

FORECAST
Tonight and Tomorrow
PARTLY CLOUDY

MEDFORD MAIL TRIBUNE

WEATHER
Maximum Yesterday 39;
Minimum Today 26.

Forty-sixth Year.
Daily—Eleventh Year.

MEDFORD, OREGON, TUESDAY, JANUARY 9, 1917

NO. 247

LAWSON HINTS AT HIGHER-UPS IN LEAK PROBE

Broker Refuses to Give Names Unless Promised a Formal Inquiry of the Stock Exchange—Says Over Million Dollars' Profit Made by Higher Ups Through Stock Speculation.

WASHINGTON, Jan. 9.—The leak investigation seemed to make its first progress toward some definite point today when Thomas W. Lawson, after much questioning and urging, promised that should the house order a formal inquiry he would disclose the names of the cabinet officer, the senator and the New York broker, who he said a congressman told him, were engaged in a stock gambling partnership and had profited through advance information of President Wilson's peace note.

To disclose the names to the house rules committee Lawson repeatedly refused, even when confronted with three separate resolutions to put him in contempt, for two reasons:

Lawson's Reasons.
First, he contended the rules committee had no power to conduct a thorough investigation, including one of the stock exchange such as he urged and he would not be assured of an investigation, if he disclosed the names.

Second, Lawson said, he considered that disclosure of the names at this time would have a disastrous effect for the country and the administration, in preference to that, he preferred being punished for contempt of congress.

Congressmen questioned, cross-examined and pleaded in vain with the Boston financier to give the names of the informing congressman, the cabinet officer or the senator.

Hints at Higher-Ups.
"I cannot name the cabinet officer to whom I have referred without mentioning another official of a higher position," said Lawson, "and that would be more serious than if I cast a cloud over the entire congress and was sent to jail myself for life."

All through his testimony Lawson hinted at names "higher up," but no amount of questioning would bring him down to a definite statement.

When the committee recessed for lunch the members seemed to think they had gone as far as they could with Lawson at this stage so they excused him as a witness temporarily, but told him to remain within jurisdiction of the committee until the resolutions putting him in contempt are disposed of.

Wants Exchange Probed.
At today's hearing Lawson frankly acknowledged he was more interested in a congressional investigation of the New York stock exchange, which would result in remedial legislation than he was in investigating the "leak" on President Wilson's peace note. In the course of the discussion of the unnamed trio of whom the congressman is said to have spoken Lawson declared he not only would give a special committee their names, but also the amounts of money they were supposed to have made from stock transactions. Lawson promised to furnish competent testimony.

"Will you give their names?" Chairman Henry asked.
"I will go further," said Lawson. "I will name amounts of money; great amounts of money. More than \$1,000,000."
Representative Garrett then demanded that Lawson give the names and when he reiterated his refusal, Mr. Garrett introduced a motion to compel him to answer. It was laid aside for action with the three pending contempt resolutions.

NEGRO CONFESSES TO MURDERING BARBER

TACOMA, Wash., Jan. 8.—Robert Ford, colored, surrendered to County Jail James Leuk last night and admitted he had killed Harry Agent, a barber, in Seattle last Thursday night. He pleaded self-defense, asserting Agent was coming toward him with an open razor when he fired.

BARUCH DENIES KNOWLEDGE OF WILSON'S NOTE

Broker Had No Advance Information—Sabin Got Information of German Note in October, Not From U. S.—Otto Kahn Denies Connection With Leak.

WASHINGTON, Jan. 9.—Bernard Baruch of New York denied before the house rules committee today that he had any advance information regarding President Wilson's recent peace note.

Baruch said he first learned of the president's peace note on the morning that it was issued. At the time of the market flurry, he said, he had been buying United States Steel.

Had No Information.
"The thing that affected the market," said Baruch, "was first Von Bethmann-Hollweg's peace note from Germany. That was followed by Lloyd-George's speech."
"I had no information of any nature from anyone connected directly or indirectly with the administration from any other sources in connection with the president's peace note or Von Bethmann-Hollweg's speech until I read of them in the newspapers."

Baruch was named by the mysterious "A. Carls" in a letter to Representative Wood of Indiana as having profited largely by leak information on the note by selling "short" on United States Steel.

Sabin Testifies.
Charles H. Sabin, president of the Guaranty Trust company of New York, went on the stand at the opening of the afternoon session. He testified he was in no way connected with the stock exchange and said he did not know in what connection he was called.

