

AMERICAN SOLDIERS MUST BE SENT TO EUROPE

GERMANY MAKES DESPERATE EFFORT IN SUBMARINE CAMPAIGN

HOPES TO USE UNDERSEA DRIVE TO HELP PEACE PROJECT

SUBMARINEING ORGANIZED ON GIGANTIC SCALE

Results of the Concentrated Drive Are Not Known, But Great Britain Officials Believe Only Temporary Success Can Be Achieved.

LONDON, Jan. 2.—Germany is making its greatest effort at the submarine war in the hope of furthering the peace project, a British official statement will say.

Possibly Germany has organized its submarineing on a hitherto unknown offensive scale.

Results of her concentrated drive are unknown as yet, but it is believed it will indicate only a temporary success which Britain is certain is all Germany can achieve.

GERMANY IS FIGHTING FOR BIG STAKES

OBJECT IS ESTABLISHMENT OF ECONOMIC UNION FROM HAMBURG TO PERSIAN GULF

PETROGRAD, Jan. 2.—Non-Bolshevik delegates from the peace conference say the Germans do not consider their declarations binding on her unless the allies accept the invitation to negotiate a separate peace.

They say "Germany's fundamental aim is the establishment of an economic union from Hamburg to the Persian Gulf. For the evacuation of Belgium and France Germany will demand the freeing of Mesopotamia, Arabia, Palestine, and in case of further success against Italy, the return of Tripoli."

Scores are reported killed in the Bolshevik-Ukrainian fighting at Smolensk. All conscripts of military age have been ordered mobilized.

Issues Challenge.

Walter Miller, who has been at Hot Lake, today challenged Jack O'Neill to a wrestling match. He agrees if he does not throw O'Neill during the course of the match he is to be declared the loser and to forfeit any share of the receipts. If he wins he offers one-half of his share to the Red Cross. If O'Neill takes one fall he wins the match.

Gilbert Hunter was a passenger to Baker this morning.

Oats Sell at Fifty Nine Dollars a Ton

PORTLAND, Jan. 2.—Oats sold at fifty-nine dollars a ton, the highest record here.

WILL BE ONE OF M'ADOO'S AIDS



Samuel Rea, president of the Pennsylvania Lines, represents all lines east of Chicago, north of the Ohio and Potomac, excluding New England.

THE WEATHER

PORTLAND, Jan. 2.—The U. S. weather forecast: Rain.

ARMY OFFICERS ARE SHIFTED BY PERSHING

GENERAL SIBERT WILL RETURN FROM FRANCE, IT IS REPORTED

WASHINGTON, Jan. 2.—Orders have been issued assigning General Mann, commanding the Rainbow division in France, to command of the Eastern department, succeeding General Hoyle, who retired. It is reported that General Sibert will soon be assigned to the command of the Southeastern department.

The Sibert assignment is apparently the direct result of General Pershing's recommendations.

General Mann is in a hospital here. He said the Rainbow division was in good spirits and progressing ably despite the incessant wet and cold which is inflicting hardships.

General Chas. Mencher succeeds General Mann.

General Sibert's successor is unknown.

Recently it was rumored that there was friction between General Pershing and General Sibert which is believed to be the cause of General Sibert's removal to an unimportant post.

Funeral of James S. Peach Yesterday

Honored Citizen and Prominent Business Man of Grande Ronde Valley Laid to Rest.

The funeral of James Seaver Peach was held New Year's day in the Island City church at 1:00 P. M. Elder Chas. H. Rittenhouse, of Baker, officiating. The music was furnished by the Island City church choir. Mrs. Merton Kiddle sang a solo at the close of the funeral service which was very appropriate. The church was crowded with relatives and sympathizing friends. The funeral sermon was an impressive one dwelling upon the importance of being a Christian and prepared to die. The sermon was based on words found in Revelations, 14:13. "And I heard a voice from Heaven saying unto me, write 'Blessed are the dead which die in the Lord from henceforth, say yeath the spirit that they may rest from their labors; and their works do follow them.'"

The Masonic lodge took charge of the services at the cemetery with their official ceremony. He was laid away to rest in the Peach Bros. cemetery. The day was a beautiful one. The death of James Peach was caused by a cancer of the side which destroyed the lower ribs and caused his death after months of suffering. He was one of La Grande's honored citizens and a prominent business man of the Grande Ronde Valley.

