

## WILSON SAYS HE IS "CAPTAIN OF TEAM"

### Warning to Democrats Gravely Issued.

## PARTY SOLIDITY DEMANDED

### President Says He Knows Temper of Americans.

## PEOPLE TOLD: FORGET WAR

### Action Advised to Get Own Affairs in Order So as to Be of Service in Final Settlement—Plea for Mexico Made.

## INDIANAPOLIS, Jan. 8.—President Wilson

voiced today what a crowd of more than 4000 assembled here to hear him make a Jackson day speech interpreted as a hint that he might be a candidate for the Presidency again in 1916. The people leaped to their feet and cheered until the President himself raised his hand and called for quiet.

The President had been discussing the Mexican question and referred to his belief that he knew the temper and principles of the American people, adding that he would not be fit to stay where he was if he did not understand.

### "Time May Come," Hints President.

"There may come a time," he went on, "when the American people will have to judge whether I know what I am talking about or not."

There was a slight pause, and then the crowd, which included the members of the Indiana Legislature, jumped up and began shouting and cheering. Realizing the construction that had been put on his words, the President held up his hand for silence and said:

"I did not mean to stir up anything. That was merely preparatory to saying that for at least two more years I am free to think I know the American people."

### Democratic Victory Asserted.

Previously the President had attacked the Republican party, defended the record of his Administration on the Mexican policy and the tariff and currency questions and declared that a careful examination of the returns from the elections last November showed that if it had been a Presidential year a Democrat would have had a majority of about 80 in the Electoral College.

The President criticized Republican Senators opposing the Government ship purchase bill, whom he characterized as "self-styled friends of business." He said the Republican party had not had a new idea in 39 years, and that "the Republicans do not know how to do anything but sit on the lid." He added that the country wanted the ship purchase bill enacted into law, and "will have it."

### Democrats Seriously Warned.

A warning to Democrats not to break with the solidly Democratic party was given gravely by Mr. Wilson. He declared that any such men will gain an unenviable position for themselves, and mentioned Senators Kern and Shively, of Indiana, as men whom he "did not have to lie awake nights thinking about." He continued to determine if they on a team he must get off the team, and later spoke of himself as "the captain of the Democratic team for the present."

The President spoke briefly of Mexico. He said that the people there are entitled to liberty, "no matter how long they take in determining it." Speaking slowly and carefully, he declared that "so far as my influence goes, while I am President, nobody shall interfere with them." He said that until the revolt against Diaz 80 per cent of the Mexicans never had a look-in as to who should be their government.

### Mexico Has Europe's Example.

"Have not European nations taken as long as they wanted and spilled as much blood as they pleased" to settle their own affairs," he continued. "And shall we deny the same right to Mexico? No, I say."

Much of Mr. Wilson's address was devoted to the Independent and Progressive voters. He said that about one-third of the Republican party is progressive, and about two-thirds of the Democratic party was progressive.

"Therefore," he added, "the Democratic party is more progressive than the Republican."

He declared most of the voters of the country were independent, but that it was his ambition to have them vote with the Democrats. He spoke of himself as an "animated conservative."

Referring to the European war, the President said that the people of the United States should not pay too much attention to it, but should get their own affairs in such order that they can be of the greatest assistance to the countries fighting. He closed his address with the prayer that the time might come when the United States could be instrumental in restoring peace.

Depression Called "Stic of Mind." Business conditions were taken up briefly. He characterized talk of business depression as a "stic of mind" and said that the Democratic party had already done much to free business and that its programme was (Continued on Page 2.)

## MONEY SO PLENTY RATE IS REDUCED

### COAST RESERVE BANK TO DISCOUNT AT 4 PER CENT.

### Figure Lowest of Any District in United States—Signs Encouraging, Says Portland Banker.

WASHINGTON, Jan. 8.—The San Francisco reserve bank today secured the approval of the Federal Reserve Board to the lowest discount rate yet named by any of the 12 banks—4 per cent on maturities up to 30 days. Money apparently is plenty all over the country and the board is inclined to approve low rates in order that the banks may be able to do some re-discounting to make expenses.

Other rates approved today were: San Francisco, 5 per cent on maturities up to 60 days; 5 1/2 per cent on 60-90 days and 6 per cent on longer maturities. Minneapolis, 4 1/2 per cent on up to 30 days—5 per cent on 30-90 days and 6 per cent on longer.

