

WEATHER
Fair; moderate southwesterly winds

The Oregon Statesman

DAILY EDITION

SIXTY-SEVENTH YEAR—NO. 38

SALEM, OREGON, THURSDAY MORNING, MARCH 23, 1918

PRICE FIVE CENTS

ENGLAND IS GAINING ON SHIPS LOST

Eric Geddes, First Lord of Admiralty, Tells Exact Losses During War; Low Point Reached in 1916

DORD PIRRIE NAMED BUILDING CONTROLLER

World Losses May Be Replaced With Supply of Men and Materials

LONDON, March 20.—One of the most important statements made to the country recently was the speech delivered in the house of commons today by Sir Eric Campbell Geddes, first lord of the admiralty. He announced the demand which has become general recently that the country should be told the exact amount of the shipping losses and he also announced the appointment of Great Britain's foremost builder, Lord Pirrie, as controller general of merchant shipbuilding.

Lord Pirrie will not be a member of the board of admiralty, but he will have direct access to the premier and the war cabinet. His appointment, it is indicated, will be received with the greatest satisfaction. Sir Eric's speech was a simple statement of facts with no oratorical flourish. He was listened to more attentively than the most eloquent orators in the government.

The total allied and neutral tonnage is now 42,000,000. Sir Eric stated, the fact that it is at this figure being largely due to the new construction by the United States and the seizure of German ships. The output of new tonnage, continued the first lord, was very low in 1915 and reached its lowest point in 1916. This decline had been coincident with the increased output of munitions and before the intensified submarine warfare began Great Britain was 1,300,000 tons to the bad. During the last quarter of 1917, said Sir Eric, the allies were averaging within 100,000 tons monthly of making their losses good and were thus making 75 per cent of their lost tonnage.

Shipbuilding Is Gaining. At the present time, the first lord went on, forty-seven shipyards with 209 berths were engaged on ocean-going merchant vessels. The shipyard work was completely disorganized during the first two years of the war from various causes, he explained, but nevertheless there had been an enormous accomplishment by the shipbuilding industry.

Monthly Loss 200,000 Tons. It was well within the capacity of the allied yards and even of the British yards, Sir Eric declared, to make good the world's losses if given an adequate supply of men and material. In the fourth quarter of 1917 the foreign construction was 512,000 tons, he stated, giving a total output of 322,000 tons, while the losses in the same period were 1,200,000 tons, which were the lowest since the intensive submarine war began.

Great Britain had lost on the average of 260,000 tons monthly during the last quarter of 1917 and had built 140,000 tons monthly, the first lord announced. British shipping had suffered the most, he pointed out, but the British had contributed the greatest naval effort of the allies and had sustained the greatest attack and should not bemoan their loss.

TROTZKY ASKS AMERICANS TO HELP NEW ARMY

Mission Requested to Furnish Officers to Train Volunteer Fighters

QUERIES ARE ANSWERED

Entente Changes Attitude Toward Soviet; Regular Quarters Taken

MOSCOW, March 19.—Leon Trotzky's reply to the entente allies' inquiries concerning reports that the Bolsheviks had armed thousands of German and Austrian war prisoners in Siberia who now threatened the trans-Siberian railway was: "Send trained officers and investigate. I will give you a train."

The offer was accepted and tonight Captain William R. Webster, of the American Red Cross, and Captain W. L. Hicks of the British military mission, left for Irkutsk, Tchita and other points where the Germans are reported to be provided with rifles, field pieces and ammunition.

The Bolshevik papers charge that the reports of the menace of armed German and Austrian prisoners in Siberia is part of the German propaganda to discredit the soviet government and encourage Japanese intervention.

Seventeen British Ships Are Sunk During Week

LONDON, March 20.—The admiralty reports the loss by mine or submarine of seventeen British merchantmen last week. Of these eleven were 1600 tons or over, and six under that tonnage.

Two fishing vessels were lost. Eleven merchantmen were unsuccessfully attacked.

