

Forty-fifth Year. Daily—Tenth Year.

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GERMANS NEAR GRODNO FORTS; SLAVS RETREAT

Teutonic Advance in Galician Operations Receive Severe Check on Stripa River, But Elsewhere Pushes Forward—French Artillery Demolishes Trenches.

LONDON, Aug. 31.—The Russian armies along the line of the upper Bug and the Zlota Lipa are being withdrawn rapidly and apparently without great loss, as neither Vienna nor Berlin claims any extensive captures of prisoners or booty in this region.

Nearer approach by the Germans to the Russian fortress of Grodno is reported in today's official statement from Berlin that they are moving toward the stronghold from the east and south as well as from the west, as indicated by the direction of the progress last reported.

The advance on the Grodno-Vilna railway is being continued, while the headquarters of Prince Leopold and Field Marshal Von Mackensen both report that the Russians are being driven back along a wide front.

In the Galician operations, recently resumed, the Germans have met with a check on the Stripa river, where strong Russian forces counter-attacked, and, according to Berlin, "partially stopped" the Austro-German pursuit.

In Unfion and Walla Walla counties in Northeastern Oregon, several fires are raging. In Union county five large fires are still uncontrolled.

Constantinople reports the destruction by Turkish artillery of a position occupied by the entente allies near Seddul Bahr, on the Gallipoli peninsula.

On Western Front The French artillery is successfully continuing its work of inflicting damage upon German trenches, shelters and camps at various points along the front, the Paris war office reports.

Constantinople again reports heavy fighting at the Dardanelles, but the entente allies are silent in regard to their military operations there.

In the Austro-Italian campaign Rome reports the capture of Cima Ciata, 6500 feet high. This summit had commanded the Italian positions on Monte Sabbio.

Balkan Negotiations Rome also sends optimistic reports of the progress of the entente powers in the diplomatic negotiations in the near east. It is said Serbia's promises are satisfactory as far as they go.

THREE KILLED IN DYNAMITE WRECK

PINOLE, Cal., Aug. 31.—Three men were killed today when a train of an engine and three cars, carrying 7000 pounds of dynamite ran off the track between the plant and magazine storehouse of the Dupont Powder company. The dead: Harold Bennett, engineer. Bert Talbot, fireman. Unidentified laborer.

SUBMARINE DESTROYS CONSTANTINOPLE BRIDGE

LONDON, Aug. 31.—An Athens dispatch to the Exchange Telegraph company says that a submarine of the allies has blown up a portion of the bridge between Constantinople and the suburb of Galata. It is not apparent whether this is merely an echo of the similar report of several weeks ago which brought forth a denial from Constantinople.

WELSH COAL STRIKE SETTLED BY GIVING ENGINEERS INCREASE

LONDON, Aug. 31.—Official announcement was made today that the dispute which threatened another extensive strike in the Welsh coal fields had been settled. The agreement provides that the award made by Walter Runciman, president of the board of trade, after the previous strike, shall stand. The mine owners undertake, however, to conclude a supplemental agreement which will give to the engineers and other surface workers not included in Mr. Runciman's award the same bonus as that granted to the miners.

COOLER WEATHER HELPS FOREST FIRES THROUGH STATE

PORTLAND, Aug. 31.—Cooler weather and slight precipitation in the mountains helped improve the forest fire situation in Oregon today. Reports received by the United States district forester and by the Oregon Forest Fire association here today from all parts of the state indicated that, with the exception of those in northeastern Oregon, all of the numerous fires were under control.

In Unfion and Walla Walla counties in Northeastern Oregon, several fires are raging. In Union county five large fires are still uncontrolled. Warden Lowell Williamson dispatched five men to combat them today.

The worst fires on the west side of the Cascades are located within a radius of 20 miles from Mt. Hood. Here three conflagrations, one near Shell rock, another at Barney Meadows and a third on Salmon river, are still threatening to spread, but it was believed that unless weather conditions change they will be extinguished without further damage.

