

SALEM, OREGON, TUESDAY MORNING, MARCH 19, 1918

FOUR HELD AS AGENTS OF BERLIN

Persans Taken Into Custody On Espionage Charge Claim French Citizenship; Two Women in Quartette

ASSOCIATION CLAIMED WITH ALLIED OFFICERS

Lavish Spending in U. S. Causes Suspicion; Income Is Not Explained

NEW YORK, March 18.—Four persons claiming French citizenship, but who both American and French authorities say have been intimately connected with German espionage activities in the United States, were formally arrested today by agents of the department of justice. They will be turned over to immigration authorities for deportation to France.

In making known the arrest of the quartette, Charles F. De Woody, division superintendent of the department of justice, intimated that deportation of two men and two women was desired in order to place them under the jurisdiction of French authorities, who may further their prosecution.

Two women suspects caught. The four suspects have been under surveillance for several weeks, but not until two of them, a woman, styling herself Madame Despina Davidovitch Storch and an associate, designated as Baron Henri de Beville, departed for Cuba one week ago after a mysterious two day junket to Washington, did the authorities consider their apprehension advisable. They were halted at Key West, and returned here when they continued under surveillance.

The other two suspects are known as Madame Elizabeth Charlotte Nix and Count Robert de Clairmont, Count de Clairmont, the authorities said, was frequently seen in the company of Edmund Roussetot Castello, \$15 a week telephone clerk, posing as the Marquis de Castello. He opened negotiations with J. P. Morgan and company several weeks ago for a loan of \$50,000,000 for King Alfonso of Spain, of whom he claimed to be a personal representative. When Madame Storch and Baron de Beville were taken into custody a half bushel basket of papers was seized from a safe deposit box in this city which one of them had rented. A number of cable messages in code were among the papers.

Madame Storch familiar figure. Because of embarrassment which they said might result between the American state department and a neutral government which was not specified, authorities withheld comment on certain features of the investigation, particularly in connection with one of the women under detention.

Superintendent De Woody gave the following detailed history of the four suspects:

Madame Storch, also known as Madame Neizie, Madame Hesketh and Baroness de Beville, claim to have been born in Chicago, 23 years ago. She married Paul Storch, a Frenchman, from whom she was divorced in 1912. She was a familiar figure in fashionable hotels of London, Madrid, Lisbon and at the Waldorf and Baltimore in New York city.

British Record Held. "She claimed intimate association with very prominent officials of foreign governments. At the Savoy hotel, in London, she is known to have been born in Chicago, 23 years hence. British official on numerous occasions. There she was known as Madame Hesketh. It is during this time that authorities first became interested in her activities.

"A short time later, Madame Storch was reported to be en route to this country but was next located in Madrid in association with official of the German secret service.

"Though Madame Storch's living expenses were approximately \$1000 monthly since coming here in April, 1916, her explanations of the sources of her income have been unsatisfactory. She admits having received \$3000 from an official of a foreign government just prior to coming here and subsequently received three remittances of \$1000 each which she claims were loans from 'friends.'

Trip Made to Cuba. "While living in Madrid with Baron de Beville in 1915, they were accused and apprehended as being German spies, but secured their release and went to Cuba and later continued to this country.

"Last February Madame Storch obtained a French passport, under the name of Storch, to return to Cuba. She had been living at the Biltmore up to this time as Madame Neizie. Then it was noted that Baron de Beville, under that name, also had obtained a French passport for Cuba. Quite unexpectedly they were taken to Washington for two days, staying at the Shoreham hotel,

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ALLIES CONDEMN RUSSIAN 'PEACE' WITH GERMANY

Supreme War Council Issues Statement Denouncing Political Crimes

ENTENTE TO FIGHT ON

Peace Pact As Accepted Is Held to Mean Only Organized Plunder

LONDON, March 18.—The supreme war council of the allies issued a statement tonight condemning German political crimes against the Russian and the Rumanian peoples, and refusing to acknowledge Germany's peace treaties with them, and also declaring:

"We are fighting and mean to continue fighting, in order to finish once for all this policy of plunder, and establish in its place the peaceful reign of organized justice."

The council's statement, which is issued through the foreign office, says:

"The prime minister and foreign ministers of the entente assembled in London feel it to be their duty to take note of the political crimes which under the name of a German peace, have been committed against the Russian people. Russia is unarmed. Forgetting that for four years Germany had been fighting the independence of nations and the rights of mankind, the Russian government, in a mood of singular cruelty, expected to obtain by persuasion that 'democratic peace,' which it failed to obtain by war.

