

FORECAST
Tonight and Tomorrow
RAIN.

MEDFORD MAIL TRIBUNE

WEATHER
Max. Yesterday 35; Min. To-
day 32; Pre. .76.

Forty-sixth Year.
Daily—Eleventh Year.

MEDFORD, OREGON, WEDNESDAY, JANUARY 3, 1917

NO. 243

SENATE DEFERS ENDORSEMENT OF PEACE NOTE

Resolution Backing Up President's Efforts Goes Over for Discussion Tomorrow After Spirited Debate in Which Senator Lodge Attacks Ambassador Bernstorff.

WASHINGTON, Jan. 3.—Action on Senator Hitchcock's resolution to have the senate endorse President Wilson's peace note was again deferred today, after a long debate. The resolution went over for discussion again tomorrow at the request of Senator Hitchcock, its author after a spirited debate in which Senators Lodge and Borah, republicans, opposed action at this time.

Attacks Bernstorff.
The debate was marked by an attack by Senator Lodge upon Count Von Bernstorff, the German ambassador, because of the latter's action in issuing a newspaper statement approving the note. That action Senator Lodge said, added to the misunderstandings about its purposes and added to the opinion that it was timed and intended to aid Germany in making the peace terms she seeks. Senator Lodge expressly said, however, that he accepted in full faith the declaration of the president in the note that it was in no way associated with the peace proposals of the central powers.

Urges Adoption.
Senator Hitchcock urged its adoption. "In framing this resolution," he said, "I have carefully avoided reference to those portions of the president's note which might provoke controversy. I realize there may be two opinions as to some of the president's suggestions, but I do not see how there can be two opinions on a simple proposition that in the interest of humanity and civilization this nation has appealed to nations at war to state terms upon which peace might be made."

Senator Hitchcock said there was recent precedent for the president's action and referred to former President Roosevelt's peace overtures to end the Russo-Japanese war.

Senator Hoke Smith, democrat, also urged immediate consideration of the resolution.

Senator Lodge, republican, again spoke against action at this time.

Reserved to Execute.
"I do not think the importance of this resolution can be exaggerated," said Senator Lodge. "It projects congress into the field of foreign negotiations which under our form of government is reserved to the executive. More than that, it also projects congress into the field of European politics and involves it in the affairs of Europe."

"This resolution is not a general resolution in regard to peace. It commits the senate to most absolute approval and endorsement of the note of the president. It also commits us to demand from the nations engaged in war a statement of terms upon which they will make peace. As the war stands today, we have

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VILLA SHOT GARCIA, HIS OWN SECRETARY

EL PASO, Tex., Jan. 3.—Francisco Villa shot Garcia, his secretary, at Bermejillo because he drafted and issued the manifesto which was sent to the border, while Villa held Chihuahua City, according to a Villa partisan here. Garcia, who was said to have been an industrial worker of the World in California, wrote the manifesto without Villa's knowledge, and when Villa agents here sent a copy of it to him at Bermejillo, Villa ordered Garcia executed at once, according to this same source.

Villa partisans here insisted today that the skirmish near Los Mecanos, 55 miles south of Juarez, resulted in a Villa victory. Army officers, Carranza officials and others here denied any fight took place there yesterday.

KAISER'S GRANDSON BORN TO PRINCESS



PRINCESS MARIE AUGUSTE

Princess Joachim of Prussia has given birth to a son, the tenth grandchild of the kaiser and the fourth born during the war. The princess is wife of the kaiser's youngest son.

FRENCH WARSHIP VERITE TORPEDOED BY SUBMARINE

BERLIN, Jan. 3.—A dispatch to the Zurich Post from Milan reports that the French battleship Verite has been torpedoed by a German submarine near Malta, says an Overseas News agency announcement today. The Verite, badly damaged, is lying near the port of Malta, the dispatch adds.

The battleship Verite was built at Bordeaux in 1907, and is one of a class of four warships, of which the Liberte was destroyed by an explosion in 1911. The battleships of this class displaced 14,630 tons, with a water line length of 439 feet, beam 79.5 feet and draft 27.6 feet. Their armament comprises four 12-inch and ten 7.6-inch guns in the main battery with two torpedo tubes. They have a complement of 742 men. The Verite made 19.2 knots on her trial trip.

