

U. S. REJECTS PEACE OFFER

German Empire Not Now to Be Trusted, Says Wilson.

AMERICA DECLARES FOR A REAL PEACE

Object of War Is to Deliver World From Power Now Balked But Not Beaten — Permanent Peace Only Is Desire.

Washington, D. C.—President Wilson has rejected the Pope's peace proposals.

In a note dispatched Monday night and made public here Tuesday night the President says that, while every heart not blinded and hardened by the terrible war must be touched by the moving appeal of his holiness, it would be folly to take the path of peace he points out if it does not in fact lead to the goal he proposes.

To deal with such a power as the present rulers of Germany upon Pope Benedict's plan, declares the President, would involve a recuperation of the strength and renewal of the world domination of that power, now balked, but not defeated, after sweeping a continent with the blood of innocent women and children and the helpless poor, as well as of soldiers.

Permanent peace must be based upon the faith of all the peoples and upon justice and fairness and the common rights of mankind, he adds, and "we cannot take the word of the present rulers of Germany as a guarantee of anything that is to endure, unless explicitly supported by such conclusive evidence of the will and purpose of the German people themselves as the other peoples of the world would be justified in accepting."

The text of the President's note to the Pope follows:

To His Holiness, Benedictus XV., Pope:

In acknowledgment of the communication of Your Holiness to the belligerent peoples, dated August 1, 1917, the President of the United States requests me to transmit the following reply:

"Every heart that has not been blinded and hardened by this terrible war must be touched by this moving appeal of His Holiness the Pope, must feel the dignity and force of the humane and generous motives which prompted it and must fervently wish that we might take the path of peace he so persuasively points out. But it would be folly to take it if it does not in fact lead to the goal he proposes.

"His Holiness, in substance, proposes that we return to the status quo ante bellum and that there be a general condemnation, disarmament and a concert of nations, based upon an acceptance of the principle of arbitration; that by a similar concert freedom of the seas be established; and that the territorial claims of France and Italy, the perplexing problems of the Balkan States and the restitution of Poland be left to such conciliatory adjustments as may be possible in the new temper of such a peace, due regard being paid to the aspirations of the peoples whose political fortunes and aspirations will be involved.

"It is manifest that no part of this programme can be successfully carried unless the restitution of the status quo ante bellum furnishes a firm and satisfactory basis for it. The object of this war is to deliver the free peoples of the world from the menace and the actual power of a vast military establishment controlled by an irresponsible government which, having secretly planned to dominate the world, proceeded to carry the plan out without regard either to the sacred obligations of treaty or the long-established practices and long-cherished principles of international honor; which chose its own time for the war; delivered its blow fiercely and suddenly; stopped at no barrier either of law or of mercy; swept a whole continent within the tide of blood—not the blood of

Swiss to Limit Bread.
Berne, Switzerland—The Federal Council has chosen October 1 as the definite date when the bread card system will be introduced in Switzerland. The daily consumption will be limited for the time being to 250 grammes per person, plus 500 grammes of flour monthly. The council also took measures to reduce the coal consumption, especially through the conservation of electrical energy. Each canton is ordered to save coal by the early closing of moving picture and public establishments.

"Command" Is Used Again.
Petrograd—Lieutenant General Korniloff, commander-in-chief of the Russian army, has issued orders for a resumption of strict training for all the military forces, the free time of the soldiers to be devoted to gymnastics, drills and games, and for a cessation of all discussions. "Henceforth the only language in the army is command." This is significant, in view of abolition of the use of the word "command" since the revolution.

soldiers only but the blood of innocent women and children also, and of the helpless poor, and now stands balked but not defeated, the enemy of four-fifths of the world.

"This power is not the German people. It is no business of ours how that great people came under its control, or submitted with temporary zest to the domination of its purpose, but it is our business to see to it that the history of the rest of the world is no longer left to its handling.

German's Word Doubtful.
"To deal with such a power by way of peace upon the plan proposed by His Holiness the Pope would, so far as we can see, involve a recuperation of its strength and a renewal of its policy; would make it necessary to create a hostile combination of nations against the German people, who are its instruments, and would result in abandoning the new-born Russia to the intrigues, the manifold subtle interference, and the certain counter-revolution which would be attempted by all the malign influences to which the German government has of late accustomed the world. Can peace be based upon a restitution of its power or upon any word of honor it could pledge in a treaty of settlement and accommodation?"

