

### WEATHER

Probably rain in west, fair in east portion; fresh south-easterly winds.

SIXTY-SEVENTH YEAR—NO. 242

## SEPARATE PEACE IS UNLIKELY

### But Talk of No Annexations Fails with Refusal to Allow Vote of Baltic Provinces—Meeting Ends

### GERMAN DEMAND IS HELD UNREASONABLE

### Russian Delegation Returns to Petrograd—Socialist Peace Planned

PETROGRAD, Jan. 2.—The chances of a separate peace between Russia and the central powers being effected seemed remote because of what are regarded as Germany's unreasonable demands. Leon Trotsky, the Bolshevik foreign minister, and his associates, take the stand that the Baltic provinces are in reality under military pressure while they continue to be occupied by Germany, and that their votes with respect to peace must be ignored, as now these provinces are virtually German dependencies, the loyal Russians having fled.

The Russian delegation upon its return from Brest-Litovsk Tuesday before the council of commissioners at Petrograd Germany's demands, which caused amazement and the declaration that the council was not favorable to acceptance. An elaboration of the German position in letters and statements which followed the general statement of terms showed that the Germans hold Poland, Lithuania, Courland, Estonia and Lithuania have already taken themselves nationally with the meaning of the peace terms proposed, and insist that they shall not be again.

Germany Refuses Evacuation. The Germans also explained, through General Hoffman, that Germany cannot evacuate Riga, Lida and other occupied points until they take all Russia sanctions peace; otherwise Germany's enemies might assist Ukraine or other disaffected regions in opposition to the central powers.

PETROGRAD, Jan. 1.—The Russian peace delegation returned to Petrograd today and reported to a joint session of the central executive committee of soldiers' and workers' delegates and the Petrograd council of soldiers' and workers' deputies, the progress of the negotiations with the Austro-Germans at Brest-Litovsk.

M. Konevich, a member of the Russian delegation, read the German terms which he characterized as showing the positive annexation policy of the central powers and he declared they were unacceptable in their present form. He stated that the terms had not been discussed.

Peace With Socialists Talked. "If, after the resumption of negotiations," the delegate said, "the Germans insist upon these terms, Russia will conclude peace not with the German imperialists but with the representatives of the people, the Socialists of Germany."

The German terms as submitted to the Brest-Litovsk conference were reported in substance as follows:

Articles 1 and 2 treat with the ending of a state of war, evacuation of occupied territory and exceptions to the latter provisions, in the cases of Poland, Lithuania, Courland, etc. Article III—Treaties and agreements in force before the war are to become effective if not directly in conflict with changes resulting from the war. Each party obligates itself, within three months after the signing of peace treaty, to inform the other which of the treaties and agreements will not again become effective.

Article IV—The contracting parties will not discriminate against the subjects, merchant ships or goods of the other parties.

Economic Provisions Made. Article V—The parties agree that with the conclusion of peace economic life shall cease. During the time necessary for the restoration of relations there may be limitations upon trade, but the regulations as to imports are not to be of a too burdensome extent and high taxes or duties upon imports shall not be levied.

For the interchange of goods an organization shall be effected by mixed commissions to be formed as soon as possible.

Article VI—Instead of the commercial treaty of navigation of 1894-1894, which is abrogated, a new treaty will accord new conditions.

Article VII—The parties will grant one another during at least twenty years the rights of the most favored

## NEW OFFENSIVE BY GERMANS IN WEST EVIDENT

### Major General Maurice Says Raids Forerunner to Big Drive

### NUMBERS NOT SUPERIOR

### Allies Must Be Prepared to Lose Ground If Necessary Is View

LONDON, Jan. 2.—The probability of the Germans now taking a vigorous offensive on the west front was pointed out by Major General F. B. Maurice today in his weekly talk with the Associated Press.

"The enemy in the past fortnight has been attempting numerous raids, mostly on a small scale," began General Maurice. "At Cambrai, however, he tried a larger operation with the object of getting control of a bridge on the British flank, whence he hoped he could strangle the supplies to a British salient and force its withdrawal. His attack, however, ended in an almost complete failure."

"These attempts to take the offensive," continued the general, "are a sign of a new distribution of the belligerent forces on the western front. The enemy is steadily bringing troops from Russia with the aim of re-establishing his superiority over the Anglo-French forces."

"The Germans are still a long way from having supernumbers on this front, but the relative strength of the forces is already so altered that it is doubtful whether the allied commanders would feel justified in undertaking offensive operations on a large scale. The enemy's constantly improving numerical position, will, on the other hand, lead inevitably to offensive operations by the Germans, but I see no reason to believe that he will be able to inflict anything like such losses on us as we inflicted on him during the past year."

