

BERLIN'S PROPOSAL LETS NEUTRALS ACT

Washington Thinks Germany
Will Seek to Restore Bor-
ders as Before War.

OFFICIAL NOTE AWAITED

Colonel House May Be Sent to
Europe—Entente Diplomats Say
Proposal Was Made to Im-
press German People.

WASHINGTON, Dec. 12.—Germany's proposal for peace is regarded here as having broken the chains which for months have restrained the United States as well as other neutrals from making offers of mediation.

Now that one set of belligerents has signified its willingness to discuss peace terms on a condition often reiterated as necessary to any action by President Wilson—there are indications that when the United States, acting as the intermediary, transmits the German proposals, it may accompany its action by some steps to throw the influence of the United States into the balance for at least a consideration, however preliminary, of the terms on which a lasting peace might be brought to the world. Some ranking officials of the American Government believe a league of nations, such as President Wilson has suggested, must be the outcome, and it could not be expected without the participation of the United States.

Comment Not Decided On.

Whether the United States will transmit the German proposal without any comment whatever, or accompany it with some formal or informal expression, will not be decided until the note delivered to American Charge Grew in Berlin reaches President Wilson's hands, probably tomorrow.

There were indications that President Wilson might find some way to express the solemn and earnest wish of the United States for a careful consideration of the suggestion of peace, even before the entente governments have made known their attitude toward the German proposal. It was pointed out that the suggestion of peace is such a delicate and ultra-confidential way that it never would be known publicly should the allies decline the offer. This course was said to be absolutely necessary so as to leave the United States free and unembarrassed to act when an acceptable peace offer comes.

Colonel House May Go to Europe.

Regardless of whether President Wilson decides to accompany the German proposal with any word, it was said tonight he unquestionably would take steps to learn the attitude of the entente allies toward the peace move, and possibly might send to Europe his personal friend and adviser, Colonel E. M. House.

None of the official dispatches had arrived tonight. The Government's first intimation was conveyed in The Associated Press dispatch from Berlin. President Wilson was said to be "deeply interested, but reserving comment." Secretary Lansing maintained a similar attitude. The dispatch discussed the development at its regular Tuesday meeting, but the situation was described by members of the staff as so delicate that no announcement could be made.

Absence of Terms Noted.

The absence of any specific terms for peace in the note to the German Chancellor's speech was in a measure a disappointment to those who expected some concrete expression of a basis on which negotiations might begin. The German Embassy, however, is in possession of advice which outline in a general way what Germany expects, and the diplomats of the entente powers, through their means of being supplied with information, believe they have a general idea of what terms the central powers are willing to agree to as the basis of discussion.

Recent dispatches from the German Embassy indicate a belief that the general terms might be in substance as follows:

A restoration of the status quo existing before the war. This includes the evacuation of Belgium and the restoration of the occupied portions of Northern France, with the exception of Alsace-Lorraine. No authorized expression was obtainable from the Embassy as to whether conditions would be attached to the restoration of Belgium and French territory, but it was understood that the German idea was to make provision for the future neutrality of Belgium and probably propose demilitarization, particularly of the city of Antwerp.

Return of Colonies Expected.

It was also understood that no conditions amounting to economic control of the mineral lands of Northern France would likely be asked. All Germany's lost colonies she expects to be returned. Her possessions in the Pacific, however, are not a subject of great concern, and Berlin government is understood to be ready to relinquish the claim of Kiauchau.

The security of Turkey in possession of Constantinople would probably be insisted upon by the central powers, as well as the restoration of Albania. The establishment of independent kingdoms in Lithuania and Poland would be one of the factors in the German proposals, although that part of Poland possessed by Germany at the outbreak of the war would not be included.

Italian Border Status Not Clear.

What adjustment would be made to cover the Trentino region between Austria and Italy, or any provision affecting Egypt, the Suez Canal, Mesopotamia or the gateways of control to the Indian Empire are not made clear. The Balkan situation is considered so delicate it would have to be untangled in peace conference.