"Responsible statesmen must now everywhere see, if they never saw before, that no peace can rest securely upon political or economic restrictions meant to benefit some nations and cripple or embarrass others; upon vindictive action of any sort, or any kind of revenge or deliberate injury.

America Suffers Wrongs.
"The American people have suffered intolerable wrongs at the hands of the imperial German government, but they desire no reprisal upon the German people, who have themselves suffered all things in this war, which they did not choose. They believe that peace should rest upon the rights of peoples, not the rights of governments—the rights of peoples great or small, weak or powerful; their equal rights to freedom and security and self-government and to a participation upon fair terms in the economic opportunities of the world—the German people, of course, included, if they will accept equality and not seek domination.

"The test, therefore, of every plan of peace is this:

Tests of Peace Listed.
"Is it based upon the faith of all the people involved or merely upon the word of an ambitious and intriguing government on the one hand and of a group of free peoples on the other? This is a test which goes to the root of the matter, and it is the test which must be applied.

"The purposes of the United States in this war are known to the whole world—to every people to whom the truth has been permitted to come. They do not need to be stated again. We seek no material advantage or gain of any kind. We believe that the intolerable wrongs done by this war by furious and brutal power of the imperial German government ought to be repaired, but not at the expense of the sovereignty of any people, rather the vindication of the sovereignty both of those that are weak and those that are strong.

Damages Not Demanded.
"Punitive damages, the dismemberment of empires, the establishment of selfish and exclusive economic leagues, we deem inexpedient and in the end worse than futile and no proper basis for a peace of any kind, least of all for an enduring peace. That must be based upon justice and fairness and the common rights of mankind.

"We cannot take the word of the present rulers of Germany as a guarantee of anything that is to endure, unless explicitly supported by such conclusive evidence of the will and purpose of the German people themselves as the other peoples of the world would be justified in accepting.

"Without such guarantees, treaties of settlement, agreements for disarmament, covenants to set up arbitration in the place of force, territorial adjustments, restitutions of small nations, if made with the German government, no man, no nation could now depend upon. We must await some new evidence of the purposes of the great peoples of the central powers. God grant it may be given soon and in a way to restore the confidence of all peoples everywhere in the faith of nations and the possibility of a covenant peace.

ADD MILLIONS TO INCOME TAX
Washington, D. C.—After protracted debate in which many senators urged heavier levies on incomes and war profits in the war tax bill, the senate Thursday tentatively adopted Senator Gerry's amendment which would add \$40,375,000 by greatly increasing surtaxes on incomes exceeding \$500,000.

On a test vote for elimination of the so-called Lenroot amendment made in the house providing 25 per cent increase in surtax rates on incomes exceeding \$60,000 and raising about \$66,000,000 in revenue, the senate voted 35 to 32 against their elimination by the finance committee.

Under the Gerry amendment the total tax levy on all millionaires' incomes, including the present law, would be 67 per cent. With the Gerry amendment the bill would aggregate \$2,035,000,000, with several amendments for further increases in the income tax rates. The Gerry amendment was adopted without a dissenting vote.

Michaels May Go Soon.
Copenhagen—The possibility of another change in imperial chancellors in Germany is discussed by Georg Bernhard in the Vossische Zeitung. He says that it is plainly evident that the appointment of minor officials like Dr. Michaels, without general political experience, was a great mistake.

Theodore Wolf, of the Tageblatt, dismisses the new Bundesrath-Reichstag committee as "a nostrum designed to soothe the cry of the German people for popular control of the government."

Army Gains 1900 Men.
Paris—The American field service, with 1100 men in the ambulance branch and 800 in the transport branch, is to be taken over by the American army, the ambulance branch going under control of the medical service and the transport under that of the Quartermaster General.

Colonel Jefferson Kean, who is in general charge of the ambulance service, will continue to serve the French army as before.

WORLD HAPPENINGS OF CURRENT WEEK

Brief Resume Most Important Daily News Items.

