

PRESIDENT AND LANSING DELVE INTO REPORTS

SUBMARINE SITUATION ADMITS TUDLY GRAVE.

All Reports to Date Indicate That American Consular Officer Was Killed in Persia Disaster.

United Press Service WASHINGTON, Jan. 4.—Following his return to assume charge of the investigation into the Persia and Glenkye submarine disasters, President Wilson issued a statement today admitting the Austro-American situation to be extremely grave.

Through his private secretary, Wilson issued the following:

"The president and state secretary are taking every means possible to obtain the facts in this grave matter. They will act as soon as they have information."

Hope has been abandoned that American vice-consul McNeely, on the way to Malta, escaped when the Persia was sunk Thursday.

Wilson this afternoon conferred with congressional leaders. A meeting of the Senate committee on foreign relations has been called for tomorrow.

The tense condition existing is likened to the days before the Spanish-American war.

Senator Stone, head of the Senate foreign committee, and Chairman Flood of the House foreign committee will co-operate in investigation.

Officials regard the evidence as conclusive that the Persia was torpedoed. Naval officers, however, say a mine may have been the cause, pointing to the quick plunge of the vessel as an unusual sequel to a torpedo explosion.

On the Sick List.

Lester T. Terwilliger is confined to his rooms by sickness today.

General Kitchener



The most recent photograph of General Kitchener, taken after his return to England from the Balkans.

SOCIAL TO RAISE FUND FOR BOOKS

LOCAL SOCIALISTS WILL GIVE SOCIAL AND DANCE AT THEIR READING ROOM TO HELP MAINTENANCE.

The Socialists of Klamath Falls, who have a free reading room at 204 Main street, will hold a basket social and entertainment at the hall and reading room Thursday evening.

Cards, dancing and other amusements will comprise the evening's program following the sale of the basket lunches.

BERLIN REGRETS PERSIA SINKING AND WILL ACT

HAD AGAIN HOPED TO BE RIGHT WITH U. S.

Official Comment Regarding the Destruction of Passenger Steamer and Loss of Two Hundred or More Lives is Withheld, Pending Report of Commanders of Divers... Decisive Battle Being Fought Today.

By CARL ACKERMAN. (United Press Correspondence)

BERLIN, (wireless via Sayville, N. J.) Jan. 4.—Sincere regret is almost universally expressed here regarding the sinking of the Persia. It is deemed most unfortunate, coming at a time when heroic efforts were in progress to repair the strained relationship between Germany and America.

Officials do not state that the affair was the work of a German submarine. They will make no comment until commanders of German submarines operating in the Mediterranean make their reports.

By HENRY WOOD. (United Press Correspondent)

ROME, Jan. 4.—A desperate and most important battle for the mastery of the Adriatic sea is raging near Cattaro. Combined Austrian naval and land forces are the attacking army, and a large force of Montenegrin troops are opposing them in a determined manner.

The Montenegrin forces have retained Mt. Lowcen, which is the Gibraltar of the Adriatic. This threatens the Austrian hold on Cattaro, and a most desperate assault is being waged in an effort to wrest the eminence from King Nicholas' followers.

United Press Service LONDON, Jan. 4.—It is announced today that hereafter American correspondence to and from Great Britain is to be censored.

ORE. COMMERCE CHAMBER IS NEXT

OLD OREGON DEVELOPMENT LEAGUE DIES WITH 1915. CAPT. J. W. SIEMENS IS MEMBER OF ORGANIZATION COMMITTEE.

PORTLAND, Jan. 4.—The old Oregon Development league passed out with the last day of the old year, 1915. Definite decision to organize an Oregon Chamber of Commerce was reached in a session of commercial club representatives from various parts of the state.

A committee of nine members was appointed to perfect a plan of organization. This committee consists of C. C. Chapman, Portland, A. L. Mills, Portland, A. W. Trow, Ontario, J. T. Hinkle, Hermiston; C. S. Hudson, Bend; Captain J. W. Siemens, Klamath Falls; W. M. Hamilton, Salem; L. J. Simpson, North Bend; Porter J. Neff, Medford.

