

VIENNA REPLY IS BID FOR PARLEY

Demand for Disavowal of Ancona Attack Ignored.

SPECIFIC MAXIMS ASKED

Submarine's Act Is Upheld by Admiralty and Rebuke to Commander Opposed.

OFFICIALS SEE NO FAULT

Loss of Innocent Lives Is Regretted, but Attacker Declared in Danger.

LONDON, Dec. 15.—The Austrian reply to the note from the United States regarding the Ancona case has been delivered to Frederic G. Penfield, United States Ambassador at Vienna, it is announced in a dispatch received here.

The reply says that the Austro-Hungarian government is prepared in principle to enter into an exchange of opinion with the American government, and leaves it to the Washington Cabinet to draw up the individual legal maxims which the commander of the submarine that sank the Ancona is alleged to have violated.

Sympathy Given Americans.

The government expresses sympathy for the American victims.

According to a dispatch from Amsterdam to Reuters' Telegram Company, the note says that from the sharpness with which the government of the United States believes it ought to censure the commander of the submarine and from the firmness with which the demands addressed to the Austro-Hungarian government appear to have been brought forward, it could be expected that the American government would clearly give the actual circumstances upon which it relies.

Reasons Held Insufficient.

"As can be easily recognized, the representation of the circumstances contained in the note," says the communication, "allows numerous doubts and gives not at all sufficient reasons for blaming the commander of the submarine and the Austro-Hungarian government, even if the representation proves correct in all points and judgment in the case is based on the most rigorous legal interpretation.

"The American Government also omitted to contain the persons to whose statements it refers and to whom it apparently believes it must attribute a higher degree of trustworthiness than to a commander of the imperial royal navy.

"As to the number, names and the details concerning the fate of the American citizens who in the critical moment, were aboard the above mentioned steamer, the note does not give any explanation.

Austria Raises Question.

"But, in view of the fact that the Washington cabinet now has given a positive declaration that at the above mentioned incident subjects of the United States came to grief, the Austro-Hungarian government in principle is prepared to enter into an exchange of opinion with the American Government. But, in the first instance, it must raise the question of why this government refrained from motivating the demands stated in its note with regard to the special circumstances of the incriminating incident, which we especially pointed out to the American Government and in the place of such motivation mentioned an exchange of correspondence which it had with another government about another affair.

"The Austro-Hungarian government is the less able to follow the Washington cabinet in this unusual attitude as it in no way possesses a knowledge of all the correspondence having reference to it.

Maxims Left to America.

"The Austro-Hungarian government also is not of the opinion that this knowledge could be sufficient for the present case, which according to its own information, is materially different from the case or cases to which the American Government apparently is referring. Therefore, the Austro-

BISHOP TO PERFORM WILSON CEREMONY

RIGHT REV. DR. LUCIEN LEE KINSOLVING IS NAMED.

Prelate Is Son of Churchman Who Acted in Same Capacity for Mrs. Galt's Parents.

ST. LOUIS, Dec. 15.—(Special.)—The Right Rev. Lucien Lee Kinsolving, missionary bishop of the Protestant Episcopal diocese of Southern Brazil, will solemnize the marriage of President Woodrow Wilson and Mrs. Norman Galt at Mrs. Galt's home at Washington Saturday.

This announcement was made today by a high St. Louis churchman with whom Bishop Kinsolving spent much time while he was attending a church conference in St. Louis. Bishop Kinsolving told the churchman of the honor which had been conferred upon him.

Bishop Kinsolving is the son of the late Rev. Ovid A. Kinsolving, who more than 41 years ago solemnized the marriage of Mrs. Galt's parents in Virginia. Friends say it was the sentimental wish of Mrs. Galt that the services of the bishop be requested while he is touring the United States.

Bishop Kinsolving is 52 years old. He was born and educated in Virginia, and is a brother of Right Rev. G. M. Kinsolving, Protestant Episcopal Bishop of Texas.

The identity of the officiating clergyman at the wedding heretofore has remained a secret.

ALLIES AGAIN WARN CHINA

Advice Concerning Change in Government Is Repeated.

PEKING, Dec. 15.—The British, Japanese, Russian and French Ambassadors and the Italian Charge d'Affaires visited Lu Chen Hsiang, the Chinese Foreign Minister, and reiterated the advice previously given to China by the cabinet regarding her change in government. The necessity of avoiding further confusion in the Far East was urged.

Lu Chen Hsiang again voiced the confidence of China that the change would be accomplished without disturbance of the peace.

