

NATION'S FINANCES CALLED STABLE STRAIN

Treasury Experts Believe Defense Fund Could Be Provided With Ease. STABILITY IS ASSURED

Popular Bond Issue of Billion Dollars Could Be Absorbed Without Embarrassment to Business Interests.

WASHINGTON, May 13.—(Special)—The United States is able to meet with a strain, any amount of strain that may arise from the German crisis.

The total wealth of the country is approximately \$200,000,000,000, the interesting public debt is about \$90,000,000,000.

National banks show resources amounting to \$11,500,000,000. There is a gold reserve in the treasury of \$12,000,000,000.

Deposits in savings banks exceed \$4,000,000,000. Special taxes have been laid on incomes, corporation incomes and on a few special articles.

Bond Issue Would Not Embarrass. In the opinion of treasury experts a popular bond issue of \$1,000,000,000 for defense, carrying a reasonable rate of interest, would be absorbed by the country in a few weeks without embarrassment to the financial institutions or distress to the business interests.

Expenditures of the money by the Government would be made in the United States because this country has all the material necessary for National defense, and the future Government, it could be as quickly absorbed from the funds thus turned over by the Government.

Provisions for sinking funds for interest and redemption could be made in special taxes and increase in internal revenue taxes that would fall somewhat heavily on the people, but would be still less oppressive than are the present taxes of all European countries, less even than are the taxes in some of the United States.

Power Resists With Congress. The power to authorize this issue of bonds in the event of necessity rests with Congress, as does also the duty of making provision through the taxation and the levying of customs duties to provide for interest payments and redemption at maturity.

Congress is not in special session undoubtedly should Germany take hostile action against the United States, and its first act would be to provide funds for the Government to prepare for defense and what other action might be authorized.

There are in the Treasury, unissued, \$24,000,000 of Panama Canal bonds. To meet any emergency facing the Government these bonds could be disposed of immediately. The proceeds from their sale, together with the gold reserve totaling nearly \$400,000,000, would be sufficient to start defense preparations on an elaborate scale.

The gold reserve could be called upon at all, within a short time from the sale of special bond issue this would have to be authorized.

Trade Balance Largely in Gold. It has been estimated by Secretary Redfield, of the Department of Commerce, that the trade balance for the year ending June 30 this year will be in favor of the United States to the amount of \$1,000,000,000.

This balance will be in great part in gold. This will strengthen the gold reserve of this country and the circulation.

The stability of the National treasury will make possible, also, the issue under the Aldrich-Vreeland emergency currency law of \$500,000,000 which can be used by the banks to steady themselves while the bond issues are being absorbed.

These figures are based solely on the existing financial condition of the country. They have no relation to commerce, although it is understood that finance and commerce have an intimate connection. It is not conceived that Germany, even should she make war on the United States, could cut off the commerce of this country.

BAPTISTS SUPPORT WILSON Southern Organization Asks Divine Guidance for President.

HOUSTON, Tex., May 13.—The Southern Baptist convention today adopted unanimously resolutions approving the stand taken by President Wilson in the international relations of the United States since the European war began.

Prayer was offered for divine guidance for the President. The resolutions, which were ordered telegraphed to President Wilson, said:

"The Southern Baptist convention, representing 3,500,000 Baptists, desires to place on record its high appreciation of the great service to the Nation and the world now being rendered by the President of the United States, Woodrow Wilson, in the stand he has taken for the ideals of peace and at the same time in his vigorous assertion of the principles of justice and the requirements of international law."

SUBMARINE WAR GOES ON (Continued From First Page.) Sea, Libau on the Baltic to the Carpathians, German troops massed on the Roumanian and Italian frontiers, waiting the decisions of those countries.

representing the National Sweeper Company, of Torrington, Conn., ejected from the embassy because he would not heed the Ambassador's warning to cease abusing Secretary Bryan in the embassy.

After telling Somborn to "get out of this room; I have stood for this long enough from you," and seeing that he left the office, Mr. Gerard asked a servant to take him to the embassy door.

Somborn protested vociferously. "Almost like irony was the arrival at the embassy today of several American members of the Women's Peace Congress at The Hague, including Angela Morgan, of New York City, and Rebecca Shelly, of Freeport, Ill., on a sightseeing tour.

Following closely upon the official announcement in Vienna, restricting the sale of foodstuffs to five days' stock of all potato supplies in Germany has been ordered. Not only must dealers, wholesalers and growers report the quantities on hand, but all families and hotels having more than 20 pounds.

While I, among others, have repeatedly written that Germany is amply supplied with food such conclusions have been based too much on first-class hotels and restaurants.

From inquiries here and in Austria among the working classes and groups of Americans who employ labor, my impression is that the food question by no means is as rosy as painted.

