

BLISS WARNS CONGRESS SECOND WAR GIGANTIC SHIP FRAUD IS UNEARTHED

WAR DEPT READY FOR EXPLOSION

Secy Baker and General Bliss Tell Congressional Committee That If Poland Breaks Bolsheviks Will Run Over Western Europe—Red Armies Now Well Fed and Well Led—Money Asked U. S. A. to Aid Poland in Food and Arms.

WASHINGTON, Jan. 15.—General Bliss, who is unable to withstand the Russian bolshevik armies, is not "improbable," General Bliss, who was a member of the American peace delegation, today told the house ways and means committee.

WASHINGTON, Jan. 15.—Recommendations that the United States furnish surplus military supplies to Poland to aid it in repelling the westward advance of the bolsheviks have been made to the state department by Secretary Baker.

In making this announcement to the house ways and means committee, Mr. Baker interrupted General Tasker H. Bliss, a former member of the supreme military council and the American peace delegation, who had told the committee that general revival of war in Europe was not "improbable" unless Poland could check the Russian bolshevik armies.

Poland Storm Center
Describing Poland as "the possible storm center" in Europe, General Bliss declared that when "a whole people are brought to starvation" they may make war on a neighbor having food and so "renew the conflagration we thought had died out."

Military experts are of the "growing opinion" that the "Moscow government will turn toward Poland," General Bliss said, adding that the Russians outnumbered the Poles, were well trained, well equipped and well led, while the Poles were poorly equipped as to everything.

The bolsheviks, General Bliss continued, are retaining coal, oil and grain lands in the old Russian empire and "will soon be able to care for themselves regardless of any blockade."

Wants Cash Aid
The committee is considering a proposal by Secretary Glass to advance \$150,000,000 to Poland, Austria and other European countries for food relief. If such a loan were made, the allied governments should be required to aid Poland in a military way, General Bliss said.

Military men believe the bolsheviks will not try to press eastward beyond Lake Baikal to fight Japanese, General Bliss said, and that instead of sending armies toward India or Turkey, they would attempt "militant propaganda" there. This, he pointed out, indicated a westward movement of the bolshevik armies.

Possibility of Poland pressing against the Russians was emphasized by General Bliss, who said the peace conference delayed fixing the eastern boundary of Poland until December 2, and then only determined upon a tentative boundary.

On Powder Magazine
"The question is," he continued, "whether the policy of Poland will precipitate a situation dangerous to the whole of Europe."

The westward movement of the bolsheviks, however, is not the only factor that might produce "general revival of war," General Bliss said, explaining that conditions within several European countries might cause an upheaval.

"Europeans," he said, "are more prone than Americans to blame their home situation on their government and without food or shelter would turn against what might be the best government."

BRAVE HOSPITAL NURSE BREAKS N. Y. STRIKE OF MEN WHO SELL BLOOD

NEW YORK, Jan. 15.—Men who sell their blood for transfusion operations struck for more money yesterday at the Flower hospital. They demanded \$55 for a pint of blood, \$30 more than they received two weeks ago, since which time the price has increased to \$40. Student nurses responded as strike breakers. Ten minutes after the strike started one nurse was on the operating table as a surgeon performed a transfusion of blood operation and the hospital received a pint of blood free. Two hours later the nurse was attending a clinic.

DEATH TOLL IN MEXICAN QUAKES GROWS STEADILY

MEXICO CITY, Wednesday, Jan. 14.—Reports slowly coming in from eastern sections of the state of Puebla toll of terrible losses of life in that region as a result of the earth quake on January 3. Further east in the state of Vera Cruz the death toll seems to be growing, reports from Coutzland stating that the number of dead there and in surrounding villages is more than 3000.

The lake which inundated the village of Barranca Grande was caused by a mountain collapsing and damming a river.

An exploring party returned today from Mount Popocatepetl and reported the crater had been entirely changed and that huge fissures had appeared. There were perceptible indications of poisonous vapors rising, they said. The last eruption of Popocatepetl occurred in 1802.

SALEM CITIZEN IS SHOT BY FOOTPADS

SALEM, Ore., Jan. 15.—John Frohman, a business man of this city, was suffering at a local hospital today from a bullet wound said to have been inflicted by one of two robbers who held him up when he was on his way home late last night.

Frohman had been visiting friends, he told police authorities and was held up by two men as he approached his home.

Finding nothing of value, Frohman's story to the police declared, the robbers ordered him to make himself obscure in some brush while they made their escape. Instead, he ran, and while running was shot in the back, the bullet entering the right shoulder. It was said at the hospital that he would recover.