RIVAL OFFERS FOR BULGARIAN HELP

BERLIN, Aug. 31.—The correspondent at Sofia of the Vossische Zeitung telegraphed today an outline of the proposals made to Bulgaria on both sides of the diplomatic contest. His dispatch says:

"The conditions which the quadruple entente imposed on Bulgaria in return for territorial concessions in Macedonia stipulated that Bulgaria obligate itself to declare war on Turkey.

"The central powers and Turkey, for their part, demanded from Bulgaria in return for cession of a portion of Turkish Thrace, an extension of the hitherto existing benevolent neutrality. What this consists of had best be kept silent for the moment. It will make itself apparent later as soon as events on the Danube front have advanced far enough."

BRITISH LOSSES BY SUBMARINE WARFARE

LONDON, Aug. 31.—Lloyd's quarterly report for the period ending August 12 gives the loss to British shipping from submarines and other hostile craft and from mines, as 68 steamers with an aggregate gross tonnage of 18,713, and nine sailing vessels.

BODIES FOUND! ABOARD SUNKEN SUBMARINE F-4

Underneath Debris in Resurrected Vessel One Body Too Badly Decomposed for Identification Is Located—Holes in Hull Permitted Destruction of Remains.

HONOLULU, T. H., Aug. 31.—A number of bodies of the twenty-two men who went down in the submarine F-4 March 25 were found today entangled in the wreckage of the interior. One body was removed. The others were in such a poor state of preservation that the work of uncovering them is being done slowly. Not any have been identified.

The finding of the bodies was announced officially by Rear Admiral C. J. Boush.

A hole was ordered cut in the forward compartment of the submarine, which so far has been inaccessible.

Preparations have been made to exhume the bodies as soon as they are taken out. If permission is granted from Washington, the United States cruiser Maryland, due to sail today, will be held here to take the bodies recovered to the United States.

Vessel in Dry Dock

HONOLULU, T. H., Aug. 31.—The hull of the submarine F-4, lost in Honolulu harbor March 25 with her crew of twenty-two men and raised and played in drydock yesterday, today lies exposed to view, the work of pumping out the drydock and raising the shattered and torn submarine from the waters of the harbor having been completed during the night.

The craft has not yet yielded up its secret. No bodies have been discovered, nor has the brief examination thrown any light on the cause of the accident that caused the diver to sink and fail to come up again.

The F-4 lies on her starboard side in the drydock. When the examining board, composed of Rear Admiral C. J. Boush, Lieutenant Commander Julius A. Frier, and Lieutenant Kirby B. Crittenden, entered the vessel they found the starboard side and bottom filled with debris, battery plates and some sand and mud.

Bodies Under Debris If any bodies remain in the F-4 they are underneath the debris. Doubt is expressed, however, if any will be found, for the great holes torn in the submarine, only part of which were protected by mats during the months of raising operations, allowed the marine creatures with which the waters of Hawaii swarm, to enter, and it is feared the bodies have been entirely destroyed.

In addition to the gaping holes in the stern of the submarine, a big hole has been torn in the forward part.

CHOLERA IN AUSTRIA NOW UNDER CONTROL

GENEVA, Aug. 31.—Advices reaching here from Vienna by way of Zurich say the Austrian minister of the interior gives the number of cholera cases in that country as 929.

Although the number of cholera cases in Austria has been abnormally large this summer on account of conditions brought about by the war, the foregoing dispatch indicates that the Austrian sanitary officials are dealing effectively with the disease.

BATTLESHIPS BRING MIDDIES THROUGH CANAL

PANAMA, Aug. 31.—The battleships Missouri, Ohio and Wisconsin, with 860 midshipmen who are on the annual practice cruise, arrived at Panama today on their return from the Panama-Pacific exposition and passed through the canal. The squadron will remain at Colon for twenty-four hours to take on coal and give the cadets an opportunity to see the canal before returning to the naval academy at Annapolis, ago.

