

ARBITRATION IS TO BE REFUSED

Wilson Rejects Herr Von Jagow's Suggestion.

PRECISE LANGUAGE STUDIED

President Will Hold America and Germany Must Settle Differences Alone.

TONE WILL BE FRIENDLY

Terms of The Hague Agreement First Must Be Met as to Marine Warfare.

BY LOUIS SEIBOLD.
Washington correspondent of the New York World. Published by arrangement with the World.

WASHINGTON, June 6.—(Special.)—Reserving for his final consideration one section of his second note defining the conditions under which friendly relations may continue between the United States and the German empire, President Wilson has deferred its transmission to Berlin until tomorrow and perhaps Tuesday.

The rest of the note is complete and there is little reason to believe that any change will be made even in the paragraph over the construction of which the President is centering his most profound thought.

Arbitration Held Unavailable.

This relates to the suggestion of Herr von Jagow, the Imperial Foreign Minister, that the adjustment of the differences between the two governments be referred to an international tribunal as provided by The Hague conference.

The suggestion that any feature of the negotiations be submitted to arbitration will be rejected as not available in the pending dispute, or until the main issues as interpreted by the Administration are disposed of to the satisfaction of the United States.

The only uncertainty regarding the proposal in the mind of the President concerns the exact phrasing of the declaration to set aside the issues so clearly understood by him and his Cabinet.

Secretary Bryan Reconciled.

Even Secretary Bryan, who is an ardent advocate of arbitration or any other diplomatic device that may avoid the disruption of peaceful conditions, has become reconciled to the view of the President and all the other members of his Cabinet, that the pending controversy does not permit of the slightest abridgement of the determination of the Administration to insist on a full and complete understanding between the United States and Germany without reference to any powers other than the principals.

The possibility of further consideration of the note by the full Cabinet before it is dispatched to Germany is suggested; but there is apparently nothing to make this necessary.

The note in complete form will be reduced to cipher tomorrow and started on its way to Berlin not later than Tuesday.

Friendly Character Emphasized.

The friendly character of the President's note is emphasized at the start by an expression of gratitude for the offer of Germany to make adequate apology and compensation for the killing of an American citizen on the British ship Falaba and the sinking of the American ships Gulfight and Cushing, destroyed by "mistake," according to Herr von Jagow's unsatisfactory reply to President Wilson's first note of protest.

Perhaps the most positive statement that will confront the German Ministry when the President's second note is placed before it will be the emphatic rejection of the suggestion that the controversy between the two governments over the sinking of the Lusitania, and the American ship be referred to an international committee of inquiry pursuant to title 3 of The Hague Convention of October 5, 1907.

Compliance Must Come First.

The position of the American Government is that until Germany complies with the other terms of The Hague agreement, particularly with those relating to marine warfare, designed to prevent the useless sacrifice of human life, it cannot discuss the ap-

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MARSHAL ARRESTS HIS BENEFACTOR

LINTON POLICE CHIEF CHASES AUTO, HURT, RESCUED.

I. E. Riley Stops When J. H. Hogan Is Caught Beneath Cycle and Takes Him to Hospital.

While pursuing a speeding autist yesterday on a road near Linton, J. H. Hogan, City Marshal of Linton, was plied beneath his motorcycle when the machine skidded and fell with him. I. E. Riley, of 108 East Eighteenth street, North, driver of the automobile chased by the marshal, seeing his pursuer's plight, stopped his car and carried the injured man back to Linton.

At Linton, Dr. S. M. Mann took the injured man in charge and found that his right leg was fractured below the knee. Mr. Hogan was taken to the Good Samaritan Hospital by the Ambulance Service Company. A block of wood in the path of the motorcyclist was responsible for the accident.

The autist was thanked for his services and cited to appear in court to answer to the charge of speeding, when the marshal's injury would permit him to testify. The officer declared the machine was going 35 miles an hour.

HOT SPELL SEEMS BROKEN

Temperature Reaches 86 at 3 P. M. and Then Falls Rapidly.

The thermometer reached a maximum of 86 degrees yesterday at 3 P. M. and pessimists began to predict that the spell of hot weather would be sure to blow up in a thunderstorm on the Rose Festival.

A whiff of clouds began to come out of the West in the evening, however, and the temperature dropped rapidly. Within three hours it had fallen 11 degrees and people began to put their coats back on.

It is thought probable that the temperature will moderate for the next few days, without bringing on any radical reverse that may affect the entertainments of the Festival week. The weatherman's forecast is: Fair weather with westerly winds.

AUSTRIAN CABLE IS CUT

Italian Destroyers Cause Much Damage in Dalmatians.

