KV. NO. 280.

PORTLAND, OREGON, THURSDAY EVENING, FEBRUARY 1, 1917. - TWENTY PAGES

ON TRAINS AND NEWS STANDS FIVE CENTS PRICE TWO CENTS

partment Issues Orfusing Passports to ers as Result of the Threatened to Vesriving in "Zone,"

ENT PREPARES ANSWER TO WARNING

Instructions From Chief ecutive. Secretary Lanig Has Drawn Up Comunication to Be Forward-Without Delay by U. S.

o Germany, April 18, 1916. If it is still the purpose of imperial government to secute relentless and indisminate warfare against vesals of commerce by the use of bmarines without regard to the government of the acred and indisputable rules f international law and the recognized dictates humanity, the government of e United States is at last reed to the conclusion that ere is but one course it can rsue. Unless the imperial rnment should now immedily declare and effect an undonment of its present ethod of submarine warfare ainst passenger and freight the United States can ve no choice but to sever plomatic relations with the

rmany's Beply, May 4, 1916.
'The German government noies the United States that the
rman naval forces have re'ed the following orders:
'In according to the control of principles of visit and reh and destruction of merant vessels, recognized by in-national law, such vessels, th within and without the ca declared as a naval war ne, shall not be sunk without arning and without saving huian lives unless these ships atempt to escape or offer resist-

Germany's New Declaration. "The imperial government herefore also is forced to do way with the restrictions which until now it has impressed upon the use of fighting means at sea."

By Robert J. Bender.

nany's warning of future unrened naval warfare. ting upon instructions from the

ident, Secretary Lansing has pred a communication, the nature flowing an hour's conference with president this morning, during the forthcoming communication this government was discussed ing declared he would probably he newspapermen at 3:30 o'clock ucluded on Page Three, Column Two)

ISER'S NEW MOVE IAS BROUGHT PEACE **NEARER**, VIEW TAKEN

latever Outcome, Whether Is Beginning of End.

By Karl H. von Wiegand,

w York, Feb. 1.—(I. N. S.)—Often tends to use darkent just before dawn. Dark her purpose. he situation is today, it may not without its silver lining. Ger-ny's proclamation which has tled the world in general and our ment May 4 last.

ed States in particular, marks the This means that she is definitely inning of the last phase of the war, casting overboard all her Sussex the outcome of the war, pledges. ether it involves the United States toes not, it is the beginning of the ships would enter the barred zone at brought peace nearer. be sunk.

he men who have the decisive role man government finds itself con-ried by a new situation. It is the united by a new situation which aps to have reversed their policy. Sermany Playing Last Card. thmann-Hollweg, the imperial cellor: Helferich, minister of in-

or: Dr Solf, colonial minister, and u to the time I left Germany, Hinden-urg and Ludendorff had all along op-

Fight to Finish, Says Hollweg DUTCH VESSEL Challenge Accepted by Germany FIRST SUNK IN Is Staking Everything to Win



meerial Chancellor in Speech to Main Committee of the Reichstag, Sums Up Germany's Attitude; Says Conditions of Allies Only Accepted by Totally Beaten People,

* ims agree with our aims," the im-* emy's conditions mean that Germany's Imperial Chancellor von Bethmann-Hollweg held a long conference today with Ambassador Gerard, after he had concluded his speech before the main committee of the reichstag. Dispatches from Berlin did not reveal the nature of their dis-

many accepts the challenge to fight to the finish and is staking everything

The imperial chancellor, Von Bethmann-Hollweg, thus summed up Germany's attitude in a speech which he made yesterday to the main committee of the reichstag.