ANGRY COUNCILMAN QUITS

Bay City Member Forgets to Sign Resignation; Is Called Back.

BAY CITY, Or., Dec. 15.—(Special.)—Forgetting to affix his signature to his resignation from the Council, which he tendered in a huff when the street paving was accepted by that body, Robert Watt was called back from the street after he had hastily left the chamber, and amid the laughter of the spectators, signed his name and departed, much chagrined.

The acceptance of the work clears a situation that had been muddled several months by a variety of complications.

MONKEY REFUSES BAD COIN

Animal Knows Counterfeit Money as Well as Do Bank Tellers.

SACRAMENTO, Cal., Dec. 15.—(Special.)—Sacramento has a monkey which can tell counterfeit coins as well as the most experienced bank teller in the state.

The monkey is no circus performer, but a collector for Gus, an organ grinder, and goes by the phibetian name of Annie.

Generous persons who have thrown spurious money to the monkey have been much chagrined when Annie dropped it as if it burned.

DUM-DUM CHARGE IS MADE

Accused Companion of Fay Says Factory Took Contract.

NEW YORK, Dec. 15.—Charges that a Bridgeport, Conn., factory accepted a contract with the British government to supply the English army with dum-dum bullets were made today in an affidavit filed with Assistant United States Attorney Knox by Dr. Herbert Kienle.

Dr. Kienle is one of the six men indicted with Robert Fay on the charge of conspiring to blow up ships carrying munitions of war to the allies.

MAN STRUCK SOON DIES

Heart Failure Follows Row Between Springfield Mill Men.

SPRINGFIELD, Or., Dec. 15.—(Special.)—Millford McPherson, 46, an old-time employee of the Booth-Kelly Company, died of heart failure at the mill this afternoon, a few minutes after he had been struck by Delbert Backhaus, a fellow employee. Words over the possession of a lumber truck preceded the blow.

Coroner Veatch is holding an inquest tonight.

M'KELLAR IS NOMINATED

Member Has Big Majority in Tennessee Senatorial Primary.

NASHVILLE, Tenn., Dec. 15.—Representative McKellar of Memphis was nominated by Tennessee Democrats at a primary today to succeed Luke Lea as United States Senator. Indications late tonight were that his majority would be overwhelming.

Ex-Governor Patterson, McKellar's only opponent, issued a statement conceding defeat and pledging support for the nominee.

FEDERAL LEAGUE IS ABOUT TO QUIT

Peace Terms Satisfy American Circuit.

PLAYERS MAY BE REINSTATED

Amalgamation of Outlaw and National Clubs Provided.

WAR'S END HALTS TRADES

Details Said to Call for Purchase of Major League Teams by Some Independent Owners—Terms Not Final.

CHICAGO, Dec. 15.—The end of the baseball war came in sight tonight, when American League magnates at their annual session here agreed to the peace terms arranged at New York between the Federals and National Leagues.

Within a few days, according to President R. B. Johnson, of the American League, the details of the agreement which will end the Federals as an independent league will be arranged.

It was announced that a committee had been appointed to meet committees of the Federal and National Leagues in New York with a view to ratification of peace terms.

Barsternoting trips by baseball teams were forbidden and players were forbidden to write or sign baseball articles.

It was decided to open the 1914 playing season on April 12.

Only Two Leagues to Remain.

The announcement of the agreement came after a session which took up most of the afternoon, and at which nothing was discussed except the peace proposals of the Federals.

These agreed to at New York by the National League were related to the American League meeting by Barney Dreyfuss, president of the Pittsburgh Nationals, who came on from the East as a messenger of peace.

The terms of the agreement were not made public, both Mr. Dreyfuss and the magnates agreeing to keep silent on these, but it is generally understood that the consolidation of the two leagues into one, the American National League, is the basis. President Johnson declared that there would be only two leagues, the American and National.

Players May Be Returned.

Many details remain to be arranged. These involve the ball players who jumped from one league to another, and may result in many of the clubs getting back those who left in the war crisis.

The news that peace was about to be concluded put a stop to a deal of the trade talk which preceded the meeting. That the effect of the war's end would be to create an easier market for ballplayers was admitted by the managers, and all concerned denied that any trades had been arranged. Peace talk took up so much time that the league, at its afternoon session, had no time to take up other matters.

(Continued on Page 3, Column 1.)

STATE'S WARDS TO WEAR KHAKI SUITS

BOARD OF CONTROL CAN GET NO BIDS ON DENIM.

