GERARD CLEARS

German Leaders Quoted as Saying Move Made to Forestall France.

PEACE MOVES ARE RECITED

Former American Ambassador Makes Public German Chancellor's Statements, Comparing Them With Kaiser's Note to Wilson.

(Continued From First Page.)

predominant in Russia and all the vast resources of that great empire at the command of Germany. All the fleets in the world could uselessly blockade the German coasts if Germany possessed the limitless riches of the empire of the Romanoffs.

The German army drawing for re-

The German army, drawing for re-serves on the teeming populations of Russia and Siberia, would never know defeat. And this is not idle conjecture - mere dreaming in the realm of possibilities-because the Russian revolution has shown us how weak and tot-tering in reality was the dreaded power of the Czar.
Russia beaten and half digested,

France would have been an easy prey, and England, even if then joining and England, even if then joining France in war, would have a far different problem to face if the U-boats were now sailing from Cherbourg and Calais, from Brest and Bordeaux, on the mission of piracy and murder. And then our turn and that of Latin-America. The first attack not on us, but on South or Central America-at some point to which it would be as difficult for us to send troops to help our neighbors as it

would be for Germany to attack.

Remember that in Southern Brazil nearly 400,000 Germans are sustained, as I found out, in their devotion to the Fatherland by annual grants of money. for educational purposes, from the Imperial Treasury in Berlin.

England Changes Situation.

It was not without reason that at this interview, when the Kaiser wrote this message to the President, he said that the coming in of England changed the whole situation and would make the war a long one. The Kaiser talked rather despondently about the war. I tried to cheer him up by saying the German troops would soon enter Paris, but he answered: "The English change the whole situation; an obstinate na-tion, they will keep up the war. It can-

It was the entry of England in the war, in defense of the rights of small mations, in defense of the guaranteed neutrality of Belgium, which saved the world from the harsh dominion of the conquest-hungry Prussians and, there-fore, saved as well the two Americas and their protecting doctrine of President Monroe.

The document, which is dated Au gust 10, 1914, supersedes the statement made by the German Chancellor, Von Bethmann-Hollweg, in his speech be-fore the Reichstag on August 4, 1914, in which he gave the then official ac-count of the entrance into the war of the Central Punification the Central Empires.

Hollweg Blames France.

Because the text of Von Bethmann-Hollweg's speech and the imperial letter to President Wilson will be studied and compared by all future historians of the war, I give below the chief part of the Chancellor's version of the facts that accompanied the German declaration of war. It will be noted that Von broder. And what happened in reality? began the war in the sentence reading: "There were bomb-throwing fliers, cavalry patrols, invading companies in the Reichsland, Alsace-Lorraine. Thereby France, although the condition of war had not yet been declared, had attacked our territory." But the Emperor makes no mention of this fact, of supreme im-portance if true, in his writing to Pres-ident Wilson six days later. Von Beth-mann-Hollweg's account is as follows: documents, composed in the rush of events, is in your hands. Allow me to place before you the facts which char-

place before you the facts which char-ecterize our attitude.

"From the very beginning of the Austrian conflict we strove and worked toward the end that this trouble re-main confined to Austria-Hungary and Serbia. All cabinets, especially that of England, take the same stand; only Russia declares that she must have a word in the decision of this conflct. Therewith the danger of European entanglements arises. As soon as the first authentic reports of the military prep-arations in Russia reached us we declared in a friendly but emphatic man-ner in St. Petersburg that war meas-ures and military preparations would force us also to prepare, and that mob-

ilization is closely akin to war.

"Russia asserts in what is an apparently friendly manner that she is not mobilizing against us. In the meantime England tries to mediate between Vienna and St. Petersburg, in which she is warmly supported by us. On July 28 the Kaiser telegraphed the Czar, asking him to consider that Austria-Hungary has the right and that it is her duty to defend herself against it is her duty to defend herself against Serbian intrigues, which threaten to undermine her existence. The Kaiser called the attention of the Czar to their common monarchical interests with regard to the Serajevo outrage, and asked him personally to support him asked him personally to support him in order to establish harmony between Vienna and St. Petersburg.

