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The Daily Capital Journal

TODAY'S WEATHER
Oregon: Tonight and Friday rain; strong southeasterly winds.
WELL GET ALL OF THOSE U BOATS YET

FORTY-FIRST YEAR—NO. 3

SALEM, OREGON, THURSDAY, JANUARY 3, 1918

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GERMAN PEOPLE ARE APPEALED TO BY THE RUSSIANS

Pan-Soviet Committee Asks German Leaders to Breach of Faith
ONLY ATTEMPTING TO WIN BY CONQUEST
Russian Revolutionists Take Immediate Steps to Enforce Authority

Petrograd, Jan. 3.—Rejecting the German peace plans, the executive committee of the pan-soviet today adopted resolutions appealing to the German people urging their assumption of the right to negotiate a "general democratic peace."
The resolution declared that the German terms "evade the principle of no annexations and are not acceptable to Russia."
The soviet appealed to the people of the Central Powers thus:
"You compelled your government to accept our motto, 'no annexations and no indemnities,' but they are trying to carry out their old policy of invasions. Remember an immediate democratic peace depends on you."
In a speech today Foreign Minister Trotsky declared:
"We will defend the revolution."
Representatives of the front armies, summoned by telegraph for a meeting here, wired back:
"We will defend the revolution but we demand bread and boots."
An official statement today declared the soviet government was gaining authority over "Ukrainian from Ekaterinograd"—meaning the central body of workmen and soldiers was dominating all affairs. The soviet, it was stated, had arranged to send corn to the north.
How the Break Occurred
Copenhagen, Jan. 3.—The Petrograd official telegraph agency's report of the circumstances leading to the break in the Russo-German peace negotiations at Brussel today as received here today, gives this version of happenings:
"On Friday last the Russian delegation..."
(Continued on page three)

AMERICANS RESPONDING TO SUGGESTIONS OF HOUSE COMMISSION

Men Are Being Hurried to Front After Shorter Period of Training
Washington, Jan. 3.—America is already responding to the plans and recommendations of the house mission.
The navy has started "the more active utilization" of our ships which the mission arranged and is constantly giving "fuller cooperation" in the war against the submarine and in protecting vessels. The army is undergoing overhaul which will make it more responsive to the urgent House appeal for speed.
The navy's share in the program is cloaked in secrecy, because its portion involves naval movements, publication of which the voluntary censorship forbids. As for the army, the recent creation of a war council to co-ordinate the various major branches of the services, plus the announced reorganization of the ordinance department with American businessmen included in it, constitute the outward steps toward more speed, unity and cooperation.
Vital legislation is being prepared by the war council and should be submitted to congress within a few days.
The matter of speed has at last come home. Red tape is being eliminated and every effort is being made by the shipping board, army and navy to fulfill the requirements of the House recommendations.
Secretary of War Baker and other officials foresee possible temporary German successes on the west front, but apparently they propose to cut down the American training periods and send men faster than the original schedule, which looked to at least four or five months' training on this side. The navy's share in the new program will help in accomplishing destruction of more German U-boats than ever before.
While last week's tonnage destroyed was large, as predicted in yesterday's United Press London dispatches, it was regarded here as one of the crests of ups and downs in U-boat warfare. The December average was gratifying; more and more U-boats are constantly being bagged.
AUTHOR OF HYMN DIES
Bennington, Vt., Jan. 3.—Annie Sherwood Hawks, author of the hymn "O God, The Everlasting Hour," died at her home here today.
Have you returned your draft questionnaire?

WESTERN PIAVE BANK CLEARED OF ENEMY SO ITALIANS REPORT

Victory at Zenson Grows in Magnitude As Full Reports Are Received
With the Italian Armies, Jan. 3.—Except for a few outpost position near the delta at the mouth of the Piave, the whole western bank of that river today was clear of Austro-German forces. Italian troops by their capture of the Zenson bridgehead drove back the last of the strong enemy forces.
Some idea of the magnitude of the Zenson victory may be given when it is explained that the German position was about a concrete "nest" of more than sixty machine guns, cleverly concealed under a bank of the stream. The position had been built with excellent care and was evidently held impregnable by the enemy. It was captured almost intact by the irresistible rush of the Italian forces.
Austrian aviators managed to drop bombs on an Italian station about five miles distant from Venice today. They were evidently headed for Venice itself, but were forced to turn back without achieving their aim, owing to the vigorous Italian aerial defenses.
Snow now many feet deep in the mountains was expected today to force a shifting of the major fighting to the Piave front. In the opinion of the officers, the Tenth offensive on the Asiago front and between the Brenta and the Piave is now definitely at an end.
Successful Raid
London, Jan. 3.—"One of our battalions carried out successfully a difficult raid at night across the Piave, taking prisoners and inflicting damage to the enemy," said an official statement today from the British forces on the Italian front.
This was the British raid reported in yesterday's Rome official statement—the first time that British troops have been reported in an offensive action in this war theater.
Say French Repulsed
Berlin, via London, Jan. 3.—French attacks in the Champagne north of Proseles and north of LeMesnil all broke down under German fire, today's official statement asserted.
Violent Artillery Duel
Paris, Jan. 3.—Violent artillery along the Aisne front at Landricourt and Courcy at Malsons de Champagne and on the right bank of the Meuse, was reported in today's official statement. German raids south of the Oise and at Corinnot were repulsed.
Bomb Italian Hospitals
Rome, Jan. 3.—The Tenthons have begun their bombing of hospitals on the Italian front. Today's official statement reported on Tuesday night enemy airmen directly attacked two hospitals at Castellfrance and Veneto, killing 18 patients by aerial bombs.
Little to Report
London, Jan. 3.—Considerable enemy artillery fire of Epehy during the night and repulse of raiders south and southwest of LaBasse was reported today by Field Marshal Haig.

