

GERMAN SITUATION IS BAD, SECRET COUNCIL HELD, PARIS REPORT

Chancellor Quoted as Saying Germany Can Stay Few More Months.

SEPARATE PEACE THREAT

Holloweg Says Austro-Hungarian and Turkish Allies Demand End of the Submarine Warfare.

By C. F. Bertell. Paris, June 27.—(I. N. S.)—Our situation is bad. If everything goes well, we can stay a few more months. If the people will be satisfied with small results, we can last until March, 1919. Chancellor von Bethmann-Hollweg is reported to have made the foregoing statement at a secret council held in Berlin last week. It is published in the Journal, which states it was obtained from a confidential document drawn up by two deputies, who attended the council.

The conservatives demanded the resumption of unrestricted submarine operations. In reply, the chancellor said: "We have only 20 high sea submarines, divided into squadrons of five. One of these squadrons is always in dock for repairs. Our other submarines are necessary for coast defense."

The conservatives then demanded the instant building of more submarines. Admiral von Capelle replied that last year more could not be built because of the shortage of certain metals.

The chancellor then said: "Not a day passes but I am visited by Austro-Hungarian and Turkish deputies, who threaten a separate peace unless we accept the submarine war. They fear that after the war the allies and United States will entirely paralyze their overseas trade."

Dr. Helfferich, the imperial secretary, remarked: "The situation is not exactly among our enemies, but is rather against us."

Angered at the conservatives' attitude on the submarine question, von Bethmann-Hollweg banged the table with his fist and exclaimed: "Must Detach France."

"Remember, gentlemen, we have only one means of salvation. That is to detach France from the allies. We must obtain a breakdown of the French confidence at all costs."

Thereupon the conservatives demanded that a great blow be dealt France, no matter at what sacrifices. The chancellor pointed out that the greatest possible sacrifices were being made at Verdun without overcoming the French resistance.

Germans Give New Terms. Madrid, June 27.—(I. N. S.)—The German submarine U-35 brought three letters to King Alfonso from the Kaiser. Two set forth the German peace terms, which include a demand for the restoration of the German colonies and provide for the liberation of Belgium, although that country must not be fortified near the German frontier.

Ashland Election Vindicates Greer

Big Demonstration Follows Defeat of Recall of Chairman of Springs Water Commission—But Light Vote Cast.

Ashland, Or., June 27.—Chairman B. R. Greer, of the Springs Water Commission was vindicated by voters of Ashland at the recall election Monday. Greer scored victory in every ward. But a light vote was cast, about 1100. The vote cast for recall was about equal to the number of signatures on the petitions, showing that practically a house to house canvass was necessary to get the petitions signed. Leathery among friends of the project and Mr. Greer, resulted in a small majority of 59 votes. A big demonstration was made on the streets last night by advocates of the project. Greer rode on a saddled automobile hood, dressed in cowboy rigging. "Let 'em buck," the crowds yelled. Speeches were made and fireworks set off.

American Is Executed.

Bisbee, Ariz., June 27.—(U. P.)—Andrew Rois, an American of Mexican parentage, who crossed the border with his father into Sonora, has been executed for refuge in the Carranza army. He was born on this side of the border and attended American schools.

CARUSO Says:

"Its TONE is wonderful"

The HARDMAN Five-Foot Grand \$650 F.O.B. New York

The Wm. B. Allen Co. Morrison Street at Broadway

LOCAL AD MEN EERING HOME COVETED TROPHY



Left to right—Charles F. Berg, holding cup won for making best business advertising talk at recent Pacific Coast advertising convention at Spokane; W. D. Whitcomb, president Portland Ad club; H. R. Cross of San Francisco; E. K. Hoak of Los Angeles, shown holding the trophy awarded the Los Angeles Ad men for having organized the most Ad clubs during the year; David N. Mossesohn, chairman of the Portland delegation; Mrs. R. M. Emerson holding the "Miss Spokane" trophy awarded the Portland Ad club for having registered the largest number of ladies at the convention. In the center is the large trophy given the Portland Ad club for the greatest activity in club work during the past year.

SUPREME COURT CAN PLACE NO FRAUD ON MORRIS COURTRIGHT

Harry M., His Son, Found Guilty of Conduct Not Commendable Nor Praiseworthy

Salem, Or., June 27.—While the supreme court finds that the conduct of Harry M. Courtright was far from praiseworthy or commendable, it says in a decision in favor of the defendant in the action of First National Bank of Portland vs. Harry M. Courtright and Morris L. Courtright, his father, and others, that it is unable to find that Morris L. Courtright was guilty of any fraud or deceit in connection with transactions whereby the son transferred to his father real estate located in Portland, and certificates of delinquency aggregating about \$27,500 in value.

The plaintiff sued to subject the property to a debt of \$45,000, the defendant, Harry M. Courtright, having borrowed that amount and having represented that his net worth exceeded \$100,000.

