



## OLYMPIA SUSPECT TAKEN IN PORTLAND

### Frank W. Stone Denies Implication in Fraud.

## INDICTMENT DECLARED NEWS

### Man Is Without Money and Assumed Name Used.

## CONFLICTING STORIES TOLD

### Stay in City Said to Have Been Since December 8. When He Returned From Having "Good Time" in San Francisco.

Denying all connection with the looting of the Washington Industrial Insurance fund, but admitting that he had been in Portland since December 8, Frank W. Stone, who is wanted in Olympia, Wash., for alleged irregularities involving about \$20,000 of state funds, was arrested in this city yesterday by Detectives Swanson and Pat Moloney.

George A. Campbell, of the Olympia police bureau, arrived in Portland last night to take Stone home.

A reward of \$500, offered by the state of Washington for Stone's arrest, will be divided by the local detectives.

### Newspaper Picture Responsible.

A striking newspaper likeness in The Oregonian yesterday morning led to the positive identification of the man at Broadway and Everett street at 2 o'clock yesterday. He did not have a cent on his person.

Stone maintained his absolute innocence of any wrong-doing, and said that he was on the eve of telegraphing Governor Lister that he was in Portland and on his way to Olympia to face the charges, at which he heard first through newspaper articles printed yesterday.

### Knowledge of Charge Denied.

He admitted that he knew he was wanted in Olympia as a witness in the Industrial Commission investigation, but contended that he did not know he was suspected of any crime. He said he had been told he was needed as a witness by a Seattle man he met in San Francisco.

Stone may be remembered by fight fans, for as "The Portland Kid" he fought several amateur bouts at the Multnomah Club at the age of 14, about 17 years ago. He never lived in this city, he said.

### Allegations Declared Spite Work.

In a statement yesterday, Stone denied guilt and declared that he believed he was being persecuted through the unfriendliness of Ben F. Hall, former chief of police of Olympia, he said.

"I cannot understand why they want me so badly in Olympia, for I know nothing of the operation of the State Industrial Commission insurance claim. I never handled any of their vouchers. If I am not mistaken Ben Hall, because of whose charge of opium smuggling I once had to go to the Mayor to protest, is the man who can explain the reason I am accused of anything."

### Business Reported Profitable.

"I am 31 years old, married, and have been in a profitable fishing business at Olympia for eight years. My folks have lived there a long while, but I was in Tacoma for many years. I have only been arrested once before in my life, and that was in Tacoma for fighting. I was about 13 years old then."

"The business I have built up through fishing has been profitable and my family is well provided for, though I happen to be broke at present. I have four fishing boats on the Sound. All were there when I left, and I can explain the fact that the Lucky is missing unless some of my employees have taken it."

### "Good Time" Spent at Fair.

"Why did I leave suddenly? I wanted to see the fair at San Francisco, and have a good time. I took about \$150 with me and have none of that left now. I left Seattle about November 21 and was in San Francisco almost two weeks. I was drunk day and night while there."

"I told my wife that I was going north on a fishing trip to the Straits. If I had told her I was going to San Francisco she would have wanted to go with me, and I needed some one in Seattle to look after my business while I was gone."

### Inconsistencies Are Assorted.

Several inconsistencies are reported in Stone's story by Detectives Swanson and Moloney. One is that he said them to be his employees were running his business while he was gone, and later maintained that the reason he kept his whereabouts secret from his wife was that she might wish to go with him and desert his business.

A second is his reason for assuming an alias in Portland, and the secrecy of all his movements. The detectives believe he acted in all instances like a man who suspected he was being shadowed because of crooked work of some sort.

Though Stone had been in Portland more than two weeks, he stayed much

## DEBTS PARTLY PAID FROM PRISON CELL

### IDAHO CONVICT DIVIDES \$29.60 AMONG 13 CREDITORS.

### Prisoner Sends Money for Christmas and Expresses Hope of Paying Balances Later.

LEWISTON, Idaho, Dec. 26.—(Special.)—Thirteen residents of Lewiston were surprised to receive for Christmas cash totaling \$29.60 from J. M. Lampert, a convict in the state penitentiary. Lampert sent the money to County Auditor Wright with the following letter:

"Christmas presents from the penitentiary! Who ever heard of it? I have been somewhat successful in earning a few dollars here and I do not know of any better use I can make of it than to make small payments to those I owe money to in Lewiston.

"I wish to save up a few dollars here, so when I leave the institution I shall not be penniless. The police here will no doubt give me orders to move on, and to move on it requires money.

