

FULL LEASED  
WIRE DISPATCHES

# The Daily Capital Journal

CIRCULATION IS  
OVER 4000 DAILY

THIRTY-NINTH YEAR—NO. 269

SALEM, OREGON, THURSDAY, DECEMBER 14, 1916

PRICE TWO CENTS ON TRAINS AND NEWS  
STANDS—FIVE CENTS

## PEACE PROPOSALS RECEIVED WITH CONTEMPT IN ENGLAND

### BRIAND TELLS FRENCH TO LOOK FOR POISON IN GERMAN OFFERS

### PRESIDENT DISPATCHES TEUTON OFFER TO ALLIES

Leading English Journalist Says: "France, Russia, Italy and Little Belgium Are Firm As Plymouth Rock"—Feeling in England Is That Answer Should Make Clear the Basic Terms On Which Peace Would Be Considered

By Lord Northcliffe,  
(Written for the United Press. Copyright 1916 by the United Press; copyrighted in Great Britain.)  
London, Dec. 14.—Germany's peace proposals are due to the fact which interned neutral correspondents in Berlin have not been allowed to indicate, that during the last few weeks grave internal dissensions have arisen, owing to the food shortage and the reign of terror.  
Moreover, relations have been greatly strained between the various German and Austrian states and also with Turkey.  
The Prussian government also has learned that the British empire will, during 1917, put forth an effort equal, at least, to that of Germany in 1914 and from the point of view of guns and shells, three times that of Germany at any period of the war.  
The proposals have been received here with contempt. We are gratified that the American senses of humor and justice have seen through this bluff.  
France, Russia, Italy and little Belgium are firm as Plymouth Rock.

Will Regret Proposals  
London, Dec. 14.—The caution, "watch out; take care," sounded by Premier Briand in his address to the French chamber of deputies, will also be England's guidance in scrutinizing the German peace proposals.  
After the first shock of the news of Germany's peace plan and the first and instantaneous decision to reject it, there came today, with a strengthening of this determination not to make the peace Germany craves, the belief that England and her allies ought closely to examine the circumstances of the Teutonic move. Press and public alike were more than ever convinced today that some "German trick was behind the offer."  
Most apparent in the German offer is the attempt to gain the sympathy of neutrals. An attempt to create dissonance among the entente allies is believed to be the chief consideration of the note and the chancellor's speech. Last night the British public believes the German government desired to make a "play" to the German people to support the oft repeated cry that Germany is merely defending herself against enemies who forced a war upon her. England believes there is every indication of popular unrest in Germany, due to shortage of food and the staggering losses of men and material which she has undergone since 1914.  
England and her allies, therefore, intend to reject the peace proposals.



There's no stay-at-home vote amongst the women. The only way to keep from making mistakes is to stand still.

### SLUMPING OF STOCKS PUTS WALL STREET IN A PANICKY CONDITION

Rush to Unload Causes Break—2,500,000 Shares Sold During Day

New York, Dec. 14.—Further recoveries from the slump caused by peace proposals on Tuesday were made on the stock exchange today.  
United States Steel sold at 120 3/8, up half; Central Leather gained 1/4, opening at 106 1/4; International Paper sold up 3/4; Utah Copper 3/4 and China, 1/4. Crucible was down half at 77.  
The break of this afternoon was more serious than that which came on Tuesday after the announcement of Germany's peace proposals. It extended to the curb where breaks of 1 to 6 points were made by munition stocks. Rais offered some resistance to the general excitement on the exchange, but leading yielding two points before the hammering of heavy sales.  
The break was the worst and the nearest of panic proportions seen on the stock exchange in years. At 3:25 the official stock exchange ticker had not yet caught up with closing sales, so great was the dumping of stocks. United States Steel was reported seven points off at one time.  
During the last hour 750,000 shares

(Continued on page two.)

### A NEW INDUSTRY

Portland, Ore., Dec. 14.—A new industry—the "jack rabbit business" is in sight in Oregon today. Thousands of jack rabbits have appeared in the interior. Many ranchers are killing them, collecting five cents a head bounty from the state, selling the remains to butchers at \$5 a dozen and preparing the pelts to be made into rabbit fur hats.

