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PRICE FIVE CENTS

NEW CHANCELLOR IS REPORTED OUT

Dr. Kapp, Dispatch Says, Has Resigned.

EBERT FORCES ENCOURAGED

Early Return of President to Capital Expected.

CRUISER BOMBARDS KIEL

Hundreds Reported Killed and Wounded—Hindenburg Urges New Elections Call.

LONDON, March 17.—Chancellor Kapp, head of the new government at Berlin, has resigned in favor of President Ebert, says the Berlin correspondent of the London Times, under date of Tuesday evening. Efforts to form a Kapp ministry have been abandoned.

LONDON, March 16.—Four hundred persons are reported to have been killed and many persons wounded in a bombardment of Kiel by the German cruiser "Eckernforde," says a Central News dispatch from Copenhagen quoting the Ekstrabladets Kiel correspondent.

The dispatch adds that some quarters of the town were destroyed by the bombardment. The cruiser is said to have directed its fire especially against the quarters of the workmen who are opposed to the Kapp government.

In addition to the report of the bombardment of Kiel, detailed reports have been received of several fighting there. The Daily Mail's Berlin correspondent under date of Tuesday says that the communists seized the arsenal, six officers and a number of soldiers being killed. Later a marine brigade supporting the new government retook the arsenal, where about 200 are reported to have been killed.

BERLIN, March 16.—(By the Associated Press.)—The new Kapp government at Berlin has not found the support it had looked for, and while its hold on the administrative activities is growing weaker, the strength of President Ebert and his supporters, including the members of the national assembly at Stuttgart, has increased materially. If all reports are to be believed, consequently Ebert's return to Berlin in early days is confidently predicted in some quarters.

That Dr. Wolfgang Kapp has virtually reached the end of his resources, so far as concerns himself as head of the revolutionary movement, is evidenced by the fact that he is said to have been ready to resign Saturday, but was persuaded by Colonel Bauer, leader of the royalist party, and Major-General Ludendorff to remain.

New Regime "Impossible."

General Groener, the Prussian war minister, the Frankfurter Zeitung asserts, has telegraphed to Field Marshal von Hindenburg that, in his opinion, the Kapp-Von Lüttwitz government is an impossible one, whether from the viewpoint of home affairs or foreign affairs. Groener is quoted as saying that von Hindenburg is the ideal of the German people, and a word from him would suffice to bring back the regular troops to a constitutional basis.

General Groener is also credited with having sent a message to Ebert offering to act as mediator between him and von Hindenburg with a view to restoring constitutionalism. Von Hindenburg has written to Dr. Kapp advising him to withdraw from his position. Cologne dispatches say, and has advised President Ebert to call for new elections.

Ebert's Grip Tightens.

Thus far, however, what the constitutional president intends to do is not known in Berlin. But the future action of the national assembly will probably decide his attitude.

Those who optimistically believed Ebert might enter into negotiations with the Berlin government were disappointed to learn today that no definite negotiations are under way, though the basis of agreement as outlined yesterday by the Kapp faction seemed to afford an opportunity for the two contending governments to enter into a discussion.

President Ebert's firm grip on administrative affairs in Berlin is indicated by the fact that the imperial finance minister, by his orders, has refused to turn over the money necessary for the payment of the troops, demanded by the revolutionary chancellor, and the under-secretaries of the various ministries, as well as other officials, have absolutely refused to take orders from the new government. Some of them have quit Berlin.

General Strike Is Felt.

The general strike proclaimed not only in Berlin but throughout Germany was more pronounced today than ever, with the result that thousands were feeling the pinch of hunger, and the socialist and labor leaders were urging that this weapon be used in its full force in behalf of the constitutionalists.

Capital punishment has been decreed by General von Lüttwitz for those fomenting strikes or exercising

HOUSE JOB IS GOOD ENOUGH, SAYS CLARK

EX-SPEAKER NOT IN RACE FOR SENATORSHIP.

Missourian Believes He Can Better Serve His People in Lower Branch of Congress.

WASHINGTON, March 16.—Representative Champ Clark of Missouri formally announced today that he would not be a candidate for the senate because of his unwillingness to "swap the democratic leadership in the house for the position of United States senator."

The former speaker declared in a statement "to the people of Missouri" that between the two offices he felt he could render better service by remaining in the house.

"I have never believed a man has any moral right to enter a race for a great office involving himself and his friends in all sorts of labor and turmoil without first viewing the landscape over and considering the whole situation," he said.

"This is particularly as to the Missouri senatorship by reason of the large number of people who have written or spoken to me urging that I should become a candidate and proferring their support.