"We must, however, be prepared to lose ground and men if the enemy attacks with the usual artillery preparation followed by energetic infantry assaults, for it is practically always possible to move a certain distance under these conditions of attack."

Regarding the situation in Palestine General Maurice said: "A word of caution is necessary relative to the hopes of an immediate further advance in Palestine. The hills of Judea are notoriously difficult, the weather is unfavorable and the roads impassable owing to the wet season."

## Private Pidd Sentenced to Life Imprisonment

TACOMA, Wash., Jan. 2.—Private George Pidd of Salt Lake City was dishonorably discharged from the army and sentenced to life imprisonment at hard labor for slugging Lawrence Berquist, a Tacoma taxi-cab driver, on December 30.

In his confession Pidd said he assaulted Berquist with the intention of robbing him to buy clothing for his 17-year-old wife. He said she "had a kind of influence" over him and induced him to commit the crime.

## Kaiser's Picture Leads to Quarrel; One Killed

EL PASO, Texas, Jan. 2.—Charles Qualey, a mining man, heavily interested in Mexican properties, was shot and instantly killed on Pioneer Plaza in the business district here tonight. William Russell, cattleman from Lubbeck, Texas, is under arrest charged with the killing.

The shooting was said to have followed a controversy which took place earlier in the evening in a local hotel over a display of the Kaiser's picture. Qualey was said to have resented the display of the picture and the argument followed.

## COUSIN OF GERMAN KAISER DEAD

### Countess Von Horst, of Seattle, Who Gained Musical Reputation, Proud She Became Citizen of United States

SEATTLE, Jan. 2.—Countess Anna Pauline Fredericka von Horst, said by her children to be a daughter of Prince Albert of Prussia, and a first cousin of the present German emperor, died at the home of a daughter here yesterday. She had lived here in retirement for a number of years and was known as Mrs. von Kalow. She was 79 years old.

In the 80's she was known to the musical world of America and Europe as Madame Verina and once made a tour as a co-star with Adelini Patti. At various times she was under the direction of Walter Damrosch, Maurice Strakosch and Daniel Frohman, her children state.

## GOVERNMENT PURCHASE OF SUGAR URGED

### Food Administrator Hoover Advocates Buying and Selling to Consumer of Entire Country's Supply

### FULL LEGISLATION BY CONGRESS PROMISED

### Amount and Kind of Foods Eaten Must Be Regulated Is Assertion

WASHINGTON, Jan. 2.—Government purchase and sale to consumers of all sugar used in the United States and control of the amounts and kinds of food to be served in public eating places, were advocated to meet the abnormal war conditions by Food Administrator Hoover today in testimony before the senate committee investigating sugar. He said additional legislation conferring upon the food administration such power should be enacted by congress.

In urging government purchase of sugar Mr. Hoover explained to the committee that through that method alone could refiners be paid an equitable price. He said some beet factories are making huge profits at the 7.5 cents a pound agreed upon for beet sugar, but on the other hand, a factory in Michigan and "one or two" in Colorado actually are losing money at that price. His plan, he said, is for the government to purchase from beet factories at different prices, based on the cost of production, buy cane sugars at prices on the same basis, pool the entire lot and sell to the consumer at one price.

Failure to Conserve Seen. Food conservation came up only casually during an all-day examination of Mr. Hoover but the administrator revealed that results from conservation plans formulated for hotels and restaurants had been disappointing because of the deliberate failure of some to cooperate with the administration. Those seeking to help had been forced to abandon their efforts, Mr. Hoover said, in order to meet competition. The witness believed housewives generally were conforming to the conservation recommendations.

Chairman Reed of the committee, who has been the chief critic of the food administration in the senate, did not question Mr. Hoover, Senator Lodge conducting the examination most of the day.

Late in the session, however, Senator Reed and Mr. Hoover engaged in a rather heated discussion when the witness asked to have admitted to the committee records the statement on the sugar situation which Mr. Hoover sought to submit before the holidays and which later was made public at the white house.

Chairman Reed said he wanted to examine the statement overnight and that the question of admitting it to the records would be determined later. He added that he wanted to question the witness further on it. Mr. Hoover finally declared with an apparent show of heat that he didn't "care whether it is introduced or not."