15 ADMIRALS WILL TESTIFY ON MEDALS

WASHINGTON, Jan. 15.—Fifteen admirals, named by Chairman Hale of the senate naval sub-committee investigating naval decoration awards, are among those Secretary Daniels has been asked to summon as witnesses before the committee to testify in the investigation which begins tomorrow.

FISH BILL ACTION IS ABANDONED

Jackson County Delegation Gives Up Effort to Get Action From Legislature Declares Atty P. J. Neff—Bean-Norblad Fish Commission Bill Passed by House Receives Support Two Members of Jackson County Delegation.

Attorney P. J. Neff, who left Salem last night reached Medford today with the information that the effort of the Jackson county delegation to secure a referendum on closing Rogue river, from the legislature, had been abandoned, it being conceded the effort would be futile.

The house yesterday passed the Bean-Norblad fish commission bill, securing according to reports the votes of Representatives Gore and Westerlund. This bill was being fought over this afternoon in the senate, the fight against it being led by Senator Thomas of Jackson county.

SALEM, Ore., Jan. 15.—With the day and hour for adjournment of the special session of the Oregon legislature fixed for noon, Saturday, both houses today were prepared to rush through the measures already introduced and which they considered vital. There is the usual possibility, however, that the clocks in the house and senate may be stopped just before the noon hour in order to complete the work that cannot be handled within the time limit set, according to members of both houses.

Fish Bill Passes
Great speed must be shown in order to complete the work already set out for completion, and it was said that it was possible resolutions would be offered today limiting debate in order to adjourn at the hour set.

Ratification of national suffrage was completed yesterday when the president of the senate and speaker of the house affixed their signatures to the resolution of ratification. It was not necessary to have the governor sign the resolution.

The fish and game bill providing for the creation of a state fish and game commission composed of nine members, passed the house late yesterday. It was expected that it would reach the senate some time today.

SALEM, Ore., Jan. 15.—The salaries of the attorney general and the state superintendent of public instruction have been recommended for an increase by the senate committee on counties and towns.

Attorney General Brown now receives \$3,600 and Superintendent Churchill is paid \$3,000 a year. The recommendation, which is made to the ways and means committee, is that each receive \$4,500 a year.

Oppose Minimum Wage
SALEM, Ore., Jan. 15.—The house resolutions committee has instructed Representative Sheldon, chairman, to draft a resolution expressing opposition of the legislature to the proposed minimum wage law initiated by a resident of Oregon and already filed with the secretary of state. This law provides a minimum wage of \$4 a day for eight hours for all men employed and \$21 a week for women employees. The resolution also would provide for the appointment of a committee of both houses to prepare an argument against the proposed law and have the same printed in the voters' pamphlet.

SALEM, Ore., Jan. 15.—Because of the recent tragedy near Marshfield, when the oil steamer J. A. Chanslor went to the bottom with the loss of nearly 40 lives, the Oregon legislature will memorialize congress to establish a suitable life saving station at Port Orford, near where the Chanslor went onto the rocks.

A memorial asking for this station was introduced and adopted in the senate yesterday and was to be transmitted to the house today. Senator I. S. Smith is author of the measure.

UNCLE JOHN BREAKS SILENCE 2 SESSIONS WITH ROUSING 'UH-HUH'

SALEM, Jan. 15.—By Associated Press. Representative J. A. Westerlund of Jackson county made his maiden speech on the floor of the house yesterday. "Mr. Westerlund," asked Speaker Jones from the stand, "relative to house bill 57, do you wish it returned to your military affairs committee for further consideration?" Every eye was focused on the southern Oregon representative.

"Uh-huh" said he, shattering without a quail the floor record of two consecutive sessions of golden silence.

M'NARY PREDICTS IRRIGATION BILL WON'T BE PASSED

WASHINGTON, Jan. 15.—Governors of western states and representatives of the Western States Reclamation association conferred today with senators and representatives to urge government aid for reclamation of western arid lands.

Little encouragement was given to the delegation which was told that strict economy was being practiced by congress and that authorization of no new projects or large appropriations other than those absolutely necessary was contemplated.

Among those who urged federal aid were Governors Bamberger of Utah, Hart of Washington and Larrazola of New Mexico. Other speakers were D. W. Davis of Idaho, chairman of the reclamation association; T. E. Campbell of Arizona and former Senator Catron of New Mexico. All urged passage of the bill of Senator Jones, republican, Washington, which has been reported favorably to the senate proposing appropriations of \$250,000,000 for irrigation projects.