Dispatches today from Berlin quoted the chancellor as follows:
"We have been challenged to fight the finish. We accept, and are staking everything...
"Many of President Wilson's max-

defensive force would be destroyed. Continuing the chancellor, after enumerating and commenting on "the enemy's designs," declared: not express it more strongly than to say that Germany accepts the challenge to fight to a finish and is staking everything."
"In their reply to our peace offer,

our opponent declared they wanted only a peace which they dictated," the Amsterdam, Feb. 1 .- (U. P.) -Ger- chancellor continued. "Thus the whole guilt of the war's continuation falls ipon our opponents alone. Conditions which they made are only accepted by totally defeated people. "President Wilson's speech in the

senate shows the sincerity of his desire for peace. Discussing the new submarine pol-

y the chancellor said: "Since last autumn the time has been ripe, and now the moment has arrived, when, with the greatest prospect of success, we can undertake the enter-Therefore, we must not wait prise.

but Recoveries Occur,

to 100, recovering 3 to 4 points when

Concluded on Page Three, Column Four)

Had Advance Tip

The wheat market was stirred by reports that definite news of

Germany's new submarine ulti-

matum had been in the hands

of German interests in the United States as early as

Tuesday of this week, and that they had profited by the "leak."

Three big Chicago grain houses, all of whom are said to repre-sent a big German syndicate in the east, sold 12,000,000 bushels

of wheat on the Chicago Board

of Trade on Tuesday and Wed-

And Sold Wheat

Germans in U.S.

STOCK PRICES BREAK GERMANY SAYS ALL SHIPS WITHIN ZONE BADLY IN MAD RUSH TO UNLOAD HOLDINGS WILL BE TORPEDOED

No Attention Will Be Paid to German Naval Warfare Proc-Flag or Character of the Craft, It Is Announced.

Washington, Feb. 1.-(U. P.)-A the German barred zone, neutrals in- German naval warfare proclamation, U. S. Is involved or Not, it cluded, will be sunk is contained in traders on the stock exchange today the German official memorandum dumped hundreds of thousands of handed to the state department last shares of stocks, causing a break of 2 to 26 points.

This was revealed this afternoon, when the department made the text 6 to 26 points. The widest loss was public. It said, too, that Germany intends to use submarines to accomplish States Steel common broke 12 points Germany takes back the freedom of

Germany takes back the freedom of the market found support. Interna-action which she reserved in her note tional Mercantile Marine shares were has addressed to the United States govern-

While previous versions said neutral This very move of Germany's their peril, the memorandum is the first statement that "all ships would

The note added: "The imperial govermany, this proclamation, regarder that this measof the views hitherto held by the will result in a speedy termination of the war, and in the restoration of

Lansing Refuses to Make Any Comment

withholding an expected announce with east, so the consider it justified as against the iffering of Germany's women and other non-combatants

Washington, Feb.

Washington, Feb.

Withholding an expected announce we the east, so the east, so

Five Others, British Steamer

Trevean, Belgian Steamer **Euphrates** and Three British Smacks, Are Victims.

LONDON NEWSPAPERS BITTER IN COMMENT

Result of German Stand on Sea Warfare.

Belgian steamer Euphrates, This makes a total of six vessels s ar reported as sunk since the German 'barred zone" decree went into effect at midnight.

The Trevean was a steamer of 3081 tons gross, owned by the Hain Steam ship company and registered at St The Euphrates was a vesse of 2809 tons, property of the Cie Nationale Belgique Transportation Maratime of Antwerp.

The Dutch steamer Epsilon was the first victim to be sunk in the new "barred zone" today. Three Br!tish fishing smacks, the Meritt, Watt and Wetherill were also among the first vessels known to have been sunk in pursuance of the new German order. The Epstion was a steel screw steamer of 3211 tons gross, built in Rotterdam in 1913 and owned by the Vrachtvaart Maats Bothnia. She was egistered at Amsterdam and Lloyd's legister gave her master as K. Ryke-

Papers Open Breadsides. The text of the note was not resived in time for the morning newspapers, but with its appearance in the (Concluded on Page Three, Column Six)

OF WIVES AND FAMILY

Only One Vote in Senate Cast Against Strengthening of Non-Support Measure.

Salem, Or., Feb. 1.—The senate with but one opposing vote, went on record today in favor of correcting the joker lipped through the 1915 legislature. amending the non-support law to exempt divorced husbands from supporting their minor children.