The whole German view of the peace move is that it is a step toward a

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discussion of peace terms, which ought to show some definite progress early in January. There is said to be no possibility of a peace conference being held in the United States. Berne and The Hague are mentioned as most likely places and it is not doubted that Count von Bernstorff, the German Ambassador here, would go as one of his country's representatives. His attitude was expressed tonight in the following statement:

"I am of course extremely gratified at the step that has been taken. I hope that it will be successful. Even if it does not lead to peace, it offers proof that Germany wants peace, even after a victorious campaign, and does not desire the responsibility for further suffering of mankind, loss of life and property. Germany wants peace and does not desire conquest. I cannot say anything about the terms."

Diplomats of the entente allies regard the peace offer as having the double purpose of placing upon the allies the responsibility for continuing the war and of impressing upon the German people that they are fighting for the responsibility of continuing the war and of impressing upon the German people that they are fighting for the responsibility of continuing the war. Coming immediately after the culmination of the triumphant Roumanian campaign, the peace offer, the entente diplomats say, is intended also to impress the German people that they need have no lack of confidence in their government to continue the war. The actual procedure in conveying Germany's proposal to her enemies, according to precedent, begins with a charge Grew forwarding the note to Washington. The State Department then will forward it to the American Ambassador, resident in the country, to be addressed, and he in turn will present it to that government acting in the interest of Germany and her allies. The United States now represents Germany and Austria in Belgium, France, Great Britain, Japan, Russia, Serbia and Roumania, and also Turkey in France, Great Britain and Japan. It does not represent Bulgaria anywhere and represents none of the belligerents in Italy, Portugal or Montenegro.

An immediate effect of the peace developments upon the United States will be to hold practically in abeyance all the diplomatic issues pending with the warring countries. The new submarine issue with Germany, the protest against deportation of Belgians, the controversy with Great Britain over mails and commerce, all will mark time until it becomes apparent whether they will be solved by the peace.

Regardless of how far Germany's proposal may be expected to go toward ending the war, it was regarded as of the greatest significance that for the first time in two and a half years of war one group of belligerents had addressed the other on the subject through the channels of diplomacy.

In German quarters here it is believed that any sort of an armistice during a discussion of peace plans would be out of the question, because this is an economic as well as military war. It would mean great loss of time and in the event of failure of overtures probably would see the opening of the Spring campaign without anything accomplished. Meanwhile the central powers, it is said, expect all neutrals to encourage peace talk.

Decision Reached Saturday.

As far as has been disclosed, no intimations reached the American Government forecasting the action of the central powers. Today a dispatch sent from Berlin Sunday night to the German Embassy in Washington indicated the government to make public peace proposals "probably Tuesday."

This was taken to indicate that the move had been decided upon Saturday or Sunday and probably after Emperor William's five-hour conference with Chancellor Hindenburg.

As the text of the Chancellor's speech, the note to the belligerents and the Associated Press dispatch from Berlin, it became apparent that the German allies had not proposed specific peace terms, but rather had initiated a move toward peace.

The first brief announcement from Berlin that Germany and her allies proposed to enter into negotiations for peace led many of them to suppose that actual terms were to be advanced, and they eagerly waited for the details. But as it was disclosed that a program for peace, rather than a suggestion of terms, was being made, it became apparent that the matter would be taken in effect into an official communication of what German statesmen have said many times before in public and in the press—that they were willing to discuss peace on terms which would assure a lasting one.

GERMANY PROPOSES PEACE

(Continued From First Page.)

ures of civilization have been destroyed. Extensive areas have been soaked with blood. Millions of brave soldiers have fallen in battle and millions have returned home as invalids. Grief and sorrow almost everywhere.