IT'S AWFUL HARD ON POOR BERNSTORFF



The German ambassador to the United States as he looks today and an inset of his picture a year ago, showing how the worries and troubles of a year have worn him.

SEEKING MEMBERS OF ARSON RING STILL AT LARGE

PORTLAND, Aug. 31.—District Attorney Walter H. Evans and his deputies were reticent today about giving further information of the operations of the arson ring, which, according to the alleged confession yesterday of Sanford W. Currier, under arrest here, has collected insurance on many burned houses in Pacific coast cities during the last ten years.

Only a small part of the alleged confession made by Currier yesterday was made public by the district attorney's office. It was stated that the names of other members of the organization will be withheld until arrests are made. It became known today, however, that two of the men sought are named Edwards and Towne, and that they are charged with being responsible for burning a double house in San Jose, Cal., in 1913, and a three-room house in Richmond, Cal., shortly afterward.

Besides Currier and Grant Hawley, who are under arrest here, six or seven other alleged members of the ring are said to be at large. The district attorney's office is working on the case in conjunction with a private detective agency.

It was stated that the invariable formula used by the arson ring gave the first clue to the existence of an organization. According to Currier's alleged confession, turpentine, linseed oil and varnish were used to start a fire, as this combination had proved most effective.

ABANDONED ALASKA STEAMER IN TOW

SEATTLE, Aug. 31.—The Alaska Steamer company's big freight steamer Edith, which was abandoned by her crew off Cape Hinchinbrook, Alaska, has been taken in tow by the passenger steamer Mariposa, belonging to the same company, and the Mariposa will endeavor to tow the disabled boat to Cordova. The Edith, bound south from a voyage to Rome, called at the Latouche mine and loaded copper concentrates valued at \$250,000. The crew took to the lifeboats and were picked up by the Mariposa. The Mariposa's captain reports the Edith listed badly to port. The Edith, formerly the British steamer Glenochil, was built at Sunderland, England, thirty-three years ago.

EXCHANGE RATES WILL CURTAIL BUYING ORDERS

English Pound Sterling Touches Lowest Level on Record—Situation Regarded as Almost Desperate—British Holders Forced to Sell American Holdings.

NEW YORK, Aug. 31.—Foreign exchange rates reached their most serious stage today with an overnight break of two and a half cents in sterling, the English pound selling in this market at \$4.58 1/2, close to the mark where curtailment of big foreign orders to the United States would follow. In the opinion of bankers here, nothing like the violent break in quotations had ever been recorded in foreign exchange markets here before.

The low level reached today was one and one half cents below the mark set weeks ago by financiers as the so-called irreducible minimum which, when reached, would cause English buyers to seek other markets in which to place their orders for such imports as could be obtained elsewhere than in America.

Foodstuffs, manufactured goods and many other products, in fact almost everything except actual munitions of war were embraced within this category.

What Break Means

The big break means that English buyers, in addition to the top market prices already paid in this country for products, will be called upon to pay a premium of 28 1/2 cents on every pound's worth of purchases or more than five per cent. With London carrying this burden, the question in banking circles was how long England would continue to buy articles, as she is of compelled to.

"There is no other world market of importance open, but more rigid economy at home in all imported articles and purchases by Great Britain from such European neutrals as had wares to sell, it was thought, would follow if exchange rates should go lower. This would result in lessening to great extent the amount of goods which American sellers are sending abroad, now the greatest in volume in the history of the country.

Lowest Notch Touched

Last night's close of \$4.61 was the lowest value ever placed at that time on the pound in this country. The situation today was regarded as almost desperate. Within an hour after the opening of the market, the rate went still lower, reaching \$4.58. It then rebounded and touched \$4.59. International bankers here, looking anxiously across the Atlantic for relief, saw nothing more than they did yesterday—that British and French bankers were preparing to remedy the situation.

