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FORTIETH YEAR—NO. 298

SALEM, OREGON, SATURDAY, DECEMBER 15, 1917

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SITUATION IS GRAVE FOR ALLIED CAUSE ON WEST FRONT

Ed L. Keen, United Press Correspondent Sends Out Information That Is Startling—Passing of Cablegram by Censor Indicates That Gravity of Situation Is No Longer Concealed—Offensive Has Passed From Hands of Allies to Germans—Cambria Reverse to British Arms Has Had Effect of Correcting False Impression of Allied Strength

The frankest statement on the military situation that has come from Europe in months appears in the Capital Journal today.

"There is no use trying to camouflage the situation on the west front," is the keynote of a vitally significant dispatch from Ed L. Keen, general European manager of the United Press.

The dispatch frankly states the initiative in the war on the west front has passed to the Germans; that the absurdity of stories of waning German morale and impending collapse has been revealed.

On the heels of President Wilson's re-statement of war aims, re-pledging America to fight to a victory and immediately after Lloyd-George's speech yesterday, Keen's statement of the military situation passed by the British censor, points clearly to the task that lies ahead as the fourth year of the war approaches.

Weaknesses were revealed in the reverse suffered by the British at Cambria. Criticism was voiced by the British press, with the intimation that some things were being withheld.

The United Press asked Keen to cable an outline of the situation which the American reading public could accept as a frank statement of actual conditions which American troops will be called upon to help solve.

Today's dispatch is the result of that inquiry.

It is of added significance that British editorial comment, cited by Keen, regards Lloyd-George's speech as a "call to arms" in the present crisis.

By Ed L. Keen
(United Press staff correspondent)
(Copyrighted 1917 by the United Press)
London, Dec. 15.—There is no use trying to camouflage the gravity of the situation on the west front—the only war theater which, in the last analysis, really counts.

Today Premier Lloyd George's speech at Gray's Inn was regarded as a call to arms in a present day crisis.

The setback to British arms at Cambria has not only practically nullified Field Marshal Haig's splendidly conceived and General Byng's splendidly executed advance, but it is generally admitted the reverse marked the end of the British offensive for some time to come.

The initiative has now passed to Hindenburg.

The most competent experts predicted that only the greatest efforts will prevent the Germans from fulfilling their boast to break through the allied line before American participation can equalize the reinforcement of the German line from the Russian front.

This reinforcement of the enemy, made possible by the cessation of fighting on the east front, means a half million picked men to throw into the assault against the allied line before America can get in.

Besides restoring to Hindenburg his long lost initiative, General Byng's reverse graphically demonstrates the untruth of various widely prevalent stories regarding the enemy.

It demonstrates the utter absurdity of the story that the morale of the Germans is waning.

It gives the lie to the confidently circulated stories of Germany's impending collapse.

CHRISTMAS PEACE OFFER.
Geneva, Dec. 15.—Kaiser Wilhelm's Christmas message to the German people will contain his final peace offer, according to an unofficial report received here today from Berlin.

Another peace offer by Germany has been forwarded in a number of reports from Berlin in recent weeks. A United Press dispatches on Thursday pointed out there is widespread belief in London that the German offensive planned on the western front, is the first step preliminary to a peace "drive" by the Central Powers.

Chancellor Hertling's speech last month hinted at some new peace move.

EUROPEAN EXPERT TAKES DIFFERENT VIEW
By J. W. T. Mason
(Written for the United Press)
New York, Dec. 15.—The initiative passing to the Germans on the Anglo-French front, as described by Ed L. Keen, in his London dispatch to the United Press today, means that the

HOUSE WILL VOTE DRY.
Washington, Dec. 15.—The house will go definitely on record on national prohibition Monday.

Unanimous consent for a final vote at five o'clock Monday was agreed to today.

MARINE WOULDN'T FIGHT
San Francisco, Dec. 15.—It was of record today that a United States marine had turned down a chance to fight.

A man with a haunted look came into the marine corps recruiting station late yesterday. He wanted to enlist but—

He had his registration card and wouldn't give it up. Would a marine go get it for him?