COMPILED FOR YOU

Events of Noted People, Governments and Pacific Northwest and Other Things Worth Knowing.

The Dutch minister of agriculture has decided that the bread ration of 2800 grams per head must suffice for 11 days after September 2.

Eight slackers from Tacoma and other Southwest Washington towns were sentenced to jail by Federal Judge Cushman, and one was remanded for trial.

An order for 1,000,000 khaki pocket testaments for American soldiers and sailors has been placed by the National War Work Council of the Y. M. C. A. with the American Bible society.

Choice heaves sold in Chicago at the Union Stockyards Tuesday at \$16.30, a new high-price record for cattle on the hoof. The new figure was 80 cents higher than the record price established last week.

Sheriff Boone Gosney, of Campbell county, and Mayor A. J. Livingston, of Newport, Ky., were indicted Wednesday, charged with non-feasance in office. The indictments followed a crusade against gambling.

The Argentine minister to Germany, in a cablegram received at the foreign office, says he expects within a short time to receive Germany's reply to Argentina's demands regarding attacks on Argentine vessels by submarines.

Results of the heavy fighting on the Canadian front are reflected at Ottawa, Ont., in the casualty lists, totaling over 1000 for the week-end. The noon list Tuesday numbered 327, of whom 19 were killed in action and 33 died of wounds.

Trial of Frank C. Oxman, of Durkee, Or., accused of attempted subornation of perjury in connection with the bomb murder trial of Thomas J. Mooney, was set by Superior Judge Frank H. Dunne, of San Francisco, for September 5.

Ten American regiments will carry in France flags presented by descendants of French officers who fought in the American war of independence. Ambassador Jusserand has transmitted this offer to the secretary of war, who said it would be accepted gladly.

One hundred and fifty-two cadets of the class of 1918 will be graduated at the West Point military academy Thursday morning. This is the second time within five months that West Point has sent out a class of newly-made officers for the army. The class of 1917 was graduated in April last.

Seventeen Mexicans, captured by General Pershing's punitive expedition in Mexico and accused of participation in the Villa raid on Columbus, N. M., pleaded guilty to second degree murder before District Judge R. R. Ryan, at Deming, N. M., Wednesday and were sentenced to serve from 17 to 30 years in the New Mexico penitentiary.

Word from Paris says Walter Lovell, of the Lafayette flying squadron, has shot down a German airplane. He probably will receive the war cross.

Bohemian papers announce that Austrian churches have been notified that all organ pipes in all churches of the monarchy will soon be requisitioned to fill the needs of war industries.

The relief sailing steamer Neptune, commanded by Captain Robert Bartlett, bringing some of the members of the McMillan Arctic exploring party from Greenland, is off the coast of Labrador.

The San Francisco Iron Trades council, representing 25,000 men, voted to call a strike Labor day in sympathy with striking car men of the United Railroads unless the differences between men and the company are settled before that date.

According to Die Morgen Post, of Berlin, the police in Germany intend to prohibit smoking in the streets, in view of the decline of tobacco stocks. The prohibition will be extended to the whole of Germany.

Instructions to intern Karl Armgard Graves, self-styled international spy, were received at Kansas City Saturday from Washington. Graves was arrested last week as an enemy alien whose freedom threatened the security of the country.

George J. Gould, Jr., of Lakewood, N. J., appeared before the draft exemption board Saturday and was rejected as being physically unfit.

The number of British merchantmen sunk by submarines or mines in the last week was only slightly larger than the previous week, when a considerable falling off was noted.

The imperial munitions board at Ottawa has announced that the production of munitions in Canada would be discontinued, as no longer necessary, except in some lines, which in part will be produced in lessened quantities.

STATE NEWS IN BRIEF.

Marshfield cranberry raisers on North Inlet and in other sections report a probable average crop this year, although the berries will be small. All bushes are loaded and, owing to the dry weather, the quality will be of the highest grade.

Coroner Bartness, of Hood River, has received word that Robert Amos, a fishwheel operator at Cascade Locks, was drowned when he fell from a scow Tuesday. He was swept away by the swift current of the cascades. The body has not been recovered.