The time for preparing to remedy the situation, in the opinion of bankers here, is nearing its end and the time for doing something to strengthen the market has arrived. Why nothing has been done, it was believed, was because Great Britain had not fully awakened to the seriousness of the situation.

It was thought possible that British bankers permitted rates to reach their present low level because they would afford a strong inducement to British holders of American securities to sell their holdings and thus reap the benefit of a five per cent increase in value.

TELLS OF SUFFERING IN INTERNMENT CAMPS

MONTREAL, Aug. 31.—J. T. Armand, a mining broker, arrived here today and told of many hardships he endured during the year he said he had been a prisoner in Germany. Armand left here in June, 1914, to visit his parents at Strassburg. He was born in Alsace, but is now a British subject.

Armand said he was held in jail twenty days at Duluth, tried on a charge of being a spy and told to "be ready at 6 o'clock next morning." His relatives and friends had the case reopened and he was later acquitted of the spy charge and sent to an internment camp at Ruhleben. Armand declared the quarters were poor, ill-ventilated and the food and clothing scarce.

WAKE UP, CHINA! IS APPEAL OF YUAN SHI KAI

President of Republic Sounds Note of Warning—People Dallying in Midst of Calamity—No Thought of Future When Nation Threatened on All Sides.

PEKING, July 21 (correspondence of the Associated Press).—President Yuan Shi Kai uttered at a recent cabinet meeting an impressive plea for united action in China which made a deep impression upon Chinese officials. Its publication in English today caused much discussion among foreigners.

"Our suzerainty in southern Manchuria has gradually gone into the hands of foreigners," the president said. "The foreign aggressor has come to their doors, but our people are still dallying in the midst of calamities. As I am advanced in age and have received the sacred and weighty trust from the Tsing dynasty, how can I let the country go to ruin when I am assuming the duties of chief executive of the republic? By all means I must save the country. To avert the impending disaster is the sacred duty which lies upon the shoulders of every one of you.

Deplores Situation

"Our country does not manifest any sign of instability, chaos or the lack of confidence of other nations, and it is most unlikely that any nation for the present will invade or insult our country. But when we think of the neglect of discipline by our soldiers, the irregularities in administrative affairs, the calamities of flood and drought throughout the provinces, the selfishness of some officials and the lack of public spirit among the people, we cannot help realizing the fact that we are enjoying ourselves while reposing on a bed of straw with a kindling fire beneath it.

"And what percentage of the officials are enthusiastic and strictly carry out their duty?

"Some persons say that on account of our vast country and population the destruction of our country by an alien people is a matter of impossibility. Look at Korea, the area of which is not much smaller than Japan. Some Japanese papers have stated of late that although China has changed the monarchy into a republican form of government, her internal affairs are just as deplorable now as in the late dynasty and that bribery and gambling among officials still prevail.

People Forget Situation

"During the China-Japanese war and the Boxer trouble our people were greatly stirred up and determined to 'lie on straw and taste bitterness' to prepare themselves for future emergencies. But when the anxious time was once passed they forgot everything. It is worth while to note that when the imperial government was gone it was the dynasty that passed away and not the country. The new method of destroying a country nowadays is not only to overthrow the government, but also to destroy the language of the people and the very race of the nation.

"We cannot be ignorant of the history of Poland. During the crisis of the recent China-Japan negotiations it was a good sign that our people were greatly awakened by the threatened calamity. Should they again quickly forget the indignity the country received, the greater calamity of the country is bound to come."

President Yuan Shi Kai concluded (Continued on page six)

LANE TO FATHER WATER POWER BILL

WASHINGTON, Aug. 31.—Passage of a general water power bill and a measure to create a national leasing system for coal, oil and other resources on public lands will be recommended to congress in Secretary Lane's annual report. Mr. Lane announced today that he expected both measures would be enacted. They were passed by the house in the last congress, but the senate failed to act on favorable reports of the bills.