"What I wish to do is to pay a few dollars, and I am going to ask that you favor me with paying it for me. There are some to whom I should like to send more, but I feel they will understand my position and some day I will no doubt be able to care for any balances due."

## D. RUM CORNERS GRIPS

### Prohibition Eve Visitors Buy 211 Suitcases in Chehalis Stores.

CHEHALIS, Wash., Dec. 26.—(Special.)—Chehalis clothing and dry goods stores have experienced an unprecedented demand the past week or 10 days for suitcases. Every outgoing train on the South Bend branch lines and many of the main lines carries some of these suitcases. A large stock of suitcases is being sold out of the stores.

The going into effect of prohibition New Year's is regarded as the cause of the unparalleled activity in the suitcase business.

## IDAHO BROTHERS DROWNED

### Leonard and Charles Caine Are Swept From Horses.

GRANGEVILLE, Idaho, Dec. 26.—(Special.)—Leonard and Charles Caine, two prominent young men, were drowned today while fording the Salmon River on horseback a short distance above White Bird.

The brothers were swept from the regular crossing by the swift current into deep water. The bodies have not been recovered and searching parties have been organized.

## PERSIAN CABINET FALLS

### Event Interpreted as Diplomatic Victory for Allies.

LONDON, Dec. 26.—The Persian Cabinet has fallen, says the Teheran correspondent of the Reuters Telegram Company.

"Prime Minister Firman has been nominated Premier by the Shah. This is considered a great diplomatic victory for the entente allies."

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## DIPLOMATIC GAME AT CRITICAL TURN

### Lusitania Depends on Results From Ancona.

## FORMER CASE DEADLOCKED

### Germany Not Now in Mood to Make Concessions.

## PRECEDENT IS DESIRED

### Administration Feels That Austria Must Be Compelled to Meet Demands for Effect on Berlin Negotiations.

BY JOHN CALLAN O'LAUGHLIN.  
WASHINGTON, Dec. 26.—President Wilson intends to compel Austria-Hungary to comply with the demands he presented in connection with the Ancona case, not only in order to secure reparation for the innocent American victims of that outrage, but to establish a precedent which can be pointed out as a basis for like action by Germany in the matter of the destruction of the Lusitania.

More than 100 Americans were lost when the former was torpedoed, while nine were killed or drowned when the Italian liner was shelled and sunk. The outrages are thus a matter of degree, but the underlying facts are the same and the principles of humanity and international law which apply are identical.

Incidents Case at Deadlock.

It is this similarity which is responsible for the vigor with which the President is pushing the Ancona case, for he feels that if Austria-Hungary can be brought to book Germany will be forced to follow suit.

It is not generally known to the country that there is an absolute deadlock between the United States and Germany with reference to the Lusitania. On May 13 last President Wilson made his demands on Germany. Three months later the Arabic was torpedoed and to prevent an explosion by the American people, Count von Bernstorff gave personal assurance to the Secretary of State that thereafter liners would not be sunk without warning unless they resisted or attempted to escape.

Subsequently the Ancona was torpedoed and while the Austro-Hungarian government assumed responsibility for the act, the State Department received an affidavit from the commander of a British merchant ship, torpedoed just before the Ancona, swearing that the submarine which sank the ship was a German submarine and that the same submarine attacked the Italian liner while flying the Austrian flag.

Negotiations Long Dragged Out.

As Austria-Hungary assumed responsibility for the destruction of the Ancona, necessarily the Administration was forced to address its demands to

## ONE DYING AFTER CHRISTMAS FRAY

### Austrian Is Badly Cut With Pocketknife at Feast.

### Joe Miller, Stabbed Many Times, Chases Former Friend Till Loss of Blood Stops Race.

Joe Miller, an Austrian, aged 45, is dying, and Martin Smith is being held for an attack upon him, as the result of a Christmas celebration held by four Austrians employed in land clearing near Cottrell, Clackamas County, Saturday.

Although stabbed seriously with a pocket knife in the hand of a former friend, Miller chased Smith until he fell exhausted from loss of blood. This was at 2 o'clock Saturday afternoon. Shortly before midnight Albert Jones, a neighbor, heard of the fight, investigated, and called Dr. Hughes, of Gresham. The injured man was removed to the Multnomah County Hospital and operated on about midnight.

Deputy Sheriff Phillips and Ward placed Smith under arrest. The prisoner did not deny stabbing Miller. Sheriff Wilson, of Clackamas County, arrested Joe Norvick and Mike Donovich, the only witnesses, and took them, with Smith, to Oregon City.