The losses of British merchantmen in the last week are slightly under the losses of the three preceding weeks, when during each of those periods eighteen vessels were sunk by mine or submarine.

Lenroot Has Lead in Contest in Wisconsin

MILWAUKEE, WIS. March 20.—More or less complete returns from every county in the state this evening sustained the lead of Congressman Irvine L. Lenroot, the Loyalty Republican candidate for senator, in yesterday's primaries.

Related returns today gave him 2326 more than James Thompson, the La Follette candidate.

AMERICANS USE GAS ON HUN FORCES

Quietude Reigns in Enemy Regions After Four Sectors in Vicinity of Toul Are Shelled With Violence

FRENCH ATTACKED; DUELS ARE VIOLENT

Petrograd Is Menaced by Advance of Germans; Baker Takes Chance

All along the western front the activity of the fighting forces still has been held down to small infantry attacks and artillery duels which on some sectors have been quite violent. To the French again has fallen the task of facing the fiercest German delivered numerous attacks but all of them were put down with sanguinary losses to the attackers.

At several other points the Germans also have endeavored to penetrate French positions, but everywhere have been beaten off.

The American troops on the Toul sector have been giving the Germans, and effectively, a dose of their own favorite weapon—asphyxiating gas. Four different sectors of the Germans were gas-shelled and the quietude of the enemy upon all of them afterward indicated that the gases had had the desired effect.

On their part the Germans have adopted another new plan of warfare which the American troops on the sector attacked described as "dirty work." This was the dropping from an airplane of large rubber balls filled with mustard gas. None of the American troops was injured in the attack.

Secretary of War Baker has had a narrow escape on the American front. A German shell burst within forty yards of his automobile but did no damage.

In Russia the Germans and Austrians are still advancing. Petrograd is being menaced by a force of Germans which is operating 150 miles south of the former capital, while in the south Kharkov is being approached by combined forces of the enemy. Even Moscow is reported to be in danger and there is talk of again moving the capital.

PRO-HUN TALK BRINGS WHIPPING

Farmers of German Descent Dragged From Bed and Made to Kiss Flag

ALTUS, Okla., March 20.—Two farmers of German descent, alleged to have made pro-German remarks, early today were dragged from their beds by bands of "Knights of Liberty," forced to kiss the American flag, flogged with blacksnake whips, tarred and feathered and driven from their homes with orders not to return.

Today every road intersection in Jackson county is posted with notices to "pro-Germans and slackers," to leave the county or suffer treatment similar to that dealt to the farmers.

U. S. TO NEED EIGHT BILLIONS BEFORE JUNE 30

After Receipts Are Figured, \$4,000,000,000 Will Be Required

SUM BELOW ESTIMATE

Interest Rate and Amount of Liberty Loan Still Are Undecided

WASHINGTON, March 20.—Imminence of Secretary McAdoo's announcement of the size and interest rate of the third liberty loan to open April 6, gave special importance today to a treasury announcement of government receipts and expenditures, from which might be calculated with fair accuracy the sum the government would need before the end of the fiscal year, June 30.

Outstanding features of these figures, as unofficially analyzed, were that war costs are not increasing from month to month, as has been expected, and that ordinary expenses and loans to the allies in the next three and one-third months probably will not be much over \$4,000,000,000. To this must be added the necessary outlay of about \$3,155,000,000 to redeem certificates of indebtedness now outstanding and maturing before June 30; \$500,000,000 for a railroad administration revolving fund; \$500,000,000 for the government's capital in the war finance corporation whose creation is expected soon, and \$500,000,000 to provide a current work balance at the end of the year. These would make a total of \$8,655,000,000 needed between now and June 30.