"Not only upon the belligerent nations, but also upon neutrals, the destructive consequences of the gigantic struggle weigh heavily. Trade and commerce, carefully built up in years of peace, have been depressed. The best forces of the nations have been withdrawn from the production of useful objects. Europe, which formerly was devoted to the propagation of religion and civilization, which was trying to find solutions for social problems and was the home of science and art and all peaceful labor, now resembles an immense war camp in which the accomplishments and works of

many decades are doomed to annihilation."

Germany is carrying on a war of defense against her enemies, who are attacking her from all sides to assure the integrity of her frontiers and the liberty of the German nation, for the right which she claims to demand is the right to share the economic energies in peaceful co-operation and on an equal footing with other nations. All the efforts of her enemies are unable to shatter the heroic armies of the Teutonic allies which protect the frontiers of their countries, strengthened by the certainty that the enemy shall never pierce the iron wall.

"Those fighting on the front know that they are supported by the whole nation, which is inspired by love for its country and is ready for the greatest sacrifices and determined to defend to the last extremity the inherited treasure of intellectual and economic work and the social organization and sacred soil of the country."

Williness for Peace Affirmed.

"Certain of our own strength, but realizing Europe's nature if the war continues; seized with pity in the face of the unpeppable misery of humanity, the German Empire, in accord with her allies, solemnly repeats what the Chancellor already has declared a year ago,

for an increase in his pension officials told where his relatives were, and he answered they were all dead, but the pension clerk found William Hamilton, aged 82, of Company E, First Michigan Cavalry, living at Gresham, Or., and wrote to George. When George Hamilton heard this he arranged a "surprise" party at Gresham.

"William, I am George, your brother," he said, walking in.

"Are you George Hamilton?" William asked. "I thought you dead 20 years."

Turning to a grandson he said: "Somebody told Old Glory, and we'll prepare the fatted calf."

Charles, the youngest brother, was visiting William's home when George called. The incident was too much for him. He fainted away.

Telephone Protest Dismissed.

SALEM, Or., Dec. 12.—(Special.)—An order dismissing the complaint of the First National Bank of Albany against the Pacific Telephone & Telegraph Company and Home Telephone & Telegraph Company, asking for a physical connection, was entered today by the Public Service Commission. The question has been in constant litigation for some time and the connection has been maintained.



What Piano Price Chord Do YOU Want to Strike?

No Matter—
You Can Strike It
Easily and Truly in the
Lipman-Wolfe
Piano Store

Without the risk of selecting
the WRONG instrument.

—Every one is right—
every one comes to us with
a reputation that we can adopt
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You will find dependable pianos
every day in the year at prices
less than the widely advocated
special piano sales, now so as-
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Chord Strike
\$142, \$167, \$197, \$243?

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Lipman Wolfe & Co.
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that Germany is ready to give peace
to the world by setting before the
whole world the question whether or
no it is possible to find a basis for an
understanding.

"Since the first day of the pontifical
reign, His Holiness the Pope has un-
swervingly demonstrated in the most
generous fashion his solicitude for the
innumerable victims of this war. He
has alleviated the sufferings and ameli-
orated the fate of thousands of men
injured by this catastrophe. Inspired
by the exalted ideas of his ministry,
His Holiness has seized every opportu-
nity in the interest of humanity to end
so sanguinary a war."

"The imperial government is firmly
confident that the initiative of the four
powers will find friendly welcome on
the part of His Holiness and that the
work of peace can count upon the
precious support of the Holy See."

3 MEET AFTER 53 YEARS

SURVIVORS OF FIVE BROTHERS IN
CIVIL WAR ARE REUNITED.

One Orders "Fatted Calf" and Other
Faints When Third Walks Into
Gresham Home.

SEATTLE, Wash., Dec. 12.—(Special.)—Separated 53 years, George Hamilton, of the Soldiers' Home at Port Orchard, and his brothers, William and Charles Hamilton, of Gresham, Or., met through a pension office clerk, George Hamilton, returning from the front, and stopped at the Stevens Hotel today on his way back to Port Orchard.