ROME, via London, June 6.—The following official statement was issued by the War Department today: "Naval detachment yesterday cut the cables uniting the continent and the islands of the Dalmatian archipelago. All lighthouses and lookout stations on these islands were destroyed. The railway between Cattaro and Ragusa were also cut and seriously damaged.

"The same day a group of our destroyers, which were unsuccessfully attacked by aeroplanes, again bombarded the coast of the islands, sinking several sailing craft laden with merchandise. Large vessels supporting the destroyers cruised in the same waters without seeing the enemy."

SAN FRANCISCO IS SHAKEN

Two Quakes Are Distinctly Felt Throughout City.

SAN FRANCISCO, June 6.—Two slight but distinct earth shocks were felt generally throughout the city at 9:51 this morning. No damage was reported.

At the University of California at Berkeley, across the bay, where the shocks were felt, Professor A. C. Lawson, of the mineralogy and geology department, who supervises the seismograph records, said that the tremor was comparatively insignificant.

Observers at Lassen Peak reported the volcano trembled and that no shake was felt there.

KING'S FEVER RUNS HIGH

Anxious Athens Crowds Surround Palace of Constantine.

LONDON, June 7.—An Athens dispatch in Morning Post says: "All the physicians remained at the King's bedside throughout the night, and the streets outside the palace were packed with crowds of anxious people. The doctors say that the temperature—104—was regarded as a natural reaction after the operation, but its intensity undoubtedly was alarming."

BALTIC BATTLE RUMORED

Violent Cannonade, Lasting Six Hours, Heard in Stockholm.

LONDON, June 7.—In a dispatch from Copenhagen the Daily Telegraph's correspondent says: "It is reported from Stockholm that a naval battle occurred Saturday near Gotland. For six hours a violent cannonade was heard from a southeasterly direction and for a long time from 20 to 25 shots were heard every minute."

30 "DUCKED" AT EUGENE

Freshmen Hold Annual Bee, Saving 10, Who Can't Swim, With Rope.

EUGENE, Or., June 6.—(Special.)—More than 30 university freshmen, members of the various fraternities, were thrown in the mill race by their classmates this afternoon as part of an annual Spring ceremony, held on the last Sunday before examination.

Ten, who could not swim, were rescued with a rope.

JAPAN DREAMING OF WORLD DOMINATION

China Catspaw of Racial Ambition.

HORDES HOLD POSSIBILITIES

Fighting Material There, and Iron for Ordnance.

VAST ARMY CONTEMPLATED

Ten Million Trained Men, With 40,000,000 in Reserve, Among Grand Ideas of Militarists, Now in Saddle at Tokio.

BY OSCAR KING DAVIS.
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PEKIN, May 5.—There are plenty of indications here, at this writing, that what Japan has sought from the first in her dealings with China is not merely the leadership in commerce and industry in Asia, but political and military domination as well. And she wants this domination in order to satisfy her vaulting ambition and to gratify her boundless racial pride.

In a word, she aims at the day when the yellow race shall come into armed conflict with the white race for the supremacy of the world. Her military genius believes that if she can secure the effective control of the unnumbered hordes of Chinese she will be able to construct a fighting machine so enormous and so powerful that it will be able to drive the remainder of the world before it as it wills.

Army of Millions Dreamed Of

She dreams of an initial army of 10,000,000 trained men, 250 army corps of 40,000 men each in the first fighting line, supplemented by a vast reserve approximating 40,000,000 more.

She dreams of capitalizing the untouched and untold resources of this vast country; of installing here her own system of taxation that has produced amazing results from a land and a people stricken with poverty. If she can do it she can raise money by the billion, and she can build navies and equip armies that will conform to the grandest ideas suggested by her military ambition.

Japan today is not an independent nation. She lacks two great essentials of national independence, money and iron. Without them she can never achieve the independence that alone can reconcile her people to their situation.

More Money Not Enough. But to do so she would have to abandon her mounting military ambition. Her finances are in a desperate condition. She has reached the practical limit of taxation, and has borrowed abroad to the point where it would be difficult to secure further credit, even if the war in Europe had not arbitrarily closed all.

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ALLIES MAKE GAIN ON TURKISH FRONT

Two Lines of Trenches Are Captured.

3-MILE LINE IS MASTERED

Ships Aid in Heavy Bombardment Preceding Attack.

ENEMY'S LOSSES HEAVY

Troops Charge With Bayonet When General Forward Movement Is Ordered; Five German Sailors Among Prisoners Taken.

LONDON, June 6.—Official announcement was made tonight that the British troops at the Dardanelles, as a result of their new offensive movement last week, captured two lines of Turkish trenches along a three-mile front.

