WEATHER
Fair; moderately northwesterly winds.

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HUN REPLY TO ENGLISH SARCASTIC

Statement by Sir Eric Geddes That Sinkings Are Declining Brings Forth Sneering German Criticism

MUTINIES ON U-BOATS ARE INDIRECTLY DENIED

All of English Statements Refuted but Reasons Are Omitted

AMSTERDAM, February 12.—The full text of the reply circulated by the German Wolff bureau to The Associated Press interview with Sir Eric Geddes February 1 on the submarine war is as follows:

"The first lord of the English admiralty, Sir Eric Geddes, seized the opportunity on the anniversary of the unrestricted submarine campaign, to discuss again the usual style the results of this weapon, which is proving so disastrous to England.

"His assertion to his American interviewer that 'the sinkings of merchant ships have now been reduced to a level lower than before Germany cast aside all restrictions,' is really rather amusing. Following closely on this portion of his speech, we fortunately find the key to his belief in the confession that he, Geddes, is 'an optimist,' so far as the submarine warfare is concerned. As in all the utterances of English public men, however, this optimism is followed by an important 'but.' Geddes proceeds to say that 'ships and yet more ship' is still the most important corollary of the war. Quite right.

Sinkings Head Largest.

"Later on he says, 'destruction of allied shipping decreases steadily; construction of merchant shipping increases steadily.' Although we energetically repudiate the first part of the assertion, so far as the proportions of sinkings to the decreasing tonnage comes into the question, we must here add the 'but' which Geddes prudently omits. 'But the sinkings are stil far in excess of the number of ships being built, and that is the main point.

"During the course of the interview we hear of a fresh example of the cunning of the German official statements of submarine results in the 'factor of exaggeration.' Geddes maintains that the official figures are exaggerated, and that the German admiralty always adds a few thousands tons to keep up the level. They evidently do not yet know in England that the absolutely correctness of the statements contained in a report is a point of honor with a German officer, and equally so with the admiralty staff. Every German will readily understand that from the way in which the English reports are presented. We are obliged to explain this, because the first lord of the English admiralty has made the impudent assertion that the German admiralty falsified its reports.

Exaggeration Charge Evaded.

"Towards the end of the Geddes interview it is somewhat difficult to follow his meaning. He considers this 'curve of exaggeration' which he has discovered, as a 'fairly accurate reflection of the German official mind.' That, of course, is a matter of personal opinion, but he proceeds to state that it is an official confession that the submarine campaign is regarded as a failure by its own leaders.' The impertinent invention of the first lord is therefore a confession of the German official authorities. We are not able to follow him into these regions of higher logic.

"When Sir Eric further maintains that the German assertion that decreased sinkings are due to the decrease in the number of ships sailing is incorrect, as is proved by the English statistics of ships leaving and arriving, we think it would be well to reply by giving an illustration of the absolutely erroneous impression purposely given by the English method of drawing up shipping at statistics. The captain of a neutral merchant steamer, received by an English customs officer, whose tongue had been loosened by grog, in answer to his question as to the reason for his being sent by English officials from one port to another, and after a short time always sent on again, was given the reply that this was done in order that the number of incoming and outgoing ships might be increased for the statistics.

Mutinies Are Denied.

"The policy of secrecy concerning the sinkings of German submarines by English forces, Sir Eric asserts, is pursued because it has a deleterious effect on the nerves of the German submarine commanders. We reply to this that our submarine commanders have such strong nerves that they have been able to endure the lies told about them by the English without turning a hair. How much more easily will they be able to endure this English secrecy, the real reasons for which we can so well understand. Another statement

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LA FOLLETTE IS DENOUNCED BY ASSEMBLY VOTE

Wisconsin Legislature Condemns Senator as Disloyal to America

WEEK'S DEADLOCK ENDS

State's Name Brought Into Ill Repute Is Charge of Assemblyman

MADISON, Wis., March 6.—The legislature of Wisconsin condemned Senator Robert M. La Follette today as disloyal to the national government when the assembly by a vote of 53 to 32 concurred in the senate amended resolution. The assembly had been deadlocked for a week over the proposition and passage of the disloyalty resolution occurred at 11 o'clock this morning after an all night session.