It was suggested that the new organization will aid in putting on the ballot and securing the passage of a state constitutional amendment, providing state guarantee of principal and interest of irrigation and drainage bonds and a state rural credits system. Such an amendment was proposed in resolutions adopted by the Oregon Irrigation congress, which closed its annual convention in Portland Tuesday, and a state-wide conference, approaching in personnel

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Indicted on a Charge of Violating Sherman Act



H. ROBERT FOWLER, REPRESENTATIVE FROM OREGON. FRANZ VON RINTELEN, BUCHANAN OF ILLINOIS.



DAVID H. LAMAR. F. S. MONNETT.

Eight persons have been indicted in New York on the charge of violating the Sherman Act, in that they are said to have tried to cripple American factories and industries in the interests of Germany.

Frank S. Monnett, former attorney general of Ohio; David Lamar, the well-known character from Wall Street and Franz von Rintelen, who handled much money for the German government here. Von Rintelen is now in the Tower of London as a spy.

HUNTERS GIVEN \$3,148 BOUNTY

HALF OF THIS AMOUNT IS BEING REFUNDED TO THE COUNTY BY THE STATE. MORE COYOTE BOUNTY THIS YEAR.

According to Deputy County Clerk Charles F. DeLap, that cheerful compiler of figures, Klamath county hunters and trappers received \$3,148 from the county and state for killing off coyotes, bobcats and other predatory animals for ten months in the year 1915.

Table with 2 columns: Month and Amount. Total: \$3,148

Beginning March 1 and ending December 31, the state paid half the bounty in each county, so Klamath county has received rebates amounting to \$1,574.

During the coming year the state, instead of paying \$1.50 for coyote bounty, as it did last year, by a special act of the Legislature, will pay 75 cents per coyote. To offset this, the county raised its bounty on coyotes to \$2.75 between January 1 and March 31 so that this year coyote hunters will receive \$3.50 bounty on each coyote killed during that time.

coyote killed in that section and Bly is considering a similar offer. Between these bounty prices, and the money derived from the sale of pelts, the hunters of predatory animals are in a position to realize money from their activities this winter.

NICKLE AN ACRE FOR ASSESSMENT

THE WATER USERS' TENTATIVE FIGURE IS THE LOWEST IN FIVE YEARS. TO BE DECIDED UPON AT NEXT MEETING.

At yesterday's meeting of the directors of the Klamath Water Users' Association, the tentative assessment for maintenance of the association for the coming year was fixed at 5 cents per acre.

The levy will be definitely settled at the February meeting of the association directors. At that time any objections will be heard and considered.

The levy tentatively decided upon is the lowest in five years. It is the smallest assessment proposed since 1911.

Home From East.

Mr. and Mrs. Edmund M. Chilcote and child have returned from a visit with relatives in the Osark region. Mrs. Chilcote spent several months there, and Mr. Chilcote joined his family just before Christmas.

Mr. and Mrs. W. T. Shive and daughter, Madge, are here from Oakland.

GASOLINE TRUST IS TO BE PROBED

RAISE IN PRICE, WHILE OUTPUT INCREASES IS CAUSE OF CONGRESSIONAL AND DEPARTMENTAL ACTION.

United Press Service WASHINGTON, Jan. 4.—Congressman Steenerson of Minnesota today introduced a resolution inquiring as to whether the department of justice is taking action against those who are responsible for the increase in gasoline prices, and demanding the reason if no action was taken.

United Press Service CHICAGO, Jan. 4.—Federal District Attorney Cline today stated that he has been probing the "gasoline trust" at the request of the attorney general's office.

PAIR CHARGED WITH ASSAULT

RAY BROOKS AND JOE HUGHES WILL BE GIVEN HEARINGS BEFORE JUSTICE OF THE PEACE GOWEN TOMORROW.

Two hearings on charges of assault and battery are scheduled for tomorrow in Justice E. W. Gowen's court.

R. W. Brooks, who was arrested last night, is charged with assault and battery by Amy L. Brooks. Joe Hughes was arrested on a charge of assaulting and beating Frank Barfield, the scrap taking place on the night of John Barleycorn's departure from Oregon.

Both men are at liberty on their own recognizances.

To Winter South.

C. P. Stewart and wife will leave shortly for Los Angeles where they will spend the winter months.

ENGLAND'S NEW CONSCRIPTION BILL IS READY

UNMARRIED MEN WILL BE CALLED OUT.