The statement follows: "On the night of June 3-4 the Turks, having heavily bombarded a small fort in front of the extreme right of the French position, which previously had been captured, launched infantry attack against it, which was repulsed with heavy loss to the enemy. At the same time the Turks set fire to scrub in front of the left center of the position occupied by the British division and attacked, but met with no success."

General Attack Is Ordered.

"On the morning of June 4 Sir Ian Hamilton ordered a general attack on the Turkish trenches in the southern area of the Gallipoli Peninsula, preceded by a heavy bombardment by all guns, assisted by battleships, cruisers and destroyers.

"At a given signal the troops rushed forward with the bayonet. They were immediately successful all along the line except in one spot, where the heavy wire entanglements were not destroyed by the bombardment.

"Indian troops on our extreme left made a magnificent charge. They captured two lines of trenches, but owing to the fact that the troops on the right were hung up by the wire entanglements, they were obliged to retire to their original line.

"Strong Redoubt Captured.

"The regular division made good progress on the left and center, capturing a strong redoubt and two lines of trenches beyond it, about 500 yards in advance of their original line.

"The territorial division on our center did brilliantly, advancing 600 yards and capturing two lines of trenches, but though the advanced captured trench was held all day and half of the ensuing night, they had to be ordered back in the morning to the second captured line, as both their flanks were exposed.

"The naval division on our right center captured a redoubt and a formidable line of trenches constructed in tiers

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CLAMOR FOR WAR SHAKES ROUMANIA

30,000 AT CAPITAL MAKE ANTI-GERMAN DEMONSTRATION.

Leader of Conservatives Denounced by Party for Speech Favoring Kaiser, and Withdraws.

LONDON, June 6.—Reuter's correspondent at Bucharest telegraphs that a great demonstration was held there today in favor of intervention by Roumania in the war in support of the Allies. About 30,000 persons marched with flags flying and bugles sounding, to the Italian legation where speeches were delivered eulogizing Italy.

Later partisans of Alexander Marghiloman, the Conservative leader, together with Socialists, organized a counter demonstration.

At a meeting of the executive committee of the Conservative party, the attitude of M. Marghiloman in favor of Germany, was discussed. After a debate the majority condemned the leadership of the party. M. Marghiloman thereupon left the meeting, accompanied by his supporters.

A meeting of the party was called for tomorrow under the presidency of Jean Labovary, who represents the wing of the party which is favorable to the Allies.

BAKER BACKED TO LEAD

Adams and Bigelow Also Favored in Betting for Today's Election.

The outcome of today's election has aroused interest of the betting fraternity. A single bet involving \$1000 was reported placed last night. It was \$500 even that George L. Baker would lead the ticket for City Commissioner by 5000 votes. This bet is said to be between two prominent business men.

Another wager at \$200 even that Baker, Adams and Bigelow would lead the Commission race had been placed earlier in the day. This bet was against the field.

There were six or seven bets of \$50 to \$100 that the Commission race would result in the following order: Baker, Adams, Bigelow, or Baker, Bigelow, Adams.

One bet for \$50 is that water meters would not be authorized by the voters had been placed, according to habitues of betting resorts. There was considerable money uncovered that meters would not carry.

Baker and Adams were the choices last night, but no significant odds were being offered. Practically all betting is at even money.

STORMS DERAIL TRAINS

Rain and Wind Cause Damage in Minnesota and Wisconsin.

ST. PAUL, June 6.—Heavy rains, in some places accompanied by destructive winds and electrical storms, caused three deaths late last night, together with considerable property damage, in western Wisconsin and eastern Minnesota.

A Chicago, Milwaukee & St. Paul train eastbound left the rails near Lake City, Minn., the engine and coach going into a ravine, killing the engineer and fireman.

A cloudburst near Roberts, Wis., caused the derailment of a Chicago, Minneapolis & Omaha train, from Chicago, and the death of the engineer.

PASSPORTS ARE REVOKED

Americans Ashamed of Citizenship Lose Credentials.

BERLIN, via London, June 6.—The passports of two American citizens living in Dresden, Leon Raines and Karl Recknagel, have been ordered revoked by the American embassy on instructions from the State Department at Washington.

The men, it is said, adversely criticized the American Government's policy in the present crisis and reported in newspaper circles that they were ashamed of their citizenship.

CABINET TO POOL SALARIES

Coalition Basis Agreed On by New Ministry of Britain.