Fraud Was Charged. It was charged that the purpose of the transfers to the father was to cheat and defraud the plaintiff; that the father paid no consideration therefor and that the father had full knowledge of the son's fraudulent intent, and that he conspired with him to defraud the bank.

The court finds that Harry M. Courtright submitted false statements as to his financial condition, representing he had net assets of \$100,000, when, in fact, he had no assets of any appreciable value. It also finds that he does not in any definite way account for large sums of money which passed through his hands, and that he grossly wronged the bank that had befriended him.

SUPREME COURT AT SALEM HANDS DOWN ITS WEEKLY DECISIONS

Salem, Or., June 27.—Among the decisions of the supreme court Tuesday were the following:

Florence A. Medsker, appellant, vs. Portland Railway, Light & Power Co., appealed from Multnomah county; suit to recover damages; opinion by Chief Justice Moore; Circuit Judge Gantenbein's judgment for defendant affirmed.

Portland-Oregon City Railway company, appellant, vs. J. R. Penny et al., appealed from Clackamas county; suit for damages; opinion by Justice McBride; Circuit Judge Campbell's judgment for defendant affirmed.

John J. Fraser, appellant, vs. City of Portland, appealed from Multnomah county; suit to restrain the collection of a sewer assessment; opinion by Justice Harris; Circuit Judge Coke's judgment for defendant reversed.

H. B. Weisner vs. Dan Steen, appellant, appealed from Coos county; suit to require payment of balance on a judgment; opinion by Justice Bean; Circuit Judge Coke's judgment for plaintiff reversed.

Northwestern Transfer company, appellant, vs. the Investment company, appealed from Multnomah county; suit for an accounting; opinion by Justice Bean; Circuit Judge Gantenbein's judgment for defendant affirmed.

W. I. Clark, appellant, vs. Ward & Oberbach, appellant, from Clackamas county; action for the conversion of lumber; opinion by Justice Bean; former Circuit Judge Noland's judgment for defendant affirmed.

Arthur J. Fraser, vs. J. C. Davis et al.; motion to dismiss appeal denied; opinion by Justice Benson.

J. P. Hansen vs. A. B. Robbins, appellant, on motion to substitute restitution bond; motion overruled. Rehearing was denied in Flynn vs. Davidson.

Judge Gary Takes Vacation. New York, June 27.—(I. N. S.)—Elliott H. Gary, head of the United States Steel corporation, will sail from Vancouver next Monday for a vacation of about three months, which will be spent largely in the Philippines and Japan.

DALLAS COMPANY HAS YOUNG OFFICER



Lieutenant Oscar I. Chenoweth

Dallas, Or., June 27.—Not only has company L, from this city, the distinction of being the second company of state troops in the United States to be sworn into the federal service, but it has the additional distinction of having

Highwayman at Work on East Side At Midnight Hour

C. C. Filinger of the Avarian hotel, Grand avenue and East Morrison street, reported to the police at 1:30 this morning that he had been held up and robbed of \$5 by a single unmasked highwayman who carried a nickel plated revolver. The robbery took place on Grand avenue near East Everett street. Filinger described his assailant as being 35 years old, 5 feet, 7 inches tall and weighing about 150 pounds. This is the first case of highway robbery reported to the police in many months.

the youngest officer in the Third regiment. Oscar I. Chenoweth, who left this city with the company as a private, received his commission as second lieutenant the day after reaching camp. E. K. Piasecki at the same time was advanced from second lieutenant to first lieutenant.

Lieutenant Chenoweth, who is manual training instructor in the Dallas High school, was born in Indiana 23 years ago. He is a graduate of the Salem (Oregon) High school and of the State university of Indiana, in which institution he was an officer of cadets.

PROPOSALS ARE MADE BY ARGENTINE PAPER IN EFFORT FOR PEACE

Police Zone Between United States and Mexico Suggested as Remedy.

Buenos Aires, June 27.—(I. N. S.)—La Nacion, one of the most influential newspapers in the South America, established by the late President Mitre of Argentina, in an article today, entitled, "For American Peace," makes proposals whereby war between Mexico and the United States may be averted. La Nacion recognizes the seriousness of the situation, but expresses the belief that the crisis was brought about by misunderstanding, which can be dispelled and a basis of settlement found.

"Such governments," it says, "are equally interested in ending the bandit rule, and it is evident that the United States has the right to smother the irresponsible bandits who are impinging on its frontier."

La Nacion makes the following proposals as a means to settle the dispute between the two nations:

First—That, on account of the present unsettled internal situation in Mexico, a police zone should be established, this zone to include the territory in which Villa operates.

Second—That in the above mentioned zone Mexico shall allow the United States to patrol with armed forces that territory which lies within the Mexican boundaries, with the exclusive object of wiping out bandits. The United States would reciprocate by allowing Mexican troops to pursue bandits into the American territory included in the police zone.