The senate passed senate bill 157 which repeals the 1915 joker and need never fear again.' makes it a criminal offense for any

After a short but sharp debate over senate bill 167, by Dimick, the measure was returned to the judiciary committee to make it less drastic. Senator Dimick insisted the pur-

pose of the bill was to protect public officials from threats and intimidation by paving and bridge and other conractors, who are seeking contracts for Senators Garland, Pierce and Orton declared the bill was too stringent

and would prevent any adverse criticism of public officials and would make the use of the recall a crime. Speed Bill Loses. Insistence by Senator Smith, of Jo-

lamation Causes Decline sephine, that an emergency clause be attached to his bill amending the state traffic laws to require doctors to comply with the speed laws, except when answering emergency calls, resulted in the defeat of the bill by one vote. The vote stood 15 for and 12 against. Sixflat statement that all ships within mad rush to unload, started by the teen votes are necessary to pass a bill, Congress is memoralized by a resolution passed by the senate today to construct a military highway along the Pacific coast from Canada to

"Such a highway would be very useful in the event of war," said Senator Leading industrials, shipping shares Smith of Coos, author of the memoand "war brides" crashed downward rial, "and profitable in time of peace." Other bills passed by the senate in Bethlehem Steel, which was sold at were as follows: \$365. Rails broke 2 to 7 points. United S. B. 173, by Hawley-Authorizing the governor to appoint 10 policemen

upon the request of any railroad or steamboat company. S. B. 154, by Olson-Making it mong those hardest hit, preferred for any person with intent to defraud to draw a check on a bank in which he has not sufficient funds. The following bill was killed by the

S. B. 199, by committee on roads and highways—Authorizing county courts to improve private roads when of pub-

Land Forces Rest As Divers Get Busy

Berlin, via wireless to Sayville, Feb. —(U. P.)—Reconnoitering operations. giving valuable information as to disposition of enemy forces, were the only activities reported on the western front in today's official statement.

Roumanian Front Quiet. Berlin, via Sayville wireless, Feb. 1 —(I. N. S.)—Only minor fighting and isolated artillery duels have taken place on the Roumanian front, according to today's war office statement.

Music Circles of Portland Widely Cleft

One Faction Wants Mendelssohn's "Elijah"; Other Wants Handel's "Messiah" at Festival.

Portland musical circles are cleft as

which of two famous oratorios-Mendelssohn's "Elijah" or Handel's "The Messiah"—shall be sung at the musical festival to be held in the new municipal auditorium in June. Some favor Mendelssohn's work as being more modern; others say to sing it will necessitate bringing a double quartet to Portland from the east. is favored, too, because 1917 marks the seventieth anniversary since its first production, Mendelssohn going to Bigmingham, England, in 1847, personally to conduct it. another reason advanced in its favor is that it is non-sectarian, inasmuch as Elijah is an Old Testament prophet. British Threaten Reprisals as Boyer, director of the chorus, person ally favors "The Messiah" because he has directed it a number of times and because Portland singers are more familiar with it.

> sented in 1742 in Dublin having bear written by Handel in the incredibly The program committee of the Mu sic Festival association met this afternoon to debate which oratorio is pre

"The Messiah," with the coming of

Christ as its theme, was first pre-

WASHINGTON OFFICIAL ASSASSINATED IN HIS

W. Olson, Chairman of Industrial Insurance Commission, Shot Dead.

Olympia, Wash., Feb. 1.-(U. P.)-E. W. Olson, chairman of the indusand killed in his office in the capitol November, 1993. She carries 360 men ernoon by A. C. Van Dell, a disappointed claimant for compensation from the about \$1,200,000. ommission for injuries he had received. It is believed he may be in-

Van Dell was and died instantly. taken into custody a few minutes later.

London Papers Are Bitter in Comment

Editorials and Meadlines Give Expression to Peelings-Pall Mall Gazette's Statements Are Typical.