"We'll face bullets," was the answer, "but the regulations do not require us to take chances with rolling pins."

ATTORNEY FOR I. W. W. ARRESTED IN COURT, RELEASED TEMPORARILY

Vanderveer, of Seattle, Was Found Carrying Big Revolver In Building

Chicago, Dec. 15.—George Vanderveer of Seattle, Wash., chief counsel for the I. W. W., was arrested by government agents in the corridor of the federal building today as the 106 I. W. W.'s were being arraigned on charges of espionage. Vanderveer had a huge revolver in his pocket and was technically charged with carrying concealed weapons. He was later released temporarily.

All persons who entered the courtroom were searched. As two big operatives "tricked" Vanderveer, they discovered the revolver and took him immediately before Hinton G. Clabaugh, chief of the justice department bureau in this district. What explanations Vanderveer made to Clabaugh is not known, but he was allowed to return to the court room after he had left the gun with Clabaugh. It is understood, however that a formal warrant may be issued for him later.

"Why, that's nothing unusual; we all carry guns in the west," Vanderveer explained to Clabaugh.

One hundred and six I. W. W.'s were arraigned and all entered pleas of not guilty after the federal attorneys had conceded them the right to change their pleas, if they so desired.

Sixty other members who were indicted are still at large. Vanderveer told Federal Judge Landis that an appeal had been made through I. W. W. publications for these persons to give themselves up.

Carl Ahlteen, of Minneapolis, editor of "The Alarm," was the first arraigned. William D. Hayward, international secretary and the leading spirit of the organization, was the tenth. He was followed by Elizabeth Gurley Flynn of New York, the only woman arrested.

Practically all of those arraigned, with the exception of Hayward and Miss Flynn, maintained a defiant attitude and made their pleas in a brusque manner.

The court room, corridors and the streets around the federal building were patrolled by police, soldiers and federal operatives.

Judge Landis set January 3 as the next date of arraignment, in case any of those indicted who are still at large, are arrested or give themselves up.

Peter Kirkenon, of Butte, Mont., suffered from apoplexy and had no recollection of any past events.

Pierce C. Wether, who was arrested in Medicine Hat, Alberta, declared he did not, until his arraignment today, know why he was arrested.

At the conclusion of the arraignments the I. W. W. attorneys were permitted to consult with British clients, collectively, for the first time. The defendants were then removed to the county jail and Vanderveer was taken to the Harrison Street police station.

Count Luxemburg Insane Is Latest Rumor

By Charles F. Stewart
(United Press staff correspondent)
Buenos Aires, Dec. 15.—Rumors that Count Luxemburg, former German minister to Argentina and famous for his phrase, "apuros vorasakt," was insane, were circulated here today when it became known he had been transferred from an internment camp to a sanitarium.

The official explanation of the transfer was that Luxemburg had suffered a "nervous collapse."

Residents here, however, recalled the queer antics which were reported of Luxemburg at the time of his departure from Buenos Aires after he had been held persona non grata.

At that time Luxemburg departed on a steamer provided for him by the government, but slipped ashore and landed on Argentine soil, later traveling to a small place in the interior. When Jo-

LEADERS SPLIT OVER QUESTION OF AN ASSEMBLY

Minister of Education Tenders His Resignation to the Cabinet

LENINE AND TROTSKY FAVOR RULE BY FORCE

Bolsheviki Faction Claim Success In Elections and In Battle

Petrograd, Dec. 15.—The Bolsheviki split today on treatment of the Russian constituent assembly. Minister of Education Lunacharsky formally tendered his resignation from the Maximalist cabinet, declaring he could not support Lenin in any measures of repression against a congress summoned by the Russian people. He is believed to be supported by a number of leading Maximalists.

Trotsky, Lenin and others of the "inner ring" steadfastly maintained today if the assembly showed opposition to the Maximalists' aims, it was illegal.