Lord Derby's Call of Men to the Colors Brought Out Only Half the Force Expected, so in Order to Prepare for Big Offensive This Spring, Great Britain Decides to Force Men into the Ranks.

By ED L. KEEN LONDON, Jan. 4.—Following an announcement that only half the expected strength responded to Lord Derby's recent call for volunteers, the cabinet has completed the conscription bill.



Ed L. Keen

Single men between 23 and 26, inclusive who enlisted during the Derby campaign have been called to the colors. They are to report February 8 for duty.

The call followed the cabinet meeting this morning. This force strengthens the British army by several hundred thousand.

Despite contrary reports, the Chronicle today stated positively that Ireland is not included in the scope of the conscription bill the government is introducing.

It is understood that for the present at least, the government does not intend to draft married men. Figures show that there are 650,160 men available by draft from the ranks of unmarried men who are needed in other than military occupations.

Why Lord Derby's voluntary system of raising men for the army has failed, has made conscription imminent, was explained to the United Press by an officer, for months in charge of the cream of London recruiting stations. "Come, I'll give you a practical demonstration," he said, leading me out

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Winter of Ghastly Horror Awaits the Soldiers Who Are Stationed in Serbia

By WILLIAM G. SHEPHERD (United Press Staff Correspondent)

MONASTIR, Serbia, Dec. 24.—(By mail)—Balkan soldiers suffer more than those of any other nation. How the Bulgarians, the newcomers, will conduct their medical corps, remains to be seen. Winter imposes almost insurmountable difficulties on an army in the Balkans owing to the few roads and the almost incessant mud and rain. The Germans and the Austrians, with their automobile ambulances, etc., have dodged the hardest and worst parts of Serbia. The German line extends into the interior of Serbia only fifty miles and the Germans seem satisfied with that. There is little chance of their coming further. The Austrian line also reaches only slightly deeper into the little ally country. The Austrians and the Germans appear to have the single intention of connecting with the Bulgarians, if possible, in the northern tip of Serbia and avoiding the "bad lands."

But the Bulgarians will have not such easy going. Their wounded and sick must be carried on springless wagons drawn, oftentimes, by oxen which go through the knee deep mud in a slow and dismal procession. Some of the difficulties that will be faced by the Bulgarians may be measured by what I have seen along the roads near Monastir and in the hospitals here. Most of the Serbian wounded suffer from gas gangrene, owing to the lack of attention imposed by the long, slow cart journeys. Small wounds that would mean only a week in the hospital if prompt medical attention could have been given, are killing men with pain or poison. American as well as Serbian doctors are helpless against gas gangrene. Quinine is being tried in Serbia now and wounded men are being. Not content with sending a bullet large and potent and the doctors fancy that the gas gangrene victims are helped slightly by the new treatment. Explosive bullets are another cause of horrible suffering in the Balkan fight-

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War Causes Big Deficit in European Countries, and Prosperity in U. S.

United Press Service NEW YORK, Jan. 4.—At the close of 1915 the war has cost more than twenty-six billion dollars, exceeding by five hundred million the total national debt of the six principal belligerent powers when the conflict began.

With the exception of about five million raised in the United Kingdom by taxation, practically all the expenses of the war have been met by borrowed money. The end of 1915, therefore, finds the fighting nations saddled with double the debt they had accumulated in all centuries preceding the outbreak of the war.

In the early days of the war the most liberal estimate of its cost, including the destruction of property and the economic losses caused by casualties, was fifty million dollars per day. The actual expense now, exclusive of economic and property losses, is eighty-five million per day.

Of this amount the Quadruple Entente is paying two-thirds and the Teutonic Allies one-third. If the war continues through the winter the cost will probably rise to a hundred million per day. The interest for war loans which the war has already imposed on Europe's future generations is about a billion, two hundred million per year. Every week the war lasts fires an additional annual interest burden on the belligerents of twenty-five million.

Colossal taxation will have to be imposed on the soldiers when they return home after peace is declared. The belligerents will be bowed beneath the burdens of the war debts.

During the year, various British statesmen uttered warnings concerning the financial outlook. And the possibility of bankruptcy overtaking Europe has several times been mentioned in the House of Lords.

All the belligerent governments have become uneasy about the monetary outlook, but the system of raising the war on borrowed money has prevented the people themselves from feeling the

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