"I have considered it from every standpoint.

"As a result, I have concluded not to be a candidate for the senate, thereby swapping the democratic leadership in the house for the position of a new senator. There is a house habit with which I am thoroughly acquainted, and a senate habit with which I am not familiar. Between the two, I prefer the house."

STOLEN BANK BOX FOUND

Valuable Records Taken by Selo Robbers Recovered.

ALBANY, Or., March 16.—(Special.)—A metal box belonging to the Selo postoffice, which was taken from the vault of the Selo State bank when the safety deposit boxes of the bank were rifled recently, has been discovered under the approach to Green's bridge, which crosses the Santiam river between Selo and Jefferson.

The discovery furnishes the first definite clue to the course taken by the robbers, who evidently fled by automobile. The box contained the only record of the sale of war savings stamps at the Selo postoffice and will enable people who lost such stamps in the robbery to make proper claims to the government.

The box was found by members of a bridge crew working on the bridge while resting under the approach during the noon hour.

SHIPPING POLICY SOUGHT

Senate Sub-Committee to Tackle Merchant Marine Problem.

WASHINGTON, March 16.—A sub-committee of nine was appointed today by the senate commerce committee to formulate a permanent merchant marine policy.

Senator Jones, republican, Washington, will head the sub-committee, of which the other members are Senators Cornell, Maine; Calder, New York; Colt, Rhode Island; and Fletcher, Florida; Chamberlain, Oregon; Hansell, Louisiana; and Simmons, North Carolina, democrats. It will review evidence taken during prolonged hearings in arriving at recommendations to the full committee.

POST BANS OUIJA BOARDS

Hood River American Legion to Give Benefit Party for Home.

HOOD RIVER, Or., March 16.—(Special.)—Ouija boards are banned at the American Legion home benefit card party to be given next Tuesday night. Other forms of "fortune telling" will be part of the entertainment.

The party which is given primarily to raise funds for a permanent home building for the post, is in charge of the following:

Mrs. L. N. Blowers, Mrs. L. M. Bentley, Mrs. A. C. Loftis, Mrs. A. S. Kerr, Mrs. Minnie J. Volder Ahe, Mrs. V. R. Abraham and Mrs. F. C. Sherriebb.

14 POLICE GET SIX PINTS

Canadian Liquor Cargo May Have Reached Thirsty Citizens.

Fourteen policemen led by Lieutenant Thatcher raided the tanker Oileum, which arrived at the Linnton docks last night from Canadian ports, and found six pints of whisky. The liquor was confiscated.

The police understood that the tanker was due here at 10 P. M. and hoped to secure a large cargo of contraband liquor and opium. The tanker arrived at 1 P. M. and the raiders did not reach the dock until six hours later.

CHINA INDICATES POLICY

North and South to Be Reconciled Before Talking to Japan.

LEADERS ACTIVELY SEEKING SUPPORT

Center of Political Fight in Middle West.

SOUTH DAKOTA BATTLE IS HOT

Lowden Holds Home State in Firm and Sure Grip.

MINNESOTA AFFORDS CLUE

La Follette Still Wields Great Influence in Wisconsin and Candidates Are Warned Away.

BY MARK SULLIVAN.
(Copyright by N. Y. Evening Post, Inc. Published by Arrangement.)

CHICAGO, March 16.—The race among the republican candidates for the presidency has reached a tenaciousness in the middle west far beyond anything realized in the east. All the candidates and all their managers take the view that the primaries about to be held during the coming weeks are of importance not only because of the number of actual delegates at stake, but also because of the psychological effect. They believe that this is the time when, if at any time before the convention, it is possible to get the advantage of a demonstration of leadership.

They believe that any candidate who gets a markedly preponderant popular vote, especially in Minnesota, South Dakota and Michigan, will thereby secure what they call the band wagon position; and this year the band wagon position is even more important than usual because of the large number of politicians and leaders throughout the country who have no particular fidelity to any one candidate, and whose main interest lies in being with the winner.

For this reason the candidates are devoting the utmost of their strength to getting the largest possible vote in the primaries about to occur in the middle west during the next few weeks.

Illinois is Lowden's home state, and at the present moment it is safe to say that every delegate from that state will be named by the Lowden organization, or will be satisfactory to it. Senator Harding will be less fortunate with his home state. It is believed that from four to ten out of Ohio's forty-eight delegates will be instructed for General Wood.