"Kniser Is Mediator." "At about the same hour in which this telegram was sent the Czar asked this telegram was sent the Czar asked the Kalser for his support and requested him to advise Vienna to be moderate in its demands. The Kalser assumed the role of mediator. Hardly had he begun his activity when Russia mobilized its entire force against Austria-Hungary. Austria-Hungary, however, had mobilized only those army corns which were directed army corps which were directed against Serbia; in the north there were only two army corps, and these far from the Russian border.

this mobilization of his forces against the mobilization as mediator difficult or absolutely impossible. In spite of this we continued our mediatorial activities in Vienna, going to the utmost limits of consistency with the terms of our federal treaty.

The Matter State St neously assured us that her military preparations were not directed against

"The thirty-first of July arrived. In Vienna the decision was to be made. In the meantime we had succeeded with our negotiations in reaching a point where Vienna resumed intercourse with St. Petersburg, which for some time had been discontinued; but before the Alien Enemy?" final decision was reached in Vienna the news arrived that Russia had mo-

Kalser receive a message from the Czar in which he assured him that the attiide of his army was not hostile to-

Mobilization Finished July 31. "However, the mobilization against on the Russian border was on the night of July 31 already in full prog-ress. While we, at the request of Rus-sia, were mediating in Vienns, the Russian army appeared on our long, almost entirely open border. France, although not yet mobilizing, was making preparations for war. And we, up to this point, had intentionally not then called a single soldier of the reserve for the sake of European peace.

"Should we continue to wait with page 1.5.

"Should we continue to wait with patience until the powers by which we are surrounded chose the moment for are surrounded chose the moment for attack? To expose Germany to this danger would have been criminal! Therefore, on July 31, we demanded that Russia demobilize, this being the only measure which could save the peace of Europe. The Imperial Ambassador received, furthermore, the orment that in case they did not comply with our demands they should consider that a state of war exists.

"The Imperial Ambassador performed this mission. Up till the present we was chosen by Dr. Henry Marcotte, who

though the wire still transmits less im-portant messages. Therefore, on August 1, at 5 o'clock, when the appointed period of grace was long past, Second Presbyterian Church. He is the Kaiser considered it necessary to now in Portland on an extended vaca-

Ex-Pastor of Westminster Occupies Old Pulpit.

OF CHRIST

this mission. Up till the present we have not learned Russia's answer to this demand. Telegraphic reports concerning it have not yet reached us, al-One year ago Dr. Marcotte resigned

a call to Kansas City, as pastor of the

need also the human touch, for which Christ took his three friends.

"And there are some of us," charged Dr. Marcotte, "who are like Peter, who are quite as selfish in our desire to re-main always on the mountain. But we go to the mountain only to gain inspi-ration, and we must carry it with us ration, and we must carry it with down into the valley:"

BOYS ON LEAVE HONORED Harrisburg Has Fete for Five Enlisted Men Home on Visit.

HARRISBURG, Or., Aug. 5 .- (Spectal.)—The several home boys who en-listed with Company F, Oregon Na-tional Guard, now stationed at Clack-amas and who returned to this city for amas and who returned to this city for a few days' visit with parents and relatives, were entertained at a reception in the city hall by the Red Cross Society, of this city. A programme consisting of vocal and instrumental music was given, and speeches by some of Harrisburg's most prominent business men, which was followed by a banquet. This is the first visit of the boys since their enlightment some four months ago. Following are the men on leave of a sermon rich in inspiration and faith, was chosen by Dr. Henry Marcotte, who occupied the pulpit at Westminster Hawke, Ellis Thacker, Arthur Cunningham, Arthur Gorham and Guy Freeman

the Westminster pastorate and accepted SPELL OF DREAM IS FATAL Young Woman Seizes Revolver in

Coast Steamers Likely to Be Commandeered for War.

TRANSPORTS ARE NEEDED

Government Has Already Taken Over Three Passenger Ships and One Freighter Operated by Southern Pacific.