Shortage of Blue Dye stuff Causes Change in Clothing Material for Inmates of Institutions.

SALEM, Or., Dec. 15.—(Special.)—Khaki will be worn by inmates of the state institutions next year instead of blue denim. Efforts of R. B. Goodin, secretary of the State Board of Control to obtain bids on blue denim for the manufacture of overalls and other working clothing for the state's wards of Donald, according to Superintendent, he said today had failed and khaki will be bought instead. Dye shortage is believed to be responsible for the lack of bids on blue denim.

The Board of Control will open bids tomorrow on supplies for six months for all the state institutions. The purchases will exceed \$100,000.

BANK RUSH IS AVERTED

Dissolution Order Doesn't Affect Institution at Donald.

SALEM, Or., Dec. 15.—(Special.)—Reading press accounts that the Donald Commercial Bank had been dissolved by an order of Circuit Judge Galloway, depositors in the new First State Bank of Donald, according to Superintendent of Banks Sargent, started a miniature run on the bank yesterday, having become confused in the name of the bank. Apprehension was allayed when depositors were informed that the Commercial Bank was an entirely different institution, incorporated in 1912 but never organized. The First State Bank of Donald was incorporated last August and is on a sound financial basis.

"As a matter of fact," said Mr. Sargent, "the suit dissolving the Commercial Bank should never have been brought, for the law provides that banks which do not comply with requirements within a year are automatically dissolved."

JOBS WITHOUT PAY OPEN

Belgian Relief Commission Wants 15 French-Speaking Americans.

NEW YORK, Dec. 15.—Fifteen American men, with agreeable personalities, tact, and a fluent knowledge of the French language and the "patience" which comes with honorable service, are being sought by the American commission for relief in Belgium, according to a cable message received today from Herbert C. Hoover, chairman of the commission.

They must be willing, however, to work without pay other than their living expenses and the "patience" which comes with honorable service. No one who has been in France since the war began is eligible. Traveling expenses will be paid.

VILLA SOLDIERS ROUTED

Desperate Battle Fought in Narrow Streets of San Juan del Rio.

LAREDO, Tex., Dec. 15.—Stubborn fighting in San Juan del Rio, state of Durango, on December 12, in which several hundred Villa soldiers were killed, many prisoners taken and a considerable amount of war material captured by the Carranza troops was described in official advice today to the Carranza consulate in Nuevo Laredo. The fighting consisted principally of hand-to-hand combat in the narrow streets of the town, which were littered with dead.

TRAIL OF PLOTTERS IS LEADING UPWARD

Secret Service Close to Fountain Head.

ACTION IS DECLARED NEAR

Scores of Indictments Predicted in Chicago.

BIG STAFF IS AT WORK

Federal Investigators Working in Munitions Factories Said to Have Accumulated Evidence of Wide Conspiracy.

CHICAGO, Dec. 15.—(Special.)—United States secret agents, working out of Chicago, are close to the fountain head of the war plots which have brought destruction to many munition plants, caused loss of life, and at times threatened even to involve this Nation in war, a high official admitted today.

"Under cover" men—agents of the Department of Justice whose identity is never revealed except to the department heads—have wormed their way into the innermost councils of the war plotters. Others in workmen's clothes and covered with grime and dirt, are working in powder plants and munition factories, to keep close on the track of the men engaged by the chief conspirators to blow up or wreck these plants.

Wide Ramifications Uncovered.

Chief operations of the conspirators are now centered in Illinois, Indiana and Michigan, it was stated today, but trails of the plotters stretching to New York and to San Francisco have been uncovered. Once the jaws of the Federal secret investigation are clamped, Federal officials here expressed confidence that the real ring leaders of a Nation-wide plot would be taken.

The "under cover" men are working under the special direction of H. G. Garber, an assistant of Hinton G. Claybaugh, chief of the Chicago bureau of investigation of the Department of Justice. There is a large staff of these men. It was admitted by one official.

Secret Service on Hot Trail.

"If the Government's agents get all they are after they will reveal a plot that will shake the Nation," said another Government official. "They are close to the leaders—the real conspirators—the men who furnish the money."

A new Federal grand jury is soon to be organized. Scores of indictments on evidence already in hand were predicted today.

Some of the operations of the secret agents were revealed today when Chief of Police Helms, of Gary, Ind., admitted receiving an anonymous letter which involved two men from Jackson, Mich., in a conspiracy to destroy the powder plant of the Aetna Chemical Company at Aetna, Ind. This plant is known to be making tremendous supplies of powder and gunpowder for the allies.