"It has been said," Representative Chipperfield told him, "that you called the financial writers of New York to your bank and outlined to them that you felt it your duty to suggest to the country that there were to be negotiations for peace and that you felt they would affect the price of stocks. If there was anything of that kind suggested, please outline it."

"In October I said to newspaper men that I had information that the German government had instructed the president to approach the allies on the subject of peace," said Mr. Sabin.

Talked to One Man Only.
"Did you make any statement in (Continued on Page Three.)"

TEUTON PRESSURE FORCES RUSSIANS ON RUMAN FRONT

Field Marshal Von Mackensen's drive against the Sereth line in southern Moldavia continues to gain ground and the Teutonic thrust against the Moldavian frontier mountains in the flanking operations now under way likewise is showing progress.

Pushing northward from Fokshani, the fortress position captured yesterday southwest of the Sereth and near the center of the line, Von Mackensen's troops have driven the Russians across the Putna and are now hammering at a new position they have taken up there.

Further southeast, toward the Danube, the Russians are now beginning to yield again, according to Berlin, losing another town which the Austro-German forces held against counter-attacks delivered last night.

The total of prisoners taken by the Teutonic armies in the operations of yesterday and the previous day is now reported by Berlin as approximately 5500 together with three cannon and ten machine guns.

HOLD ADAMSON MERELY WAGE FIXING STATUE

Railroad Attorney in Argument Before Supreme Court Declares That Adamson Law Is Not Constitutional Regulation by Congress—Justice White Interrupts Frequently.

WASHINGTON, Jan. 9.—The great legal battle over the constitutionality of the Adamson act continued today in the supreme court with both sides frequently being interrogated from the bench.

The attack of the railroads on the law was practically closed and tomorrow the government lawyers will make their final arguments in its defense. In presenting the railroads' case, Walker D. Hines, the chief counsel, laid stress on the argument that the law is not a constitutional regulation by congress of interstate commerce, but merely a wage-fixing statute.

He denied that congress had the right to fix wages and that there is no analogy between rate and wage-fixing.

White Asks Questions.
Chief Justice White and other justices frequently interrupted him. Justice White's questions were apparently designed to draw out argument regarding the comparative authority of congress to prescribe wages as well as rates.

"Can congress authorize the interstate commerce commission to fix railroad wages?" asked Justice Day.
Mr. Hines replied it was doubtful unless wages were abnormally low and should interfere with transportation. Asking if the "brotherhoods" wage contracts were fixed prior to 1916, Justice Day said:

"Shouldn't this court take judicial notice of the fact that there has been a great increase in the cost of living since these wages were fixed?"

Denies Congress Power.
Mr. Hines answered that the fact "would not justify the court in holding that evil existed which would justify congress in exercising a power even if it had that power."

"If there is no power, there can be no justification for its attempted exercise," the chief justice observed.

"Congress has no power to prescribe wages because they have no substantial relation to safety and efficiency in this case," replied Mr. Hines.

"The direct object was for the benefit of particular cases," he continued. "Any effect on public interest is incidental."

"Then you argue that this is a regulation of wages and of private relations between employers and employees remote from service?" asked Justice Pitney.

"It is a most remote regulation of commerce," Mr. Hines answered. He added that "the law would undoubtedly cause increased rates."

WOMEN AGAIN URGE PRESIDENT TO AID BOYS LOSE LIFE IN ALAMEDA FLOOD

WASHINGTON, Jan. 9.—Renewed pleas to President Wilson to support the constitutional amendment for women suffrage were made at the white house today by a delegation of 200 members of the congressional union for woman suffrage, who present memorials on the recent death of Mrs. Inez Milholland Bohsevain.

The women had arranged for several speeches, but because of the limited time at the disposal of the president, instructions were issued at the white house that only one woman could speak.

President Wilson told the women he could not understand why more suffragists did not realize that the democratic party was doing more for them than the republican party. He said he had always done his best for the movement and would continue to do his best.

GERARD WELCOMED BY GERMANY



JAMES W. GERARD

BANQUET GIVEN GERARD IN BERLIN STARTS PEACE TALK

BERLIN, Jan. 9.—The Boersen Zeitung, Berlin's leading financial organ, seizes upon the dinner given to Ambassador Gerard by the American Association of Commerce and Trade as an opportunity to discuss peace again. It declares that the banquet had unusual importance and expresses almost enthusiasm at the cordial relations existing between the United States and Germany, as it finds them in the expressions of the speakers.

The Saturday evening papers declare that Germany will welcome every support America may lend to the peace movement "so long as it does not attempt to narrow or foil the acquisition of peace worthy of Germany and the efforts of her fighters."