Miller was in a precarious condition last night. He was stabbed in the head, abdomen, arm and hand with a pocket knife. Smith maintained that the injured man began the fight by attacking him and that the stabbing was in self-defense.

## FRENCH EXPECT ATTACK

### Wind From East Favorable to Use of Asphyxiating Gas.

PARIS, Dec. 26.—"The hostilities on the French front, which thus far have consisted only of cannonades, may take on a more serious form," says the Temps today. "The wind is blowing from the east, which will permit the enemy to use asphyxiating gas. It is not known where the enemy will attempt the supreme effort."

"Nowhere will the French be surprised by an attack, as we are on guard along the entire front."

## BEACH TOWN THREATENED

### Ocean Park, Cal., Appeals for Aid in Fighting Fire.

LOS ANGELES, Dec. 27.—Reports received here from Ocean Park, a beach resort, said that the large pleasure pier was on fire and that the town was threatened. Calls for help were sent to the Los Angeles and Venice fire departments.

The entire Venice department responded. Two automobile companies were sent from here at 1:30 o'clock.

## ALARMING RUMORS HEARD

### Kaiser's Illness Reported in Switzerland to Be Grave.

LONDON, Dec. 26.—Alarming rumors, probably of an exaggerated nature, are being circulated in Switzerland today concerning Emperor William's illness, according to the Zurich correspondent of the Exchange Telegraph Company. The rumors say, according to the correspondent, that the Emperor's condition is causing profound anxiety in Berlin.

## SERBIA STARVES AS RELIEF IS MISUSED

### Appalling Stories of Incompetency Heard.

## SUPPLIES NOT DISTRIBUTED

### Donated Goods Found on Sale in Private Shops at Nish.

## OFFICIAL GRAFT REPORTED

### McCUTCHEON SAYS HELP SHOULD CONTINUE, BUT ARRANGEMENTS SHOULD BE MADE FOR BETTER ORGANIZATION.

BY JOHN T. MCCUTCHEON.  
(War correspondent of the Chicago Tribune. Copyright, 1915, by the Tribune. Published by arrangement.)

MONASTIR, Nov. 14.—An American doctor here makes the prediction that this winter will see starvation in Serbia on a larger scale than has ever before been seen.

There are now 500 families in Monastir who are actually starving. Later in the winter this number will be increased and every town and village will be filled with hungry people. All kinds of supplies of food and medicine and clothing will be required, and generous people could not do better than to help to their utmost to relieve this condition.

The first requisite, however, in the matter of giving relief to Serbia is to see that reliable and responsible agencies are selected for the proper distribution of these supplies. One hears of evidence of shameful dishonesty and graft on the part of the officials, but perhaps a more charitable view would be that the fault was due mainly to a pitiful incompetence.

### Relief Supplies Captured.

An American doctor told me that there were warehouses in Nish full of medical and food supplies sent from America that never had been distributed, owing to lack of organization in the Serbian capital. Most of these supplies have now fallen into the hands of the Bulgars. Another doctor, an American, told me that cigarettes and cigars sent for the soldiers had been divided among the officers and that large quantities of relief goods were on sale in private shops in Nish. There was evidence of shameful dishonesty and graft on the part of the officials, but perhaps a more charitable view would be that the fault was due mainly to a pitiful incompetence.

## GERMAN ATTACK COSTLY

### Loss of 8000 Men Without Gain on British Front Reported.

PARIS, Dec. 26.—"Information received regarding the fighting on December 21 between Ypres and Arras indicates that the Germans sustained a loss of more than 8000 men without gaining any ground," says a dispatch to La Liberté from its correspondent on the northern front. "The fighting was most severe and a large quantity of asphyxiating gas was used, but the English lines remained intact."

"The attack is thought to have been the prelude to an offensive or to test the strength of the English front."

## SILK HOISERY WORN MORE

### Makers of Cottonwear Earn Less Profit Than Brothers in Trade.

WASHINGTON, Dec. 26.—A report of an investigation of the hosiery manufacturing industry by the Department of Commerce was transmitted to President Wilson today by Secretary Redfield. Americans were found to be wearing silk hosiery more and more, and as a result cotton hosiery manufacturers are making less profit than silk manufacturers.

American manufacturers were reported to be making a profit of nearly 12 per cent on capital invested.