Rain and Snowfall In La Grande, 1917

Here is the record of the rain and snowfall in La Grande for 1917, as kept by the La Grande fire department:

	Rain	Snow
January	1.77	37.5
February	2.13	17.5
March	1.13	15
April	2.39	1.25
May	2	—
June	1.44	—
July	—	—
August	—	—
September	2.10	—
October	2.2	—
November	1.56	15
December	1.40	2
Total inches	19.23	73.75

Austrians Retire VIENNA, Jan. 2.—Early on Christmas Day the Austrians withdrew from Zenson, on the lower bank of the Piave, where the Austrians recently crossed the river.

A NEW SCOUT



Austin Brownell Is Now In France

TRIP ACROSS THE OCEAN WAS MIGHTY FINE

France Is Nice Country—Hard Hit By War—Every Able-bodied Man Is In the Service—Farms Are Small—Germans Must Be Crushed.

(Letter from Austin Brownell of Co. F, 18th Engineers, Railway, A. E. F., U. S. Army, P. O. No. 705, to Miss Viola Bonham, a former employee. Mr. Brownell was one of the first men here to enlist, selling out his business in 48 hours.)

Somewhere, Nowhere, November 17, 1917.

Dear Friend Viola:—Mr. Pearson gave me several clippings from the La Grande Evening Observer and also told you sent your regards to me. Thank you. I never knew Mr. Pearson in La Grande but he sure is a fine fellow. We boys sure like to receive mail of any kind from our friends or about our friends. When we receive clippings we pass them around so far as possible to all we know who are interested in them. Mail day is also our big day. I think I can say truthfully that we look toward mail day as our best day.

I suppose you have heard all about our trip. Anyway I am a poor letter writer when I have to be careful to write only what will pass the censor. We had a pretty fine trip across the United States. Three of us were in a section. One in the upper berth and two in the lower. As a rule we stopped two or three times a day for exercise. We all went out for a little run and some setting up exercises which took the stiffness out of our bones and freshened us up very much. Then we hit the frog pond and before we arrived on the other side we were sure saw plenty of water. France is quite a nice country, at least what we have seen of it. Of course they are hard hit by the war. Every able-bodied man is in the government service somewhere. That leaves the agricultural interests in a fairly bad way. Many of the beautiful chalets of France are very much run down but one can still see where there has been some fine places. However, as a whole, I do not like the French architecture. We have seen many real old ruins some of which are claimed to have been built in 600 A. D. Seems impossible but that is true. Also have seen some of the old French castles. Interesting, but that is all. The country as a whole, passing through, is very beautiful. There are no large farms but mostly divided into small places to be run without hired help. So far we have not seen many large trees but lots of shrubbery. The principal industry seems to be producing grapes as the French sure can consume a lot of wine. The

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PRESIDENT ISSUES PROCLAMATION TAKES OVER RAILROADS DURING WAR

"TAKING OVER RAILROAD LINES IS A GREAT NATIONAL NECESSITY"

"This Is a War of Resources No Less Than Men, and the Mobilization of Transportation Resources Under a Single Head Is Demanded—Financial Interests of the Government and and Those of Railways Must 'Be Brought Under a Common Direction.'"

The following is made public by authorization of the President: I have exercised the powers over the transportation systems of the country which were granted me by the act of Congress of August, 1916, because it has become imperatively necessary for me to do so. This is a war of resources no less than men, perhaps even more than men, and it is necessary for the complete mobilization of our resources that the transportation systems of the country should be organized and employed under a single authority and a simplified method of coordination which have not proved possible under private management and control. The committee of railway executives who have been cooperating with the government in this all-important matter have done the utmost that it was possible for them to do; have done it with patriotic zeal and with great ability; but there were difficulties that they could neither escape nor neutralize. Complete unity of administration in the present circumstances involves upon occasion and at many points a solemn allocation of earnings, and the committee was, of course, without power or authority to rearrange charges or effect proper compensations and adjustments of earnings. Several roads which were willingly and with admirable public spirit accepting the orders of the committee have already suffered from these circumstances, and should not be required to suffer further. In mere fairness to them the full authority of the Government must be substituted. The Government itself will thereby gain an immense increase of efficiency in the conduct of the war and of the innumerable activities upon which its successful conduct depends.