Sugar Promises Big Shortage. Mr. Hoover said the sugar supply for next year promised to be three hundred thousand tons short of the estimated demand, but it was hoped to solve the shortage by conservation and limiting of supplies to manufacturers of non-essential goods. While he thought it might be necessary to limit the per capita consumption to three pounds a month, the witness said he did not consider the principle of limitation of personal consumption sound because it tended to cause discontent among the people.

The administrator explained his desire to have the food administration's view of the sugar situation presented early in the investigation by saying that testimony before the committee that there was plenty of sugar in the country, was not proved.

(Continued on Page 6)

## U-BOATS DOWNED IN MONTH NEW RECORD IN WAR

### German Submarine Navy Now Believed to Have Begun Shrinkage

### LAUNCHINGS ARE BEHIND

### British Tonnage Sunk During December Still Remains at Low Ebb

LONDON, Jan. 2.—Eighteen British merchantmen of 1600 tons or over have been sunk by mine or submarine during the last week, according to the admiralty statement tonight. Three merchantmen under 1600 tons were also sunk. This is a material increase over the previous week when the sinkings numbered twelve, of which eleven were more than 1600 tons.

The summary: Arrivals, 2111; sailings, 2074. British merchantmen, 1600 tons or over, sunk, 18, including two previously; under 1600 tons, three; fishing vessels, none. Vessels unsuccessfully attacked, eight.

LONDON, Jan. 2.—Although the sinkings of ships of large tonnage in the past week have been rather heavy, the total for December is characterized as satisfactory, being only slightly larger than for November, which established a low record. The tonnage sunk during December was well below that of any month previous to September. Against this however, the sinkings of submarines were greater in December than in any previous month since the war began.

Launchings Thought Behind. Naval men declare that more submarines were sunk in December than the German shipyards were able to launch; so the German submarine navy may now be said to have begun actually to shrink—a process which the allies hope to accelerate rapidly with the increasing effectiveness of naval methods.

The total tonnage and clearances, while low for the past week owing to weather conditions, were larger than in November. The sinkings in the past month occurred mainly in two areas. Owing to the severe weather the submarines have been compelled to concentrate and work closer to shore. This, perhaps, accounts for the larger number of submarines caught. One of these was rammed in the most casual manner by a slow-going

(Continued on Page 6)

## WORKERS NEEDED FOR RED CROSS

### Supply Department of Willamette Chapter Urges Women to Assist

France has called: Our soldiers need bandages! The Red Cross urges Salem helpers. Hospital dressings are wanted in France and Salem's Willamette chapter is in need of willing workers to aid in preparing the bandages. Yesterday, at Red Cross supply headquarters, in the postoffice building, fifty women were necessary to assist in the work and only six came.

Every day in the Red Cross rooms above the lower offices in the post-office building, women come to assist in the "dressing" department. During the holidays there were only a few workers and consequently the unprecedented materials have amassed.

Those in charge of this division of the Red Cross work say the work must go on constantly. Every day women will be welcomed in the dressing department. Anyone can do the work. Besides there are gracious instructors to point the way for even the least uninitiated. A pair of scissors and good eyesight are the only requisites. The stunt is to draw a thread, cut the material in certain lengths and fold. That's all. It is "dead easy" as the small boy would say.

The place is easy to find, too. All doors are marked with the Red Cross on the second floor of the postoffice building. Right at the top of the stairs is a door marked "Enter Here" and that is where the work is done. A welcome is received and besides an informal social time. Mrs. Henry W. Meyers and Mrs. Milton Meyers are at the head of departments.

Women are asked to come at 9:30 o'clock in the morning, every day except Sundays. They can come and go, or sew until 4:30 o'clock in the afternoon. It is as they like. Some women bring their lunch. But, now is the time to go as, now, the work must be done.

## LABOR ASKS NEW ORDER AFTER WAR

### Democratic Control of Industry and Surplus Wealth for Common Good Demanded by British Party

### PRIVATE CONTROL BY CAPITALISTS RAPPED

### Abolition of House of Lords Urged—New Society Held Necessary

LONDON, Jan. 2.—Universal enforcement of a national minimum wage; democratic control of industry; a revolution in national finance and the surplus wealth for the common good—these are the four cardinal points of the labor reconstruction policy after the war as submitted in a draft report of the British Labor party, prepared by a sub-committee of the executive committee for submission at the party conference next June. The title of the draft report is "Labor and the new social order," and the report declares that what has to be reconstructed after the war is not this or that government department or social machinery, but "society itself."

"It" continues the report, "we are to escape the decay of civilization itself, which the Japanese statesman, Count Okuma (former premier) foresees, we must ensure the building up of a new social order."