Ship operators on the Pacific Coast

are almost unanimous in the opinion

that within the next few months the

Government will take over some of the biggest coastwise vessels operating out of Portland, Seattle and San Francisco, and place them in the transport service.

The Federal authorities already are in possession of complete information regarding every vessel flying the American flag. As soon as the War Department or the Navy Department needs any one or all the ships in service here it will commandeer them. Owners expect to lose the vessels, and are not in the least unwilling that the Government shall take them over, pro-

fair list of passengers, the steamship Great Northern arrived today from San Francisco. The tug Navigator arrived today from California with the barge Monterey in tow en route to Portland.

MARSHFIELD, Or., Aug. 5.—Adeline cargo at 1 o'clock, Gas Schooner Tramp sailed for Rogue River with freight for the Macleay Company

Movements of Vessels. PORTLAND, Aug. 5.—Arrived: Barge No risco; schooner Monterey; tug Navigator from Monterey. Salled—Barge Isaac Rec

SAN FRANCISCO, Aug. 5.—Arrived: teamer Northern Pacific, from Flavel. POINT ARENA, Aug. 4,—Passed: Tug Hercules, with log raft in tow, from Colum-bia River for San Francisco.

EUREKA, Aug. 5.—Arrived: Steamer Breakwater, from Portland. TACOMA, Wash., Aug. 5.—Arrived: Cordova, from Alaska; Alameda, from Alaska; Elizabeth, from Port Gamble, towing Davenport from San Francisco. Sailed: Santa Rits, for the West Coast Mexico Maru, for the Orient.

SEATTLE, Wash., Aug. 5.—Arrived: Steamers City of Scattle, from Southeastern Alaska; Cordova, from Nome, via Latouche; Alameda, from Anchorage.
Sailed: Steamer Washtenaw, for Port San Luis. CORDOVA, Alaska, Aug. 5 .- Sailed: Steamer Alaska, southbo

KETCHIKAN, Alaska, Aug. 5.—Sailed: teamer Despatch, southbound.

ASTORIA, Aug. 6.—Arrived at 6 and left up at 7 A. M., steamer Dalay Mathews, from San Francisco. Arrived at 10:30 A. M. and left up at noon, schooner Monterey, in tow of tup Navigator, from Monterey. Arrived down at 11:30 A. M., barge Isaac Reed. Ar-

TRAVELERS' GUIDE.

ALASKA Ketchikan, Wrangel, Juneau, Douglas, Haines, Skagway, Cordova, Valdez, Sew-ard and Anchorage.

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SAN FRANCISCO LOS ANGELES-SAN DIEGO TODAY, AUG. 4, 2:30 P. M. San Francisco, Portland, Los Angele Steamship Co. Frank Bollam, Agt 124 Third st. A 4596, Main 26.

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Br. Barkentine "AMY TURNER"
Now at San Francisco.
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squipped Mants, Spars, Salis, etc. Tenders
in writing to purchase the above vessel will
be received to Aug. 13, inclusive, by the unlersigned, from whom full information can
be obtained. Any and all tenders not necessarily necepted.

I. N. Bond, P. O. Box 606

ctal.)-The play, "When Duty Calle," written by Charles A. Hasson, of this city, and presented by the National Honor Guard Girls in the Liberty The-ater last Monday night, will be repeated at the same theater Wednesday, night, August 8. The proceeds will be given, wholly, to the auxiliary Red Cross of Vancouver Barracks. When given before, \$200 was netted for the girls' fund.

Danube Question in Conference. COPENHAGEN, Aug. 4 .- A conferheld within a few days at Budapest. Representatives of Germany, Austria-Hungary, Bulgaria and Turkey will



FOR THE GREAT-EST ECONOMY BUY KING COAL Utah's Best by Gov-ernment's Test.

ask for Bulletin No. 12, Department of interior, Bureau of Mines, Full weight an absolute guarantee with every order. All Other 5 T A N D A R D BRADES OF COAL. ICE DELIVERY CO.