It was suggested that if direct appropriations were not favored by congress a bond issue be authorized.

Senator McNary, republican, Oregon, chairman of the senate irrigation committee, who with Representative Kinkaid, republican, Nebraska, chairman of the house committee, presided at the conference, told the western delegation that he did not think the Jones bill would pass, nor authorize a bond issue.

"I think failure will be our reward," said Senator McNary. "The disposition of congress is against putting any money into new projects. If we get through a bond issue of \$10,000,000 to carry on the irrigation work I think we will be fortunate."

Senator Thomas, democrat, Colorado, said he favored the appropriation for reclamation extension, but doubted that congress would make the appropriation or authorize a bond issue. Reciting the government's financial situation, Senator Thomas said the government would be fortunate if it could get through the present year without another popular loan.

ASHLAND GROWERS DO A BIG BUSINESS

ASHLAND, Ore., Jan. 15.—The Ashland Fruit and Produce association, a cooperative marketing association of which most of the growers of Ashland and vicinity are members has closed by far the most successful year in its history. The report of Manager A. C. Briggs, read at the annual meeting, disclosed the fact that the association during the past year did a \$150,000 business, almost doubling its best previous showing. A total of 91 cars of fruit and vegetables was shipped. Thirty cars of feed, shock, spray, etc., were received and sold to association members.

VERDICT NEW MURD'R CASE 2ND DEGREE

After Deliberating Night and Day Since Tuesday Jury Reaches Compromise—Recommend Defendant Be Placed in Some Institution for Observation as to Sanity—Jury Reported a Disagreement Several Times—Case Nation Wide Interest.

LOS ANGELES, Cal., Jan. 15.—The jury returned a verdict of murder in the second degree in the case of Harry S. New here today. New was charged with the murder of Miss Freda Lesser in July.

The verdict was reached at 10:40 but the court declined to receive it until an hour later, because of the fact that another case was in progress.

The jury had been out since 4 o'clock Tuesday, with two intermissions for rest.

The verdict carried the following recommendation, read as a part of the finding: "We recommend the defendant be placed in some institution of the state of California for a reasonable period of time for observation as to his mental condition and that the court determine where the defendant shall be confined."

WASHINGTON, Jan. 15.—Ending a ten years' fight the senate today passed the waterpower bill, which now goes to conference for the composing of differences between the house and senate. Final enactment of the measure within a few weeks is expected.

LOS ANGELES, Cal., Jan. 15.—The jury in the case of Harry S. New, accused of the murder of Miss Freda Lesser, reported today that it could not agree. Judge Gavin W. Craig sent back word that he would not receive such a conclusion at this time and directed the jurors to resume their deliberations.

The case was submitted to the jury about 4 o'clock Tuesday afternoon. Since that time the jurors have been in continuous session, except for a few hours devoted to sleep each intervening night.

Because of New's prominence, he being the son of Senator New, and the sensational features of the crime, the case attracted record breaking crowds and nation wide interest.

RIVIERA KEEPS WARM BY TANGO, FOX TROT

NICE, Jan. 15.—Feasting and dancing are absorbing the attention of Riviera guests this season. The necessities of life are not abundant and there is an actual shortage of sugar, milk and coal, but pate de foie gras, truffles, grain-fed fowls and lobster abound. Everything that is luxurious and superfluous is plentiful.

In the absence of fuel, visitors are keeping themselves warm by tangoing, fox trotting and appropriating every other variety of tropical exercise, the Riviera having been transformed into a vast dance which absorbs all energies excepting those reserved for feasting. Meanwhile the cost of living continues to soar.

BOLSHEVIKI CAPTURE ROSTOV-ON-DON 10,000 PRISONERS, 32 GUNS

LONDON, Jan. 15.—The bolsheviks have captured Rostov-on-Don, according to a wireless dispatch from Moscow. Ten thousand prisoners, 32 guns, nine tanks and an enormous amount of luggage were taken the statement says.

LONDON, Jan. 15.—The virtual abolition of the death penalty against non-bolshevik in soviet Russia is announced in a wireless dispatch from Moscow today.

BERLIN, Jan. 15.—(By Wire)less to London.—Official denial was made today of reports that Germany had concluded an agreement with soviet Russia.

WASHINGTON, Jan. 15.—Democratic senators in caucus today failed to elect a leader. A deadlock on a tie vote developed between Senators Hitchcock of Nebraska, and Underwood of Alabama and the caucus adjourned subject to the call of the two candidates.