Demobilization Plan Sought. Regarding future industry, the report complains that neither the government nor either of the great political parties has yet formulated any plans for dealing with the demobilization of the millions of soldiers, and says:

"Any government allowing discharged soldiers or munition workers to fall into the clutches of charity or the poor law would have to be instantly driven from office by an outburst of popular indignation. The labor party has refused absolutely to believe that the British people will permanently tolerate any reconstruction of the perpetuation of the disorganization waste and inefficiency involved in their abandonment to a jostling crowd of separate private employers with minds bent only on the utmost possible profiteering."

"The labor party holds that whatever may have been the shortcomings of government importation and control it has demonstrably prevented a lot of profiteering."

Private Control Rapped. "The people will be extremely foolish if they ever allow indispensable industries to slip back into the unfettered control of private capitalists who are actually, at the instance of the government itself, now rapidly combining, trade by trade, into monopolistic trusts."

After definitely repudiating all proposals for a protective tariff, the labor party calls for more warmth in politics and much less apathetic acquiescence in miseries.

The report demands the removal of all war time restrictions on freedom of speech and publication and declares against the continuance of conscription a moment longer than is imperatively required by the war. It insists upon the abolition of the house of lords and strenuously opposes any new second chamber. It demands also the nationalization of the land, railways, mines and the production of electrical power and urges the taking of the manufacture and sale of alcoholic drink out of the hands of private enterprise, "whose interest is to promote the utmost possible consumption."

The report concludes by stating (Continued on page 4)

## MEXICANS FIRE ON TRAIN AND MURDER THIRTY

### Slaughtering of Conductor and Agent Confirmed by Reports

### LOS ANGELES MAN DEAD

### Some of Passengers on Southern Pacific Train Are From Tucson

TUCSON, Ariz., Jan. 2.—A train on the Southern Pacific of Mexico was attacked this morning near Empalme, Sonora, and from twenty to thirty persons killed, according to telegraphic advices received here today. Some of the passengers were from Tucson but their names have not been received.

NOGALES, Ariz., Jan. 2.—Reports of a Yaqui raid on a Southern Pacific de Mexico train near Empalme, Sonora, early today, continued to arrive here today. A message was received by the railroad company informing it that the agent at Empalme had been killed and confirming reports at Tucson of the killing of Conductor Parades and an express messenger.

Another message reported the death of H. G. Poe, a traveling salesman of Los Angeles. Fragmentary messages received by the Southern Pacific de Mexico company and rumors brought in by Mexicans, all tend to confirm a report that twenty or thirty passengers had been massacred by the Indians.

### Congress Will Resume Session at Noon Today

WASHINGTON, Jan. 2.—Congress, in recess since December 18, will reassemble at noon tomorrow after its holiday vacation, prepared to proceed with a big legislative program. Both houses will adjourn after brief sessions tomorrow out of respect to Senator Newlands of Nevada, and Representative Bathrick of Ohio, who died during the recess, and the first important business is scheduled for Friday, when President Wilson is expected to address a joint session to outline legislation for government operation of railroads.

### Novelist Is Charged with Overpurchase of Food

LONDON, Jan. 2.—Marie Correll, novelist, and Lady Mabel Gore Langton, sister of Earl Temple, were among today's victims of the food controller's regulations against hoarding food, the former being fined £150 and £5 costs, while Lady Langton was fined £80. Miss Correll was charged with having purchased excessive quantities of sugar, in her defense she said the sugar was to be used in making jam. Lady Langton was accused of having purchased excessive quantities of tea, coffee, sugar and other provisions.

### Salem Young Men Finish Army Ordnance Courses

Four more young men of Salem have completed the ordnance course offered by the War Department at the University of Oregon and are now awaiting instructions from the war department assigning them to some encampment. It is probable that they will be sent to San Antonio, Texas.

The latest to complete the course are James Young, E. Fritz Slade, Dan J. Fry, Jr., and Ralph D. Moore. Most of them are on the draft list, necessitating an adjustment of their status for the satisfaction of the draft boards. This is done through the war department.

## 4418 SCALPS FIRST DAY'S HAUL AT OFFICE OF CLERK U. G. BOYER

### Official Thinks He Might Sell Them to be Used in Soap Factories, but Some Difficulty Might Arise; You Never Can Tell

By W. C. COWGILL. County Clerk Boyer was very proud yesterday when he was called on to "dig up" a lot of money to pay over the counter to a few farmers and farmers' sons, as scalp bounties. It was the first payment to be made under the new law.