Working Receipts Shown. On the other side of the books might be placed the \$853,000,000 working balance on hand today; \$2,816,000,000 estimated receipts from income and excess profits taxes and other internal revenue sources; \$75,000,000 estimated miscellaneous receipts; \$43,000,000 estimated customs receipts; approximately \$200,000,000 revenue expected from sale of war savings stamps and thrift stamps, and \$500,000,000 to be received in the next three days from a current issue of certificates. These would make a total of nearly \$4,500,000,000 which might be expected to flow into the treasury between now and June 30 from other sources than the liberty loan.

Sum Less Than Estimated. On this basis of calculation, the difference to be provided for would be about \$4,000,000,000 and \$5,000,000,000. This sum is much less than had been calculated in the past as necessary on the basis of estimated expenditures of government departments and loans to allies.

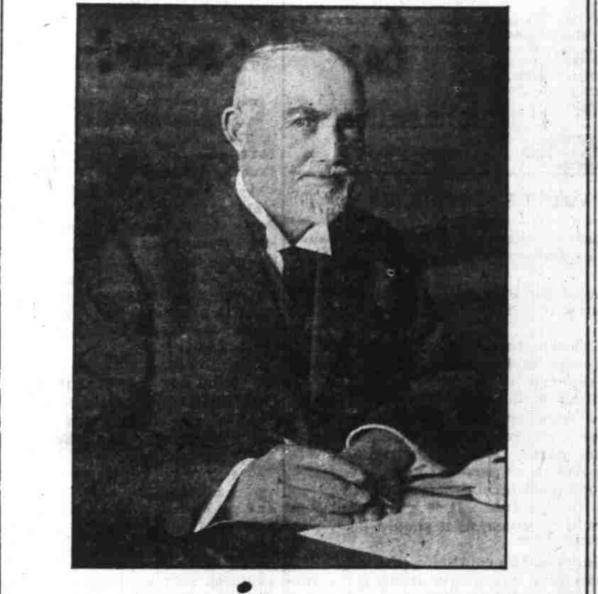
These figures do not necessarily disclose the size of the third liberty loan, for other elements of financial mechanics, judgment of the money market and appraisal of popular feeling enter into the actual determination. The figures are essential to adjust differences by fair discussion and to promote a maximum efficiency of industries that are related to the war.

The governor pledges himself to do all in his power to assist the president in making the nation's power effective in the war and reminds the public that he has devoted his efforts "to maintain at white heat the devotion of the people to the great cause of liberty and democracy for which the country is fighting."

Industries Are Commended. Governor Withycombe commits himself to strict law enforcement and support of prohibition and equal suffrage. He promises close attention to the problems of factories and the livestock and agricultural industries, and to a modern method of conducting the state institutions.

Legislation May Be Needed. If the interest rate is to be above four per cent, legislation also will be required for that. It is considered probable that the secretary will also ask for authority to issue a much greater amount than actually will be floated in the third loan and that the balance will be issued in the next fiscal year.

GOVERNOR JAMES WITHYCOMBE, who today announces platform on which he will seek re-election, and who calls people to do their full duty to help win the war. Governor Withycombe pledges his support to the president in his efforts to make the power of the United States effective in the world conflict.



PATRIOTIC SPIRIT PREVAILS IN WITHYCOMBE'S ANNOUNCEMENT

Governor Submits Platform on Which He Stands as Candidate for Re-election—Will Ask State to Do Maximum Duty Toward Winning War, and Industries With Government Contracts Must Be Encouraged

In announcing today the platform on which he will stand as a candidate for re-election, Governor Withycombe submits to the electorate of Oregon a policy which he believes will cause the state to do its maximum duty toward the winning of the war. The war spirit prevails in the governor's announcement. "No sacrifice is too great," he says, "if it looks to the triumph of the forces battling for international righteousness."

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More than \$1,000,000,000 in certificates of indebtedness remain to be issued in the next few weeks before the end of the liberty loan campaign and will be redeemed from proceeds of loan. They provide a means of distributing receipts and disbursements over a long period and avoid sharp disturbances of the money market.

The treasury announced today that government departmental expenses, most of which represent war bills and loans to allies in the eight and two-thirds months of the current fiscal year, have been \$7,534,000,000. Recently these expenditures have been running at the rate of about \$1,000,000,000 a month.