London, Feb. 1 .- (U. P.) -Comment of the Pall Mall Gazette was typical. "This is Germany's supreme apocalypse of horror," the editorial assert-"The kaiser stands the declared protagonist of indiscriminate bestial note comes as a great surprise to me. slaughter on a prepared plan-even I feel I had better walt until I get while he is shedding crocodile tears to Washington where I shall spend the as to further desolation of the war of which he is the prime agent, "Civilization merely repeats in sterner tone its previous answer-'We

An idea of the bitterness with which person without just cause to fail to London newspapers characterize the support his wife or female children new submarine frightfulness may be gathered from the following headlines

and editorial expressions:
"The beast at bay," "War against
the world," "Wild boat warfare," "Surer-frightfulness," "Unspeakable Hun," Extraordinary foulness," "Anarchial rightfulness."

The Evening Globe, commenting on Germany's warning that she intends to sink British hospital ships if found within a certain area demands "in the event of the sinking of any such ship. that five imprisoned German naval officers-including Grand Admiral von Tirpitz's son-be shot forthwith."

Hongkong in Grip of Smallpox Epidemic

San Francisco, Feb. 1 .- (P. N. S.)-Hongkong is in the grip of a smallpox pidemic, nearly 500 deaths occurring daily, according to passengers and officers of the Pacific Mail steamer Ecuador, which reached port today from the orient via Honolulu.

The Ecuador also brought word received through wireless dispatches, that the steamer Nippon Maru, three days overdue at Honolulu on her way to this city, is battling against the dread disease and that smallpox is uncontrollable aboard.

Eight Trains Held Up by Blockade Denial of Hospital

Cheyenne, Wyo., Feb. 1.—(U. P.)— Heavy snows, driven by a high wind, have again blockaded the main line of the Union Pacific rallroad this afternoon between Laramie and Rawlins. The temperature is 15 below zero. Eight trains, three eastbound and five westbound, are held at Rock River, unable to proceed in either direction. Other trains are held up at Laramie

Keep Ports Clear of Obstructions Order

Washington, Feb. 1. - (I, N. S.) Specific instructions were sent this afternoon to collectors of customs in the seaports of the United States to take most elaborate precautions to keep the harbors clear of obstructions. harbors clear of obstructions.

The collectors will take any action they deem best and man place competent guards on internal vessels.

In President Wilson dead at least 24 nours. The couple had been living at the hotel for three waters are not to the situation growing out of the peter meeting Mrs. Pereys. Police said Kuh had deserted his wife after meeting Mrs. Freeman.

Cruiser. Amethyst. Damaged, Puts Into Pernambuco, Reporting Encounter With German Craft

BATTLE OCCURRED ON MONDAY, JANUARY 29

Submarine, Report Says, Assisted Commerce Raider, in Clash.

By Charles P. Stewart.

Buenos Aires, Feb. 1 .- (U. P.) -The British cruiser Amethyst has arrived at Pernambuco damaged after a fight liary cruiser, according to dispatches

The encounter, it was said, occurred n January 29, north of Pernambuco. According to the reports received ere, the Amethyst said the Germans vithdrew from the fight and escaped. This is the first definite word re ceived tending to confirm a number of reports that the German raider is accompanied by a submarine. "The auxiliary cruiser" mentioned in the Pernambuco dispatches is supposed to e either the original German raider, or one of her prizes, outfitted as

At the time the raider scare was at its height. Rio de Janeiro quoted one of the survivors of the captured ships as asserting that the raider carried three later reports said the raider was act ng as "mother ship" to a number of German submarines of the regulation The Amethyst is a light cruiser o

and her armament consists of 12 4-inch guns and eight three-pounders with two torpedo tubes. The vessel cost

2000 tons displacement, completed in

Olson was shot through the head Von Tarnow Will Not Make Any Comment oratofy.

New Austro-Hungarian Ambassador Reaches United States But Maintains

Tarnowski Von Tarnow, the new emergency clause. Austro-Hungarian ambassador to the United States, who arrived today on board the Holland-American liner Noordam, studied carefully the Ger- make one more amendment to the bill man submarine note before leaving the eliminating the requirement that the

"I am not able to make any comment at this time," he said. night at the embassy.

Von Tarnow spoke of his pleasure at coming to the United States. He denied emphatically that there was an will so tame the beast that the world grave scarcity of food in Austria-Hun gary.
The ambassador was met by Baron H. Von Sommaruga, secretary of the

Austro-Hungarian embassy.