The principal speeches today were by Assemblyman Donnelly, Democrt of Milwaukee, and Assemblyman Evjue.

"The state of Wisconsin is on trial before the bar of public opinion," said Mr. Donnelly, "the people of this state and the people of the nation expect the legislature to condemn and reubuke those in high and representative places who have sought to obstruct our government in the successful prosecution of the war.

"Senator Robert M. LaFollette has by his actions and his conduct brought the fair name of the state of Wisconsin into ill repute. The people of this nation will not be satisfied with any mere lip service loyalty. The expect us and demand of us to rise to the occasion and publicly condemn those who hamper us in our fight for democracy. This much we must do; we can do no less."

Mr. Evjue's remarks were extensive. The following is a synopsis of them written by himself:

"Assemblyman Evjue charged that money had been used in the city of Madison to further the anti-La Follet propaganda. He stated that a leader in the anti-La Follette propagandad who had been in financial straits had been advanced enough to take care of obligations of $20,00 by people who were interested in seeing the propaganda continued.

"Mr. Evjue gave facts concerning doings in the city of Madison with reference to La Follette and contended that the campaign against the senator had been manufactured by the profiteers and newspapers. He said that what was true of Madison was true of Wisconsin and was true of the United States.

"Mr. Evjue also denounced Roosevelt and said that La Follette had never said things half a objectionable as had been uttered by the colonel."

George Wolf's Thigh Is Broken When Team Runs

In a runaway accident yesterday afternoon, George Wolf, 19 years old, who lives at 290 South Fourteenth street, received a broken thigh and is now at the Salem hospital, where he is resting comfortably, considering the nature of the accident. The fracture is immediately below the hip joint.

Ben Otjen, a teamster who is employed by the Capital City Transfer company, suffered a broken leg yesterday while he was unloading steel beams from a freight car at the Oregon Electric freight depot. Monday afternoon James Savage, whose home is at 1049 Market street, received a broken leg while also engaged in unloading steel from a car.

Rev. Jacob Stocker's Auto Is Run Down by S. P. Train

An automobile driven by Rev. Jacob Stocker, pastor of the Chemeketa Street Evangelical church, and in which were members of Mr. Stocker's family, was run down by the Shasta Limited at the Twelfth and Court street crossing about 5:30 o'clock yesterday afternoon. None of the occupants of the automobile was injured. One wheel was torn from the automobile.

That the accident did not turn out more seriously is doubtless due to the fact that the train was traveling only about six miles an hour.

Kalama, Wash., Rancher Charged With Murder

KALAMA, Wash., March 6.—William Voight, Jr., a rancher living near here, was arrested today charged with the murder of Earl D. Pottruff, his neighbor-rancher, November 28, 1917. Sheriff Studebaker and Deputy Prosecuting Attorney A. H. Imus said Voight had made and signed a full confession.

Pottruff was slain while on a hunting trip with Voight, whose story that the tragedy had resulted from an accident was at first accepted. According to the officer Voight now says that his love for Mrs. Pottruff led him to slay her husband.

ARMY NOT TO CREATE NEW UNIT IN 1918

Men Summoned to Colors Will Be to Complete Existing Organizations; Draft to Operate Gradually

800,000 LIKELY WILL BE CALLED THIS YEAR

No Heavy Withdrawal Will Be Made to Embarass Harvest Is Promise

WASHINGTON, March 6.—While a large number of men will be called out during the present year to fill up the army and complete its organization, it was learned tonight that war department plans do not call for the creation of any additional divisions in 1918. The announcement concerning the second draft expected soon from Provost Marshal General Crowder may outline the manner in which less than 1,000,000 men—probably not much in excess of 800,000—are to be summoned gradually during the year to complete the existing organizations. Delay in the announcement as to the next draft is understood to be due to uncertainty as to which method of allotting quotas to the states is to be followed. The senate already has passed, and the house military committee has favorably reported an amendment to the law to base the quota on the number of men in class one instead of upon the total registration of a state. This change is regarded as certain to be made, but to avoid further delaw schedules of allotment unds both systems have been prepared at Provost Marshal General Crowder's office, ready to go out as soon as final action is taken.

