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RUMANIANS RETREAT ALONG ENTIRE FRONT

Teutons Press Forward and Occupy Two More Important Cities—106 Officers and 9,100 Men Captured—Russian Troops Covered Left Flank of Retreating Rumanians—Oil and Machinery Destroyed and Grain Removed Before Bucharest Fell

Petrograd, Dec. 7.—Russian troops covered the left flank of the Rumanians in their retreat from Bucharest. The war office statement today announced the evacuation of the Rumanian capital as having taken place at mid-day yesterday.

"Our troops covering the left flank of the Rumanian southwards, retired also," the statement said.

In the Trotush fighting in Wallachia the Rumanians retired eastward, the report said, under enemy pressure, their rear guard holding the Teutons.

In the Transylvanian fighting around Shelvova, the enemy captured a small portion of the Russian positions, but was driven out by a counter attack. In the region of Carbuзов and Gunalovtze two enemy companies forced part of some demolished trenches. The Gunalovtze position was later restored to Russian hands.

Praises His Army.

Berlin, via Sayville wireless, Dec. 7.—Occupation of Campina and Sincaia, in addition to the Rumanian capital of Bucharest, was announced as further advance made by German troops in today's official statement.

"The defeated enemy retreats along the whole front," the statement declared.

A major part of the statement was a laudation of the bravery, skill and speed of the Austro-Hungarian-German-Turkish troops who swept over Rumania, defeating the Rumanian army and the Russian reinforcements which were hurriedly summoned.

The Ninth German army reported capture of 106 officers and 9,100 men of other ranks yesterday, declaring that operations and engagements are continuing.

Fighting Desperately.

Sofia, Dec. 7.—Smashing of desperate Russo-Rumanian attacks and occupation of the bridgehead near Capoenistivan was announced in today's official statement.

Russians and Rumanian forces strove desperately in attacks on the lower course of the Arges river in Wallachia, but were beaten back.

Many of the Arges bridges were destroyed by the enemy, but Bulgarian forces forded the river near Copaceni-taivan and took the bridgehead.

Retired in Good Order.

Paris, Dec. 7.—The Rumanians evacuated Bucharest in good order, saving their army, it was authoritatively stated here today. The Rumanian rear guard was forced to fight strenuously to cover the retreat.

Removed All Grain.

London, Dec. 7.—Bucharest and Ploesti were evacuated by the allies in order to shorten the line in Wallachia. General Maurice, director of allied military operations, declared here today.

"Oil and machinery were fairly well destroyed before the Germans arrived," he continued. "The grain was also removed."

"The Rumanians were short on heavy guns, although amply supplied with light artillery and dependent for ammunition on Hungary. The retreat was principally due to the railroads, which were simple but unorganized."

Abe Martin



The old fashioned girl...
Why don't th' feller who...
speech maker let it go at th'...

BEEF \$1.76 A POUND

Chicago, Dec. 7.—Talk about the cost of high living. Beef on the hoof today sold at \$1.76 a pound. It was the grand champion steer of the International Stock Show, California Favorite. Raised by the University of California, it weighed 1,120 pounds at 13 months and sold for \$1,900. Clay, Robinson & Co., the owners, sold it to the Sullivan Packing company of Detroit. They will carry it into Christmas beef.

A representative of the buyers said Henry Ford would get some of the beef. Those to whom he confided this, said they guessed he could afford it—they couldn't.

JAPANESE HAVING POLITICAL BATTLE

Attempt Being Made To Overthrow Ministry Headed by Terauchi

Tokio, Nov. 20.—(By mail)—Charges that Field Marshal Count Terauchi is "an unconstitutional premier" are being hurled by Viscount Kato and his followers who are promoting a movement to overthrow the new head of the Japanese government. The anti-government campaign is expected to reach a climax when the imperial diet convenes December 25 and a series of stormy sessions is expected.

Kato, former foreign minister, was rejected by the Genro (elder statesmen) for premier at the time Terauchi was chosen. He is leader of the Kenzeikai, strongest political group in the house of representatives.

His campaign was launched in a recent speech at Sendai when he attacked the Genro as old men whose ideas do not change to suit changed conditions. He asserted that Prince Yamagata, head of the Genro and "spiritual father of the Terauchi ministry" had told him:

"I know you are a fit person to become premier and sooner or later you will. But today is not the time, because the close of the European war will bring about unexpected changes in the world situation. Issues that may involve the rise or fall of our empire may be the outgrowth of the conflict. Count Terauchi has no party connections and therefore no political enemies. That is why he was chosen to head the new ministry."

This throws an interesting sidelight on the final selection of Terauchi, after it was generally expected Kato would be chosen premier.

Convict's Invention Keeps Kaiser's Zepps and U-Boats Going

Columbus, Ohio, Dec. 7.—Would Germany's U-boat campaign, Zeppelin raids and other aerial activities cease if it were not for an Ohio convict-inventor, Dr. Emerion W. Ritter? Dr. Ritter today claimed they would "because my process for converting natural gas into gasoline is all that saves them."