Coos Bay notes the change in advanced wage scales and although the mills and camps have been paying the greater remuneration but three months the resurrection of better times and confidence in affairs is marked and business men and capitalists alike are feeling the difference.

Two or three hundred women in Eugene meet in the Red Cross headquarters on Wednesdays and Saturdays each week to knit and do similar work. Wednesday a little Chinese woman came to the headquarters and announced that she wanted to do her bit for the soldier boys at the front.

The proportion of boys who have signified their intention of re-entering the University of Oregon this fall is almost as large as the number of girls, Karl W. Onthank, secretary to President P. L. Campbell, stated recently. The falling off in the number of men will be largely in the upper classes.

Secretary C. N. Ravlin, of the Hood River Chapter of the Red Cross, has sent to the San Francisco headquarters of the humanitarian organization an order for \$660 worth of woollen yarns, the material to be used by women of the local chapter in knitting outfits for the comfort of American soldiers the coming winter.

Continued search has failed to reveal any traces of Horace W. Marshall, engineer of Klamath Agency, who has been lost for more than a week in the Red Blanket country of Western Klamath county. A number of the best Indian scouts on the Klamath Indian reservation have been combing the forests for several days.

The Oregon Normal School at Monmouth will be opened on September 24th, instead of September 10th, as previously announced. Please pass this word on to all prospective students. This decision was made for the purpose of allowing students to assist in the season's work and to give longer period for the completion of buildings, reports J. H. Ackerman, president of the school.

As a part of the food preservation and conservation campaign, a demonstration in scientific canning and drying of fruits and vegetables will be given in Albany this week. It will be conducted in the basement of the First Methodist church and will be in charge of Miss Laura Cheney, of the Oregon Agricultural College. Local women are taking considerable interest in the movement.

William Duerst complains to the Public Service commission that he has placed orders for three double-deck stock cars at Amity, one at Independence and two at Corvallis and cannot secure them. Investigation by the commission shows that such equipment is not available in the state, but efforts will be made to secure enough single-deck cars to handle the shipments, which are destined to South Omaha.

Out of an allotment of \$220,100 of rural credits monies divided among the counties of the state a few months ago, \$99,150 remains unloaned. Loans aggregating \$120,905 in the 36 counties have been made. Each of the counties received \$6000, with the exception of Marion, which received \$9000, and Yamhill, which received \$7100. Yamhill, Wheeler, Lincoln and Harney have loaned out their apportionment, while Columbia, Gilliam, Malheur, Morrow and Washington counties have obtained no loans from the \$6000 placed to their credit.

Brook trout planted several years ago in Wahtum Lake, originally without fish of any species, have grown to a size of eight and 10 inches, according to O. H. Rhodes and Harry Kemp, Odell men who have just returned to Hood River, from a trip to the inland body of water in the Southwestern part of this county. The returned anglers declare that the trout take to a fly readily and that the sport of fishing for them is excellent.

Shortage of cars on the Southern Pacific lines in Oregon nets 893. The shortage of open cars is 1077 and the surplus of closed cars 184.

The first carload of pears to be shipped from Roseburg this season left Thursday for the East. They were from the Garden Valley orchards and were of excellent quality. They were shipped by the Umpqua Valley Fruit Union. Fifteen cars of pears will be shipped from Douglas county this season.

Quick action on the part of stockmen has effectually checked the epidemic of blackleg among cattle near Bend, the vaccination of more than 900 head of young stock being completed. No further danger from the disease is expected this season.

Despite the greatest difficulties experienced in obtaining cars for either contractors or material men, State Highway Engineer Nunn has announced that there is now under way, including bridge construction, practically \$1,600,000 worth of state highway work.

FIXED PRICE ASKED

Wheat Farmers of Northwest Ask \$2.50 Per Bushel be Named by Government Wheat Committee.

Spokane—A telegram urging that \$2.50 be fixed as the minimum price for the 1917 wheat crop to the farmer at primary markets was sent to C. S. Barrett, national president of the Farmers' Union and a member of the government wheat committee, Wednesday, by 125 representatives of farmers' unions of Washington, Idaho and Oregon, meeting here. It was urged that low yields, increased cost of production and the cost of reseeded justified that price, which it was declared would entail no increase in the price of flour, as this now is figured on the basis of \$2.50 wheat. The yield generally over the three states will be 40 to 50 per cent of normal, it was reported.