Next Draft May Be in June.

As to the date of the second draft, members of congress from agricultural section have been practically assured that no withdrawal of men from civil life was contemplated which would embarrass harvesting. It has been indicated, however, that a relatively small number of men must be called to the colors prior to June 1 and that process may start in April, when equipment, clothing and quarters will be available. The men are needed to fill up to full strength divisions slated for early departure to Europe and also for field army and corps troops not attached to divisions. The replacement also must go forward at an accelerating rate since American troops are now actually holding a sector of the French front and men are being killed or wounded in action every day.

The completion of the full program of the war department without creating any additional divisions probably will absorb in the neighborhood of 600,000 men. The extent to which it has been necessary to increase artillery quotas throughout the army and to add special units of all sorts has surprised every officer and accounts for the existing shortages to a large extent.

800,000 Needed in 1918.

The number of replacement troops necessary is worked out in a scientific way, based on experience at the front. A fixed percentage for each arm of the service is established. Among the non-combatant forces this is very small, but it is quite high among front line troops. While often figures are not available, it is estmated that something more than 200,000 will be necessary for the 1918 program, making 800,000 necessary to call out during this year.

The last increments of the first draft now in process of mobilization totalling about 80,000 men are being used to fill regular and national guard divisions shown by their efficiency to be available for early duty abroad. Some of the men are being used also to fill up the special forces although an additional source of supply for highly specialized technical units is being used continuously. This is by special drafts of particularly qualified men of the trades necessary. Orders were issued today to local boards calling for 528 artisans of various sorts for non-combatant units.

Even with all of the first draft men mobilized there are considerable deficiencies among the national army and some of the national guard divisions. The first purpose of the second draft will be to make up this shortage.

51 Total Casualties of Yanks in Assault

WASHINGTON, March 6—The reporting of two privates killed and one slightly founded March 1 brings the total casualties on the day of the German attack on an American trench near Toul to three lieutenants and 19 men killed, one captain, one lieutenant and 16 men wounded and 11 men slightly wounded.

RUSSIANS WILL MAKE MOSCOW NEW CAPITAL

Removal of Ministries of Communications and Finance Is Begun

MANY QUIT PETROGRAD

Roads Leading Out of City Are Crowded With Scores of Vehicles

PETROGRAD, Tuesday, March 5.—Moscow is to be declared the new capital of Russia and the government proposes to publish a statement to this effect immediatel. Petrograd will be proclaimed a free port.

Notwitstanding the signing of peace the government is determined to transfer all the state institutions to Moscow, Nizhni-Novgorod and Kazan. The removal of the ministeries of foreign affairs, communications and finance began today. The population of Petrograd is hastily quitting the city, but there are many transportation difficulties and already the roads leading from Petrograd are crowded with all sorts of vehicles.

The Russian delegates returned from Brest-Litovsk today and will report to the executive of the soviets as soon as possible. According to the latest reports hostilities have been suspended on all fronts, the Germans having halted on the northern front along the line comprising Narva, Psov, Vitebsk, Hohilev and Orsha.

Rate-Making Authority Still to Be Decided

WASHINGTON, March 6.—Conferees of the senate and house on administration railroad control worked until late today to draft a final agreement. Only one important question, the rate-making authority, remained to be settled.

In lieu of the house provision giving the president rate-making authority and the senate plan authorizing the president to initiate rates subject to the approval of the interstate commerce commission, the conferees took up a compromise which would empower the president to appear by representative before the commission in the suggestion of rates needed to increase the carriers' revenues.