Indiana will be one of the real battle grounds of the country. The result of the primaries in that state may readily give a clue to the final result. The Indiana law provides that the primary shall be void unless some one of the candidates gets over 50 per cent of the total vote. Inasmuch as four candidates—Wood, Lowden, Johnson and Harding—are all contesting the state it would seem improbable that any one of them will get as much as 50 per cent of the total vote. In that event, the destination of Indiana's thirty votes in the national convention will be determined by the net result of the wire-pulling and other strategies of the various candidates.

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TWO-CENT RISE DUE IN GASOLINE TODAY

MOTORISTS GLUM AS STANDARD JUMPS GALLON MARK.

Other Corporations Expected to Follow Suit Shortly on Plea of Underproduction.

The price of gasoline goes up 2 cents a gallon today in Portland and all the rest of Oregon, all of Washington, Idaho, California, Nevada and Arizona.

This cheering news for the motorist to enjoy over his morning coffee was announced last night by J. E. Baisley, district sales manager of the Standard Oil company, following telegraphic instructions from K. E. Kingsbury, president of the Standard Oil company of California, at San Francisco.

The new scale brings the price of gasoline at filling stations and garages in Portland from 21 cents to 23 cents per gallon. At Vancouver and other western Washington points it is now 24 1/2 cents, an increase from 22 1/2 cents per gallon.

The differential of 2 1/2 cents per gallon against Oregon motorists, 1 cent against the state tax, and the other 1 1/2 cents to the state law requiring that all gasoline sold in the state must be of 56 specific gravity, still remains.

The Union Oil company, Shell Oil company and Associated Oil companies had no announcement to make last night as to an increase in price today. Following the rise of 1 1/2 cents per gallon made by the Standard Oil company last December 17, exactly three months ago, the Shell and Union Oil companies followed suit almost immediately. The associated companies of the state, however, waited three weeks, then increased half a cent, and shortly afterward another cent, making its quotation the same as that of the Standard and other companies.

The increase in the price of gasoline today is accompanied by an increase in price of fuel oil of 25 cents a barrel. The price here for fuel oil yesterday was \$1.65 a barrel. Today it is \$1.90.

The statement of President Kingsbury, telegraphed from San Francisco, announced, however, that this increase of 25 cents a barrel for fuel oil to consumers is accompanied by an increase of the same amount per barrel for crude oil at the well for all grades. This means, it was explained here last night by Mr. Baisley, that the Standard Oil company is doing its utmost to increase production at the wells, and to encourage new development, by offering the highest price in the history of California for crude oil at the well.

Production on this coast, he said, has been slipping behind for months, in spite of all efforts to increase it. The following statement from President Kingsbury of the Standard Oil company of California, in explanation of the increase in price of gasoline and crude oil, accompanied announcement of the increase last night:

"These advances in the prices of petroleum products are the natural and direct result of a shortage in petroleum supply, coupled with an increased demand, not only in California but throughout the country. For example, in the east, prices of gasoline have reached such high levels that it is now impracticable for eastern buyers to purchase this product in California, pay all transportation charges and market it at a profit as far east as the Atlantic. Today gasoline sells for 23 1/2 cents wholesale in New York, against 19 1/2 cents wholesale in San Francisco, a difference of 4 cents per gallon. Rail

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TONGUE POINT NAVAL BASE PLAN BOOSTED

PROJECT HAS APPROVAL OF FULL HOUSE COMMITTEE.

Initial Appropriation of \$250,000 for Purpose Recommended; McArthur Hopeful of Outcome.

OREGONIAN NEWS BUREAU, Washington, March 16.—The full membership of the house naval affairs committee has today approved the report of the sub-committee and thereby recommended to the house the establishment of a submarine and destroyer base and aviation station at Tongue point, near the mouth of the Columbia river, and recommended an initial appropriation of \$250,000 for the project. The item will be included in the annual naval appropriation bill, which will be reported to the house tomorrow and will be taken up for consideration Thursday.

Under the rules of the house legislation increasing the burden of taxation on the government is subject to a point of order and the Tongue point item is clearly subject to a point of order and will go out of the bill if objected to by any individual on the floor. In case objection is offered, Representative McArthur will ask that it be withheld until he has an opportunity to make a presentation of the case on the floor, and he today expressed himself as confident of being able to allay opposition to the project on the Columbia.

Mr. McArthur made a vain effort this morning to have the naval affairs committee include the Port Angeles project, but his motion was voted down, 8 to 6. He was uncertain today whether he would renew his fight for Port Angeles on the floor of the house, or urge the senate committee on naval affairs to include it. He said after today's meeting that the committee gave preference to the Columbia river project because of the great expense of unprotected coastline between Port Angeles and Mare Island.