Dr. Ritter, imprisoned on a conspiracy charge, is the inventor of Germany's liquid fire. Both inventions mentioned aerial and undersea activities depend on and others he had perfected and presented to Germany from his cell in state's prison here.

"There is no gasoline and Germany's my invention. The Deutschland is fed with my product, made from the great gas fields belonging to former Ambassador Dumba in Austria."

"I have planned 10 factories for making my gasoline in this country when I am released in January. My wife is being paid \$30 a week by Germany and our ancestral estates, confiscated in 1848, will be returned to us when the war ends."

Prison officials say Dr. Ritter really is a genius with chemicals.

City Was Deserted.

Amsterdam, Dec. 7.—Bucharest was almost deserted of civilians as well as of soldiers when the Rumanian capital city was captured by the Germans. Reports here today said the city was not demolished.

A Surprise Attack.

Paris, Dec. 7.—Success of a French surprise attack east of Metz was announced in today's official statement. The French forces captured a number of prisoners.

Blockade Greece.

Paris, Dec. 7.—A blockade of Greece as a measure of reprisal for the riots in Athens in which French marines were fired upon, will be officially announced tomorrow.

Newspaperman Faces Trial for Murder

Thompson Falls, Mont., Dec. 7.—A. S. Ainsworth, newspaper publisher, was scheduled to come to trial today on a charge of urging Miss Edith Colby to kill A. B. Thomas, politician.

Miss Colby, who was convicted of second degree murder, will be sentenced Saturday. The jury fixed the penalty as 19 to 12 years. A formal motion for a new trial will be argued before the sentencing.

After her conviction Miss Colby said she would not mind going to prison if the man whom she alleged persuaded her to kill Thomas were also jailed. She blamed them for the whole trouble.

LABOR PARTY AIDS LLOYD GEORGE IN FORMING CABINET

Much Bitterness In Evidence Over Resignation of Asquith

ALL FEEL NECESSITY OF PLENARY WAR COUNCIL

At Same Time France Is Seeking More Compact Organization

LABOR PARTY TO AID

London, Dec. 7.—The labor party has agreed to participate in the new government now being formed by David Lloyd-George, the press association announced officially today.

The Central News declared Lloyd-George had offered the labor party two cabinet places, one member of the war council and three under-secretaryships.

By Ed L. Keen.

London, Dec. 7.—The supreme question of the hour in England today was whether David Lloyd-George would succeed in forming a new cabinet. In his way stood the bitterness displayed by certain friends of the old regime and yesterday's formal refusal of other labor party ministers to serve under Andrew Bonar Law, which means now also under Lloyd-George, since Law is one of Lloyd-George's most whole-hearted supporters.

But those familiar with the courage, determination, resourcefulness, personal magnetism and good luck of the late war minister were not entertaining serious doubts today over his ability to surmount these obstacles. It was believed likely he will make a forceful appeal to all parties patriotically to sink their political differences in the single purpose of waging an energetic and successful conduct of the war.

Lloyd-George has plenty of excellent material from which to draw his cabinet. Among the names which were most prominently mentioned today as possible ministers were: Bonar Law (Unionist); Lord Curzon, (Unionist); the Earl of Derby, (Unionist); Lord Halifax, (Unionist); Winston Churchill, (Liberal); Lord Robert Cecil, blockade minister in the late cabinet, (Unionist); Arthur Henderson, minister of pensions

(Continued on page six.)

STEAMER ARABIA WAS CONSIDERED TROOP TRANSPORT

Germany Frankly Admits Sinking, and Gives the Reasons

WAS NOT ON ROUTE USED BY PASSENGER STEAMERS

At Same Time Will Make Amends for a Regrettable Mistake

By Carl D. Groat.

(United Press staff correspondent.)

Washington, Dec. 7.—Germany set up the contention that the steamer Arabia was a troop transport and admitted she had sunk it under that impression, in her answer to American inquiries made public by the state department today.

At the same time Germany agreed to promptly draw appropriate consequences "if the United States showed the vessel was an ordinary passenger liner rather than a transport."

The text of the message said the following results were shown by the German investigation:

"On the morning of November 6, the German submarine encountered a large steamer coming from the Cergo straits, 100 nautical miles west of the Island of Cergo."

"The steamer was pointed black and had black superstructure and not, as is otherwise the case with the P. & O. line superstructure in light color."

"The steamer which was identical with the Arabia was not traveling on the route regularly used by the passenger steamers between Port Said and Malta, as is made plain on the enclosed map, but was taking a zig-zag course toward the west 230 nautical miles north of that course, this course in which the submarine had passed three similar steamers at the same spot on the same morning, leads from the Aegean to Malta, so that the Arabia was moving on the Parigo-Malta transport route used solely for war purposes, according to the experiences until now."