Eugene Ordnance Class Leaves for California

EUGENE, Or., March 6.—Fifty-eight members of the third war ordnance course at the Univeristy of Oregon, accompanied by Sergeant E. K. Wild, an instructor, left today for Benicia, Cal., where they will undergo further intensive training. Quite a number of students who withdrew from the university to take the course were in this class, the third turned out. Sergeant Wild will return to Eugene soon to help train the fourth class which starts work Monday under Lieutenant C. C. Jeremiah.

McAdoo Says Treasury Certificates Oversubscribed

WASHINGTON, March 6.—Oversubscription of the issue of $500,000,000 treasury certificates of indebtedness, subscriptions for which closed yesterday, was announced tonight by Secretary McAdoo. The certificates were the first to bear an interest rate of 4½ per cent and were issued in preparation for the third liberty loan.

"Subscriptions in every district except Philadelphia equaled or exceeded the tentative quota," said Secretary McAdoo's statement.

Aide to Lord Reading Arrives in United States

AN ATLANTIC PORT, March 6.—Sir Henry Babington Smith arrived here today on an American steamship from England to assist Lord Reading, Great Britain's special ambassador to the United States.

Sir Henry was formerly president of the Bank of Turkey, and as a member of the Anglo-French financial commission to the United States in 1915, had part in arranging for the Anglo-French loan of $500,000,000.

Riddle and Roseburg Soldiers Are Dead

ASTORIA, Or., March 6.—Two members of the Sixteenth company, Coast artillery, died at the post hospital in Fort Stevens last evening, Ahija L. Dean of Riddle, Or., who had been ill a short time with heart trouble, and Edgar Carlton Perrine of Roseburg, whose death was caused by pneumonia.

U-BOAT SINKS BRITISH SHIP; 46 MEN LOST

Armed Mercantile Cruiser Calgarian Is Torpedoed; Two Officers Meet Death, Admiralty Statement Says

VESSEL IS PUT DOWN BY FOUR TORPEDOES

Steamer Kenmare of Cork Sunk by Submarine With Loss of 21 Lives

LONDON, March 6.—Official announcement was made by the admiralty today that the British armed mercantile cruiser Calgarian was torpedoed and sunk on March 1. Two officers and forty-six men were lost.

There were 610 persons aboard, nearly 500 of whom have been landed at Irish ports. The Calgarian was struck by four torpedoes.

NEW YORK, March 6.—The Allan liner Calgarian, torpedoed off the Irish coast, has been for some months serving as a British cruiser, converted from the status of a merchantman, convoying cargo ships between British ports and Nova Scotia, according to officers here of the Canaidan Pacific Ocean Service, Limited, owners of the Allan line.

The Allan liner Calgarian was a vessel of 17,515 tons gross, 568 feet long and 70 feet of beam. She was built in Glasgow in 1914.

There are no published records of the recent movements of the Calgarian, which for some time has been in the service of the British government. The last report given out concerning the liner was in April, 1916, when she sailed from Halifax for England with Canadian troops.

A most unusual circumstance in connection with the sinking of the Calgarian is the fact that she was struck by four torpedoes. So far as published reports have shown, in no previous case has a merchantman been subjected to such a heavy attack by submarines. Evidently the Germans concentrated U-boats to insure the sinking of the liner.

QUEENSTOWN, March 6.—The steamer Kenmare of Cork has been sunk by a submarine. Only five of the crew of twenty-six were saved.

J. H. Launterman Isn't Candidate for Mayoralty

J. H. Lauterman denies that he has any aspiration to be mayor of Salem and says he has not even thought of it. He says he has no time to give to a position of that kind and is surprised to learn that he is considered a capitalist.

"I regret that I haven't a vast fortune and lots of hours of ease," says Mr. Lauterman, "but I am not so fortunate, hence haven't any desire to run for mayor."

Loss to British Shipping Same as Previous Week

LONDON, March 6.—Eighteen British merchantmen were sunk by mine or submarine in the last week, according to the admiralty report tonight. Of these twelve were vessels of 1600 tons or over, six being under that tonnage. No fishing craft were sunk.