Public Interests First Served. The public interest must be first served and, in addition, the financial interests of the Government and the financial interests of the railways must be brought under a common direction. The financial operations of the railways need not then interfere with the borrowings of the Government, and they themselves can be conducted at a greater advantage. Investors in railway securities may rest assured that their rights and interests will be as scrupulously looked after by the Government as they could be by the directors of the several railway systems. Immediately upon the reassembling of Congress I shall recommend that these definite guarantees be given: First, of course, that the railway properties will be maintained during the period of Federal control in as good repair and as complete equipment as when taken over by the Government; and, second, that the roads shall receive a net operating income equal in each case to the average net income of the three years preceding June 30, 1917; and I am entirely confident that the Congress will be disposed in this case, as in others, to see that justice is done and full security assured to the owners and creditors of the great systems which the Government must now use under its own direction or else suffer serious embarrassment.

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COLONEL HOUSE'S COMMISSION RECOMMENDS IMMEDIATE ACTION

Five Negroes Are Sentenced to Hang

SAN ANTONIO, Jan. 2.—Five negroes of the twenty-fourth infantry were sentenced to hang by the court martial trying the second Houston riot case. The execution awaits the President's ratification findings. Three were sentenced to ten, and seven sentenced to five years in prison. One was acquitted.

LESS TIME FOR TRAINING AND EQUIPMENT IS URGED

Greater Speed Also Needed in Ship Building

Allies and United States Unite in Military and Economic Program—Training Period of Recruits Will Probably Be Shortened.

WASHINGTON, Jan. 2.—American fighting forces will be dispatched to Europe with the least possible delay incident to training and equipment. Colonel House's mission to the allied countries so recommended to Secretary of State Lansing. It also held that speed and systematic coordination in shipbuilding are primary requisites to success. Unity of effort—military, naval, and economic—between the United States and the Allies are held to be essential. This recommendation means that hereafter the Allies will cooperate and that the training period undoubtedly will be shortened. The report shows the session succeeded in its purpose of reaching a definite working plan for the prosecution of the war.

TRUSTS WILL GET A REST DURING WAR

ATTORNEY-GENERAL GREGORY MOVES TO POSTPONE ALL HEARINGS

WASHINGTON, Jan. 2.—A motion to postpone until October hearing on all anti-trust suits pending was made in the Supreme Court by Attorney-General Gregory. In October he will request their suspension until the end of the war. The tremendous expense of dissolving corporations, should favorable decision be given, prompted the motion.

MANY TURKS AND TEUTONS ARE KILLED

GENERAL ALLENBY REPORTS ENGAGEMENT—JERUSALEM DEFENSES STRENGTHENED

WASHINGTON, Jan. 2.—General Allenby reports one thousand Turks and Teutons killed, six hundred captured and twenty machine guns taken in the latest Palestine engagement. Four points of tactical importance north of Jerusalem were taken and Jerusalem defenses strengthened.

Tells Teachers How to Teach Agriculture

Principal A. H. Prince of the Central school, while attending the state teachers association, addressed the grade teachers on the teaching of agriculture in the public schools. Mr. Prince has been teaching this subject in the public schools, eighth grade, for five or six years now, and has had great success in the subject. Mr. Prince uses two outlines, one for all cereals and fruits, and one for stock, including poultry. By the aid of these outlines and with the aid of the U. S. department of agriculture bulletins and the state Agricultural College bulletins the student is carried through the elementary principles of the subject. Cooperation is also secured from the state club worker and the county agricultural agent. Professor Prince has found that it is easy to awaken interest in the pupils by debates and discussions on practical questions. He combines the practical with the theoretical. While livestock is being studied the classes are taken on visits to the butcher shops, different cuts of meat studied and the creameries are also visited and the testing of milk observed. Mr. Prince advocates that every school be equipped with a Babcock tester so that practical work may be done by the students in testing dairy cows. Mr. Prince distributed his outlines among the teachers and they provide a very simple and direct method of teaching the subject.

HOOVER TELLS WHY FOOD COSTS ARE SO HIGH

INCREASED GOLD CIRCULATION PER CAPITA AND REDUCTION OF PRODUCERS REASONS

WASHINGTON, Jan. 2.—Hoover answered the criticism of the food administration in testifying before the Senate probers. He attributed the high food prices to the increased per capita gold circulation and the sudden conversion of thousands of men from producers to consumers only. Regarding his statement that there would be a sugar shortage last October, Hoover said he stated this at the executive session of the Senate committee and did not know it would be published.

British on Offensive ROME, Jan. 2.—The British joined in an allied offensive against the Teutonic line. They attacked advanced posts and took prisoners.

'WHITE HOUSE BABY' TO BE WAR BRIDE



MISS ESTHER CLEVELAND. Miss Esther Cleveland, the "White House Baby," is to become the war bride of Captain Alfred Bonanquet of the British army. Miss Cleveland is 24. The romance began three years ago in Switzerland.