NAVY REFUSES TO GIVE UP OIL LAND

WASHINGTON, Jan. 3.—Western senators met and worked again today without result in their effort to arrange some compromise between the navy and claimants of oil lands in California and Wyoming, who are asking congress to fix their status on lands withdrawn from the public domain to make fuel reserve for the navy.

Senator Pittman, who with Senators Smead, Clark, Phelan, Works Sterling and Smith of Arizona, composed the conference, said all agreed that the claimants should have some relief and assailed the navy department for its attitude. The navy contends that to give over the lands to private settlers would cut it short of fuel. The committee will meet again tomorrow.

ARIZONA MUDDLE UP TO THE COURTS

PHOENIX, Ariz., Dec. 3.—The Campbell-Hunt gubernatorial contest is in status quo pending decision of the supreme court tomorrow on the writ of prerogative mandamus asked by Governor Campbell's attorneys, and which, if granted, will place Governor Campbell in possession of the office until the controversy finally is determined. There is a tentative understanding that neither governor will attempt to exercise any major functions until after the mandamus hearing.

GERMAN DRIVE THRU RUMANIA REACHES SERETH

Russian Retirement Ends at Fortified Line Prepared for Resistance—Failure to Halt Advance Imperils Whole Galician Front—Towns in Dobrudja Captured.

BERLIN, Jan. 3.—The towns of Metchin and Jijil, in northern Dobrudja, have been captured, it is announced officially.

Reports from both sides in the struggle in Rumania indicate that the Russians have now virtually reached the line of the Sereth, to which they have been falling back while fighting strong rear-guard actions.

Berlin today announces that troops of the ninth army, under Field Marshal Von Mackensen, are now before Fokshani, which is on the fortified line which the Russians have been preparing and which follows in a general way the course of the Sereth. Ending at the Danube between Braila and Galata, this line extends northward through Moldavia, in the direction of the Moldavian frontier.

Make Last Stand.
It is here, according to present indications, that the Russians count upon bringing Field Marshal Von Mackensen's advance to a halt. Failing in this purpose, it has been pointed out, they would expose their front from Galicia southward to a possible crumbling up process through a turning movement and imperil their Bessarabian territory to invasions north of the Danube across the line of the Pruth.

Apparently the Teutonic effort to break this line is to be a strong one, as today's Berlin statement records smashing attacks upon the Russian lines at several points in which prisoners were taken and ground gained. Meanwhile the drive at the right flank of the Russians in this region, along the western Moldavian frontier, is continuing unabated, and further progress in the transverse valley, notably in the Sutchiza and Patna regions, is announced.

Braila Imperiled.
On the Danube end of the line the security of Braila has been further imperiled, according to the Berlin report, by a new advance of the Teutonic forces on the Dobrudja side of the river, where the Russians have been driven back further into the northwestern corner of the province opposite Braila. Elsewhere in the field of war no important operations are recorded in any of the official accounts, patrol and artillery activities furnishing the material for the bulk of the statements.

DROVE SPIKE THROUGH AMERICAN SHIELD

EL PASO, Tex., Jan. 3.—Villa followers drove a railroad spike through the heart of the eagle on the American shield at the United States consulate and tore an American flag to ribbons when they occupied the town on November 5, a foreign refugee who reached here today reported. This occurred when the American consulate was looted.

He said Villa made a systematic canvass of the mining camp and took whatever was wanted for the Villa army. The soldiers were not permitted to do any looting, he added. He said he saw Villa ride through the streets of Parral in an automobile several times during his stay there.

OSAGE ORANGE ROOTS SUBSTITUTE FOR DYES

HUTCHINSON, Kan., Jan. 3.—With the discovery that Osage orange hedge tree roots can be utilized in the manufacture of a substitute for dyes of German make, farmers near here are grubbing out their hedge fences and disposing of the roots to buyers of eastern dye manufacturing concerns.

NEGOTIATIONS WITH CARRANZA NEARING CLOSE

First Chief Refuses to Resume Conferences With United States Until American Troops Withdrawn—United States Commissioners Consult President.