Arrivals of British merchantmen at ports in the United Kingdom, 2015; sailings, 2209.

Merchantmen unsuccessfully attacked, six.

The losses to British shipping the last week were the same as in the previous week with respect to the number of merchantmen sunk. In the previous week, however, fourteen of the eighteen vessels destroyed were of more than 1600 tons.

RETIRED SOLDIER CHARGED WITH EMBEZZLEMENT

Fraud Running Into Millions Alleged in Motor Truck Dealings

GOLDSOLL PUT IN JAIL

Former French Fighter Accused of Appropriating Huge Commissions

WASHINGTON, March 6.—Charged with the embezzlement of several million dollars from the French government in dealings with American motor truck manufacturers, Frank J. Goldsoll, retired French soldier, is in jail here tonight awaiting extradition proceedings, which will begin March 20. Goldsoll is accused by the French embassy of having appropriated to his own use huge commissions on war contracts which he was sent to the United States to execute for his government.

The prisoner declined to comment on the case, but his counsey talked freely, asserting that his arrest was due to political antagonism. The French ministry, they said, looked with disfavor on Goldsoll's close affiliations with Albert Thomas, former minister of munitions, and that Thomas was the real objective of the prosecution.

Goldsoll is about 45 years old, was born of Russian Jewish parentage in Cleveland, Ohio, but went to France about twenty years ago and was naturalized there in 1911. When war was declared in 1914 he enlisted and served for a year as chauffeur for a staff officer before being retired for physical disability. He came to America in 1916 to place war orders. His counsel admits that he made large profits on the deliveries, but claims this was permitted and denies any criminal culpability. Neither the embassy nor Goldsoll's attorneys would divulge details of the transactions.

Since there can be no extradition for an offense committed in this country, Goldsoll was arrested at his hotel here an a warrant technically charging specifically the larceny of $200 in France.

Counsel for Goldsoll declared that extradition proceedings will be resisted vigorously.

Goldsoll is reputed to be quite wealthy, having been a heavy investor in amusement enterprises in France, England and Germany for the past twenty years.

Corporation's Office Raided.

NEW YORK, March 6.—Following the arrest at Washington today of Frank J. Goldsoll, accused by the French government of the embezzlement of from $3,500,000 to $6,000,000, the officers of the Alliance Motors corporation in this city were raided by Alfred H. Becker, a deputy state attorney general. Action was taken, Mr. Becker said, at the request of Ambassador Jusserand, who asked the attorney general's office two months ago to investigate Goldsoll's affairs. While Goldsoll is not an officer of the Alliance Motors corporation, he had admitted that he is one of the principal owners, according to Mr. Becker.

"It has been found," said Mr. Becker, "that Goldsoll has been in receipt of commissions ranging from seven and a half to 30 per cent from five different automobile and motor truck companies. The laws of France forbid the collection of such commissions by governmental officers. It is believed this will be the basis of charges Goldsoll will be compelled to face, should he be returned to France."

Mr. Becker said that Goldsoll had some time ago bought $3,000,000 of liberty bonds and that for the folowing twenty days he sold $100,000 a day, his sales aggregating $2,000,000. This liquidation, according to Mr. Becker, caused a material recession in the price of the bonds.

"TILLAMOOK KID" WAS CLASSMATE OF MULTNOMAH COUNTY OFFICIAL

H. R. Edmunds, known as "Tillamook Kid," said to be leader of one of the "whiskey rings" revealed in federal indictments at Portland, was a law college classmate of Chief Deputy District Attorney Collier of Multnomah county and of District Attorney Hodgin of Union county. His father is a prosperous business man at Tillamook.