It may be said, in passing, that the farmers and their boys are not tumbling over themselves in order to make a lot of money out of the bounty fund for the reason that last year they received 10 cents for each scalp, while this year by act of the last legislature and at the suggestion of the governor in order to save taxes only 5 cents is allowed for each scalp that is turned over to the county clerk.

The number of scalps, gopher, squirrel and "grave diggers" paid for yesterday, was 4,418. Mr. Boyer thinks, and he may have another think coming, and that, instead of turning over these scalps to the janitor of the building, for replenishing the fires in the furnace, he might sell them to some junk dealer, since the government is also calling upon all good, and patriotic citizens—and Boyer is that or nothing—to save all these kind of skins for use in soap making.

To do that, however, and not have the junk man bring them right back to his office and collect another nickel for each one, Mr. Boyer would have to buy a special "paid" stamp, and stamp each scalp as his checks for use in soap making.

"The results of the conference, as shown in the report, are most gratifying to this government, first, because they indicate that the conferees were inspired by the desire to be mutually helpful, and second, because the agreement which was reached is a step toward the realization of the principle of co-operation of the governments represented at the conference, held in Paris in the various fields of activity and through marshaling the resources of the nations at war with the central powers and co-ordinating their uses under a common authority, thus avoiding the waste and uncertainties that arise from independent action."

(Continued on Page 6)

## AMERICA TO HURRY BIG ARMY

### Constant and Speedy Dispatch of United States Forces Urged by Colonial House After War Council

### U. S. AND ALLIES TO POOL WAR RESOURCES

### Speeding Up of Merchant Shipbuilding and Close Co-operation Urged

WASHINGTON, Jan. 2.—Constant and speedy dispatches of American troops to the European battlefront is the principal recommendation made to the government by the American delegates who recently returned from the inter-allied war council at Paris.

Speeding up of the merchant shipbuilding plan and closer co-operation with the co-belligerents are other principal recommendations. This was disclosed today by the state department, which made public a summary of the result of the conference.

### Troop Tonnage Big.

Through a new inter-allied organization for co-ordination of shipping resources, arrangements have been made to devote "the greatest amount of tonnage possible for the transportation of American troops."

A definite plan was formed for utilization of American naval forces and an agreement was made with the British admiralty to effect certain plans for anti-submarine warfare.

The contribution of the United States to a pooling of war resources was agreed upon. The arrangement guarantees full equipment of every kind will be available to all American forces sent to Europe during 1918.

Arrangements were made to have the United States participate in military deliberations of a supreme war council as "a step toward efficient and centralized unity of control of military operations."

### Food Control Agreed.

Plans also were worked out whereby in order to permit the United States to visualize the problem of food control at home, Great Britain, France and Italy agreed to put in force a similar and compulsory control of foodstuffs in their countries.

The extent of the military effort to be aimed at by the United States was clearly determined and an allied advisory board was created to advise each nation on allotments of ships, so as to permit the American military effort to be realized.

The principal recommendations of the American delegates, headed by Colonel E. M. House, as President Wilson's personal representative, are:

"That the United States exert all its influence to secure the entire unity of effort, military, naval and economic, between it and the countries associated with it in the war."

U. S. Co-operation Urged. "Inasmuch as the successful termination of the war by the United States and the allies can be greatly hastened by the extension of the United States shipping program, that the government and the people of the United States bend every effort toward accomplishing this result by a systematic co-ordination of resources of men and materials."

"That the fighting forces of the United States be dispatched to Europe with the least possible delay in order to training and equipment."

The following statement by the state department was made public in connection with the recommendations:

"A review of the report filed with the department of state by Colonel House, the head of the special war mission which visited Great Britain and France in November, shows that it succeeded in its purpose of reaching a definite working plan for the prosecution of the war through co-operation of the governments represented at the conference, held in Paris in the various fields of activity and through marshaling the resources of the nations at war with the central powers and co-ordinating their uses under a common authority, thus avoiding the waste and uncertainties that arise from independent action."

Gratifying Result Obtained. "The results of the conference, as shown in the report, are most gratifying to this government, first, because they indicate that the conferees were inspired by the desire to be mutually helpful, and second, because the agreement which was reached is a step toward the realization of the principle of co-operation of the governments represented at the conference, held in Paris in the various fields of activity and through marshaling the resources of the nations at war with the central powers and co-ordinating their uses under a common authority, thus avoiding the waste and uncertainties that arise from independent action."

(Continued on Page 6)