German Press Temperate. Berlin, Feb. 1.—(U. P.)—The Ger-man press supports the government in its move for a "barred zone" abou Germany's enemies and removal of re strictions on naval warfare. So far there have been no demon strations. The German people appea satisfied with the decision,

Captain Hans Boehm May Be Portlander dors

Washington dispatches that the state

epartment is investigating the use of a false passport by Captain Hans Boehm, a German army officer, leads to the belief that the Captain Boehn mentioned is Hans Boehm former! of Portland. Mr. Boehm while in Port land was connected with the Hotel Portland, was manager of the Arlington club for several years, had charge of the University club and was steward of the Commercial club. He was known hours. to hundreds of Portland club men. He left Portland in 1914, and word came some time ago that he was in the secret service of his native land. He is said to have made many trips between New York and Berlin in the past two years, using fraudulent pass ports. Captain Boehm was traveling on a passport issued to Jelks Lerov Thrasher when arrested by the British en route from Spain to Holland.

Washington, Feb. 1. - (1. N. S.) -At the request of the British govern ment the state department this afternoon transmitted to Berlin a categorical denial that the British government is using hospital ships illegally. At reprisals should Germany torpedo hos-pital ships was sent forward to Berlin.

Arizona Expresses Faith in President

Woman First To Pay Taxes For Last Year

Louisa Rufner on the Job Before 8 This Morning; C. F. Rufner Is Number Two.

Louisa Rufner, of 1423 Milwaukie street, led the procession of taxpayers at the county courthouse this morning Bright and early she appeared and paid her first half of the taxes for the year 1916. The payment was in the sum of \$17.12 on improved property in City View Park. The payment was made shortly before 8 o'clock. The property is assessed to G. W. and Louise Rufner C. F. Rufner of the same address was No. 2. E. Lombard of 1277 East Madison street, paying on a lot in Glencoe Park, was No. 3 on the list.

Katherine A. Stone of 807 East Everett street was No. 4. Up to 10 o'clock about 30 persons had paid their taxes. The force of clerks under the direction of E. S. Huckabay, chief of the tax collecting lepartment, waited on the taxpayers promptly. The average time required for a single description was one min ute for each taxpayer.

Payments of the heavier amounts are not expected to be made until the period of delinquency draws near. Large estates and corporations can make better use of their money by al-lowing it to waw interest until the latest possible moment. The largest payment in the early hours of the day was for \$37,67, made by T. S. Lawrence of 371 Larch street, on property in Ladd's addition.

BILL RESTS IN HANDS OF THE STATE SENATE

Chamber Crowded by Spectators When Consideration of Measure Is Taken Up.

only question being as to how many of the senators will improve the oppor-tion of delinquent tax lists.

Vivid light is thrown upon the his-

be necessary for the bill to be returned house in that session. In a letter to to the house for concurrence in three The Journal, Mr. Rusk writes as folsmall amendments before the bill will Silence as to New German Note.

be transmitted to the governor for nis signature, after which it will immediately be in effect, as it carries an tant than the law now under public be transmitted to the governor for nis

Senator Shanks, chairman of the committee on alcoholic traffic, asked liner the senate for unanimous consent to district attorney in person shall sign all permits for the importation or purchase of alcohol.

The amendment which was made will permit deputy district attorneys to sign the permits.

Myers Sure Lents Is To Get City Delivery

Extension, He Feels, Will Be Made as Soon as Preliminaries Are Completed -Schow's Indorsement Transmitted

Washington, Feb. 1. — (WASHING-TON BUREAU OF THE JOURNAL) — Postmaster Myers said today that he feels assured city delivery extended to Lents after preliminaries are completed.