George Smith, one of the Salem taxicab drivers indicted, was arrested Tuesday night by Deputy United States Marshal Mass of Portland, and with Charles Sorensen, one of the men who were engaged in carrying liquor from San Francisco to Portland, and who today completes a jail sentence here, will be taken to Portland by Deputy Mass. Thomas Cook has not yet completed his term in the county jail. After their arrest and conviction in the city court here last November, Sorensen was sentenced to thirty days in jail and to pay a fine of $150. Cook's sentence was thirty days and $300 fine. Neither could pay his fine. Sorensen was formerly assistant steward on the steamship Great Northern. He claims he was discharged November 1 and went to San Francisco to engage in bootlegging at $50 for each trip between Portland and San Francisco.

Earl Thompson, the other Salem taxicab driver indicted, is in the navy. Copies of telegrams in the possession of District Attorney Gehlhar show that the two taxicab drivers were in constant touch with the San Francisco end of the scheme.

BOLSHEVIKI NOT TO KEEP PEACE PACT

Early Reports Indicate Agreement With Germans Will Not Be Ratified Tuesday; Evacuation Is Begun

LEADERS READY TO DEFEND REVOLUTION

Rumania Signs Preliminary Treaty; Hun Reinforcements Stronger

(By The Associated Press)

Late reports from Russia indicate that the Bolshevik government probably will not keep its engagement with the Germans to ratify next Tuesday the peace pact agreed upon at Brest-Litovsk. The evacuation of Petrograd by the Bolshevik government and the pouplace already has begun and Trotzky, the foreign minister, has announced that the leaders of the revolution are prepared to fall back even to the Ural mountains, which separate Great Russia from Siberia and proclaim a holy war in order to circumvent the plans of the Germans to make the revolution unsuccessful.

Krylenko Sends Protest.

It seems evident that the Germans have not yet ceased their operations against the Russians, for Krylenko, the commander-in-chief, has sent a protest to the German commander asking whether all steps had been taken by him for a cessation of hostilities. A like message was dispatched to the Austro-Hungarian commander. The reason for the latter communication, however, is not apparent, for the forces of the dual monarchy are known to be bent on clearing Little Russia of Bolshevik in order to carry out the compact to aid the Ukrainians in establishing and administering their newly formed republic.

Whether Japanese troops are to invade Siberia and put down the disorder there and also make secure the great stores of all kinds that are in the harbor of Vladivostok has not yet been determined. In Japan the political parties are not unanimously in favor of Japanese intervention, the leader of the majority in the diet, for instance, having declared that he and his followers are opposed to the use of Japanese troops in the eastern part of the Russian empire unless conditions there grow worse and prove a menace to the status of the far east.

Rumania Signs Treaty.

Rumania evidently is on the point of effecting a separate peace with the Teutonic allies by meeting the hard demands which are to be exacted in return for a cessation of the inroads into the little kingdom, which now is absolutely isolated from its allies. The preliminary peace treaty has been signed and the armistice extended so that discussion of a formal treaty may begin immediately. Among the chief demands of the enemy is the cession of the Dobrudja, rectification of the Hungarian-Rumanian border, economic advantages for the central powers and aid in the transport of troops of the quadruple alliance through Moldavia and Bessarabia to Odessa.

American troops now have taken up another position on the front in France, and with their usual business-like methods, already have frustrated an attempt by the Germans to raid their trenches. The new position is somewhere in Lorraine. Altogether more than eight miles of trenches are now being held by Americans on the western front.

Artillery Duels Violent.

From Flanders to the Swiss border artillery duels of more or less violence are taking place on various sectors and here and there raiding parties of both sides are frequently in operation. The British have carried out successful forays against

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Former German Consul Loses Fight for Immunity

SAN FRANCISCO, March 6.—Franz Bopp, former German consul general here, and eight Hindu defendants in the Hindu conspiracy trial being held in the United States district court here, today lost their fight for immunity in the cases on trial. Judge William C. Van Fleet, before whom the case is being heard, denied the motion of counsel for Bopp and the others for immunity insofar as testimony so far given, or which may be introduced later, is concerned.

The effect of Judge Van Fleet's decision, it was said, would be that Bopp and the other defendants who sought to part company from their co-defendants, must stand or fall upon the evidence introduced against them.