"Reduction of the discount rate is an encouraging sign," said A. L. Mills, president of the Portland Clearing House Association and also of the First National Bank, last night. "It shows plainly that the banks in the Pacific Coast district are not in need of assistance from the Federal Reserve Bank and that the banks of our district are in an excellent condition. I do not know of a bank in the Northwest that has asked for any aid from the reserve banks. The decision to lower the rates should result in creating much more business for the reserve banks."

## JETTY PLAN IS AGREED

### Continuing Contract Basis Is Provided by Committee.

### OREGONIAN NEWS BUREAU, Washington, Jan. 8.—It is understood the Senate commerce committee, of which Senator Chamberlain is a member, has informally agreed to report an amendment to the river and harbor bill placing the Columbia River north jetty project on the continuing contract basis. When the committee reports the bill to the Senate, it is expected this amendment will be incorporated. In view of the fact that the Acting Chief of Engineers has informed the committee that \$1,250,000 will be ample to carry on work on the north jetty during the coming fiscal year, it will be difficult to secure the full appropriation of \$1,750,000 originally recommended by the Chief Engineer.

Senator Chamberlain today proposed an amendment to the river and harbor bill, authorizing a survey of the Umpqua River.

## MAN ATTACKED IS SILENT

### Albany Laborer Found on Street Badly Cut by Policeman.

ALBANY, Or., Jan. 8.—(Special)—Found on the street this morning with a large head wound from which he was bleeding profusely, Neal Harrigan, a laborer on the Corvallis & Eastern Railroad bridge crew, steadfastly refused to say who inflicted the wound. He says there is a woman in the case. At St. Mary's Hospital Dr. Wallace took 10 stitches to close the wound.

Harrigan recovered rapidly and is much improved tonight. Had the weapon penetrated a trifle further the jugular vein would have been severed. Indications are he was struck with a broken bottle. After taking Harrigan to the hospital Officer Marshall found the room of a woman covered with blood and filled with broken bottles. When the woman was asked if she had seen or heard of anyone with a weapon or some men who were mixed up in the affair is not known.

## PERSIA SENDS ULTIMATUM

### Minister Says Country Is Overrun by Kurds and Turks.

ROME, Jan. 8.—The Giornale d'Italia has published an interview with the Persian Minister to Rome, in the course of which the diplomat said Persia desired to remain neutral throughout the war, but that its territory was being invaded by Kurds and Turks. Persia had sent an ultimatum to Constantinople, the Ministry said, the result of which was unknown as yet. The telegraph is interrupted and it takes seven weeks for a letter to travel from Tehran to Rome.

## FLOUR AT LA GRANDE \$1.95

### Price for Sacked Product Highest in More Than 17 Years.

LA GRANDE, Or., Jan. 8.—(Special)—Flour prices reached a record today in this city, when the product of local mills was boosted to \$1.95 a sack. The price of wheat is responsible for the rise. This price is the highest ever paid for flour in La Grande in more than 17 years. Further increase is expected.

## ROUMANIA IS MOBILIZING

### Nation to Go to War Even if Italy Does Not, Says Writer.

LONDON, Jan. 8.—The Morning Post's Bucharest correspondent says: "Roumania is mobilizing 550,000 men, of which number 500,000 form the field army. Roumania will strike even should Italy decide not to enter the war."

## Northwest Postmasters Nominated.

OREGONIAN NEWS BUREAU, Washington, Jan. 8.—The President today nominated the following postmasters: Oregon—Cornelius Buchanan, Florence; Washington—J. E. Janosky, Connell; Idaho—Stanwood; John J. Carney, Aberdeen; W. F. Roberts, Jr., Elma; Idaho—James Campbell, Hope; Kenneth G. Phelps, Richfield.

## BATTLE OF LODZ IS BLOODIEST OF WAR

### Tannenberg Surpassed in Number of Dead.

## RUSSIAN LINE ONLY BENT

### Von Hindenburg Admits Foe Is Still Formidable.

## EARLY VICTORY EXPLAINED

### Field Marshal, Hero of Germany, Attributes Disaster of Samsonoff to Inactivity of Rennenkampf at Critical Juncture.

## GERMAN ARMY HEADQUARTERS, Posen, Dec. 19 (delayed in transmission, via London, Jan. 8).—"Even the occupation of Warsaw and of the Vistula line would by no means signify the end of the campaign. The Russians, with their immense territories, can fall back indefinitely. Defeated at Warsaw, they can fall back on Kiev, from Kiev on Moscow and eventually even on Vladivostok. Of course, we cannot follow that."

