

La Grande Evening Observer

AN INDEPENDENT NEWSPAPER -- PRINTS THE NEWS THE DAY IT HAPPENS

VOLUME XVI

LA GRANDE, OREGON, THURSDAY, JANUARY 18, 1917.

NUMBER 180.

BRITISH CRUISERS SEEK GERMAN RAIDER

Union Opera House Destroyed by Fire; Loss \$7000

PERKINS LEADS NEW FIGHT FOR PROGRESSIVES

STARTS REVOLT AGAINST NATIONAL REPUBLICAN EXECUTIVE COMMITTEE.

CONFERS WITH ROOSEVELT AND MAKES HIS DEMANDS

Demands That National Committee Immediately Meet and Cancel Executive Committee's Work—Governor Johnson Wants to Make the Republican Party Progressive.

New York, Jan. 18.—(United Press.)—George Perkins is leading a Progressive revolt against the national Republican executive committee. He conferred with Colonel Roosevelt and demanded that the national committee meet immediately and cancel the executive body's work.

Governor Hiram Johnson telegraphed: "I am in full sympathy and hearty accord with your efforts to make the Republican party progressive. Go to it. All Progressives are with you."

President Wilson Holds Conferences

Washington, D. C., Jan. 18.—(United Press)—President Wilson went to the capitol and conferred with Senators Shields and Bankhead regarding the water power leasing bill now before the senate.

He returned to his office and summoned Senator Stone, chairman of the foreign relations committee.

Bloodhounds Lose Trail of Convict

Salem, Ore., Jan. 18.—(United Press)—Bloodhounds hunting J. Clark an escaped convict, lost the trail at Turner this afternoon. Officers believe the fugitive may have boarded a train.

Villistas Win Six-Day Battle.

El Paso, Texas, Jan. 18.—(United Press)—It is reported the Villistas have repulsed the Carranzistas in a six-day battle at Palomas. Losses were heavy. General Murgua rushed his entire Chihuahua garrison to the battlefield last night, reinforcing his exhausted troops.

Farm Loan Act Creates New Form of Securities

New Financial System Is a Money Lending Agency and a Money Assembling Agency—Government Puts Up the First Nest Egg As Capital—Rest of Funds to Lend the Farmers on First-Class Security Comes From Investing Public.

BY FRANK R. WILSON
(Of the Federal Farm Loan Bureau, Washington, Jan. 18.—As explained before in these articles, the operations of the farm loan act are divided into two main classes—a money assembling agency and a money lending agency.

The government puts the first nest-egg into the farm loan plan by buying the original capital stock of the 12 federal land banks if necessary. When this has been loaned and farm mortgages taken in return for the money loaned, the federal land banks may issue bonds against these mortgages.

These bonds will be among the most attractive securities ever offered to American investors. As explained be-

EACH MEETING OF CITY COMMISSION MAKES PROPOSED VIADUCT CLOSER

Grandy Matter Is Settled Satisfactorily. Further Developments Await Signature of O.-W. R. & N. Co. President. Reports Read and Are Accepted.

At the meeting of the city commission last night a resolution was passed accepting the release given by Charles Grandy for any damage which may be done his abutting property by reason of the existence of the proposed second street viaduct. The agreement between the city and Mr. Grandy is that the city will re-pay Mr. Grandy for installments made on the assessment levied for paving the street in front of his property and that the city will also release him from the future installments as they come due.

The original contract between the O.-W. and the city of La Grande has been returned to the railroad's office in Portland for the signature of President J. D. Farrell.

The commission made the interpretation that the articles made at the time the subway under Second street was being discussed did not affect the present plans for the viaduct.

The three members of the commission, President Vincent Palmer, and Commissioners McKennon and Brown-ton, City Manager Currey and City Attorney Slater were present at last night's meeting.

The city manager's report was read as follows: "Think we will be ready by next Monday."

The city recorder and city treasurer report that there is now due the city approximately \$20,000 in past due interest, and approximately \$60,000 past due assessments.

The water superintendent reports numerous shut-offs and several large leaks, and a total expenditure of \$80,75 for the week for labor.

The chief of police reports four arrests, \$10 in fines and \$5.50 income from city pound.

The fire chief reports no fires and three wire inspections.

The street superintendent reports an expenditure for the week of \$6.50, cold weather made the service of white wings unnecessary, and the superintendent has been devoting most of the time to repainting and cleaning interior of the jail. Instructed the chief of police to purchase three mattresses and to keep one compartment in shape to care for women prisoners, should treasurer may bring their departments up to date. As soon as same is done will expect this office to keep up its work with usual force. Think this can be done by February 1st.