In its comment on the dinner, the Boersen Zeitung says that it is natural that Germany now looks differently upon an America "which has recovered from what may be termed its carouse over its rich war gains than on an America which Germany vainly tried to arouse to a sympathetic understanding of her situation." The paper warns Americans, however, that they must not expect the German people to be deeply grateful for peace efforts which, it says, are actually inspired by America's own desires and needs for peace.

BOYS LOSE LIFE IN ALAMEDA FLOOD

ALAMEDA, Cal., Jan. 9.—Two boys were reported drowned, all traction service over the Webster-street bridge has been halted and property valued of more than one million dollars jeopardized today when the northern levee protecting the big municipal reclamation project broke on the Oakland estuary side shortly after 2 o'clock this morning.

Nearly a quarter of a mile of factory land is under water, with more than 500 men at work trying to repair the damage. A score of lumber yards, factories, warehouses and similar concerns have been inundated. Most of them have been cut off from all communication with the outside world. Three houses have been pushed from their foundations by the flood of mud and water.

No estimate has been placed on the damage. The boys, thought to have been drowned, were last seen asleep in an old shed near the Southern Pacific tracks, which was covered by a deluge of mud.

SALE OF LIQUOR PROHIBITED IN WASHINGTON

Sheppard Prohibition Bill, Which Allows Small Importations for Personal Use, Passes Senate 55 to 32—Referendum to Voters in District Is Defeated

WASHINGTON, Jan. 9.—The Sheppard prohibition bill, forbidding the sale of intoxicating liquors in the District of Columbia, but allowing small importations for personal use, passed the senate today, 55 to 32.

Advocates of prohibition won the first stage of their fight to make the national capital dry today when by a tie vote the proposal to submit the question to a referendum of voters in the district of Columbia was lost in the senate. The vote was 43 to 43.

The greatest crowd of recent years packed the senate galleries today for the debate and vote on the bill to make the national capital dry. The first big fight was on the amendment to submit the question to the people of the District of Columbia on a referendum which is supported by the liquor interests. The lineup on that point was so close that neither side felt secure of the vote.

As the debate opened hundreds of letters and telegrams supporting or opposing the referendum were either read or presented for printing in the record.

THAW ARRESTED FOR ASSAULTING HIGH SCHOOL BOY

NEW YORK, Jan. 9.—Harry K. Thaw was today indicted by the grand jury on three charges of assaulting Fred Grupp, Jr., a high school boy, of Kansas City, Mo., a bench warrant was issued for Thaw's arrest.

Thaw is accused in the indictment found today of entering Grupp, 16 years old, from Long Beach, Cal., to this city, and having assaulted him at a hotel here with a buggy whip on three different occasions.

The district attorney soon after the bench warrant for Thaw's arrest was issued, received a telephone message from Philadelphia saying that George F. O'Byrne, described as Thaw's bodyguard, had been arrested in that city charged with aiding and abetting his employer.

Harry K. Thaw, twice tried for the murder of Stanford White and incarcerated at Matteawan asylum for the criminal insane, obtained his release from that institution about a year ago after long litigation and a sensational flight from the hospital.

The assault upon which the indictment is based is alleged to have taken place Christmas night. The boy fled to Kansas City, where he told his relatives of his trouble. Frank P. Walsh, a leading lawyer of Kansas City, came to New York and laid the allegations of the boy before District Attorney Quinn.

The testimony of the boy and of attaches of the hotel and others was taken and the indictment followed. As soon as the bench warrant was issued, a detective started with it for Philadelphia, where Thaw is said to be now staying at a hotel.

Testimony brought out at Thaw's two trials and during the litigation over his release from Matteawan had to do with the whipping of young women by Thaw and was cited in an effort to show that Thaw was insane.

CAPLAN TO START FOR PRISON TONIGHT

LOS ANGELES, Cal., Jan. 9.—David Caplan, recently sentenced to ten years' imprisonment for manslaughter in the Los Angeles Times dynamiting case, asked and was granted today a revocation of a certificate of probable cause, staying his sentence, and will be taken to San Quentin penitentiary tonight to begin serving his term tomorrow.

WITHYCOMBE'S MESSAGE ASKS MORE POWER

Governor Would Have Authority of Executive Increased at Expense of Board of Control—Recommends Economy, an Effective Bone Dry Law and Sane Sterilization Law.

SALEM, Or., Jan. 9.—Criticism of governmental decentralization and a plea for greater economy in the administration of the state funds, featured the message of Governor James Withycombe to the twenty-ninth Oregon legislature which convened in biennial session here today.