From Southern Michigan five brothers enlisted under Lincoln. They were William Hamilton, Andrew Hamilton, John Hamilton, James Hamilton and George Hamilton, all sturdy farmer lads. Charles was too young to enter the Port Orchard home opened to him.

Many times George Hamilton "wondered what had become of the other brothers. The incident was too much for him. He fainted away.

George Hamilton reached three score years and ten, and when he applied

for an increase in his pension officials told where his relatives were, and he answered they were all dead, but the pension clerk found William Hamilton, aged 82, of Company E, First Michigan Cavalry, living at Gresham, Or., and wrote to George. When George Hamilton heard this he arranged a "surprise" party at Gresham.

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CHANGES MADE BY WAR IN EUROPE.

Peace proposal finds new world map. Germany's move for peace comes just two years and 133 days after she declared war on Russia and two years and 129 days after England declared war on Germany.

German territory held by allies—The western edge of Alsace-Lorraine.

Austro-Hungarian territory captured by the allies—About half of Galicia and all of Bukovina and the northern part of Rumania, as well as the western border of the Italian Peninsula, north of the city of Trieste.

Turkish territory captured by the allies—All of Northeastern Armenia and part of Mesopotamia.

Bulgarian territory taken by the allies—None.

Entente territory occupied by the German allies—Northeastern France, practically all of Belgium, Poland and Lithuania, more than half of Rumania, all of Serbia and Montenegro and nearly all of Albania, as well as a part of Persia and Egypt. Some of Greek Macedonia is occupied by the German-Bulgarian forces, although Greece is not in a state of war.

Germany lost practically all her overseas colonies.

many decades are doomed to annihilation."

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We Have Gone After "Big Christmas Business" In the Most Earnest and Deliberate Fashion

—You will find in every section of the store things well worth your buying, as to their new, seasonable timeliness and their very attractive prices.

—We cannot refrain from commenting upon the holiday business of this store. One mark after another has been reached and passed, but increasing business is not the cause but the effect of public approval, and that is the most gratifying thing about it.

The \$75,000 Art Sale

Surpassing any event of its kind ever recorded in the Northwest. Thousands of wonderful gifts from 25c to \$200.00.

At Quarter to Half Off Sixth Floor.

Hand-Embroidered Models

Lingerie underwear, children's dresses, towels, bath sets, table covers, boudoir caps, fudge aprons and many novelties all made up and beautifully hand embroidered.

From One-Half to One-Third Off and Less Fifth Floor.



Remarkable Gift Opportunities In This Jewelry Sale

Wherein we are closing out many odd pieces and assortments of finest examples of gold and silver jewelry, many of which are stone-set, others in plain or engraved designs.

AT HALF PRICE

Solid Gold Watches—Half Price

Swiss, Elgin and Waltham makes—bracelet watches, women's open-face and hunting-case watches; men's open and closed-face watches and thin models.

Solid Gold Locket and Chains—Half Price

Locket from the simplest to the finest diamond and stone-set designs—lodge charms and emblems.

All Opera Glasses

Mother of pearl and leather covered. All sizes, many with handles.

Solid Gold Pencils and Match Boxes—Half Price

Plain and engraved pencils and handsomely engraved match boxes.

Fine Oriental Jewelry—Half Price

The most beautiful of colored stone-set effects in La Vallieres, brooches, bar pins and many other novel pieces that cannot be duplicated at any price.

All Gold Beads at Half Price

First Floor.

When in Doubt, Give a
Lipman-Wolfe
Glove Order
On Sale First Floor.

Lipman Wolfe & Co.
Merchandise of Merit Only

A Lipman-Wolfe
Merchandise Bond
will easily solve the gift question.
On Sale First Floor.

WAR STOCKS SUFFER

Wall Street Taken by Surprise
at Peace Talk.

MARKET IS DEMORALIZED

Powerful Interests Close to Entente
Allies Unprepared for News,
but Seem to Think the Pro-
posal Will Be Ignored.