Russia to Weak to Protest. "The results were that the intermediate armistice had not expired before the German command, though pledged not to alter the disposition of its troops, transferred them en masse to the western front and so weak did Russia find herself that she dared to raise no protest against this violation of Germany's pledged word.

"What followed was of like character, when the German peace' was translated into action. It was found to involve the invasion of Russian territory, the destruction or capture of all Russian means of defense, and the organization of Russian lands for Germany's profit. A proceeding which did not differ from annexation, because the word itself was carefully avoided.

"Meanwhile those very Russians who had made military operations impossible found diplomacy impotent. Their representatives were compelled to proclaim that, while they refused to read the treaty presented to them they had no choice but to sign it; so they signed it not knowing whether in its true significance it meant peace or war, nor measuring the degree to which Russian national life was reduced by it to a shadow.

Entente Judgment Clear.

"For us of the entente governments the judgment which the free peoples of the world will pass on these transactions would never be in doubt. Why waste time over German pledges when we see that at no period in her history of conquest—not when she overran Silesia nor when she partitioned Poland—has she exhibited herself so cynically as a destroyer of national independence, the implacable enemy of the rights of man and the dignity of civilized nations? Poland, whose heroic spirit has survived the most cruel of national tragedies, is threatened with a fourth partition, and to aggravate her wrongs, devices by which the last trace of her independence is to be crushed are based on fraudulent promises of freedom.

Peace Treaty Not Recognized.

"What is true of Russia and Poland is no less true of Rumania, overwhelmed in a flood of merciless passion for domination.

"Peace is loudly advertised, but under the disguise of verbal professions lurk the brutal realities of war and the untempered rule of a lawless force. Peace treaties such as these we do not and cannot acknowledge. Our own ends are very different. We are fighting and mean to continue fighting, in order to finish once and for all, with this policy of plunder and to establish in its place the peaceful reign of organized justice.

"Accidents of this long war unroll themselves before our eyes, more and more clearly do we perceive that the battles for freedom are everywhere interdependent; that no separate enumeration of them is needed and that in every case the single, but all-sufficient, appeal is to justice and right.

"Are justice and right going to win? Insofar as the issue depends on battles yet to come, the nations which stand in the balance may whose fate is in the armies, surely put their trust in the armies, which even under conditions more difficult than the present, have shown themselves more than equal to the great cause entrusted to their valor."

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DUTCH SHIPS TO BE TAKEN OVER TODAY

Reply to British-American Shipping Ultimatum Is Momentarily Expected; Acceptance Not Intimated

COURSE OF AMERICA REMAINS UNCHANGED

Ships Taken Over to Be Provided With Armed Guards In Sailing

WASHINGTON, March 18.—Preparations for taking over Dutch merchant ships in American ports tomorrow were completed tonight, while the government expected momentarily to receive from London the Dutch reply to the British-American shipping ultimatum.

Officials here said they had no intimation of what the reply would be, whether it would accept the allies' demand for a transfer of Dutch tonnage now in American and British waters or would endeavor to open further parleys in an effort to satisfy both the allies and the Germans.

U. S. Course Not Changed.

Officials plainly indicated that the latter course would not find favor here.

Today was the last day given for the Dutch government to make reply. Allowing for cable delays, the United States will wait until tomorrow and then will proceed to requisition the tonnage in accordance with the demand made several days ago. It was stated authoritatively that nothing had occurred to change either the terms of the proposals to Holland or the government's determination to carry the matter through to a conclusion.

The navy department will take control of the ships which will be provided with armed naval guards and manned with civilian and naval reserve crews to supplement the Dutch crews or replace such of the foreign sailors as desire to leave the boats. It is probable that civilian sailors and reservists will not be used together on the same boat, because of differences in discipline and pay which might promote friction.

Sixty-eight Ships in Port.

It was learned today that there are sixty-eight Dutch ships in ports of the continental United States, their tonnage aggregating 479,000. Others with a tonnage of about 130,000 are in the island possessions of this country, and upward of 400,000 tons are in British waters. All of the vessels are in first class condition and include some of the best merchant ships ever built, at least ten of them being among the fastest cargo carriers afloat. It is likely that most of them will be put to carrying foodstuffs, the cargoes being allotted by the ship control committee.

Cargoes which some of the ships had loaded provide one of the problems yet to be decided by American officials, who declined to say whether the ships would be allowed to proceed under the American flag or would have to unload and take other goods.

AMSTERDAM, March 18.—The

Belgian correspondent of the Handelsblad says the German standpoint is that no Dutch ships should be allowed to leave Holland for America unless a corresponding Dutch ship is returned to a Dutch port from abroad and that the Dutch ships now in Holland must remain outside the reach of the entente.