According to Chief Helms' information (Continued on Page 3, Column 1.)

FILIPINO POLYGAMY BAN NOT APPROVED

CHIEF OF INSULAR AFFAIRS ADVISES PERMISSION.

Prevention Would Cost Bloodshed, Says General McIntyre—Liberty Promise Substitute Asked.

WASHINGTON, Dec. 15.—Brigadier General Frank McIntyre, chief of the Bureau of Insular Affairs, told the Senate Philippine committee today that polygamy could not be prevented in the Philippines without great bloodshed.

He recommended that a paragraph prohibiting plural marriages be eliminated from the pending bill to give the Philippines a greater degree of self-government.

The general said polygamy was general among some of the Moros, the wealthier classes regarding many wives as a mark of high distinction. He suggested that a paragraph providing that no laws should ever be enacted permitting plural marriages would end the practice eventually.

For the pledge in the bill's preamble that independence will be granted when the Filipino people are fitted for it, General McIntyre submitted the substitution of a promise of independence when, in the judgment of the United States, it would be to the permanent interest of the people of the islands, who, he said, had objected to being denominated as even temporarily unfitted for independence.

MAURY I. DIGGS MARRIES

Bride Is Marsha Warrington, Who Caused His Conviction.

OAKLAND, Cal., Dec. 15.—Maury I. Diggs, who with F. Drew Caminetti, son of Anthony Caminetti, Commissioner-General of Immigration, is under conviction in the Federal Court for white slavery, tonight married Marsha Warrington of Sacramento, Cal. It was Marsha Warrington with whom he took the trip on March 3, 1913, that was the basis of his conviction.

Theodore Roche, one of the special prosecutors for the Government in the Diggs-Caminetti case, said tonight that the marriage of Diggs and Miss Warrington would have no legal effect on the case, but that if the Supreme Court ordered a new trial, the woman, being Diggs' wife, could not be required to testify against him.

VASSAR GRADUATE SUICIDE

Young Woman's Body Found in Lonely Spot in Wisconsin.

MADISON, Wis., Dec. 15.—Lailitha M. Folger, 21 years old, a Vassar graduate, taking special work at the University of Wisconsin, shot and killed herself in a lonely spot off the Middleton road some time last night or early today. Her body was found by R. W. Yockey, a farmer.

No motive for the tragedy is known.

Auto Breaks Boy's Leg.

Joseph Kelly, a boy who lives at 402 Market street, received a fractured leg last night by being knocked down by a motor car driven by Clarence Nowling at Grand avenue and East Morrison street. The boy was taken to his home and placed under the care of a physician.

INDEX OF TODAY'S NEWS

The Weather. YESTERDAY'S—Maximum temperature, 45 degrees; minimum, 38 degrees. TODAY'S—Increasing clouds, followed by rain; southerly wind.

War. Austrian reply in Ancona case is bid for parley. Page 1.

Van Koolhergen serving term for forgery in Canadian prison. Page 2.

Peace or further bloodshed up to allies, says German. Page 2.

Sir Douglas Haig placed in command of British army in France and Flanders. Page 3.

Foreign. Discord in Drexel family revealed in London court. Page 3.

Mexico. Head of aged Mexican General sent as "gift" to Carranza commander. Page 5.

American harvest valued at \$5,500,000,000, new record. Page 4.

Redfield proposes building of merchant ship to Government. Page 6.

Secretary Garrison criticized for belittling War College. Page 2.

Ban on Filipino polygamy opposed by chief of insular affairs. Page 1.

Domestic. Trail of munition plotters leading to fountain head. Page 1.

Bishop Lucien Lee Kinsolving to perform Wilson-Galt ceremony. Page 1.

Chicago to greet new year with big "house." Page 3.

Sport. National League magnates not so sure of peace. Page 14.

American League agrees to peace with Federal League. Page 1.

Beavers sell Bates to Vernon. Page 14.

Pacific Northwest. Khaki substituted for blue denim at state institutions. Page 1.

Commercial and Marine. Eight or more cargoes of Northwestern wheat, sold to go from Atlantic ports. Page 19.

Crop report has weakening effect on wheat bonds. Page 19.

Regulator line buys steamer State of Washington. Page 15.

Alfred Tucker is understood to be choice for vacancy on Port Commission. Page 18.

Pestiferous and Vicious. Reserve banker declares big profit is not ambition. Page 4.