About 75 per cent of the wheat crop and 100 co-operative warehouses were represented by those in attendance, it was said. A. V. Swift, of Baker, Ore., national vice president of the Farmers' Union, presided.

Prepare for Fall Fishing.
Kelso—Cowlitz county fishermen have about given up hopes of any heavy run of salmon during the spring fishing season which closes August 25th, and many of them have ceased fishing and are getting their gear in shape for the fall season starting September 10. The big run of fish, which is now at the mouth of the Columbia river, has held off so late that there should be an abundance of fish in the streams after the opening of the fall season. Catches have been light for the past few months, although some of the fishermen have had an average season.

Grasshoppers Attack Farm.
Kelso—County Agent Lynn C. Keyes was called to the W. A. Burdick place on Mount Crawford one day this week by reports of a large number of grasshoppers which were devastating the fields there. Residents of that district say that there is always an abundance of grasshoppers on the logged-over lands there, but this is the first time they have invaded the cultivated fields. Mr. Keyes advised them of methods to combat the pests. He ascribes the attacks of the grasshoppers in such numbers this year to the unusually dry season.

Potatoes for American Lake.
Seattle—The first big food contract for the American Lake cantonment was awarded in Seattle when the government placed an order for 3,000,000 pounds of potatoes with commission merchants. It is understood that the early deliveries are to be made at the rate of \$40 a ton, later deliveries at \$36 a ton, and so on, dropping down to \$25 a ton for late deliveries. The figures are considered of the highest importance to the farmers of the state, giving the first hint on potato quotations for the coming winter.

NORTHWEST MARKET REPORT

Portland—Wheat—Spot prices: Bluestem, \$2.18 per bushel; fortyfold, \$2.12; club, \$2.13; red Russian, \$2.13. Flour—Patents, \$11.60. Millfeed—Spot prices: Bran, \$37 per ton; shorts, \$40; middlings, \$47; rolled barley, \$55; rolled oats, \$57. Hay—Buying prices: Timothy, Eastern Oregon, \$26 per ton; valley timothy, \$20; alfalfa, \$22; valley grain hay, \$18.50.

Butter—Cubes, extras, 40¢@40¢ per pound; prime firsts, 38¢. Jobbing prices: Prints, extras, 44¢; cartons, 1¢ extra; butterfat, No. 1, 48¢; No. 2, 44¢@46¢. Eggs—Oregon ranch, current receipts, 35¢@36¢ per dozen; Oregon ranch, candled, 37¢@38¢; selects, 40¢. Poultry—Hens, 14¢@14¢ per pound; broilers, 17¢@18¢; ducks, live, 12¢@13¢; large young white, 17¢@18¢; large young white springs, 20¢@22¢; geese, live, 7¢@8¢; springs, 13¢@15¢; turkeys, live, 20¢@22¢; dressed, 28¢@30¢.

Veal—Fancy, 15¢@15¢ per pound. Pork—Fancy, 20¢@21¢ per pound. Vegetables—Tomatoes, 75¢@85¢ per crate; cabbage, 24¢@24¢ per pound; lettuce, 43¢@50¢ per dozen; peppers, 8¢ per pound; beans, 7¢; corn, 30¢@35¢. Potatoes—New Oregon, 24¢@31¢; sweet potatoes, 6¢ per pound. Onions—Walla Walla, \$1.60. Green Fruits—Cantaloupes, \$1.15@2.50 per crate; peaches, 95¢@1.10 per box; watermelons, \$1.60 per hundred; apples, \$1.75@2.25 per box; pears, \$2.25; grapes, \$1.75@2.15; plums, \$1.65@1.75; casabas, 2¢ per pound.