Thus spoke Germany's popular hero, Field Marshal von Hindenburg, to the Associated Press correspondent in the course of a four-hour conversation today. He explained how the mid-Winter Poland campaign, in which the Russian advance was checked and rolled back, had involved frightful bloodletting.

### Losses of Russians Enormous.

Never in the days of the battle of Tannenberg and the retreat of the Russian General Rennenkampf's army from the Masurian Lakes did the Russians lose so heavily as in the sanguinary fighting around Wloclawek, Kutno, Lodz and Lowicz, the Field Marshal said.

He added that at least 140,000 Russians had been killed or wounded since November 12 and that 110,000 other Russians had been made prisoners. This contest, according to Von Hindenburg, had been proceeding everywhere favorably to the Germans and Austrians since the fall of Lodz and the commencement of the Russian retreat. Yet Field Marshal von Hindenburg declared that not all the fight had been taken out of the Russians.

### Field Marshal Forgets Care.

So large of frame is the Field Marshal that he seemed under instead of over the average height. He has a large head and rugged shoulders and wears a heavy, sweeping mustache, less aggressive in curve than the Emperor's but equally characteristic. The correspondent dined with Von Hindenburg and during the meal the conversation was informal, the cares and anxieties of the army leader seemingly having (Continued on Page 4.)

## INDEX OF TODAY'S NEWS

THE WEATHER. TODAY'S—Unsettled, probably occasional rain; southerly winds. YESTERDAY'S—Maximum temperature, 47.2 degrees; minimum, 40.0 degrees.

WAR. Priests murdered by Germans. Frequent reports of infantry and artillery work by artillery. Offensive in Trans-Caucasia.

NATIONAL. Wilson warns opposing Democrats that he is "captain of team" at present. Page 1. Britain's preliminary reply to American note is inconclusive. Page 1.

DOMESTIC. Witnesses for engineers say railroads are well able to pay increased demands, out of savings by increased efficiency. Page 3. Steam schooner Kureka goes on rocks near San Francisco. Page 3. Reducement rates reduced by Pacific Coast Reserve Bank because money is so plentiful. Page 1.

SPORTS. Coveleskie, star pitcher for Spokane last year, added to Beaver staff. Page 2. Six Coast athletes chosen for all-American team. Page 12. Portland hockey stars prevented from acting in British Columbia. Page 12. Cowler once down and out, but not so now. Page 12.

PACIFIC NORTHWEST. Clarke County Sheriff arrests 17 saloonmen to test dry law. Page 5. Commercial and Marine. Marked strength of coarse grains in local market. Page 15. Wheat climbs at Chicago on excited war buying. Page 15. Stocks and bonds continue forward movement. Page 15. Santa Catalina may be rebuilt earlier than contract requires. Page 11.

PORTLAND AND VICINITY. Beamer K. Pague dies, following operation. Page 7. Pender's mother yet holds trust in justice to prove son not guilty. Page 10. Bakers expect no immediate rise in bread prices. Page 10. Rosarians put Portland to fore as one of most progressive cities on Coast. Says W. J. Hoffmann. Page 8. One mill state tax likely to be only plea of officials in Congress. Page 10. At least two bills to be introduced to revise taxpaying laws. Page 10. Weather report, data and forecast. Page 15.

## WOODEN CARS ARE BARRED

### Notice Follows Investigation of New York Subway Accident.

NEW YORK, Jan. 8.—The Public-Service Commission today sent virtual notification to the Interborough Rapid Transit Company that wooden cars must be withdrawn from the subway. The Commission asked how soon all-steel cars can be substituted for the 478 composite cars now in use.

The action of the Commission follows an investigation into safety conditions in the subway in connection with the accident last Wednesday, when 200 persons were injured and one killed in a panic.

## NAVY-YARD IS REORGANIZED

### Portsmouth Fourth Under Rule of Separating Activities.

WASHINGTON, Jan. 8.—Secretary Daniels today designated Naval Constructor L. S. Adams as industrial manager of the Portsmouth, N. H., navy-yard. The Portsmouth yard is the fourth naval plant to be reorganized under the new system whereby the commandant, a naval line officer, commands the station and directs all military features, while the purely industrial administration is under the direction of a naval constructor or an engineer officer.