If Holland yields on these points the correspondent adds, German interests would be so strongly assailed that friendly relations between Germany and Holland would be greatly imperiled.

Conditions Laid Down.

THE HAGUE, March 18.—The Dutch foreign minister, Dr. Louzon, in the second chamber today, made the following statement with regard to the Anglo-American demand with respect to Dutch shipping:

"The German government, having declared its inability to furnish 100,000 tons of wheat in two months, the Dutch government makes its consent conditional. Follows are the conditions:

"Holland ought to be able to count on sharing the tonnage provisioning the different countries, in accordance with the draft agreement of London. Bunker coal necessary for the transport of merchandise to Holland ought to be furnished to Dutch ships. The allied governments should guarantee that no troops or war material will be transported on the ships, which should be unarmed; that the crews may be free to participate in navigation and that vessels destroyed are

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SENATORS BEGIN FIGHT TO RAISE PRICE OF WHEAT

Increased Farm Costs and Necessity for Bigger Production Cited

BACKERS NOT HOPEFUL

Opposition Urges Conservation Instead of New Price of \$2.50

WASHINGTON, March 18.—Western senators renewed their fight for a higher guaranteed wheat price today, citing the ability of farmers to make more money raising other cereals, shortage and increased cost of farm labor and vital necessity of insuring adequate wheat supplies.

The debate was on Senator Gore's proposal to increase the price for the 1918 crop to \$2.50 per bushel. A two-thirds majority is required to suspend the rules for action on the proposal, and its advocates are said not to be hopeful of mustering the necessary votes.

Wheat price fixing, Senator Nelson of Minnesota, Republican, asserted, has been an "abject failure." He advocated an open market with prices fixed only by natural laws, or extension of price fixing to other cereals.

While expressing reluctance to increase the cost of living by raising wheat prices, Senator Kellogg of Minnesota declared such action absolutely necessary in order to stimulate production.

Other senators speaking in support of the Gore amendment included Borah of Idaho, Curtis of Kansas and Norris of Nebraska, all Republicans.

The result of fixing wheat prices much lower than would be obtained in the open market, Senator Norris said, "caused increases in prices of substitutes which the consumer was made to buy by the food administration. So for the sake of getting lower wheat prices for the allies, we raised prices of everything else to the American people."

He added that wheat must be produced regardless of cost.

Conservation of wheat substitutes was urged by Senator Sherman of Illinois, Republican. He read the Bible story of the loaves and fishes, observing that the bread was of barley and asserting that two billion gallons of beer were made from barley last year. Use as food of cereals now being made into beer, and its imitations was urged by the Illinois senator.

Portland Trades Council Asks Montague's Removal

PORTLAND, March 18.—On the allegation that Richard Montague, mediator for the federal wage adjustment board, is failing to enforce the terms of a two shipyard wage agreement in two shipyards here, the Portland metal trades council today telegraphed to Chairman Hurley of the shipping board an appeal for Montague's removal.

Mr. Montague denies that he is failing to enforce the agreement, declaring that the learners' wage is the question at issue, and that he has been assembling evidence on this problem, and contemplates giving the council an early hearing.

Snow Plow Pilot Meets Instant Death

SKAGWAY, Alaska, March 18.—James Collinson, pilot of a rotary snow plow on the White Pass and Yukon railway, was instantly killed this afternoon when the plow turned turtle at McCrea spur north of here. E. J. Barry, engineer of the plow, received burns that may cause his death. Two other men aboard the plow escaped by jumping.

A wrecking crew with physicians and nurses has been dispatched from here.

H. D. ST. HELENS DIES SUDDENLY

Prominent Salem Man Passes Away in Hospital After Operation

Henry Darline St. Helens, 236 Court street, well known Salem resident, died suddenly at a local hospital at 12:30 o'clock this morning. He was removed to the hospital at 5 o'clock yesterday afternoon and was operated on after a week's illness.

Mr. St. Helens had lived in Salem over thirty years, and was a skillful tuner of instruments. He was prominent in lodge circles of the city, being a member of the Moose, Artisans, and Woodmen of the World. He was 58 years old.

WIEST NAMED FOR VACANCY IN COUNCIL

Melson's Successor Is Chosen by Vote of Alderman, Is Sworn In and Participates in Meeting

RETIRING MEMBER IS HONORED AT DINNER

Ordinance Bills Restrict Dancing and Provide Long and Short Terms

W. A. Wiest was last night elected by the city council to fill the vacancy on the council caused by the resignation of Alderman Roy S. Melson. J. N. Skafie was also placed in nomination and drew three votes to Wiest's seven, four members being absent. Mr. Wiest was sworn in and participated in the session.