VANCOUVER, Wash., Aug. 5 .- (Spe- 4 3245

questioned."

viding they can be of service in win- rived at 1:20 P. M., steamer Great Northern from San Francisco.

The Interstate Commerce Commission

says: "The efficiency and excellence of the present service over both of

these routes appears not to be

Rarely does a record before us present an array of witnesses whose testimony so uniformly indorses the character of the service as does this record."

The above refers to the Steamship Service of the "MORGAN LINE" New York and New Orleans New York and Galveston Forming a part of the

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Manager

mobilize.

France's Reply Evasive.

"At the same time we had to make sure of the position France would take. To our direct question whether in case of a German-Russian war she would text. Therein it is related that Jesus Wilson, 25, shot herself dead early to-

AMBASSADOR GERARD AND STAFF AT AMERICAN EMBASSY IN BERLIN DURING FINAL DAYS BEFORE BREAK.



-Photograph Taken in 1916.

"In spite of this the Kaiser gave the order that the French border should be respected. The command was strictly enforced, with a single exception. France, which mobilized simultaneously with us, declared that she would respect a zone of 10 kilometers from the border. And what he would respect a zone of 10 kilometers from the border. And what happened in reality There were bomb-throwing flyers, cav alry patrols, invading companies in the Reichsland, Alsace-Lorraine. Thereby France, although the condition of war had not yet been declared, had attacked

our territory. "Concerning the French complaints in regard to violations of the border, I have received from the chief of the general staff the following report: Only one offense has been committed. Contrary to an emphatic der, a patrol of the Fourteenth Army Corps led by of the Fourteenth Army Corps, led by an officer, crossed the border on August 2. They apparently were killed. Only one man returned. However, long be-fore the crossing of the border French flyers were dropping bombs in South-ern Germany, and at Schluchtpass the French troops had attacked our border

Necessity Knows No Law. "Until the present our troops have confined their activity to the protec-tion of our borders. They are now on the defense, and necessity recognizes

"Our troops have occupied Luxemburg, and perhaps have also found it necessary to enter Belgian territory. This is contrary to international law. The French government has declared in Brussels they will respect the neutrality of Belgium as long as she respects the opponent We knew, how-ever, that France was ready to invade Belgium. France could wait; we, however, could not, because French Inva-sion in our Lower Rhine flank would have proved fatal.

have proved fatal,

"So we were forced to disregard the
protests of the Luxemburg and Belgian
governments. We thall try to make
good the injustice we have committed as soon as our military goal has been reached. Who like we are fighting for the highest must only consider how vic-tory can be gained."

EDITORS ON FOR TALKS

WASHINGTON PRESS ASSOCIATION ANNOUNCES PROGRAMME.

Edgar B. Piper, Portland, Will Discus Newspapers as National Asset. Eric Allen Billed.

SPOKANE, Wash., Aug. 5 .- (Special.) from the Russian border.

"The Kaiser immediately called the attention of the Czar to the fact that this mobilization of his forces against the State Press Association seemed assured. Hungary made his position as sured. On the programme are: -N. Russell Hill, secretary of the Washington State Press Association,

> Agency to Give Him."
>
> A. R. Fenwick, of Everett, who accepted out-of-town competitive adver-tising and got boycotted, will tell of it. Eric Allen, of the University of Ore-gon, and Colin V. Dyment, of the University of Washington, will speak.

Marion Has 30 Per Cent Crop.

bilized its entire fighting force, which meant also against us.

The Russian government, which from repeated admonitions knew what mobilizing on our borders meant, did not notify us of this mobilization and gave us absolutely no explanation. Not un-

she would do what she had to do in her own interests. That was an evasive and John, who saw the miracle of the

suffering. He would have had Christ remain on the mountain, he would have withheld the return of Moses and Elijah to heaven, and he would have kept Christ from saving the world!

"Two essentials of strength there are to those who are about to underso."

POLICE BAND PICNIC HELD Large Crowd Witnesses Lively Programme and Contributes to Fund.

great trial. One is the comfort and assurance of friends, the human touch, and the other is companionship with God. For the one, Christ had taken the closest of his friends with him, and for the other he had sought the mountain top to receive assurance such as no earthly power could give.