"The commander of the submarine further ascertained that there were large numbers of Chinese and other colored persons in their national costume on board the steamer; he considered them to be workmen soldiers such as are used in great numbers behind the front by the enemies of Germany. In spite of the clear weather and careful observation the commander did not perceive any women and children."

"In these circumstances, the commander of the submarine was convinced that in the case of this steamer he was

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(Continued on page two.)

COMING AFTER WHEAT

Refugees Tell Story of Death Following Taking of Parral

STORY IS CONFIRMED BY MESSAGE FROM MINE

Many Houses Were Burned and Several Chinese Murdered

By Webb Miller.

(United Press staff correspondent.)

El Paso, Texas, Dec. 7.—Howard Gray, an American employe of the Alvarado Mining company, was tortured and hanged until he was dead by Villistas when the bandits entered Parral a month ago, according to word brought here by two mining men.

While the two mining men were telling their story of the death of Gray, in the offices of the Alvarado company here, a telegram from the native foreman of the company's mines at Parral reached the office. The message read: "Everything safe except Gray. He is dead." Mining company officials accepted it as authentic and as corroborating the refugees' story.

Gray was acting foreman of the American owned Alvarado properties. Four of the Alvarado employes escaped before the attack upon Parral and escaped across the Sierras. Gray, with about six other Americans, stayed behind. It was inferred from the telegram that the other Americans were safe.

The two mining men who reached here today were Spanish refugees from Parral, who crossed the continental divide and came by railroad up the west coast of Mexico. Word of the death of Gray was the first information obtained of him since Villa entered Parral in November. He was about 50 years of age.

Still Held Parral.

Villistas were still in possession of Parral a week ago when the Spanish refugees left there, a garrison of several hundred bandits under Colonel Beltran holding the town. They may have evacuated since, it was indicated by the telegram received today from Parral, dated yesterday.

"All other Americans including Dr. Flannigan, Jake Meyer and W. A. Scott are safe. They were hidden and could not be found by the bandits. A leading party sneaked Scott's house and threw Scott's wife, a Mexican woman, and his children into the street."

"The houses of some foreigners, most Syrians and Chinese were burned to the ground. Every store and nearly every house in the town was looted and a number of Chinese slaughtered."

"When Villa, who was in personal command of the bandits left the city he had three trains loaded with loot and troops. He left a garrison behind in command of Colonel Beltran."

Villa at San Andres.

El Paso, Texas, Dec. 7.—After re-equipping his army with supplies taken from Chihuahua City, Villa is moving from Chihuahua according to report made to United States authorities here today. In official circles here it is believed the bandit chief is making his own headquarters at San Andres from which point he is scattering his forces in small bands and directing their operations.

In the past three days a rear guard action between Villistas and government troops took place south of Fresno, eight miles southwest of Chihuahua City. The movements of government troops are hampered by lack of railway equipment as Villa took with him practically every available piece of rail-

Polk County Court Sets Aside \$41,270, for Building Salem Bridge

The county court yesterday completed its annual budget for the year 1917 and has estimated that it will require a 22 1/2 mill levy to conduct the financial affairs of Polk county during the next twelve months. The court has called a public meeting at the court house on Friday, December 29th at 10 o'clock, at which taxpayers will be given opportunity to discuss arguments for or against the proposed levy.

The amount that must be raised by the county to meet its needs next year is \$406,202.62. Of this amount the probable receipts from other sources than direct taxation is estimated at \$5,225.24, which leaves \$399,977.38 to be raised by direct taxation upon personal and real property. The total of the general fund is \$205,022.54, and of the roads and highways fund is \$101,179.98. Provision is made for the Salem bridge to the amount of \$41,270.79; the state tax is \$53,000; the county school fund is \$15,975.78; fund for improvement and maintenance of roads and bridges of supervisors—\$29,938.48, bridge and ferry fund including bridge and road tax—\$2,000 has also been set aside for the Polk county fair, including school exhibit, the Land Product show at Portland and Seattle and the Corn Show at Independence.

To raise these moneys levies have been made as follows: 15 mills for general fund, including state tax; 33 mills for general fund, including 2.4 mills for common school fund and 1.2 mill for high school library fund. The total assessed valuation of the county will amount to \$13,300,000. The complete budget in detail will be found on another page of this issue.—Dallas Observer.

WRECKAGE COMES ASHORE

Wheeler, Ore., Dec. 7.—Wreckage littered this section of the coast today. Apparently the debris was part of the steam schooner Santa Barbara's deckload. A life preserver marked "Santa Barbara" was found. It is believed the recent southerly gale swept away a portion of the steamer's cargo and smashed her house.

VILLA BANDITS TORTURE AND HANG AMERICAN MINER

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THE WEATHER

Glad I don't live in New York
Oregon: Tonight and Friday fair east, rain southwest and rain or snow northwest portion; southerly winds.