Mr. Wiest is an attorney, but recently dropped his practice to accept the position of deputy clerk of the state supreme court. He becomes one of the representatives of the sixth ward. He will fill the committee positions held by Melson.

Before the opening of the session last night the members of the council and Mayor Keyes honored Mr. Melson, the retiring member of the council at a dinner at the Marion hotel. Mr. Melson goes to Alberta to engage in farming.

Alderman Charles H. Jones was in his chair at the meeting last night after an absence of about eight months because of illness.

Another election of the council last night was that of Harry Rowe to a position on the police force to take the place of H. H. Lucas who resigned to accept a position in the Busick grocery store.

Several important ordinances were given first and second reading last night. One of them proposes a drastic regulation of dance halls which would eliminate the so-called "shadow" and "moonlight" dances, or any dance conducted in a darkened room. It would prohibit the attendance of any persons under 16 years old not accompanied by parent or guardian and place a ban on smoking in the dance hall or in adjacent halls or corridors.

Another ordinance bill proposes to amend the city election ordinance to conform to the new state consolidated election law, and for the present year makes it necessary to elect aldermen for long and short terms. The ordinance as read proposes a two- and a three-year term, but this is to be changed when the bill is read at the next meeting to a two- and a four-year term, and after this year all elections, if the ordinance is passed, will be for four-year terms, half the aldermen retiring every two years.

A resolution was adopted directing the city attorney to begin foreclosure proceedings against property owners who are delinquent in street assessments for not less than five years and who have not bonded.

A resolution was adopted and will be presented to the public service commission asking that the city be relieved from the application of the warning signs statute.

Action of the street committee in selling a horse for \$150 was ratified.

The committee reported adversely on the proposed purchase of an automobile for city use and the report was adopted.

A petition signed by eight residents of Rural avenue was read asking for the improvement of the street by draining and grading. The district extends from Commercial street west. The petition was referred to the street committee.

N. W. Faught was awarded a contract to build a sidewalk on Wilson street.

Wilson to Tell Attitude Toward Russia Is Belief

WASHINGTON, March 18.—After a call at the White House today Senator Lewis of Illinois, the Democratic whip of the senate, indicated his belief that President Wilson would make known to the country soon the attitude of the government toward the Russian situation. He said it was safe to say the president would fulfill his promise that there would be no secret diplomacy.

German Barrage Turned on American Troops

WITH THE AMERICAN ARMY IN FRANCE, March 18.—An American patrol composed of troops (name depleted) in the sector east of Lunville early this morning were discovered by the Germans who put down a heavy barrage, the shells striking among the party. Intermittent artillery fire proceeded on this front all day.

U. S. AVIATION PROGRAMME TO COMBINE BEST

Finely Tempered Air Battalions in France Impress Secretary Baker

SCHOOL GROWING FAST

Graduation of Aviators Is Regular; 97 Per Cent Efficiency Reached

ON BOARD SECRETARY BAKER'S SPECIAL TRAIN IN FRANCE, March 16.—Newton D. Baker, the American secretary of war, is making important decisions in France upon such questions as in his judgment require immediate action. He is gathering knowledge for future use upon many aspects of the situation of the American army but problems pressing for a settlement he solves on the spot.

Thus today in the headquarters of one of the American aviation centers, Secretary Baker inquired if all of the host of aviators sent first from America were first to complete their training in France and if all of them had been commissioned. The chief of the aviation told the secretary that all of them had not yet, because of reasons which he explained, had a chance to take their final training.

The secretary went into the subject. He directed at the conclusion of the inquiry, with General Pershing's approval, that aviators so delayed should have their commissions, when they were ready for them, dated a day ahead of those issued in America to men who had entered the service later, because these men had a right to their priority.

When the secretary's train came into the aviation region the sky was darkly overcast and the clouds were of a blue gray color, which the aviation observers say constitutes the finest background for seeing air work. Many monoplanes and biplanes awaited the secretary's arrival upon the field. Then with a rush one after another took the air until toward the end of the morning 100 machines were in flight and every machine was driven by an American. Individual aviators practiced maneuvers used in combat, such as reversing the direction of the flight by turning edgewise upon wing, spinning in nose dives. Then there were evolutions in stotilla formations of five after that in squadrons of fifteen.

"With all these machines in the air," remarked a French officer, "we see no more than a tenth of what America has in this one school."