143,500 RUSSIANS TAKEN

69 CANNON, 255 MACHINE GUNS CAPTURED BY TEUTONS.

Austro-Germans Are Approaching Przemysl—Petrogard Says Hearty Revenge Is to Be Taken.

LONDON, May 13.—The German war office announced today that in the recent fighting in Galicia and Russian Poland 143,500 Russians had been captured. It also says that 69 cannon and 255 machine guns had been taken from the Russians and that the victorious Austrian and German forces, continuing their advance eastward in Galicia, are now approaching the fortress of Przemysl.

The Petrograd official report says: "In Western Galicia the intensity of the fighting decreased on a considerable part of the front during Tuesday and Wednesday.

"Our army has received strong reinforcements and is ready to exact hearty revenge. Our falling back was carried out methodically. The enemy's losses were heavy.

"Our offensive on the right bank of the Dniester is meeting with continued success. The enemy on Tuesday made several fruitless counter attacks to relieve his center, which was retiring in disorder on the Dniester toward the Oberyth-Horodenska line (these towns are in the extreme east of Galicia). Oberyth is almost north and Horodenska is northeast of Kolomea).

"In this operation the Austrian units which led the offensive were captured near Cholciery, northwest of Oberyth, with heavy losses. Our artillery annihilated two entire battalions and a third suffered severely.

"Near Horodenska the enemy gave way about 7 o'clock in the evening of the same day and began a disorderly retreat. We captured several thousand additional prisoners, a number of guns and about 50 ammunition caissons."

BRITISH TAKE WINDHOEK

German Capital of Southwest Africa In Hands of Botha.

LONDON, May 13.—According to a despatch from Cape Town, Windhoek, capital of German Southwest Africa, was captured yesterday without resistance by General Botha's forces.

General Botha, addressing his victorious troops, said the capture of the capital of German Southwest Africa was the "utmost importance to the empire and the Union of South Africa, as it means practically complete possession of German Southwest Africa."

CAPE TOWN, via London, May 13.—General Botha has issued a proclamation at Windhoek which says that as the commander of the German forces violated the Hague convention by poisoning wells, General Botha has reserved the right to exact such reprisals as he may deem fitting.

LUMBERMEN ARE ELECTED

George Stoddard Continues as Head of Eastern Oregon Association.

LA GRANDE, Or., May 13.—(Special)—The Eastern Oregon Lumber Producers' Association elected officers here today. George Stoddard, of the Grand Ronde Lumber Company at Perry, was re-elected president; C. S. Seddes, of the W. H. Beales Lumber Company at Baker, was chosen vice-president; Vincent Palmer, of the George Palmer Lumber Company, of this city, was chosen treasurer; and Leon B. Stoddard, of the Perry concern, secretary.

The chief matters brought up was to acquaint the members of the association with the new requirements and regulations of the compensation act, which passed in July. L. W. A. Marshall, of the Industrial Commission, presented the changes.

BELGIANS ATTACK WITH NEW VIGOR

Paris Report Declares Germans Retiring Left Hundreds of Dead.

ALLIES TAKE MUNITIONS Mastery of Carancy Now Declared to Be Complete—Desperate Fighting at Point of Bayonet Feature of Battle.

PARIS, May 13.—Renewed attacks by the Belgian army along the Yser, which are declared to have been exceedingly successful, and confirmation of the extent of the allies' victory north of Arras are features of the official report of the War Office issued in Paris tonight.

The report says that the Belgians inflicted heavy losses on the enemy, several hundred German dead being found on the battlefield, and that a large quantity of war material was captured in the fighting at the other points around Carancy. The French say they are now in complete mastery of the latter town.

"The official report tonight says: "The Belgian army, by a new attack last night on the right bank of the Yser, repulsed the enemy, who left, in retiring, several hundred dead on the ground.

Much War Material Taken. "To the north of Arras we have obtained some new and important results. By the capture of Carancy we have established on our hands much war material which it has not yet been possible to enumerate. It included two cannon, two mortar, two dozen bomb-throwers, a large number of machine guns, 2000 rifles and large supplies of shells and cartridges.

"In the wood of Hill 125 we found the bodies of three companies of Germans who had been annihilated by our artillery.

"The enemy bombarded Carancy today, but without result. As masters of Carancy we have progressed toward the north, where we have established ourselves in Albin-St. Nazaire, which we hold, with the exception of some houses along the river. Around these the fighting still continues. We made several hundred prisoners. During his retreat the enemy set fire to half the village."

Violent Attack Repulsed. "The report goes on to say that 17 cannon of large caliber were taken at another point, and that two exceptionally violent German attacks in the Argonne were repulsed. It adds that final mastery of the forest of Le Pretre has been obtained.