### UNITED STATES HAS BEEN MISINFORMED

Germany Says Isolation of Belgium by Allies Caused Deportation

Berlin, via Sayville wireless, Dec. 14.—The German government thinks the United States has been incorrectly informed about the cause and execution of the measures and therefore considers it appropriate to explain the facts in detail.  
The Nord Deutsche Allgemeine declares today, quoting that it is Germany's answer to the American protest against the deportation of Belgians.  
The text of Germany's note follows: "Belgian unemployment for considerable time has been extending in perplexing fashion among industrial workmen. This prevailing unemployment has been caused by the English policy of isolation which cut off Belgian industry from the importation of war material and the exportation of manufactured goods and thus brought a majority of Belgian work to a standstill. By this measure almost half of the Belgian factories' workmen, that number in round figures, 1,200,000, view that these measures are in contravention of humane principle of international practice as to the treatment of the population of the occupied territory."  
"The German government thinks

(Continued on page two.)

### CONDITIONS ARE INDESCRIBABLE SOUTH OF BORDER

Disease and Starvation Take Two-Thirds of City's Population

### WOMEN WHILE BEGGING DIE FROM LACK OF FOOD

The Government Appropriates Corn, Sent by Red Cross, to Starving People

By Webb Millet.  
(United Press staff correspondent.)  
El Paso, Texas, Dec. 14.—Affidavits by an American mining man describing terrible economic conditions now prevailing in Central Mexico as a result of continuing revolutions, were forwarded to Washington today by United States department agents here.  
The mining man's statement is one of the few first hand stories of Mexican interior conditions to reach the federal authorities from authentic sources.  
"From a beautiful city of 40,000 persons," the statement reads, "Guajuato, the capital of that state, has been reduced to about 15,000 by the ravages of disease and starvation. In the last four months the death rate from starvation and disease has been more than 70 per day. I have seen women, begging in the streets, die from lack of food. I counted 10 dead in an hour carried past my residence on sheet iron stretchers. I saw one man executed for stealing a blanket and four prominent

(Continued on page six.)

### Wheat Still Going Down the Toboggan

Chicago, Dec. 14.—Trade was slow today, speculators preferring to await developments after two days of tumultuous fluctuations. Nervousness is expected to continue until the question of speedy peace is settled. December wheat was down to \$1.53 at noon, 1-4 point below yesterday's opening and one point under yesterday's close. May was quoted at \$1.65 1-4, 1 3-4 below the opening, and 2 1-4 below yesterday's close; July was \$1.41 5-8, 2 3-8 below today's opening, and 2 1-4 below yesterday's close. Corn was quiet and easier. December was down half at 88 3-4; May down 5-4 at 90 1-4, and July down 1 at 90. Oats were lower. December was down 5-8 at 49 1-2; May down 7-8 at 53 1-8, and July down 5-8 at 50 1-2. Provisions were higher.

### NO REST THIS WINTER IS VON HINDENBURG'S LATEST STATEMENT

### Austrian Cabinet Resigns—Fighting Slackens—Two Steamers Sunk

By Carl W. Ackerman  
(United Press staff correspondent.)  
Berlin, Dec. 14.—Despite Germany's peace proposals, Field Marshal Von Hindenburg's declaration that there will be no rest this winter still stands. A military authority today repeated this quotation of the field marshal's remarks in commenting on the fact that Germany weighed carefully the peace question before announcement was made—knowing that England did not desire peace because the allies intended to launch an enormous spring offensive.  
A Stubborn Fight  
Petrograd, Dec. 14.—"The enemy continued attacks toward Buzey Tuesday," today's official statement said. "Cavalry and infantry detachments met the enemy west and southwest of Buzey. Our cavalry advancing westwards and co-operating with infantry, fought a stubborn battle."  
Two Steamers Sunk  
London, Dec. 14.—Loss of the British steamers Harlington and Harly, with their crews and the sinking of the British steamer Saint Ursula, was announced by Lloyd's late today.  
The Harlington's crew had been picked up by the steamer Harly after the Harlington sank. Then the Harly sank.  
Austrian Cabinet Quits  
Amsterdam, Dec. 14.—Resignation of the Austrian cabinet was announced in dispatches received today from Vienna. Alexander Spitzmueller is to attempt formation of a new ministry.  
If the Austrian cabinet has resigned it has attained the unique record of lasting for a shorter period than any ministry of recent years in any European country unless it be Greece. Dr.