Hops—1916 crop, 20¢ per pound; 1917 contracts, 30¢. Wool—Eastern Oregon, fine, 52¢@61¢ per pound; coarse, 60¢; valley, 58¢@60¢; mohair, 58¢@60¢. Cattle—Best beef steers, \$ 8.25@ 8.75 Good beef steers, 7.00@ 8.00 Best beef cows, 6.50@ 7.25 Ordinary to good, 3.50@ 5.50 Best heifers, 6.75@ 7.25 Bulls, 4.50@ 6.50 Calves, 6.50@ 9.25 Stockers and feeders, 4.50@ 6.75 Hogs—Prime light hogs, \$17.25@17.50 Prime heavy hogs, 17.00@17.25 Pigs, 15.50@16.00 Bulk, 17.50

Sheep—Western lambs, \$13.00@13.50 Valley lambs, 11.75@12.50 Yearlings, 10.00@10.50 Wethers, 9.75@10.50 Ewes, 8.00@ 8.50

EXEMPTION RULES SLIGHTLY CHANGED

President Wilson Favors Relief of Married Men.

FEW MEN GO SEPT. 5

Five Per Cent of Quota Instead of 20 Will Make First Increment of Army—Camps to be Ready.

Washington, D. C.—At the direct suggestion of President Wilson, Provost Marshal General Crowder telegraphed to all governors Saturday night a supplemental explanation of regulations governing the status of married men under the selective service law. No change in regulations is made and the purpose of the new statement is to clear up misunderstandings which have arisen in what General Crowder described as "a few instances."

In a letter to Secretary Baker, quoted by General Crowder, President Wilson states his opinion that the regulations directing local boards "to establish the fact of dependents in addition to the fact of marriage ought not to be abrogated." This leaves the regulations as they are and the supplemental statement is designed merely to make the application of the rule uniform among all boards.

While the statement regarding married men was in preparation new orders were issued changing entirely the mobilization arrangements previously made. Under the new orders 5 per cent of the drafted men, preferably those with military experience, from each local area will be started forward to the camps September 5, instead of 30 per cent. They will go in five daily detachments of equal size and form skeleton company organizations and set up a going concern into which the remainder of the total quota can be absorbed without confusion as they reach the cantonments.

The next 40 per cent of the quota will go forward September 19, when the second 30 per cent originally was scheduled to go; a second 40 per cent will go forward October 3 instead of the third 30 per cent, and the remaining 15 per cent will be called up as soon thereafter as practicable.

Local boards are directed to disregard order of liability numbers to some extent in selecting the first 5 per cent, as men of experience, such as cooks and former soldiers are desired at that time.

Warning is given, however, against getting into this levy by reason of his experience any man who might not otherwise have been included in the first increment of the district at all.

WATCH FORMER SECRETARY

Isaac McBride is Being Shadowed by Department of Justice.

Washington, D. C.—Isaac McBride, son-in-law of the late Senator Lane and for several years his private secretary, is being shadowed by agents of the department of Justice because of his activity as an agent of the People's Peace Council, scheduled to hold a peace convention at Minneapolis September 2 to 5.

McBride has been actively working for this association in Washington for several weeks, and it was for this society that he arranged the recent meeting of senators in Senator Chamberlain's room at the Capitol, during which the administration and its war policy were severely denounced.

McBride is planning to leave for Minneapolis Wednesday, unless the department of Justice interferes, and at the convention expects to take an active part. He says the people will insist that the administration set forth fully and convincingly why the United States is in the European war and that his society will not desert in its demands until its questions are answered. McBride in the past has had I. W. W. and Socialist affiliations, and before entering Senator Lane's employ, was a public speaker in the cause to which he is committed.

Disease Attacks Berlin.

Amsterdam—The proposed prohibition of bathing at home in Germany to save fuel and soap is called rank folly by the Vossische Zeitung, of Berlin. The paper says many public baths already are closed owing to lack of coal, and attributes notable increases in skin diseases, dysentery and other disorders to enforced uncleanness. The Nord Deutsche also points out the increase in cases of dysentery in Berlin, a high percentage of which is fatal, while typhoid, which is spreading, also is causing uneasiness.

Corvallis Has Firebug.

Corvallis, Ore.—Corvallis is convinced that the city is infested with a firebug, and want the city officials to offer a reward for his capture. In the past year there have been 15 fires which the fire chief is convinced were of incendiary origin. Nearly all of them have been in vacant houses, and the smell of coal oil has been a prominent feature. The 15th one occurred Saturday night, making the second in one week.