"In a few days he was to endure the great test. There isn't anything like talking to God when you have a hard task before you. You and I need the strength that comes from God, but we start to the companionship with gashed the talking to God when you have a hard task before you. You and I need the strength that comes from God, but we start the companionship with gashed the talking to God when you have a hard task before you. You and I need the strength that comes from God, but we start the companionship with gashed the attended the event in several years. The crowds gathered early in the day and the programme went off with a bang.

The bolice Band picnic at Canemah park yesterday drew one of the largest crowds that has attended the event in several years. The crowds gathered early in the day and the programme went off with a bang.

The bolice Band picnic at Canemah park yesterday drew one of the largest Crowds that has attended the event in several years. The crowds gathered early in the day and the programme went off with a bang.

The band furnished an abundance of music throughout the day and the Jazz vessels to be taken over will be the Great Northern Pacific, the palatial twin ships operated by the great test. The proceeds go to the Police Band for transports.

The foot races were well participated in and the 12 events staged furnished prenty of amusement.

The proceeds go to the Police Band for transports.

Some of the ships operating here are admirably adapted for transports.

Some of the ships operating here are admirably adapted for transports.

The proceeds that has attended the event in several years. The crowds gathered from the fiet of transports.

James R. Wilson, occupied the house aione and the daughter kept a revolver under her pillow. ames H. Wilson, occupied the house lone and the daughter kept a revolver under her pillow.

Relatives said Miss Wilson was of a Relatives said Miss Wilson was of a

"What did it mean to Jesus, to his disciples, and what does it mean to us?" asked Dr. Marcotte. "I have no need to speak to the mountain climber about the meaning of that. There is an inspiration to be found in the mountains that nothing else can give.

"Peter would have kept his Lord from sufficients."

"What did it mean to Jesus, to his sunny disposition and had no entangle-ments. She often told of dreams that other the Southern Pacific on the New Orleans-New York run and the Southern Pacific officials expect others to be taken.

Other Vessels Commandeered.

Many other vessels in the Atlantic and Galf from west, six miles.

KAISER SUPPRESSED CABLE MESSAGE OF AUGUST 10, 1914, IS REPORTED. The following is the text of the suppressed cable message from The following is the text of the suppressed cable message from the Kaiser to the President, written in the Palace Garden at Berlin on August 19, 1914. It was published for the first time in The Oregonian yesterday, and is reprinted for the reader's convenience, as it is discussed further in Mr. Gerard's article today:

FOR THE PRESIDENT OF THE UNITED STATES PERSONALLY: 1. H. R. H. Prince Henry was received by his Majesty King George V in London, who, empowered him to transmit to me verbally that England would remain neutral if war broke out on the Continent involving Germany and France, Austria and Russia. This message was telegraphed to me by my brother from London after his conversation with H. M. the King, and repeated verbally on the twenty-

ninth of July 2. My Ambassador in London transmitted a message from Sir E. Grey to Berlin saying that only in case France was likely to be crushed England would interfere.

3. On the thirtieth my Ambassador in London reported that Sir Edward Grey in course of a "private" conversation told him that if the conflict remained localized between Russia—not Serbia—and Austria, England would not move, but if we "mixed" in the fray she would take quick decisions and grave measures; i. e., if I left my ally Austria in the lurch to fight alone England would not touch me.

4. This communication being directly counter to the King's message to me, I telegraphed to H. M. on the twenty-ninth or thirtieth, thanking him for kind messages through my brother and begging him to use all his power to keep France and Russia—his allies—from making any warlike preparations calculated to disturb my work of mediation, stating that I was in constant communication with H. M. the Czar. In the evening the King kindly answered that he had or-dered his government to use every possible influence with his allies to refrain from taking any provocative military measures. At the same time H. M. asked me if I would transmit to Vienna the British proposal that Austria was to take Belgrade and a few other Serbian towns and a strip of country as a "main-mise" to make sure that the Serbian promises on paper should be fulfilled in reality. This pro-posal was in the same moment telegraphed to me from Vienna for London, quite in conjunction with the British proposal; besides, I had telegraphed to H. M. the Czar the same as an idea of mine before I received the two communications from Vienna and Londen, as both were of the same opinion.