Third—That the United States forces shall not occupy cities in the Mexican patrol zone, and shall evacuate those already occupied, thus recognizing the fact that the Mexicans are able to police the towns.

Fourth—That in case the United States should declare war, it shall be with the announced intention that the only purpose of the action shall be to exterminate bandits and prevent further banditry. Thus, after the war no indemnity or monetary claims of any kind could be made against Mexico and no Mexican territory seized.

Fifth—That both Mexico and the United States shall recognize mutually that the Carrizal incident was merely "disagreeable," thus closing the incident.

The above proposals are implied," says La Nacion, "by the admission of Argentina to the principles of Pan-American harmony, and in the hope that the suspicions and misgivings between the United States and Mexico may disappear."

Grator Chosen for the Fourth. M. A. Miller, collector of internal revenue, will deliver the Fourth of July address at the Bico celebration.

The city of Bico is planning to have an old-fashioned celebration on the Fourth, with fireworks and all other things incident to such an occasion and has chosen Mr. Miller as the proper "keynote" for the day.

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Official Announcement Says 110 of Victims Were Soldiers, Sailors and Policemen and 224 Were Civilians. London, June 27.—(I. N. S.)—It was officially announced today that 110 soldiers, sailors and policemen and 224 civilians were killed in the Dublin revolt.

Dublin Rioting Cost Lives of 340 People

Advertisement for Kirschbaum Clothes. Text: "Every man, no matter how full his purse, wants his money to go as far as possible. But there is only kind of real economy, and it is summed up in the word quality. Anything short of that is sure to bring dissatisfaction. Quality means not only goodness of material, but workmanship as well. You can assure yourself of that if you wear Kirschbaum Clothes \$15, \$20, \$25 and Up. Look for the Guarantee and Price Ticket on the Sleeve." Phegley & Cavender. At the Sign of the Cherry Tree. Cor. Fourth and Alder Sts.

Will Wilson Get Four Years More?

While the tumultuous course of events in Mexico is undoubtedly clouding the significance of the Democratic slogan, "Peace, Prosperity and Preparedness," President Wilson and his Party confidently appeal to the country for another four years of Democratic Administration. For the first time in twenty-four years, notes the independent New York Times, "the Democrats enter a Presidential campaign as a united party without dissension, with nobody sulking, all supporting their candidate with loyalty and confidence." In THE LITERARY DIGEST for June 24, these is a comprehensive summary of newspaper opinion of all shades of political persuasion upon the Democratic platform and the chances for Democratic success during the coming campaign. Other articles of great interest and importance just now, are:

- Sizing Up Mr. Hughes' Chances. A Consensus of the Editorial Opinion of the Country, Representative of All Parties, Upon Mr. Hughes' Prospects of Becoming President.
- Fate of the Progressive Party
- The Chancellor Rejects Peace
- Japan and Russia in Alliance?
- Chinese Hats for Americans
- Mineral Yarn
- Making Things Cheaper
- English at Its Best
- The "Only Sarah" at the Front
- Finding Husbands for War Widows
- What the Russian Drive May Mean
- The Battle of Jutland
- Testing the Criminal's Mind
- German Knapsacks of Paper
- Submarine-Killers
- Cervantes
- How Russia Writes During the War
- The Peace-Prize Essay
- Catholic Ban on Dancing
- To Train Boys to be Priests

PASSED BY EVERY HOME CENSOR

There is nothing to censure in THE LITERARY DIGEST before taking it into your home. It presents the worth-while news of the week in such a way that no detail is undesirable for any member of your family. And there is both pleasure and profit in it for each one, whatever his interest. War, Political, Business, News—the subjects of Homekeeping, Music, Literature—articles on Sports, Science Religion—all are represented in the accounts of the world's latest thought and activity. This is just the news-magazine for busy father and mother and for the growing, impressionable children. Tonight take home a copy.

The Literary Digest. June 24th Number—All News-dealers To-day—10 Cents. FUNK & WAGNALLS COMPANY (Publishers of the Famous NEW Standard Dictionary), NEW YORK.

TIP-TOP Bread. To the Many Thousands Who Are Eating TIP-TOP Bread. Bakers of Holsum Bread and Cakes. A FREE TREAT FOR THE CHILDREN. Be our guests at THE OAKS as often as you can. We place a free ticket in every Holsum Cake, sold by all grocers at fifteen cents—five kinds.

Free J.M. Stamps. The Yamhill Public Market is helping thousands of families to cut down the high cost of living. Wednesday, in addition to the low prices those who present this ad when making purchases of 50c or over at any one stall will get 10 extra S. & H. Green Trading Stamps FREE besides regular stamps. YAMHILL STREET PUBLIC MARKET. CORNER SECOND AND YAMHILL STREETS. We Give the Regular Stamps.