The message laid particular stress on the advisability of greater economy in state expenditures and devoted much space to the desiring for a general decreasing of appropriations for almost all departments and a consequent reduction of taxes. The governor invited attention to the fact that the state budget calls for \$721,000 more than "can be raised under the provisions of the recent constitutional amendment." He stated that only by pruning budget estimates in conjunction with creating new revenue can the situation be met. The governor showed how the various estimates can be pruned to the extent of \$461,000.

Seeks More Authority.
"In a large measure Oregon has a commission form of government," said Governor Withycombe. "The governor has been more and more divested of authority. As a member of the board of control, in most important state matters, he has identically the same power to obtain the results he desires, as other members of the board, although the public vests him with a far larger measure of responsibility."

"I believe this tendency toward decentralization is ill-advised, that it works against the best interests of the state, and that the resulting decrease of individual responsibility lessens efficiency in public service. This matter is presented not because I happen to be the executive and seek increase of political power, nor to urge immediate drastic action, but rather to point out a tendency which, in my opinion, will entail increasingly harmful results."

Two sources of new revenue were outlined in the message. It contemplated a change in the method of assessing inheritance taxes which the other contemplates a change in the taxation of revenues of insurance companies.

Governor Withycombe then outlined the needs of the various state departments, at the same time indicating how their expenditures might be decreased. He recommended the consolidation of several so that there would not be a duplication of work. A notable instance pointed out by him was the virtual duplication of work of the child labor and industrial welfare commissions, and that of the industrial commission. The state board of health, he said, could well conduct the work of the dairy and food commissioner and the Social Hygiene society.

Effective Dry Law.
"The people of Oregon have decisively approved the so-called 'bone-dry' prohibition measure," continued the governor in part, "and this legislature is in duty bound to make absolutely effective the provisions and evident intentions of that measure. That it will fulfill its obligations to the letter, I am certain."

"The establishment of facilities for military training in our state university, and in Oregon high schools is recommended. This need not be compulsory, but it should be available for (Continued on Page Three.)"

SERBIAN MINISTER ARRIVES IN AMERICA

NEW YORK, Jan. 9.—Ljubomir Michaeljevitch, recently appointed and accepted by Washington as Serbia's first minister to the United States, arrived here today on the steamship St. Paul from Liverpool. He was accompanied by Alexandre Georgievitch, who is to be secretary of the legation.

CRESCENT HARBOR IN RIVERS BILL

WASHINGTON, Jan. 9.—The rivers and harbors appropriation bill, carrying \$29,000,000 for continuing projects already authorized and \$10,000,000 as immediate appropriations for new projects whose total cost will approximate \$50,000,000, virtually has been completed and will be reported to the house next week.

ANNUAL SHOW STATE POULTRY OPENED TODAY

Prize-Winning Fowls From All portions of Oregon on Exhibit at Korinek Building, as Well as Local Birds—Judges and Officials Here—Thursday School Children's Day.

The Oregon State Poultry association's annual show, which opened at noon today, began with a very promising attendance, considering the inclemency of the forenoon and the fact that this is the first day. The initial crowd augurs well for the success of the exhibition.

The Southern Oregon Poultry association, under the direction of which the state show is being held, made record progress in completing the preparation for the exhibition in so short a time.

State Officials Here.
Judge J. B. Keeney of Eugene, who will make the awards; E. J. McClannahan, president of the state association, also of Eugene, and C. E. Williams, secretary of the state organization and editor of the Northwest Poultry Journal of Salem, arrived last night and began their official and personal work this morning. They are pleased with the appearance of the show room.

W. J. Fulmer of the Seattle Fisher Flour Mills company, arrived yesterday and at once got busy. Mr. Fulmer predicted a big success for the show, after he had carefully inspected the result of the preparation and the character of the entries.

Some of the finest prizetakers among the high-bred poultry of the state are on exhibition and a number of solar-walk specimens are for sale. Nearly half a thousand birds are entered, together with a good showing of fine pigeons and a number of artistic rabbits with gilt-sealed pedigrees.

Heavy Attendance Expected.
A thousand admissions are predicted for tomorrow, while Thursday will be free to the school children of the city and country. No one has been bold enough to guess the number of youngsters who will enjoy the show on that day.

The annual business meeting of the state association will be held Wednesday at the Medford hotel.

Speeches by prominent breeders will be announced later. Local interest in the full-blood exhibits presages a lot of improved entries next year, although the up-state birds will have to step rather high to overcome some of the fancy specimens from this county. The southern Oregon exhibits will be a surprise to thousands who will see the show during the week.

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