representatives May 9 in London, had been found to be impracticable in a legal sense, and that further legislation would be necessary to carry it out. Mr. Adams stated counsel for the Great Northern were of the same opinion. Mr. Hill denied this flatly and squarely as far as it concerns the counsel for the Great Northern.

Mr. Adams' statement is understood to be based upon two matters of fact. The first of these is the Great Northern charter does not specifically permit it to guarantee bonds of other companies under any and all conditions. The second fact is the statutes of Minnesota are explicit on the point of what relations are permissible between competing roads.

Mr. Hill still holds his opinion, and is joined in it by certain other leading parties in interest, that the London agreement, involving the guarantee by the Great Northern of a certain amount of net earnings to the Northern Pacific and the practical management of the Northern Pacific by the Great Northern, is possible under existing laws.

On the other hand, the point is raised that any such control of the Northern Pacific by the Great Northern, as was outlined in connection with the Adams plan of reorganization, would infallibly arouse the fiercest opposition from the Legislatures of the States of the Northwest, and probably, in view of the government aid to the Northern Pacific and the government lands, from Congress itself.

The following appears to be clear in the Northern Pacific matters: The importance of the Adams committee as a factor in Northern Pacific affairs has declined, in view of the fact that the Deutsches Bank, which is the chief constituent of that committee, and other leading security holders in the Northern Pacific have taken matters to some extent into their own hands. When Mr. Adams came back from Europe and reported the plan to the committee there is supposed to have been an absolute majority of that committee opposed to it. It was agreed, however, eventually the committee should put out the plan as a feeler to test opinion.

Northern Pacific matters are at present much in the hands of Mr. Morgan, who has been impressed by protests against the plan proposed by the Adams committee.