"We consider any assembly opposing our ideas as an arbitrary organization which must be dispersed as soon as possible," declared M. Blagorovoff, Bolsheviki delegate from Kazan, today.

The Bolsheviki announced the following fragmentary returns from the recent elections:

Twelfth army—Maximalists at 20,200; revolutionary socialists 12,200; other parties, 2300.

Fifth army—Maximalists 14,000; revolutionary socialists, 45,000; other parties, 25,000.

Army of Pskov—Maximalists, 20,900; other parties, 25,900.

Krasnovarsk—Maximalists, 12,000; revolutionary socialists, 4900; other parties, 2600.

Krasnoma district—Maximalists elected four delegates and the revolutionary socialists four.

Kaluga district—Maximalists claim the district but the towns of Kaluga is apparently carried by the cadets.

Use American Engineers

Petrograd, Dec. 15.—American engineer officers have been offered the Bolsheviki government for reorganization of railroads and motor lorries for the transport of food. Foreign Minister Trotsky declared today in an address to the Grenadier regiment.

"It is impossible to reform political and social construction in a month," he declared. "We have already started our efforts to introduce a program. We have given hand to the peasants. We have authorized the crushing of those who are seeking to prevent us in our aims. We have started toward peace. Nobody will be able to undo what has already been done."

Germany is seeking peace because the discipline of her masses has forced her to it.

Bolsheviki Win

Petrograd, Dec. 15.—Generals Kaldines and Potolsky and their staffs, have been arrested by Bolsheviki forces, it was officially announced today.

Bolsheviki now safely hold Rostoff, Nakhitchevano and Taganroj, it was declared.

Hundreds of Disappointed Recruits at Portland

Portland, Ore., Dec. 14.—The army recruiting headquarters refusing to receive any further applications for enlistment until the six hundred or more applications now on file are attended to, frantic efforts are being made by upwards of 800 disappointed men to have the volunteering period extended from noon tomorrow to give them a chance to enlist. Federal officials are being asked to wire their chiefs in Washington and Oregon congressional delegates are deluged with wires.

For the past two days, there have been practically no applications filed here, although throngs of men continually besiege the station. In the meantime, the recruiting office force is working overtime to dispose of the potential soldiers who applied earlier.

Gunshot Wound Is Fatal

Newport, Ore., Dec. 15.—Nugget Doyle, aged 12, son of Mr. and Mrs. W. H. Doyle, of Waldport, died here yesterday as a result of a gunshot wound received Wednesday night. Young Doyle and his little brother were playing with a rifle, supposed to be unloaded, when it was accidentally discharged. The high power bullet struck the lad in the arm, breaking the bone and tearing away the flesh.

The lad was rushed to Newport where he was given medical assistance.

Called there, Argentine officials had a hard time arresting him. Report of his insanity was seized upon by pro-Germans as the reason for some of the astounding comments Luxemburg made in messages to Berlin through the Swedish legation.

AMERICA MUST SPEED UP ITS WAR WORK TO WIN VICTORY

By Carl D. Groat.
(United Press Staff Correspondent)
Washington, Dec. 15.—America must speed up her war work. She must concentrate on the essentials and consecrate herself fully and ably to the task of victory—a task growing difficult by virtue of Germany's new found strength arising from the Russian fiasco.

That was the solemn, frank warning given today by Secretary of War Baker, and other government officials. Baker refused to be specific as to details in respect to his suggestions for more speed. Others suggested that, with shipping the crucial point about which the fortunes of war will turn, more must be done. Labor, they said, must come forward to its fullest extent. Men executing the government program must cut red tape.

This was the government's answer to the frank warning in the United Press dispatch from Ed L. Keen and in the appeal for greater efforts of the British nation, made in Premier Lloyd-George's speech.

Everywhere officials agreed with the view openly stated in the United Press story and implied in the premier's address, that it is up to the United States to fill the Russian gap—and then more.

The Cambria reverse for the British has not been minimized here. Army men have said it stopped short of a big calamity while Secretary Baker recently suggested that the whole west front situation should not be minimized, especially in view of preparations for an of-

fensive with reinforcements from the east front.