NEW YORK, Dec. 12.—Unsettlement bordering upon demoralization overtook the stock market today on announcement of peace overtures by Germany and her allies. Losses of five to ten points were sustained by such speculative issues as United States Steel, Crucible Steel, New York Airbrake, Utah Copper, Central Leather, International Paper and American Locomotive, while Bethlehem Steel declined 27 points, Gulf States Steel 12 and United States Industrial Alcohol 12.

Bankers whose connections with the central powers are admittedly close made no effort to conceal their surprise and the powerful interests representing the entente allies seemed unprepared for the news. Neither of these groups would discuss the peace proposals, but the inference gathered was that the entente allied powers would not seriously entertain negotiations at this time.

In so-called neutral quarters the opinion was expressed that Germany's terms were far more comprehensive than had been expected. Nevertheless, it seemed to be the more general opinion that the psychological moment for a peace meeting was still some months off. In this connection, notice was taken of the fact that exchange on Germany and Austria today moved farther away from those countries than before, with recurrent weakness in rates on Italy and Russia and a new low quotation for Anglo-French bonds. Some correction of these adverse con-

ditions was noted before the end of the day.

For use in French colonial waters where rank vegetation would foul submerged wheels, shallow-draft boats have been built that are driven by aeroplane motors and propellers.

For Xmas
Give "Her" the

Easiest Running Cleaner Made

Just turn on the current, guide the Hoover on its easy rolling wheels and, like magic, it sweeps up all lint, hair, thread and other surface dirt—shakes to the surface and removes the heavy imbedded dirt—and leaves your rugs thoroughly clean. It's so easy in operation that the children can help, and they love to do it.

THE HOOVER SUCTION SWEEPER

is the only electric carpet sweeper and vacuum cleaner combined in addition to removing every bit of the dirt, it straightens the nap of your rugs and carpets to its correct position and keeps your carpets and rugs looking like new. With a Hoover your rugs won't need to leave the floor.

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demonstrated
and you'll understand
then why it is su-
perior—and you'll
decide this is the
vacuum cleaner
you want in your
home.

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Hoover
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Extraordinary Handkerchiefs

A remarkable showing of thousands of dozens of imported handkerchiefs. Every one sold at prices unaffected by war or scarcity of supply.

A Record of Which We Are Justly Proud
First Floor.

The Finest of Leather Goods

Imported and American makes, in all kinds of novelties, affording the greatest opportunities for buying Xmas gifts at a

Lesser Expense Than Anywhere Else in Town
First Floor.

FOR MEN An Extraordinary Sale Handsome Silk SCARFS

That have been arriving by every express for the last three days. The entire assortment is now here, and these we place on sale

At Five Exceptional Prices.

65c, 95c, \$1.25
\$1.35, \$1.65

—In order to secure the finest silks in the most exclusive designs and colorings, we were compelled to wait until the last possible moment before placing this great Christmas order—but it is here and the scarfs are the handsomest we have ever offered in a Christmas sale.

—Here are some of the materials:

Silk Moire Figured Silks
Satin Stripes Persian Silks
Imported French Silks
Imported Italian Satins
Heavy Brocaded Silks
Imported French Basket Weaves

—And we never showed a better or a larger assortment of colorings and designs.

—If you're buying them for gifts we will put them in a holiday box, and no doubt, Mr. Man, you will want several for yourself.

First Floor, Just Within
Washington Street Entrance.

Lipman Wolfe & Co.
Merchandise of Merit Only

A Lipman-Wolfe
Merchandise Bond
will easily solve the gift question.
On Sale First Floor.

Gifts that endure

The very air is now becoming charged with the spirit of giving, for Christmas will soon be here.

The choice and preferred gift is the one which endures, because it suggests the continuity of love and friendship.

Such a gift is a diamond ring, a watch or piece of jewelry.

You will find at this store everything that would distinguish a first-class jewelry store—gifts of rare value for the lavish spender, and an almost unlimited choice of less expensive but charming gifts to suit the limited income.

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