5. I immediately transmitted the telegrams vice versa to Vienna and London. I felt that I was able to tide the question over and was happy at the peaceful outlook.

6. While I was preparing a note to H. M. the Czar the next morning to inform him that Vienna, London and Berlin were agreed about the treatment of affairs, I received the telephones from H. E. the Chancellor that in the night before the Czar had given the order to mobilize the whole of the Russian army, which was, of course, also meant against Germany; whereas, up till then the southern armies had been mobilized against Austria.

7. In a telegram from London my Ambassador informed me he understood the British government would guarantee neutrality of France and wished to know whether Germany would refrain from attack. I telegraphed to H. M. the King personally that mobilization being already carried out could not be stopped, but if H. M. could guarantee with his armed forces the neutrality of France I. would refrain from attacking her, leave her alone and employ my troops claewhere. H. M. answered that he thought my offer was based on a misunderstanding; and, as far as I can make out, Sir E. Grey never took my offer into serious consideration. He never answered it. Instead he declared England had to defend Belgian neutrality, which had to be violated by Germany on strategical grounds, news having been received that France was already preparing to enter Belgium, and the King of Belgians having refused my petition for a free passage under guarantee of his country's freedom. I am most grateful for the President's message.

crippling the ordinary commercial bus-iness it is unlikely that it will be nec-essary to come to the Pacific Coast. But as the American Army begins to ye across the Atlantic it is apparent

for the Coastwise trade they do not possess the fuel capacity for regular service across the Atlantic, so it is service across the Atlantic, so it is probable that the Government would have to take them into drydock and enlarge their fuel carrying space. This, it is believed, could be done at no prohibitive expense and without great loss of time. great loss of time.

Big Three Boats Listed. The Bear and the Rose City, of the Big Three fleet, also would be acceptable and it is understood that they are down on the big list back in Washington for early transfer to the Govern-

The Governor and President on the Scattle-California run also are said to be due for the Federal service. One objection that the steamship men as well as the railroads have offered to the transfer of these big ships to the Government is the fact that it will place a greater burden upon the rail-

with immense tonnage of supplies constantly on the move, to say nothing of the troops, the railroads will be taxed almost to their utmost. Obviously, the tonnage now carried by water will be thrown upon the rail lines if the ships go out of the commercial trade.

JULY GRAIN SHIPMENTS BIG Puget Sound Ports Return to Figures Suggestive of Old Times.

TACOMA, Wash., Aug. 5.—(Special.)
—Shipments of wheat from Puget
Sound ports by water during July were
the heaviest for any similar period in
years, a total of 600,560 bushels being
floated. The shipments in July, 1916,
aggregated 380,680 bushels.
According to figures compiled by
Robert C. Hill, manager of the Merchants' Exchange, total shipments of
wheat and flour from Puget Sound during the fiscal year ending June 30 were ing the fiscal year ending June 30 were 17,408,423 bushels. The previous year 17,408,423 bushels were shipped. The decrease is due to the lack of tonnage on this coast.

U. S. Naval Radio Reports.

ADELINE SMITH, Coos Bay for San Francisco, 310 miles north of San Francisco. BREAKWATER, Euroka for San Francisco, 55 miles south of Eureka.

TOPEKA. Euroka for San Francisco, 40 miles south of Cape Mendocino.

Wahkeena, Everett for San Pedro, 40 miles south of Cape Bianco.

CAPTAIN A. F. LUCAS, towing steamer El Segundo, Richmond for Seattle, off Cape Bianco.

Pacific Coast Shipping Notes. ASTORIA. Or., Aug. 5.—(Special.)—The steam schooner Dalay Matthews arrived this morning from San Francisco and went to Portland to load lumber.

The lumber-inden barge Isaac Reed was shifted last night from St. Johns to the local harbor. She will be towed to Eureka by the tug Relief.