The report issued earlier in the day says "brilliant successes" have been won north of Arras. It describes the strong positions taken by the Germans at Carancy and Hill No. 125, and adds: "In spite of the fact that their numbers had been much reduced by heavy losses in killed, wounded and prisoners on previous days, these forces during the entire night put up a desperate resistance to our attacks. They made a maze of trenches, blockhouses and narrow passages.

"The attacks down this resistance of the enemy, and at break of day we were in complete mastery of the situation. Our troops killed hundreds of the enemy at the point of the bayonet. We made 450 prisoners, of whom about 30 are officers. Included in these latter is a Colonel and the commandant of the battalion of chasseurs."

LABOR WAR PREDICTED

L. W. W. LEADER SAYS CONFISCATION WILL COME IN END.

"Mother" Jones Also Witness Before Industrial Commission, Telling of Leadership of "Army."

WASHINGTON, May 13.—Inquiry into the relations between capital and labor was continued today before the Federal Industrial Relations Commission, with William D. Haywood, secretary-treasurer of the Industrial Workers of the World, again on the witness stand.

Mr. Haywood said the conditions he sought could be brought about only by an "implacable" war between labor and capital, ending with confiscation of the means of production. Then the country would be organized by industries instead of by states.

Commissioner Weinstock continued his examination of Haywood and developed that when the "general strike to which the Industrial Workers of the World look forward as a means of revolutionizing society had taken

place there would be no government, state or National. "But you cannot change the whole world overnight," said Commissioner Weinstock. "What are you going to do in the meantime?"

It may not come for 100 years," replied Haywood. "Meantime we will keep plugging along with this class struggle, hoping for the great change tomorrow, but working for it, even if it takes a century."

Mrs. Mary Jones, "Mother Jones" of many strikes of the last 50 years, was the next witness. When Chairman Walsh asked her residence, she replied:

"I reside wherever there is a good fight against wrong. I live wherever the workers are fighting the robbers."

"Mother" Jones told of leading an "army" about from mine to mine in the Pennsylvania coal strike of 1902, "pulling out" the men at work. She also related a long story of strikes in Pennsylvania, West Virginia, Maryland and Colorado. She described night marches with bands of strikers and battles with the militia, and told of caring for strikers killed and wounded in strike riots.

SOCIALISTS FOR PEACE

NATIONAL PROGRAMME MEETS OPPOSITION IN COMMITTEE.

Plan Made for Those Who Fight for National Existence—Report on Alcohol Is Referred to Party.

CHICAGO, May 13.—A peace programme was adopted by the National committee of the Socialist party today, but not without opposition. Victor Berger, of Wisconsin, ex-Representative in Congress and George M. Lunn, ex-Mayor of Schenectady, N. Y., insisted that the right to fight for National existence must be recognized.

The vote for the programme, however, showed a large majority. The report of a special committee condemning the drinking of alcoholic liquors was ordered referred to the National party after having been discussed by the committee. The report was made by Karl D. Thompson, secretary of the special committee appointed a year ago to gather arguments on both sides of the drink question.

Among the conclusions were that alcohol is a narcotic poison, which weakens rather than strengthens the body; that alcohol weakens the inhibitory powers; that there is an ever-increasing volume of evidence among scientific men that even moderate drinking is harmful to the body; that total abstinence is the only safe and wise course to pursue.

TAX ON J. D. RESTRAINED

FEDERAL COURT GRANTS INJUNCTION IN OHIO COUNTY.

Judge Rules Stay at Cleveland, Due to Illness of Wife, Did Not Make Oil King Legal Resident.

CLEVELAND, May 13.—John D. Rockefeller won today an important victory in his fight to prevent the collection of taxes on \$11,000,000 in personal property. The taxes sought by Judge John H. Clarke, in United States District Court here granted an injunction sought by Mr. Rockefeller to restrain the collection. The taxes sought amounted to about \$1,500,000, including a penalty of 50 per cent for failure to pay when due.

The assessment was made in February, 1914, when tax commissioners visited the Rockefeller Summer home at Forest Hill here. They alleged Mr. Rockefeller still remained in the county more than six months of the tax year and therefore, under the Ohio law, was a resident of Ohio for taxation purposes.

Judge Clarke decided that Mr. Rockefeller's contention that he intended to leave Cleveland in October, 1913, instead of remaining here until February 3, 1914, due to the illness of Mrs. Rockefeller and her sister, Miss Lucy Spelman, was a valid excuse and did not make him an Ohio resident under the meaning of the law.

GRECIAN TRICOT AND ELASTIC CORSETS

That Sell Regularly at \$5.00 to \$18.00 Sale \$2.50 to \$9.95

These are discontinued models but represent the latest corset features of the day. Some very low bust models as well as medium bust styles, with extra length or medium length over the hips and back—and the very popular slip-on models. All sizes are here, but not every size in all styles.