The Linnton delivery depends on the Senator Chamberlain has transmitted to the farm loan board the Oregon Democratic state committee's in-dorsement of E. P. Schow for regis-

Harry J. Spanell Found Not Guilty

San Angelo, Texas, Feb. 1.-(I. S.)-Harry J. Spanell was this afternoon found not guilty of the murder of his beautiful wife, Crysta! Holland and they were finally obliged to com-The jury deliberated two

Spanell will be placed on trial a once for the murder of Lieutenant Colonel Matthew C. Butier, U. S. A. who was shot and killed while riding in the Spanell automobile with Mrs.

Counteraction of Move, Asquith Hope Interned German

London, Feb. 1.--(U. P.)-"It is im-Ship Charge Made possible to dispute the grand former Premier Assituation," declared former Premier Assituation, addressing a meeting at quith today, addressing on the new Ladybank and commenting on the new German blockade order "But with the navy supplementing such other measures as the arming of

merchantmen and acceleration of new

tonnage, we may hope to counteract

Kills Companion, Then Ends His Life

San Francisco, Feb. 1 .- (U. P.) -murder and suicide were revealed to-day when the bodies of Perry V. Kub, a bartender, and Mrs. H. B. Freeman, Phoenix, Ariz, Feb. 1.—(U. P.)—The a bartender, and Mrs. H. B. Freeman, legislature today unanimously passed a widow, were found in their room at a resolution expressing "entire faith the Hotel Avalon. They had been and confidence" in President Wilson dead at least 24 hours. The couple

John P. Rusk Tells How Discredited Newspaper Publication Bill Was Sneaked Through in Final Hours.

LAW ONE WHICH COST MULTNOMAH \$30,071.24

Same Newspaper Lobby Is Working to Perpetuate "Easy Money."

newspapers was abolished in

The legislature of 1909 passed

bill restoring the graft, but was vetoed by Governor George E. Chamberlain in the following message: "This bill provides for the publication of taxes which may erty in the several counties of the state. This law was in force upon the taxpayers such a expense that it was best to repeal it. I cannot see that any good can come of the restactm ut of the law, but on the contrary it will be instrumental in entailing additional burdens upon the tax-

payers of the state, and I thereherewith with my veto. The legislature of 1911 reenacted the law providing newspaper publication of the

years later, in the closing hours of the "bone dry" prohibition bill. No doubt | 1911 session, a bill was rushed through reenacting the old law, under which Multnomah county was robbed in a single year of \$20,071.24 for publica-

tory of the graft bill in the 1911 legislature by Honorable J. P. Rusk of La Grande, who was speaker of the

lows: discussion which requires publication of delinquent tax lists. And is it pos-

(Concluded on Page Four, Column Three)

CLACKAMAS PEOPLE FORK OUT TAX LIST GRAFT TO 2 PAPERS

axpayers Asked to Pay Two to Four Times Legal Rate to Courier and Enterprise.

Clackamas county has paid its share of the newspaper graft for publication of delinquent tax lists. It has been paying all the way from two to four times the rates charged other large advertisers. The Oregon City Courier and the Oregon City Enterprise have been awarded the publication for several years past and there are circumstances strongly suggestive of collu-sion in the business of extorting from the sounty all that it could be made

The two papers charged the same rate, three cents a line, in 1915; the courier charged the county \$447 and the Enterprise also charged \$447. The two papers raised their rates in 1916 attempting to charge five cents a line, but the increase was too great promise on four cents a line. The Courier received \$852,80 and the Enterprise, by an interesting coincidence, also received \$852.80

Wasted Over \$2200. The total paid to the two papers for his delinquent tax advertising in 1915. was \$894. In 1916 the amount was \$1605.60, and if the papers had suc-(Concluded on Page Four, Column Three)

Freighter Is Sunk At Her Anchorage

Charleston, S. C., Feb. 1.— (U. P.)—The German freighter Liebenfels, lying in harbor here ously began to go down by the stern and continued sinking until her after deck was nearly awash and her bow raised. Tugs offered assistance, but it was refused the captains

Shipping men leaned to the rumor that the Liebenfels must have been deliberately scuttled. Captain Klattenhoff mands the vessel. The crew deliberately pulled

out the seacocks and sank the ship, according to a report re-ctived at Washington by As-sistant Secretary of the Treasury Peters in charge of the customs division.