QUERETARO, Mex., Jan. 3.—Felix Palavicini, former secretary of public instruction, who often has spoken for General Carranza, declared before the constitutional conference late last night that the situation was grave.

General Carranza, said the speaker, had refused to resume conferences with the United States representatives until the American troops were withdrawn from Mexico unconditionally, and he declared that the assembly must rush the work on the constitution and proclaim the rights of the people, while General Carranza and the constitutional forces were battling against a dangerous enemy to save the national honor and integrity.

WASHINGTON, Jan. 3.—President Wilson will confer at 5 o'clock this afternoon with Secretary Lane and the other American members of the Mexican-American commission.

It was announced that the American commissioners would make a statement of their positions to the president, and in some quarters that was taken to forecast an end to the commission negotiations. An answer is being prepared to Carranza's plea for modifications in the protocol, but it was said that was not to be discussed today with the president.

SYMPATHY LED GERMAN SPY TO PROBE SHIPMENTS

SAN FRANCISCO, Jan. 3.—Sympathy for the Russian soldiers in the trenches—not plots to dynamite ships bound for Russia—led Charles C. Crowley, chief of the German consulate war spies here, to seek information from the Russian consulate as to fruit shipments to Vladivostok. Crowley testified on cross-examination in the United States district court today. Consul General Franz Bopp, E. H. Van Schick and others besides Crowley are in the fifth week of their trial for dynamiting conspiracies to destroy Canadian and American ammunition ships and railroads, alleged by the United States government.

John W. Preston confronted Crowley with a letter he had written to the Russian consulate here asking sailing dates of ships that could carry dried fruit to Russia.

"And you say you really wanted to send fruit to the Russian soldiers out of pure charity?" asked Preston.

"I'm always doing charitable work, Mr. Preston," replied the war spy.

Crowley admitted he might have made a slight omission from intended fruit shipments.

"And would the information you might have gained of ships sailing for Russia have been of any use to the German consulate?" asked Preston.

"Well, it might not have been amiss," admitted Crowley.

GERMANY REPLIES TO SCANDINAVIAN NOTES

LONDON, Jan. 3.—The German government has replied to the Danish, Swedish and Norwegian notes of December 29 on January 1, according to an Amsterdam dispatch to Reuters. The reply expressed the fullest appreciation of the motives of the three governments and referred the Scandinavian powers to the German note of December 12 and the reply to President Wilson. It concluded with the remark:

"It depends upon the reply of the entente whether the attempt to give back to the world the blessings of peace will be crowned with success."

CARRANZA REFUSES TO RESUME CONFERENCES WITH UNITED STATES



Venustiano Carranza

CARRANZA CONSUL UNDER ARREST FOR SHIPPING MUNITIONS

NEW YORK, Jan. 3.—Juan T. Burns, Carranza consul general here, was today arrested charged with being concerned in a conspiracy to ship arms and ammunition to Vera Cruz in violation of President Wilson's embargo proclamation of October, 1915.

Three indictments have been brought against Burns. It was learned today from the alleged conspiracy to violate the president's proclamation, the defendant is accused of deceiving the customs authorities by falsely manifesting American shipments as hardware.

The arrest, made by special agents of the department of justice, is the outcome of a raid on the offices of an importing and exporting company operated here recently by Mexicans and of the arrest, subsequently, of a man named Reuben Mier at Houston, Tex. Mier was formerly employed here in the Mexican consulate.

The arrest of Burns came after evidence was uncovered indicating, it is said, widespread plots to smuggle arms and ammunition to the aid of Carranza. These experts went to sea to Galveston and thence across the border or by sea direct to Vera Cruz. The evidence is said to show that since last August illegal shipments valued at \$200,000 have gone forward on three vessels.

Evidence unearthed at Vera Cruz caused the federal authorities to raid an importing and exporting company here, run by Gutting and Wenceslao Monte. These two, together with Jose De la Paz, an employee of the firm, were arrested.

MORE SHIPS SUNK BY SUBMARINES

LONDON, Jan. 3.—Lloyd's Shipping agency announces that the British steamer Holly Branch of 3,663 tons gross, and the Norwegian steamer Kieka have been sunk.

Lloyd's reports the sinking of the French sailing ship Avonzeneta, 1,144 tons, and the Swedish steamer Goussabridge, 1,854 tons.