"You will soon have no more need for French instruction. We have shown everything we know and your young men have taken to the art with astonishing facility, as well as audacity, nerve and resource. The danger and difficulties fascinate and inspire them. I think it must be what you call the sporting spirit."

"Yes," said one of Mr. Baker's direct, "so many of these men are direct from our colleges and universities. They are football and baseball players."

Secretary Baker discussed with various of the aviators themselves the differences between the machines. He brought to the subject much knowledge of detail and interest. He spent hours talking with the men and examining with them the types of machines, some of which he saw for the first time.

The closing incident of the morning's air training was a combat and the escape of one plane when attacked. The secretary watched with intense interest. He then visited the machine shops and setting-up shops and the storage buildings. He had explained to him the school organizations, which include eight classes, each with a separate camp. Sharp sporting rivalries exist among them.

St. Patrick's day was celebrated by six games of baseball among the twelve league clubs. The Young Men's Christian association and Red Cross have restaurants and club rooms in the aviation area, both admirably managed.

The party left with the conviction that America's effort is already a powerful one; that it combines the best to be found in the French and British service, in addition to American developments and that an organization has been created capable of schooling finely tempered air battalions. The aviation school in question has reached 97 per cent of its expected efficiency. Graduating classes are turned out with steady regularity because of the speed with which the students reach the level of competent aviators. But this depends, of course, upon the amount of flying, which has been uncommonly abundant this spring.

I. W. W. Is Given Coat of Tar and Feathers

YAKIMA, WASH., March 18.—Secretary Myers of the Yakima local of the I. W. W. was taken a mile out of town at midnight tonight and given a coat of tar and feathers and told to leave town.

ENTENTE TO START OWN OFFENSIVE

American, French, British, Belgian and Portuguese Troops Maintain Control Over Western Front

BELGIANS TAKE OVER SECTOR IN FLANDERS

As Verdun Sectors Grow Active, Teutons Capture Rich Wheat Center

(By The Associated Press)

As the allied world has day after day read the official reports from the allied and Teuton war offices in the hope that some inkling of the real situation would present itself, the realization has come home that the American, French, British, Belgian, Portuguese troops are maintaining their control over the western front. The long expected German drive has not materialized and the allies threaten to start an offensive of their own. The Verdun and Vosges regions are apparently the centers where big events may develop.

In the Vosges mountains the artillery fighting is reported to be very heavy although no infantry actions have been mentioned in the war office statements.

Belgian Army in Flanders. One of the most encouraging features of the war news may be found in the fact that the Belgian army, reorganized and ready for battle has taken over the important coast sector in Flanders. This part of the western front has heretofore been held by the French, although British troops have made their appearance there at various periods.

Heavy guns are battering the American sectors along the front, and many shells of large caliber have fallen. Here, however, the American guns have replied with good effect and the excellent weather of the past few days has given American aviators an opportunity to take pictures of the terrain back of the German trenches. Apparatus installed preparatory to another gas raid on the Americans has been destroyed by American artillery fire, while American raiding parties, following out their traditional Indian fighting tactics, have kept absolute control of the territory between hostile lines.

Teutons Capture Nikoloy. In spite of the fact that the all-Russian congress of soviets has ratified the treaty of peace forced by the Germans at Brest-Litovsk, advance of the Teutons especially in Southern Russia, continues. In Southern Ukraine the capture of the important city of Nikoloyev where held by the French, although British troops have made their appearance there at various periods.

Reports from Siberia continue to be grave. Liberated German prisoners of war are said to be cooperating with the Bolshevik leaders and on March 1, participated in a battle with the forces led by General Semenov, the non-Bolshevik leader.

Austrian Attempts Frustrated

On the Italian front there have been raiding operations from the mountains to the sea and attempts by the Austrians to cross the River Piave have been frustrated.

The air forces of the contending armies have been very active during the past few days and British naval aviators alone have disposed of 10 enemy machines in the period from Thursday to Sunday. Italians brought down five enemy machines on Sunday. On Saturday the French accounted for seven while four other German airplanes not previously reported were destroyed last week. The Germans claim to have shot down 22 allied machines on Sunday.

Workmen Try to Form Republic in Siberia

Tokio, March 18.—The Workmen's and Sailors' association has been making efforts to form a separate Siberian republic, according to a special dispatch from Irkutsk. A meeting for this purpose was ordered dissolved and red guards arrested those who refused to obey the order, including the chairman.

Oregon Hospital Corps Ordered to Mobilize

PORTLAND, March 18.—Orders were received today for immediate mobilization of base hospital 46, under direction of Major R. C. Yenney, here. The unit is composed of residents of Oregon.