The other yards already reorganized are those at New York, Norfolk and New Orleans.

## BRITAIN REPLIES TO AMERICAN DEMAND

### Preliminary Missive Is Inconclusive.

## FURTHER ARGUMENT LIKELY

### Some of Points Raised Call for Additional Light.

## SPIRIT GENERALLY FRANK

### Emphasis Placed on Necessity of Careful Search of Suspicious Cargoes—Previous Position Is Reiterated.

WASHINGTON, Jan. 8.—Secretary Bryan announced today receipt of the note from Great Britain replying to the American communication of December 28, respecting American commerce.

The note, which is of about the same length as the American communication, will be made public Sunday by mutual agreement between the State Department and the British Foreign Office.

Note Regarded as Inconclusive. Officials of the State Department read the note carefully, but agreed to make no comment on it whatsoever in advance of the publication of the text. Secretary Bryan will discuss it with President Wilson on the latter's return tomorrow.

That the British communication is inconclusive in many respects and will lead to a further exchange of notes was learned from authoritative quarters. Although many concessions of neutral commerce have been made by England through embargoes on re-exportation recently completed with Italy and Holland, some of the points raised in the American note, such as prohibition of the time of detention of ships and length of time required for examination, will necessitate further argument between the State Department and the British Foreign Office before a definite understanding is reached.

### Second Reply to Follow.

The British note is preliminary, in the sense that it is confined to a general statement of the situation in answer to the American document, and will be followed later by a more detailed statement on specific cases.

Much emphasis is placed by the British government on the necessity for careful search of all cargoes which appear suspicious. In this respect Great Britain has reiterated her position with an amplification of previous statements.

Great Britain appreciates that the (Continued on Page 4.)

## Friday's War Moves

THE Winter storms and floods, while they have put an end to any military operations on a large scale, have not been able to prevent the armies in the east and west from pursuing the offensive at isolated points along the two extended fronts.

In the snow-covered hills of the Caucasus the hardy Siberians are searching out the routed Turks, who are reported to be surrendering by thousands, while in Flanders, which is virtually all under water, the allies assert that they have found it possible to make some headway.

Only in Poland, where Field Marshal Von Hindenburg's offensive is held up on the banks on the rivers which flow between Warsaw and Warsaw, and in Galicia, where the Russians have been compelled to call a halt in their advance, does there seem to be an almost entire lull in the fighting.

The Russians continue their forward movement in the Carpathians and in Bukovina, while in France infantry attacks have been made at many points, followed by artillery engagements and sapping and mining operations. The French have advanced a few yards in the vicinity of Rheims, but were compelled to give ground in the Argonne as a result of the Germans having mined some of their first line trenches.

With the reports of progress by the French in Alsace, where they are being strenuously opposed by the Germans, the names of some German places are beginning to appear in the official communications, which would indicate that the advance although slow is being continued.

Viscount Haldane, the British Lord High Chancellor in the House of Lords today made the interesting announcement that British experts were busy producing a satisfactory equivalent to the German 42-centimeter gun, which did such execution against the Belgian fortresses at the beginning of the war, and that recruiting was so satisfactory that the necessity had not arisen for conscription. The chancellor would not disclose the strength of the British army, but military experts estimate that it cannot be less than 2,000,000 men, counting the regulars, reservists, the territorials and Lord Kitchener's new army.

The reported arrest of Cardinal Mercier, Primate of Belgium, continues to attract widespread attention. The Germans explain that he was not arrested, but that he was requested to refrain from inciting the populace of Belgium. The Dutch newspaper which first published the report of the cardinal's arrest insists, however, on the correctness of its correspondent's statement and says that even now Cardinal Mercier is not permitted to leave Malines.

From Paris comes a report that Roumania and Italy have reached an agreement to enter the war simultaneously.

Backers Are Legislators. The significant fact about the position of these two men on this subject is that both will be members of the next Legislature.

It is probable, however, that the recommendations of the congress will end with the proposed 1-mill levy.

Most of the delegates feel that the congress should not ask too much from the state, and declare that if the plan for the direct levy is approved it will be all that reasonably can be expected from the Legislature.

### Single Recommendation Likely.

While the urgent necessity of relieving several of the most promising arid regions will be pointed out by the resolutions, no specific appropriations for any of these districts will be asked for.

It is probable, too, that the movement to turn the \$500,000 expended within the last two years on the Tumalo project into a revolving fund will be abandoned. It may be brought up at some future session, though.