LONDON, June 7.—According to the Daily Express the members of the coalition cabinet have agreed to arrange their salaries on a coalition basis—that is, all the salaries will be pooled and then equally divided. The only exception will be Premier Asquith, who will receive his full salary as before, and Sir Edward Carson, the attorney-general, whose fees will not be included in the pool.

FIVE TRAWLERS ARE SUNK

Crews of Day's Victims of German Submarines Are Saved.

LONDON, June 6.—Five more trawlers have been sunk by German submarines. Four of the attacks occurred off Peter Head yesterday and the Dogberry, of Hull, Ferdinando, of Grimsby and Gazehound and Curlew, of Sunderland, were the victims.

The Hull trawler Bardolph has also been sunk by a submarine.

The crews of all of the trawlers were saved.

Bomb Near American Consulate.

LONDON, June 7.—In the German air raid on Calais last Saturday, says the Daily Mail's North of France correspondent, a bomb fell within 50 yards of the American consulate, but did no damage.

VILLA IS REPORTED BADLY DEFEATED

Important Victory Announced by Obregon.

ALL CANNON DECLARED TAKEN

Foe Loses Military Trains, Says Carranza General.

TOWN OF LEON CAPTURED

Enemy Said to Have Been Scattered in Various Directions After Battle Lasting Five Days; El Paso Hears Differently.

VERA CRUZ, June 6.—Defeat of the forces of Generals Angeles and Villa, the capture of the town of Leon and all of Villa's trains and artillery was announced in a report of General Obregon, of the Carranza army, received today. The report says: "I have achieved an important victory. After a five days' battle Angeles and Villa, with small groups of followers, fled in different directions. Our forces are pursuing them north of Leon.

"Town of Leon Occupied.

"Leon has been occupied by the Carranza troops. All the enemy's trains and artillery were captured. The battle extended over a zone of 300 miles. "I have ordered the reconstruction of the railroad and telegraph with Vera Cruz."

EL PASO, Texas, June 6.—No word has been received here for two days from the fighting line in the state of Guanajuato.

Obregon Reported Encircled.

The last direct advices from General Felipe Angeles said that General Villa, with a force of cavalry, had circled east of General Obregon's entrenched line at Trinidad and captured Sllao, thereby cutting Obregon's line of communication with Irapuato.

Villa representatives here, as well as American officials conversant with the situation, were inclined to await direct advices before accepting the Carranza report of a victory at Leon.

PEACE OVERTURE IS RUMORED

Carranza Consul Approached by Villa Official on Border.

WASHINGTON, June 6.—Informal efforts—as yet without official sanction—are being made by Mexicans identified with the Villa-Zapata movement in Mexico to bring about a reconciliation with the Carranza faction, with the view of establishing a government that could claim recognition at the hands of the United States.

Eliaso Arredondo, Washington representative of General Carranza, today received a message from a Carranza consul on the border, saying he had been approached by a Villa official, speaking presumably with authority, to learn what could be done to initiate peace negotiations. The message was forwarded with comment by Mr. Arredondo to General Carranza at Vera Cruz.

Enrique Llorente, agent here of the Villa-Zapata coalition, said he had no official advices that any peace parleys had begun. He said he had received a telegram from Miguel Diaz Lombardero, secretary of the Villa-Zapata Government, in which the latter reported his departure for Leon to confer with General Villa.

American Red Cross officials are putting into effect their plans for relieving starving Mexican non-combatants. An army transport will leave Galveston for Mexico City, arrangements having been made for safe passage of the supplies through the Carranza lines.

On its return trip the transport will bring back those who may have reached Vera Cruz from Mexico City or other points in the interior and desire to leave the country.

Brigadier-General Devol, general manager of the Red Cross, left today for the Texas border to confer with Major-General Funston and other officers.

There was a disposition at both the Carranza and Villa agencies here to treat the subject of peace parleys with caution, neither of the representatives here professed to know the views of their respective chiefs.

Officials of the Washington Government declined to comment on the situation.

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THE OREGONIAN TO FLASH RETURNS.

In pursuance of its usual custom, The Oregonian will flash returns from today's election on a screen at the corner of Sixth and Alder streets, across from the Oregonian building, and give the earliest possible announcement of the results.

The polls close at 3 P. M. and as soon thereafter as figures are available the first returns will be given. The service will be continued, as usual, until late at night, recording the count as it progresses. A large force of motorcycle messengers will telephone the returns to The Oregonian with the least possible delay.

IT'S UP TO YOU MR. TAXPAYER.

\$500,000 FOR METERS

\$150,000 ANNUALLY FOR MUNICIPAL GARBAGE SCHEME

\$100,000 ANNUAL MAINTENANCE FOR METERS

TAXPAYER

#JENNOLDS