Members of the committee realize the importance of both of those proposed submarine destroyer stations, but regard the one on the Columbia river as of greater importance at this time.

BOARDMAN HAS BIG BLAZE

Early Morning Fire Does Damage to Extent of \$28,000.

PENDLETON, Or., March 16.—(Special.)—Fire this morning at Boardman caused losses of \$28,000, reports the Ballinger Lumber company and \$8000 to the Haakins grocery. The hotel had a narrow escape, but was saved without injury.

The garage adjoining the lumber company's offices was untouched, though the grocery which was burned was two blocks away from the lumber yard. It is believed the fire started from a passing engine. The alarm was first given by an engine going through about 4 o'clock this morning, and it was not until noon that the flames were under control. A high wind all morning made the fire difficult to fight, but aid brought from Umatilla succeeded in mastering it.

The yards were filled to capacity with lumber and made a hot blaze. The warehouse, yards and offices of the lumber company were totally destroyed. The \$28,000 loss, however, is offset by \$14,000 insurance. The hotel was insured to the extent of \$5000.

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NEW RESERVATION REPUBLICAN LIMIT

"Grave Concern" Pledge in Crisis Proposed.

LEADERS REACH AGREEMENT

Anti-Administration Forces Will Go No Farther.

ROLL CALL IS FORECAST

Vote on Ratification May Come Friday or Saturday—Irish Question Is Debated.

WASHINGTON, March 16.—A general declaration of international policy, under which the United States would view with "grave concern" any future upheaval threatening peace and freedom of Europe, was agreed on by republican senate leaders today and presented as a new reservation to the peace treaty.

Intended to replace the more definite pledges of article 10, the reservation is to be pressed in the senate as the farthest step the republican leaders are willing to go toward abandonment of American isolation and participation in European conflicts. Its text follows:

"It shall be the declared policy of this government that the freedom and peace of Europe being again threatened by any newer or combination of powers, the United States will regard such a situation with grave concern, and will consider what, if any, action it will take in the premises."

Ratification Rollcall Near.

Senator Leavort, Wisconsin, drafted it in consultation with other republican leaders and introduced it in the senate at the end of a day of debate on the Irish question which delayed treaty action. It was predicted tonight, however, that the ratification rollcall would come Friday or Saturday.

Not many democrats had had an opportunity tonight to study the new republican proposal, and it was uncertain how much support it would command from them. Some senators predicted, however, that it might have the effect of softening the resentment of the administration over the republican article 10 reservation and win over enough democratic votes to ratify the treaty.

Republicans Claim Gains.

A claim of further gains in breaking down administration resistance was made on the republican side during the day and some leaders were asserting tonight that the rollcall would show a total very close to two-thirds required to ratify with the republican reservations. It is understood to be the purpose, if ratification fails, to reconsider and take a second vote in the hope that after they have made their records of opposition, a handful more of the democratic senators will leave the administration's lead and save the treaty from another failure.

The new reservation follows the

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TWO FLEETS TO JOIN OFF WESTERN COAST

MANEUVERS ON PACIFIC SCHEDULED FOR JANUARY.

"Battle" Between Two Contingents, Similar to Actual Warfare, to Be Arranged.

WASHINGTON, March 16.—The Pacific and Atlantic fleets will meet off the Pacific coast of Panama next January in their first joint maneuvers, designed to keep the navy "on its toes" during peace time.

This was decided today at a conference between Secretary Daniels and Admirals Rodman and Wilson, fleet commanders. It is practically certain that a "battle" between the fleets, similar to actual warfare, will be arranged. It may also serve as a test of the Panama canal as an element of naval strategy.

After the practice the combined fleet will visit principal Pacific coast ports of the United States to give the people an opportunity to see the nation's naval fighting force. It will be the first time that the entire battleship strength has visited the Pacific coast since the Atlantic fleet made its memorable cruise around the world in 1907-08.

The fleet which will steam out of Panama Bay for San Francisco next year will be many times larger and more powerful than that which the late Rear Admiral Robley D. Evans took through the Golden Gate in 1908 after a voyage around Cape Horn. There will be 16 battleships of the dreadnought class—the same number that circled the globe—perhaps a dozen second-line battleships, 11 cruisers and supporting units of destroyers, submarines and auxiliaries.

Among second-line ships will be a number that made the cruise around the world. They will go to the Pacific before the time, as six, including the Connecticut, which was Admiral Evans' flagship in 1908, have been assigned to take midshipmen from Annapolis on June 8 on a cruise to Hawaii and several Pacific ports. The voyage will end August 28.