Identities are cleared in trunk murder mystery. Page 15.

Filling of \$100,000 suit arouses interest of grandfathers in orphan's welfare. Page 9.

Yuletide contributions to charities are "lagging." Page 8.

Madame Galski stops over on way to Seattle. Several thousand dollars' worth of diamonds held by pawnbroker strangely missing. Page 1.

Requipped for Dr. Marcellus seems to be daily hope. Page 18.

Chamber of Commerce endorses public efficiency and accounting bureau. Page 13.

Financial experts endorse use of trade acceptances. Page 4.

Weather report, data and forecast. Page 19.

DIAMONDS WORTH THOUSANDS MISSING

I. W. Rosenthal, Money Lender, "Forgets."

FINANCIAL DEALINGS PUZZLE

Loans Made and Pledges Are Then Re-hypothecated.

\$9000 OR SO IN CASH GONE

'Nervous Breakdown' Follows Deal.

Jewels Will Probably Be Recovered and Creditors Only Face Losses.

For the past two weeks creditors of Irving W. Rosenthal, manager of the Elby Company, pawnbrokers and money-lenders, with offices at 320 Lumber Exchange building, have been on a still hunt for missing diamonds valued all the way from \$5000 to \$15,000, and perhaps even more.

Nobody seems to know just how much they are worth. It has not yet been ascertained definitely what diamonds are missing, except that their number and value is considerable.

These diamonds, pledges on which Rosenthal had advanced small loans to owners in financial straits, he had taken from his office safe prior to suffering a "nervous breakdown" on Sunday, November 23.

Creditors Try to Locate Cash.

They are thought to be reposing somewhere in other pawnshops about town where he re-hypothecated them.

At the same time that they are searching for the diamonds, the creditors are trying to learn what has become of some \$9000 in cash, which Rosenthal is known to have obtained from other pawnbrokers and loan agencies by re-hypothecating diamonds of his customers.

Not a trace of this money has been obtained as yet, though the day before his illness Rosenthal got more than \$3000 on diamonds in the manner described.

Rosenthal's "nervous breakdown" occurred at a peculiarly crucial time in his business affairs.

Only the day before, Saturday, November 27, he had redeemed with bad checks a number of diamonds, worth \$5000 or more, which he had previously put "in stock" with other brokers for much larger sums than he had originally lent on them.

Previous Reputation Good.

In at least one case, after obtaining the diamonds on his personal check for the loan due on them, he turned around and redepled part of them, thus obtaining cash to boot.

He appeared the same day at other loan offices with diamonds, on which he obtained good-sized loans when he represented that he wished to raise a considerable amount of cash at once.

His previous business reputation had been so good, as one broker expressed it, "that if he said he would pay you at a certain minute, you knew you would have your money at that time exactly or that he would be on the telephone explaining to you he had been delayed and would be up shortly. His word was absolutely good."

Consequently, on his representations of urgency, he had little difficulty in getting money on the diamonds.

Many Diamonds Missing.

He obtained cash in this manner from at least two other brokers, and from how many others is not known. The fact remains that diamonds belonging to customers other than those on which he obtained money in the places mentioned, are missing.

When the checks paid out by Rosenthal on Saturday, November 27, began coming back the following week marked "not sufficient funds" Rosenthal was at the Mountain View Sanitarium under treatment for nervous breakdown.

One of his most pronounced symptoms was loss of memory in nearly everything connected with his business. Otherwise his memory was apparently normal.

This loss of memory has persisted with his return from the sanitarium to the Fordham Apartments, where he lives with his family.

One thing Rosenthal was able to "remember" however, was that he owed various other creditors than the pawnbrokers affected approximately \$6000. If this recollection is correct, the total amount in cash which has disappeared through his hands would be approximately \$12,000.

Stock Market Play Suspected.

One of the greatest puzzles is what Rosenthal could have done with this money. Every effort to trace it has failed. Those who know him express themselves as convinced that whatever he did with the money was done within the week or two prior to his sudden illness, and much of the money must have been disposed of on the same Saturday that he issued the bad checks.

Rosenthal is said to have dropped a hint that he had lost considerable sums on wheat. Investigation has shown that if he played the stock market game, it was not heavy.

Creditors who stand to lose heavily by the tangle in Rosenthal's affairs on Monday of this week agreed upon John Fletcher, manager of the Accommodation Loan Company, to act as trustee in

(Continued on Page 4, Column 3.)