Five New Styles in House Dresses Selling Regularly at \$1.50 to \$1.75 In Exact Styles as Shown in the Illustration Anniversary Sale 98c

Dresses of crepe, plain chambray, plain and corded gingham. In yoke and vestee style, collars and vestee and cuffs of white organdie. Also white pique with embroidery designs on collars and cuffs. Skirts made plain or yoke style finished with pipings. The chambray dresses are shown in plain tan, lavender, blue and gray; those of crepe can be had in black, blue, lavender and white stripes—dresses of gingham come in pink, lavender, gray, light blue and black and white checks and stripes.

\$7.50 Folding Sulkies Or Go-Carts for Children Anniversary \$3.45 Same Model as Illustrated

Firmly constructed, built for service as well as for comfort, with 10-inch rubber tires—leather seat—steel body, black enameled. Collapsible, can be folded up—weight 15 pounds.

Anniversary Sales Mail and Telephone Orders Filled by Expert Shoppers Lipman Wolfe & Co. Merchandise of Merit Only Pacific Phone Marshall 5000 Home Phone A 6691 Anniversary Sales

From Paris, Hand-Made, Hand-Emb. Waists

From Corbiere, Barjon, Poret, Turbeax Which Have Sold as High as \$22.50 For the Anniversary Sale \$5.00



This blouse is worthy of special note—it is a sale such as never had an equal—for who ever heard of real Paris blouses of such style, or such exquisite materials, selling at \$5.00? We certainly have not and we have held many an important sale before.

There are blouses of finest silks, soft nets, crepe de chine, Georgette crepes, fine lingerie and sheer handkerchief linen—many of these blouses are entirely made by hand, many hand embroidered in the most exquisite designs—in any number of the most attractive styles—waists that can be worn with the tailored suit as well as for formal occasions.

Genuine Romper Cloth Sold Here Exclusively at 20c Yard Anniversary 15c

This special price is for the purpose of introducing to the women of Portland this new fabric, which combines neat patterns and fast colors—medium weight—in plain colors, stripes and checks. It is lighter in weight than galatea and has a linen finish. Full 32 inches wide. 50 different patterns. Guaranteed fast colors.—Basement

500 Pairs of Feather Pillows \$1.19 Instead of \$2.50

Bought expressly for Anniversary Week. The famous Emmerick pillows, guaranteed filled with selected quality sanitary feathers. Covered with the best quality of fancy art ticking. Three-pound weight—size 21 by 27 inches.—Fifth Floor

The Season's Event in Electric Irons Offering \$4.00 Electric Triangle Irons Weight 6 lbs.—Guaranteed for a Lifetime Anniversary Sale \$1.98

Never was there such a wonderful sale of guaranteed electric irons—an iron that is guaranteed for a lifetime—if it proves defective at any time, bring it in and get a new one from us without charge.

Novelty Sheer Lawn Handkerchiefs Selling Regularly at 7c and 10c Anniversary Sale 5c

These handkerchiefs have the new colored lockstitch edges in pink, blue, lilac and white. All are laundered and finished ready for use.—First Floor

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MEN Collars Sold by the Box Only 6 for 39c

—Twelve styles in Summer collars, including the low, the high and the turn-down styles. —Made of three-ply pre-shrunk materials. Trousers laundered. —All sizes in the lot, but not all sizes in every style.

Soft Bosom Shirts For Summer Wear 69c

Styles That Sell at \$1.00 —These shirts are of madras and percale in the soft-bosom, soft French cuff style, in neat, attractive patterns and in fast colors that tub perfectly. Every shirt perfect as to fit. All sizes.

Auto Gloves Half Price \$2.50 Gloves at \$1.25

—Every man who drives a car needs a pair of automobile gloves that he can double up and put in his pocket. These gloves are of that soft, pliable quality which are not impaired by being doubled and crushed into a pocket. They are also made with a soft conforming cuff.—First Floor

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This Anniversary Sale of Undermuslins Abounds With Economy

\$3.75 Hand-Embroidered Envelope Chemise —Made of sheer soft material, with fancy scalloped edges and exquisite sprays of embroidery on the front. They are handmade throughout. Sale \$2.39

\$2.00 Crepe de Chine Corset Covers —In flesh tint and white—with Van Dyke lace back and front, finished with fine lace and beading. Elastic at waistline. Sale \$1.15

\$1.00 Crepe Gowns —In slip-over style, with kimono sleeves. One style with tailored hemstitched finish, the other round neck, finished with torchon lace ribbon drawn. In plain pink and blue and in rosebud designs. Sale 79c Fourth Floor