A. Shilling claims that he is injured to the full extent of the value of his property (\$4000) by reason of the erection of the viaduct, thinks the dust will blow off the viaduct and materially injure the value of his two-acre tract as a home; made personal inspection of property and fail to see

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GERMAN U-BOAT SINKS SIXTEEN SHIPS ON TRIP

OFFICIAL DISPATCHES FROM BERLIN TELL OF SUBMARINE'S EXPLOITS

COPENHAGEN REPORTS SINKING OF RUSSIAN STEAMER

The Skiffet Is Reported Submerged on Dec. 14 With the Loss of Two Hundred Lives—French Report They Repulsed German Advance Guard—Russians Report German Retreat and Defeat in Roumania.

Amsterdam, Jan. 18.—(United Press)—Dispatches said that Berlin had officially announced that a submarine had returned to port after sinking sixteen ships.

Copenhagen telegraphed that the Russian steamer Skiffete had been submerged December 14 and two hundred lives lost by drowning.

Russia Reports Victory. Petrograd, Jan. 18.—(United Press)—It is announced that the Germans evacuated Braila and that the Roumanians surrounded Germans southwest of Prales, capturing many. Four machines guns were taken.

French Repulse Germans. Paris, Jan. 18.—(United Press)—It is announced that the French repulsed the German advance guard on the Meuse Heights, following a three-hour bombardment the night was quiet on the whole front.

Y. M. C. A. Board Satisfied With Program

The board of directors of the Y. M. C. A. held their regular monthly meeting yesterday afternoon with the following directors present, Mac Wood, Linden McCullough, E. E. Kiddle, George Stoddard, George Gilbert, G. L. Larison, J. T. Williamson, Dr. H. S. Brown-ton, Dr. H. L. Underwood, George H. Currey and E. D. Crowe. The members discussed the reports presented and were very gratified to see the interest and the financial outlook of the work. It was decided to have the swimming pool and the room put in excellent shape for the spring and summer use. The pool and the floor and side wall of the swimming pool room will receive two coats of San-A-Cote. The association will also have the depth of the pool painted in numerals on the side wall.

Firemen's Dance a Success. About 100 couples enjoyed the dance given by the volunteer firemen last night.

THE WEATHER

Portland, Jan. 18.—(United Press) The weather forecast: Partly cloudy. Temperature unchanged. Southeast winds.

Dispatches Say Weather Moderating. Dispatches received by the chief dispatcher of the O.-W. this morning say the weather is moderating throughout Oregon. Thermometer readings are: Mescham, eight below zero; North Powder, 10 below; Huntington, 10 below; Idaho, weather cold but moderating.

Warmer Here Last Night.

The official thermometer at fire department headquarters was lowest last night at eight above zero. At eight o'clock this morning it was 15 above. But the east wind seemed to indicate a number of degrees below zero.

Cold Delays Railroad Trains.

Extreme cold weather in Idaho and other more eastern states has delayed train service. O.-W. No. 17, however, was but 30 minutes late today. With hopes of weather moderating it is thought the service will improve steadily.

FIRE DESTROYS UNION OPERA HOUSE 2:30 A.M.

ADJOINING HOUSE OWNED BY BRASHER AND BAIRD ALSO BURNED

LOSS IS ESTIMATED TO REACH \$7000

Stove Used To Heat Building Causes the Fire—Volunteer Firemen Turn Out—Strong Wind Was Blowing—Pressure Excellent After Hydrants Are Thawed Out.

Fire starting at 2:30 this morning in three hours totally destroyed the Union Opera House and an adjoining house belonging to Brasher and Baird. The loss is estimated at \$7000; \$6000 on the Opera House and \$1000 on the residence. Joseph Yorgason, owner of the Opera House, carried \$4000 insurance; and Brasher and Baird, \$700.

Stove Causes the Fire

The fire originated in the northwest corner of the Opera House from a stove used to heat the building last night for a final practice of the Union basketball team which was scheduled to meet the La Grande Y. M. C. A. team tomorrow night. Because of the fire the game has been postponed.

When discovered the fire had enveloped the Opera House and the volunteer firemen under Chief C. L. Caldwell turned their attention to adjoining property. The thermometer showed zero weather and a strong wind was blowing. At first some difficulty was had in getting the hydrants thawed out but when this was done the excellent pressure, secured from the gravity system originating four miles up Catherine Creek from Union, gave the fire fighters a good stream of water. The chief says this fact probably enabled the volunteer firemen to save adjoining property.

Whole Town In Danger.