BOATS OF DUTCH TO BE SEIZED

American Ultimatum for Transfer of Tonnage Is Rejected by Holland; President Wilson Orders Seizure in Proclamation

NEUTRAL TO RECEIVE AMPLE FOODSTUFFS

Peculiar Position of Little Country Realized and Action Is Taken Only After Final Word Arrives

WASHINGTON, March 20.—All Dutch shipping in American waters was ordered seized tonight in a proclamation by President Wilson.

The proclamation was issued after the war trade board received word from London that Holland had refused the American ultimatum for a transfer of the ships according to the original agreement which Germany blocked. All Dutch shipping in British waters is being requisitioned simultaneously.

Approximately 77 vessels with a tonnage estimated as high as 600,000 will be added to the American merchant marine. The ships in British waters will add another 300,000 or 400,000 to the allied tonnage.

Holland Rejects Demand. President Wilson's proclamation taking over the ships was issued only after word finally came from London that Holland's delayed reply was a rejection of the British-American demand. The government had waited more than forty-eight hours beyond the time when Holland had been requested to make a decision as to whether she would carry out the original pact or submit to requisitioning. Every effort was made to avoid drastic action as transfer by agreement was sought, rather than by seizure, although the latter is an exercise of sovereign rights justified in international law and practiced by all nations.

As late as six o'clock tonight it was disclosed that President Wilson during the day had been informed of the delay in the Dutch reply, with the request that he indicate whether or not the requisitioning should proceed. He decided to await the formal reply, which proved unacceptable, although under other conditions it might have served as a basis for further negotiations.

President Orders Seizure. The president's proclamation was issued immediately, authorizing the navy to take over the vessels, which will be equipped and operated by the navy department and the shipping board, the Dutch crews being supplemented by American civilian sailors and naval reservists. Compensation will be made to the owners as required by law.

Although the ships have been taken over without any formal agreement, the United States proposes to carry out scrupulously the terms of the original pact, so that Holland shall receive ample foodstuffs and will be protected in her colonial trade by having sufficient tonnage to maintain her commerce.

President Wilson authorized tonight the following statement: "For some months the United States and the entente have been conducting negotiations with the Dutch government with the object of concluding a general commercial agreement.

Strikes Lasts Two Hours and Men Return to Work

MISSOULA, MONT., March 20.—After a strike lasting two hours, 15 union linemen employed by the Postal Telegraph company between Missoula and the Pacific coast, returned to work today, their demand for increased pay having been granted. The men are to receive \$4.75 a day instead of \$4.50, it is declared.

Alleged Pro-Huns Forced to Kiss American Flag

ALTUS, Okla., March 20.—Two alleged pro-Germans were compelled to kiss the American flag, tarred with blacksnake whip and tarred and feathered here today.

South Dakota House Ratifies Prohibition

PIERRE, S. D., March 20.—The lower house of the South Dakota legislature tonight ratified the federal prohibition constitutional amendment, making South Dakota the tenth state to accept the amendment. The senate unanimously ratified the measure yesterday.

Government Exonerates Captain of Steamer

JUNEAU, ALASKA, March 20.—Government inspectors this morning exonerated Captain C. A. Glascock of the steamship Admiral Evans, of blame for the vessel's wreck ten days ago at Hawk Inlet, near here. The inspectors held that the wreck was an accident caused by an uncharted rock. Work of raising the ship is expected to begin within a few days.

EUGENE OUSTS JACK SPORES

Tar and Feathers Threatened for Seditious Utterances in Lane

EUGENE, OR., March 20.—Over fifty determined citizens of Eugene, riding motorcycles, late tonight escorted Jake Spores of this city to the Benton county line near Junction City and admonished him, on pain of severe punishment, not to return.

Materials for a coat of tar and feathers were taken along, but upon promise that he would not return to the city, were not used.

(Continued on page 6.)

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