Senator Underwood in a statement said that Senator Hitchcock's leadership of the minority in the peace treaty controversy was not involved and that the Nebraska senator would continue to have his loyal support on treaty questions.

The vote of Senator Smith would have broken the deadlock today, but the agreement to postpone final action until Secretary Glass was seated was said to have been reached without objection.

Forty-three senators were present, the absentees being Senators Swanson, Virginia, and Smith of Arizona, who were paired, and Senator Johnson of South Dakota, Senators Hitchcock and Underwood refrained from voting.

The roll call on the election follows: For Senator Hitchcock: Ashurst, Chamberlain, Culberson, Henderson, Kendrick, King, Kirby, Myers, Nugent, Overman, Phelan, Pomeroy, Robinson, Sheppard, Simmons, Thomas, Trammell, Walsh of Montana, Wolcott—19.

For Senator Underwood: Bankhead, Dial, Fletcher, Gay, Gerry, Gore, Harris, Harrison, Jones of New Mexico, McKellar, Pittman, Ramsdell, Reed, Shields, Smith of Maryland, Smith of South Carolina, Stanley, Walsh of Massachusetts, Williams—19.

BODIES AMERICANS KILLED IN MEXICO ARRIVE IN HOUSTON

HOUSTON, Texas, Jan. 15.—The oil steamship Trinidadian arrived here early today with the bodies of F. J. Roney of Houston and Earl Botes of Thorndale, Texas, Americans killed recently in the Tampico, Mexico, oil district.

A member of the crew of the Trinidadian, who asked that his name be withheld as he made frequent trips to Mexico, asserted that investigation made by the consul at Tampico and other Americans established that the men were killed by Mexican federal soldiers.

A BILLION IS LOST BY U.S. WEST COAST

Greatest Profiteering Scandal of a Generation Breaks in San Francisco—Conspiracy Throughout War Gains Golden Profits Through Payment of False Vouchers—Attorney General Palmer Orders U. S. Shipping Board to Hold \$37,000,000.

SAN FRANCISCO, Jan. 15.—Frauds involving many millions of dollars in connection with the building of ships for the government in Oregon, Washington and California have been unearthed by government investigators, it became known today when William H. Tidwell, special agent of the treasury department, was appointed chief assistant to Special Assistant United States Attorney General Bert Schlesinger here.

It is understood that Attorney General Palmer, on the strength of the scope of the alleged discoveries of graft in Pacific coast shipyards, has ordered the United States shipbuilding board to hold up claims amounting to \$37,000,000 to await the outcome of the investigation.

Billions Dollar Fraud
The government, according to information from authoritative sources is alleged to have been defrauded of more than a billion dollars through shipyard embezzlements working by the payment of false vouchers for sums that shipbuilders obtained illegally.

A score of very prominent shipbuilding magnates are understood to be involved in the investigation, which is said to have reached the stage calling for special federal grand jury sessions in the cities of Oregon, Washington and California where big shipbuilding plants are located.

Cost plus contracts awarded by the government for construction of vessels during the war, by which the builders were allowed ten per cent over what they claimed to be the cost of construction, were said today to have been the medium of the alleged frauds.

Grand Jury Action
Assistant Attorney General Schlesinger is to leave tomorrow for Seattle, where it is understood the first federal grand jury sessions dealing with the reported discoveries of government agents working under Schlesinger will be held.

Schlesinger refused today to discuss in detail the discoveries thus far made, stating that the detailed work of his department was necessarily of a secret nature.

Tidwell stated he had received telegraphic instructions from the treasury department to join Schlesinger immediately as his chief investigator. Schlesinger and Tidwell were in conference early today as to the next steps to be taken in the investigation. Schlesinger was said to have secured considerable evidence which it is proposed to place before grand juries as rapidly as possible in the various shipyard centers.

Special Prosecutor
Special Agent Tidwell left his treasury post today to engage in his new work. He has had wide experience as a government investigator and handled the prosecution of the Western Fuel cases here, several years ago, in which a number of San Francisco capitalists were convicted and the government recovered nearly a million dollars of which it had been defrauded, in customs duties on coal.

Schlesinger left his private practice two months ago, at the request of Attorney General Palmer to devote his entire time to the present investigation.

Meanwhile Congress—
WASHINGTON, Jan. 15.—Favorable report on the bill authorizing the shipping board to settle the claims of wooden shipbuilders growing out of the cancellation of contracts, was ordered today by the senate commerce committee. It pertains especially to amortization of wooden shipyard plants and which were especially urged by southern and Pacific coast wooden shipbuilders who said that without relief they would suffer severe losses.