Had the wind been blowing as usual toward the southeast Union people do not believe they would have had much of a town this morning. Luckily the wind was from the south and, aside from the Brasher and Baird property north of the Opera House, nothing was burned, though the railroad property and other smaller buildings north of the Opera House were in constant danger.

Firemen Praised.

Over the telephone Mr. Baird, part owner of the house destroyed, and Chief Caldwell, praised the efficient work of the volunteer firemen. They said the heroic work of the men as they fought the flames in the bitter cold was appreciated by every Union citizen. Sometimes the fire fighters' clothes were soaked, and in a minute they would be a mass of ice.

"It could have been much worse," said Mr. Baird, a game loser, "and the fire boys were the ones who prevented it from being worse, too. Too much praise can not be given the boys." Chief Caldwell had nothing but praise for his men.

Fire Last Summer.

The Opera House was completed but two or three years ago though it was five or six years old. A hardwood floor had just been put in. A fire in the Opera House last summer was put out before much damage had been done.

Snow Makes Pretty Scene at the Front

BY WILLIAM PHILLIP SIMMS
With the British Army in France, Jan. 18.—(United Press)—Thick snow is steadily falling and has transformed the battlefield into a stupendously beautiful vision. Barbed wire entanglements seem lovely and harmless. They resemble airy woven white webs. Snow covered men are unrecognizable in trenches. Canadians are pleased. Guns maintain their monotonous thundering through a world of white.

TWENTY-SIX TOTAL MERCHANT-MEN LOST AS RESULT OF RAID

Copyright Dispatch of United Press Tells Graphic Tale of Hardships of Survivors of Captured Ships.

PRISONERS SAY THEY WERE CLOSELY CONFINED BETWEEN DECKS AND HALF STARVED

BRITISH STEAMER ARAGUAYS AND FRENCH STEAMER LA TOUCHE TREVILLE ARE REPORTED MISSING—JAPANESE CRUISER JOINS PURSUIT—CAPTAIN DAY OF SCHOONER NANTES SAYS THE RAIDER FLEW THE BRITISH FLAG AND DID NOT RESEMBLE WARSHIP.

Buenos Aires, Jan. 18.—(Copyright by the United Press)—The fast British cruisers Glasgow, Edinburgh Castle, and Orama have started a vindictive pursuit of the raider. It is reported a Japanese cruiser left Punta Arenas to join in the chase. Latest advices indicated that twenty-six merchantmen were sunk and captured.

The fleet is also hunting the steamer Tinto, which left Santiago under suspicious circumstances. It is believed she furnished supplies to the raider.

The French steamer, Admiral La Touche Treville and the British steamer, Araguays, are missing. Survivors said the raider left Kiel and ran the British blockade under the Danish flag.

Prisoners from merchantmen are closely confined below the decks and suffer severe hardships. They are half starved. They bitterly complained of bad treatment. The raider's crew consist of 250 men and four officers.

The Brazilian government is preparing for the strictest surveillance to prevent neutrality violations.

The Pernambuco survivors included one hundred and eighty-three Hindoos. These are the Indians referred to in yesterday's dispatches and are British subjects. Fifty-three are French.

It is declared there are several hundred other prisoners whose fate is unknown. The survivors said the raider used the steamer St. Theodore as a "prison ship".

Captain Days, of the French schooner Nantes, said the raider flew the British flag and commanded him to halt. It then unmasked its batteries and hoisted the German colors.

She dynamited the Nantes after transferring her crew. Said: "Raider did not resemble a warship". It is still persistently reported that four hundred perished.

British Take and Abandon German Trenches At Serre.

Berlin, Jan. 18.—(United Press)—It is announced the British occupied and abandoned German trenches at Serre after several days' bombardment. The British advanced near Loos following blasting operations. Later—they were repulsed.

"Star Ace" of The Air Establishes New Record

Lieutenant Guynemer, Who Recently Brought Down His Twenty-First German Aeroplane, Fights An Aerial Duel At An Altitude of More Than Two Miles, After Chasing His Opponent Over 43 Miles—French Now Superior Over German Aircraft.

BY HENRY WOOD
(United Press Staff Correspondent.)
With the French Armies, Jan. 18.—(By Mail)—Lieutenant Guynemer, "star ace" of the entire French aerial service, who recently brought down his twenty-first "officially confirmed" German airplane, established at the same time a new world's record for aerial combats, the air duel having taken place at an altitude of over two miles, after a chase of over 70 kilometers. The entire battle was one of the most dramatic air episodes that the entire war has produced.

The French's undisputed mastery of the air, which now renders it practically impossible for a German machine ever to cross the French lines, has imposed on the French flyers the necessity of flying far back of the

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