PASTOR HELD FOR THEFT

Minister Accused of Taking Woman's Handbag With \$7156.

COLUMBIUS, O., March 16.—The Rev. A. M. Johnson, Columbus, was arrested late today by the police on complaint of Mrs. Elizabeth Metcalfe, wife of an attorney, who charges the minister with theft of a handbag containing \$7156 in jewelry and securities, while paying a social call at her home.

Mrs. Metcalfe, in her complaint, alleged that she left Johnson alone in a room where the handbag lay on a table. When she returned, according to her story, both the handbag and the minister were gone.

GIGANTIC BONES FOUND

Road Construction Crew Digs Up Remains of Mastodon.

SPOKANE, March 16.—Discovery by a road construction crew of gigantic bones of an animal believed to be a mastodon near Penawawa, on the Snake river, last Saturday, was reported here today by Rev. M. W. Pink of Penawawa. He said the skull was 3 1/2 feet in width between the eye sockets. The tusks were eight inches in diameter at the base and the teeth four to five inches across.

Only the forequarters were unearthed. It is expected that an effort will be made to unearth the entire skeleton will be made.

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SOVIET APPROVED, SAULT TESTIFIES

Communist Defense Witness Is Cornered.

REDS' AIMS BARED IN COURT

Wife of Man Held for Deportation Also on Stand.

TRIAL IS NEARING END

U'Ren Expects to Conclude Case Today—Cross-Examination Is to Be Brief.

That the manifesto issued by the "reds" at the communist international conference, also known as the third international, meeting in Moscow, Russia, last spring, was adopted as a whole by the communist labor party of America, was an admission wrung from Victor Sault, representative of Oregon at the first convention of that organization in Chicago, who now awaits deportation. In the course of his cross-examination yesterday by Mr. F. Bernard, deputy district attorney.

Sault was called to the witness stand by the defense in the criminal syndicalism trial of Karl W. Oster, Fred W. Frey and Claud Hurst, prominent in the local organization of the communist labor branch.

Approval Is Admitted.

After conceding that consideration of the manifesto required its rejection or adoption, Sault acknowledged that the communist labor convention went on record as endorsing the document. Sault gave an insight into some of the aims of the new party, though he disclaimed any tendency toward the use of violence.

"What do you mean by 'dictatorship of the proletariat'?" he was asked. "It is the scientific expression for majority rule."

"Then we do not have it in this country?" "No, but we will have it when the workers rule. They are 65 per cent of the people."

"Will they recognize the constitution of the United States?" "I don't know."

"Witness Quizzed on Attitude." "You mean they will recognize the law but those made by themselves?" "Yes, for they will be the majority."

"Did you ever hear of the requirement of three-fourths vote of the states to amend the constitution of the United States?" "There is a movement on in this country to do away with the clause of the constitution requiring three-fourths vote," responded Sault.

"Yes, I understand there is," was the dry comment of Bernard.

"John Reed, one of the national leaders of the communist labor party, was an intimate friend of Lenin and Trotsky; was he not?" responded Bernard.

"I don't think so. Lenin and Trotsky have no time to waste establishing friendships," was the reply.

"Reed is a delegate to the third international, for the communist labor party, is he not?" "He is one of them."

"Then the communist labor party of America is under the direction of the third international?" "Not yet."

Sault found some difficulty in explaining provisions of the platform of the communist labor party to the effect that there was no opportunity for the laboring class to get control of the government through the regular political machinery, and that the chance of winning advance reforms by ballot was extremely remote and if successful would not weaken the "capitalist" grip.

Intent to Use Force Denied. He insisted throughout that nothing ought or should be done by force was "overthrown." Sault declared it merely meant "change" of government, which he spoke of "capturing" power, he explained that "capturing" meant "change of hands."

Asked what the communist labor party thought was wrong with this country, Sault replied, "No man in this country receives the full product of his toil if he is working for someone else—I mean exploited by somebody else. He cannot receive the full product of his toil under the capitalist system."

"Just what are your plans for establishing a communist society?" "We have no plans yet, but we intend to establish one."

"What does that mean will you say?" "We intend to bring about the communist society through education of the workers to their class consciousness. Then they will know enough to find means."

"Though copies of the constitution of Soviet Russia were found by hundreds in a raid on the hall of the communist labor party, Sault explained that the reason the communists had not circulated copies of the constitution of the United States, which he said was approved by them, was that it would be "too expensive."

"Does the communist labor party subscribe to the constitution of the United States?" "Why, yes, it approves of it."

"Then why did it not circulate

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