## ROCKS ROLLED ON TOWN

### Austrians Attack Village in Tyrol From Overhanging Cliffs.

ROME, via London, Dec. 26.—The following official statement was issued today:

"Along the Tyrol-Trentino-Carnia front there has been an intense artillery engagement. The enemy also rolled enormous boulders on the village of Loppo, in the valley of the Adige, from overhanging cliffs, without causing serious damage.

"Our artillery shelled numerous columns of munitions stores on the march."

## FEVER EPIDEMIC SERIOUS

### German Regiment Said to Have Been Forced Out of Garrison.

LONDON, Dec. 27.—A dispatch to the Exchange Telegraph Company from Amsterdam tells of a serious scarlet fever epidemic in Germany, extending from Bromberg to several villages in Posen, where the malady is unusually acute.

"The Bromberg garrison is so overrun with the disease that it has been evacuated by one entire regiment."

## HINDUS FOMENTING INDIAN REBELLION

### EFFORT TO BE MADE TO OBTAIN FUNDS IN AMERICA.

### Ranchers in California Hold Meeting and Say Britain's Enemies Promise Financial Aid.

EXETER, Cal., Dec. 26.—(Special.)—One hundred Hindu ranchers and laborers of the Tulare County foothill district have completed an organization, the purpose of which is to raise funds to aid in financing a revolution against British rule in India. Ramba Singh, a tobacco grower of the Exeter district, at a meeting of the Hindus field in a theater here, was chosen to head the movement.

Although the details of the organization could not be learned, no secret was made of the fact that the revolution in India had been thoroughly organized, and that outbreaks may be expected in all portions of that country on an agreed date.

In the meantime, it is declared by the Hindus, every effort is being made to raise money for financing the movement, aid for which, according to the leaders here, has been promised by agents of foreign governments now at war with Great Britain.

## ASSOCIATION PARTY GOES

### Spirit Lake Campers Plan Hike on Snow Shoes.

Talking with them snowshoes, skis and all the other paraphernalia for winter sports, a party of 11 older boys of the Young Men's Christian Association, under the leadership of J. C. Meenan, boys' work secretary, left last night on the Seattle owl train at 11 o'clock en route for the association camp at Spirit Lake. They plan to spend a week of the holiday season at the camp.

At the camp the week will be spent in snowshoe hikes and various winter sports. Some of the peaks in the vicinity will be scaled. One of the trips planned is a hike to timber line on Mount St. Helens and another to the top of Mount Margaret, a 6300-foot peak.

## OREGON GOES TO MILITIA

### "Bulldog of Navy" Will Be Stationed at San Francisco.

SAN DIEGO, Cal., Dec. 26.—The battleship Oregon, "the bulldog of the Navy," will be turned over to the California naval militia at San Francisco on February 15, according to orders received today by Commander Reeves from Secretary of the Navy Daniels.

The militia will not have an opportunity to handle and fire the 13-inch guns of the Oregon, in Commander Reeves' opinion, because of the heavy cost of operating these big pieces and of the long course of training required.

## BRITISH SCHOONER DISABLED

### Storm Does Much Material Damage in New England States.

BOSTON, Dec. 26.—A gale which carried snow and rain at a velocity of 70 miles an hour damaged electric wire circuits, leveled chimneys, unroofed buildings and uprooted trees in this city and many other parts of New England today.

The British schooner Mayflower, disabled by the storm, was wrecked on the coast of New England.

## IRRIGATION BIG FACTOR IN STATE'S DEVELOPMENT.

The reclamation of thousands of acres of land is one of the important factors in the rapid and intensive development of Oregon. During the past year steady progress has been made in irrigation work and a large amount of arid land has been made ready for cultivation. In addition to two Government projects, several private enterprises have been under way and more are being projected.

The two Government projects are in Klamath and Umatilla counties. The Klamath project comprises 40,000 acres, of which about 28,000 acres are under cultivation. The Umatilla project contains 25,000 acres, a large part of which is being cultivated. An extension of this project, containing 10,000 acres, is being constructed.

The largest Carey act segregation is in Central Oregon. This contains 70,000 acres. About 53,000 acres are served by water and 43,000 acres have been sold. There are now about 17,000 acres of this project under cultivation.

The Tumalo project, in Crook County, built and financed by the state, will reclaim 22,000 acres. There are a score or more smaller private enterprises and irrigation district projects in Oregon.

How irrigation is adding to the wealth of the state will be told in the Annual Edition of The Oregonian, which will be issued next Saturday, January 1, 1916.