A distinct dark blue atmosphere was manifested for days in Washington. However, this has been swept aside and supplanted by a stronger spirit—determination to do the utmost, confident that victory can be wrested from the Germans if Lloyd-George's slogan "sanity, steadiness and outlook" is applied.

Everywhere authorities acclaimed his statement that there is no halfway house between victory and defeat; and believed that the American nation, gradually but surely stirring to its tasks, will realize that there can be no bargaining new with the Hohenzollern autocracy.

Officials, cautioned, incidentally, that too much pessimism and despair is just as bad as over-confidence. They sought, however, to drive home the thought that the war has reached a stage where Germany has a fresh morale—and more troops—than the Russian situation, and that this must be met with more American ships, more American men and more American food.

Germany is putting forth her maximum effort now to beat the allies before America's strength is exerted, all admit.

That is explained by German press comment reaching here showing that Germany is distressed at her loss of world trade and the prospect of a commercial war after the war.

This factor, however, is the only one suggesting a Teuton breakdown, officials say—and the pressure is still too small to be important or comforting to this nation.

CHARGE SUGAR TRUST WITH CONSPIRACY TO FORCE HIGHER PRICES

Claus Spreckles Asserts That Hoover Food Committee Was Used as Tool

Washington, Dec. 15.—Charges of an attempt by the "sugar trust" to saddle high prices on the American people for years through the Hoover committee, were made today in the senate investigation by Claus Spreckles.

The witness charged the food administration committee to be a "mere adjunct of the trust" and seeks to bind all American refiners to allow it to contract for future Cuban crops at its own price.

If refiners agree to this, Spreckles declared, the price to the American consumer will be unalterably fixed for years after the war, at a figure as high as at present or higher.

But unless the refiners agree to the price fixing, he said, they face loss of the government licenses.

Spreckles, under questioning by Probe Chairman Reed, stated that the Probe of American beet sugar would be advanced if the Hoover committee pays Cuban cane growers five cents a pound, as contemplated.

This compares with 2.39 cents in 1907; 2.74 three years ago and 4.76 last year. Spreckles stated.

The Hoover committee, which "created" a sugar shortage, according to Spreckles, is packed with former employees of the "sugar trust," he declared.

"Even the watchmen are former watchmen for the American Sugar Refining company," said Spreckles. "And E. E. Hooper, former trust employee is a steering committee of one to whom all persons having business with the committee must apply when entering its offices."

Among those Spreckles named as holding important positions with the sugar committee were Harry C. Mott, formerly buyer for the "sugar trust," now buyer for the committee, and E. T. Gibson, former private secretary to Earl Babb, head of the "sugar trust," and now secretary to the sugar committee.

Spreckles said he had protested against Hoover's appointment of three American sugar magnates on the international committee. He declared he had declined to head a syrup price committee because he was an interested party. Spreckles produced a letter from George Rolph, chairman of the Hoover commission dated December 10 in which Rolph said the state department had been negotiating with the Cuban government regarding price and supply of sugar. That was the first Spreckles had heard of such negotiations, he said.

Judge Lindley, counsel for Hoover, intimated that the high price for Cuban sugar was being arranged for some secret diplomatic reason.

Lindley also denied that the food administration had fixed the price of beet sugar.

"We have no control over price, only under the licensing of wholesalers," he said.

Chairman Reed tried to get Lindley to admit the coercion used by Hoover was practically price fixing.

Ralph, Hoover's sugar expert, who

AUSTRO-GERMANS ARE DRIVEN INTO BATTLE AGAINST THEIR WISHES

Prisoners Taken by Italians Assert That Their Losses Have Been Staggering

With the Italian Armies, Dec. 15.—Austro-German troops are being driven to the attack against the Italians. Prisoners taken by General Diaz's forces today declared losses in their ranks had been increased to staggering proportions by their own artillery, which under orders had put a moving curtain of fire behind the attacking waves to force them into the charge.