According to the terms of the Tumalo appropriation the first payments from the farmers will not be due for several years and members of the congress feel that action on the disposition of this money can be deferred for a year or more.

In spite of the opinion held by many irrigationists that the Tumalo appropriation (Continued on Page 11.)

## 1-MILL TAX LIKELY TO BE ADVOCATED

### Approval of Irrigation Delegates Apparent.

## LEGISLATORS MAKE MOTION

### No Further Aid From State Will Be Asked Now.

## REVOLVING FUND IN DOUBT

### Former Members of Legislature Say Tumalo Appropriation Was to Be Returned to State Fund and This View May Be Accepted.

## PROGRAMME FOR OREGON IRRIGATION CONGRESS TODAY.

9:30 A. M.—Continuation of 19-minute talks by appointed representatives of delegations. Western Oregon counties; advance report of resolutions committee; state and Federal cooperation, discussion led by J. N. Neal of Oregon's rights and needs with reference to Federal reclamation expenditures.

2 P. M.—Address, Ira F. Englehart, North Yakima, chairman Federal Reclamation commission; address, J. G. Camp, project manager, United States Reclamation Klamath Project; address, Herbert D. Newell, project manager, United States Reclamation Umatilla Project; final report resolutions committee; election of officers.

A state-wide tax levy of 1 mill doubtless will be recommended to the Legislature by the Oregon Irrigation Congress now in session at the Imperial Hotel.

This action was indicated yesterday by the repeated utterances of irrigationists from various parts of the state and seemed to meet with the audible approval of the great body of delegates.

The suggestion was formally launched at the afternoon session by Joseph T. Hinkle, of Hermiston, and was seconded a few moments later by Frank Davey, of Burns.

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## HUNTER PLUNGES TO DEATH

### In Snow Storm Man Falls Over 500-Foot Precipice in Cascades.

EVERETT, Wash., Jan. 8.—William S. Vail, aged 19, fell over a 500-foot precipice yesterday near Oso in the Cascade Mountains while hunting mountain goats and was instantly killed.

He left his two companions yesterday and did not return to camp at night. This morning his assistants traced his footsteps to the edge of the cliff. They then went to the foot of the precipice and found Vail's mangled body.

Evidently he had lost his way during a snow storm.

## X-RAYED CARGO IS PASSED

### Cotton Ship, Tested by British Consul, Sails for Bremen.

GALVESTON, Tex., Jan. 8.—After X-ray tests had shown no contraband concealed in her cargo, the American steamer Nebraska sailed today for Bremen, carrying a cargo of 10,317 bales of cotton. The tests were made under the supervision of the British Consul in order to avoid possible delay by British warships searching for contraband.

The Nebraska is the second vessel to depart from Galveston for Bremen direct since the outbreak of the war.

## ITALY FIRM WITH VIENNA

### Austrian Protest Against Occupation of Avlona Is Answered.

MILAN, via London, Jan. 9.—The Secolo asserts that Count Leopold von Berchtold, Austrian Minister of Foreign Affairs, has sent a note to Italy protesting against the Italian occupation of Avlona, Albania.

Baron Sidney Sonnino, Italian Minister of Foreign Affairs, has sent a firm reply, the paper adds.

## IMPORTANT REALTY DEAL GIVES TANGIBLE EVIDENCE OF PROGRESS.

A deal of importance was consummated in Portland yesterday when H. T. Pritchard, of Grants Pass, and Ed. J. Vanderhoof, of North Platte, Neb., acquired from H. C. Mueller, proprietor of the Luce House Laundry, two pieces of property, one at Fourteenth and Jefferson, facing on Jefferson Hill Hotel property, and the other near First and Madison, the consideration for the two pieces being in the neighborhood of \$65,000.

Pritchard and Vanderhoof are planning to improve both pieces of property. Within the next 60 days they will begin the construction of a concrete building of two or more stories on the First-street property, and later on, possibly before the end of the year, they plan to improve the Jefferson-street property with a modern brick apartment house.

The deal was made through the agency of Lueddemann Company, with whom L. K. Moore was associated in the deal. As part payment for the property Mr. Mueller took title to the well-known "Consul Overhauled" property near Grants Pass, this property representing a value of \$50,000, and consisting of 88 acres highly improved, nearly 140 acres being in fruit and over 99 of this in Bartlett and Anjou pears.