(Continued on page two.)

### BRITAIN'S ANSWER IS VOTE OF CREDIT TO CONTINUE WAR

Chancellor Asks for \$2,000,000,000 and 1,000,000 More Men

\$18,759,240,000 IS COST OF WAR TO END OF YEAR

England Is Spending \$27,907,700 Daily to Maintain Conflict

London, Dec. 14.—England took steps today for further financing of the war and to provide more men for the battle fronts.  
With announcement of Germany's peace proposals only 48 hours old, the Lloyd-George government made its formal appearance in the house of commons and Andrew Bonar Law, chancellor of the exchequer, asked for a new vote of credit of \$1,948,000,000.  
In addition a supplementary estimate was issued providing for an addition of one million men of all ranks for the army, raising the total estimate for the year to 5,000,000.  
The new chancellor of the exchequer announced that, with the new vote of credit, the war to date will have cost England the staggering total of \$18,759,240,000 by the end of the present fiscal year. England is spending approximately \$27,907,700 a day in her warfare now.  
On announcing these new plans for future conduct of the war, Bonar Law took occasion to assert that so far no peace proposals have yet reached the government.  
One other hint of far reaching reforms contemplated by the Lloyd-George government was given in Bonar Law's statement that creation of two new ministries—of food and labor—were contemplated. He explained to the house of commons that David Lloyd-George, the new premier, was under doctor's orders not to see visitors now, not having recovered from his illness.  
The other feature of today's noteworthy session of the commons was answering the queries by Lord Robert Cecil, new minister of blockade, asserting that it was the new government's intention to enforce rights of belligerents with as little inhumanity to neutrals as possible. He also announced that the cabinet was hurrying to formulate demands on Greece with a view to clearing up the situation there.

## Some of the Leading Figures In the Political Life of Great Britain



With only such changes in its important divisions as the loss of Earl Kitchener on the warship Hampshire made necessary, the British cabinet which Premier Asquith has been seeking to reconstruct is the same widely heralded "coalition," or national, cabinet which was raised from the wreck of the old Liberal cabinet when the admiralty crisis of last year brought down the whole government and which was designed to inspire complete public confidence and support in a reinvigorated prosecution of the great war. Apparently it has failed of its purpose. From the day of its formation it had been beset with difficulties, attacked by criticism and, in some instances, divided against itself. Beginning with

### TEDDY SLINGSBY IS NAMELESS FOUNDLING

House of Lords Dismisses Appeals and Ends Long Drawn Out Suit

### Explosion in Kansas Coal Mine Fatal to One-Third of Workers

Weir City, Kan., Dec. 14.—Twenty miners were killed and seven injured by the explosion in the Mayer mine No. 9, Reedy and Ryan, 12 miles west of here, yesterday afternoon, it became known here today.  
Although the explosion occurred yesterday afternoon, definite details as to fatalities could not be learned until today.  
A combination gas and powder explosion is believed to have been the cause. Those killed were either burned or suffocated. Most of the dead were foreigners, living at Stone City. It is not known definitely how many were in the mine at the time of the explosion, but it is believed there were 60. Thirty-three escaped uninjured from the side opposite that where the explosion occurred. With the 20 dead and seven injured 60 have been accounted for. Mine officials say they believe this is all the men in the mine at the time of the explosion but are not sure.  
An official investigation of the cause of the explosion will be made immediately.

### THE WEATHER

Oregon: Tonight and Friday fair, continued cold; easterly winds.