Commanders of the Teuton forces, they also asserted, are adopting other coercive measures. All Austrian and German troops have been coaxed with great promises of better food and quarters if they reach the Italian plains.

The enemy's efforts today were concentrated on two wedges astride the Italian salient at Solarola. If he can keep constantly on the offensive his position is fairly secure, but the moment he lapses in his attack and permits the Italians to assume the initiative his line of communications will be seriously menaced.

Italians Repulse Attacks

Rome, Dec. 15.—Repeated violent German-Austrian attacks at Monte Solarola and Colidorsolo were repulsed with exceptionally heavy losses to the enemy, today's official statement announced.

Following the failure of the Teuton shock troops to gain any advantage over the Italian resistance, counter attacks were directed and their success resulted in the retirement of the invaders' forces. They also had the effect of compelling the cessation of the heavy artillery that has been in progress.

The Italian defense continues to hold without sign of wavering or breaking. Following a most violent series of

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American Hospital Experiences Air Raid

By J. W. Fogler
(United Press staff correspondent)
With the American Army in France, Dec. 15.—The notes of a bugle pierced the fog embracing a certain valley in which is located an American hospital with American nurses and orderlies. Everybody recognized instantly the raid alarm. All hurried to cover.

Above an airplane swooped down, dropped three objects, turned a few flip flops, showing the great allied circle and star marking its wings—and ducked hurriedly away.

Apparently the boches were still keeping up their dastardly trick of raiding hospitals; apparently also they were using machines camouflaged to look like allied planes.

But the three objects which the aviator dropped did not explode. Some orderlies hustled out to look at them. They were neatly wrapped parcels. When they were opened they proved to be Christmas presents for sick members of an American aero squadron in the hospital. The machines was later identified as an American aeroplane which had flown from the training ground for the Santa Claus stunt.

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WILL PROBE EVERY LINE OF EXPENSE FOR THE WAR WORK

Chief of Ordnance Crozier Still Being Grilled by Committee Today

QUARTERMASTER TO BE INVESTIGATED NEXT

Navy Department and Food Administration Are On the Program

Washington, Dec. 15.—The war probe was driven farther into the conduct of the American army and food administration today.

General Crozier, chief of ordnance, was again on the stand before the senate military affairs committee, while Claus Spreckles resumed his statement to the senate committee on manufactures and plans were laid for opening Monday the coal hearings and the house naval investigation.

The reason for the sudden searching into everything pertaining to the war is now clearly seen to hark back to the last session of congress. Then members were balked in their effort to create a committee on expenditures and conduct of the war. They quietly went to work to gather evidence which has resulted in the sensational disclosure of America's military unpreparedness and sugar famine.

Open criticism of the government is expected to flare forth in congress at any moment. A shake-up in American war control as violent as those which have rocked the British and French governments at different times is not unlikely.

Partisanship is denied by the investigators. Applause was general on sides of the house of representatives when Republican Minority Leader Gillett attacked Secretary of the Treasury McAdoo for withholding expenditure information congress has requested.

"There isn't a member of this house who hasn't received reports of extravagant expenditure by administration departments," said Gillett. "We are willing and eager to grant all the money the administration needs but we want to know how it is spent. The longer this publicity is postponed, the more pitiless it will be when it comes."

The general senate sentiment for thoroughness caused a slight suspicion that there may be a "white wash" taint to the house naval probe. Some senators saw in it an attempt to forestall a similar senate inquiry.

"So far no deficiency has developed in the navy which can bring criticism," said Chairman Oliver of the house naval committee. "But we want to know whether we really are bringing to bear our maximum naval efficiency or whether, with further information, we might not improve matters."

"The more they learn about the navy the more they will applaud it," is Secretary Daniels' attitude.

The investigation of the shipping board also planned by the house committee may provide the bigger sensations. The "inside" of the Denmark-Goethals row and of Admiral Capps' retirement will be aired. Chairman Hurley will be called on to show how much speed is being made to launch six million tons of shipping in 1918. Details of contracts with the country's leading steel magnates will be sought. And the old wooden-steel ship controversy may

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