BARNEY BARUCH BLAMED FOR LEAK OF PEACE NOTE

WASHINGTON, Jan. 3.—Representative Wood's resolution for a special investigation of charges of a "leak" on President Wilson's peace note was held privileged by the house today and it was referred to the rules committee with instructions to report within ten days.

During debate on the resolution, representative Bennett, republican of New York, declared rumors had it that Bernard Baruch of New York was responsible for the information regarding the note getting into Wall street and that it was also said Baruch sold short on steel shortly before it was made public.

Bennett's declaration followed a question by representative Garrett of Tennessee, as to what the rumor was regarding the leak.

"The rumor is," Bennett said, "that Mr. Barney Baruch, a member of the Council of National Defense, was the man who was responsible for this information getting to Wall street and that thirty minutes before the president's note was made public, he sold, on a rising market in steel by the war, fifteen thousand shares of steel common stock. That is the rumor in New York City, if the gentleman wants names."

Chairman Henry of the rules committee vigorously opposed holding the resolution privileged.

SUBMARINES SINK 196 HOSTILE WARSHIPS

BERLIN, Jan. 3.—Including the French battleship Galois, sunk by a German submarine, says an Overseas News agency statement today, "196 hostile warships, including torpedo boats and submarines, of a total tonnage of 759,430, have been sunk since the beginning of the war."

"Of these, 125 vessels were British, of a total of 505,200 tons. The total losses of entente warships exceed the total tonnage of the warships of France at the beginning of the war. Auxiliary cruisers and ships of special type that have been lost are not included in the figures given."

BUILT DIVERS FOR ALLIES AT SAN FRANCISCO

Union Iron Works Head Admits on Witness Stand in Bopp Trial Constructing Submarines for Entente During 1914-15—Shipped Vessels to Canada, There Assembled.

SAN FRANCISCO, Jan. 3.—John A. McGregor, president of the Union Iron Works of San Francisco, a subsidiary of the Bethlehem Steel corporation, admitted on the witness stand today in the United States district court, for the first time publicly, that his company built submarines for the entente allies during 1914-15. He was a witness for Franz Bopp, German consul general, on trial with others for conspiracies to dynamite ships and trains carrying munitions of war in Canada and the United States.

Shipped to Canada.
McGregor declared that the Union Iron Works constructed fittings and working parts for eight or ten submarines for the allied powers, shipping them to Canada with about 100 employees, who assembled the boats there. "There was no secrecy about it," said McGregor.

"Originally we had contracts to build the submarines in complete form, but we abandoned that plan late in 1914 at the request of Secretary of State Bryan," McGregor testified.

Substantiates Bopp.
His testimony was to substantiate that of Bopp and others that consultative spies were hired to spy out submarine construction and munition movements—not for dynamiting. Engines and hulls for the submarines were built in New London, Conn., the executive testified.

"When I was in Washington about that time I conferred with Secretary of State Lansing, then counselor to the state department, who told me that we were within our legal rights in manufacturing submarines for belligerent powers, but he advised against it," McGregor said.

STONE EXONERATES SECRETARY LANSING

WASHINGTON, Jan. 3.—Senator Stone, after considering with Secretary Lansing today, made a statement in the senate explaining that he had intended in no way to reflect on the secretary when yesterday he charged that important official state documents had been known to find their way into unauthorized hands.

"When I said that copies of official documents of the department had been shown to outsiders," explained Senator Stone, "I ought to have said that these official misdeeds did not occur in the period since Secretary Lansing has been in the head of the department."

"I am sure also that no secretary of state nor any other high official of the department has at any time been conscious of those acts to which I referred."

LANSING ASKS FOR AUTOMOBILE

WASHINGTON, Jan. 3.—Failure of the house appropriations committee to grant a \$400 annual increase in salaries to state department bureau chiefs led Secretary Lansing today to make a personal appeal for the increase to the senate appropriations committee.

While before the committee, Secretary Lansing was assured that the appropriation to provide him with an official automobile would be left in the bill. It was disclosed that when the question came up in the house committee Chairman Fitzgerald had explained:

"Secretary Lansing is the only cabinet official who has had nerve enough to ask congress for an automobile, and, by George, he shall have it."