JAPAN MAY ENTER BIG WAR FOR PROTECTION OF INTERESTS IN EAST

By Ralph H. Turner
(United Press Staff Correspondent),
Tokio, Dec. 4.—(By Mail)—Russia, the wall which has hitherto protected Japan and the rest of Asia from German influence, having collapsed, it is feared here, Japan's attitude towards the war has assumed an unprecedented seriousness.
This feeling is reflected everywhere in Japan—in press comment, statements of military authorities, government conferences and semi-official utterances. For two weeks reports received here from Vladivostok and Harbin have indicated that these districts have been plunged into lawlessness, that Russian authorities are losing, or have lost the semblance of power. Riot reigns in Harbin. Two British subjects have been mistreated, armed robbers have plundered a Japanese warehouse and Russian soldiers have attacked the Mitsui Bussan Kaisha, a prominent Japanese company.
Unless something is done by the Russians to restore order, it is freely stated here that measures must be taken to protect the lives and property of foreigners in Siberia, particularly in the Harbin district. There are 2500 Japanese, 100 British and about 50 Americans there.
"Should Lenin establish his control over Russia," said Lieutenant General Ogino, former Japanese military attaché in Petrograd, "Germany might invade Russia further and advance towards the far east. The entente cannot send troops to Asia, America would find it difficult, Chinese soldiers can hardly be trusted as orderly protectors. It is absolutely necessary, therefore, that Japanese troops be mobilized."
Lieutenant General Horiechi, who was at Esing Tao, holds a similar view. He points out, however, that despatch of Japanese troops to Siberia would be fruitless unless the whole Japanese nation is alive to the gravity of the occasion.
The Yozoda, a newspaper which has consistently urged increased Japanese participation in the war, asks: "May not Germany drive towards Vladivostok by means of the Trans-Siberian railway? May not German aeroplanes and German submarines strike at Japan across the sea of Japan?"
Other journals do not take so alarmingly a view, but declare Japan must remain on the alert, prepared to act at any moment for protection of allied and her own interests.

REGISTRATION ASKED OF MEN REACHING MATURITY SINCE DRAFT

Provost Marshal Crowder Says Plan Should Be Adopted for 700,000 Men
Washington, Jan. 3.—Immediate registration for military service of all men who have become 21 years of age since the first draft registration was urged today by Provost Marshal General Crowder in his annual report to the secretary of war.
If this is done and similar registration held each year, 700,000 physically fit men of class one, the provost marshal general stated, will be available for service every twelve months and this would not necessitate taking men from the deferred exemption classes.
"The policy and belief of this office is that in all probability it will be possible to fill our military needs from class one," the report stated.
Skilled labor and farmers will be drafted from the deferred classes, Crowder intimated, "should the situation demand."
"The situation in these respects is serious now, particularly in the shipbuilding industry and in factories working on war munitions," he added. "It is probable there will be a shortage of farm labor in the spring, although the new draft regulations have relieved that situation."
The report was placed before congress today with the request for an amendment to the selective service act which would change the plan of allotting quotas.
In the first draft the quotas were based only on population, but Crowder asks that the new basis be made the number of men found in class one in each district. Dissatisfaction was caused in many districts under the last draft because the large number of aliens, all of whom were exempt, caused the quotas to be much higher than the average.
The per capita cost of drafting has been \$4.93, which is about one fourth the amount it cost the government to get each volunteer into the army. The lowest per capita cost was in Oklahoma, where the average was \$1.37, while Delaware led the list with \$16 for each man.
"This includes all expenses necessary to get the men to the camp."
Crowder's report was submitted to congress at noon.
Twenty nine per cent of the men called for physical examination, were found deficient, it shows.
The middle west is producing the most stalwart fighters, the percentages
(Continued on page two)

CONGRESS AWAITS PRESIDENT'S WORD TO START ON WORK

Message On Railroad Legislation Will Be Read to Solons Tomorrow
MEMBERS ANXIOUS TO FURTHER PLANS
There Will Be Some Difference of Opinion But Executive Will Dominate
By Lawrence Martin
(United Press staff correspondent),
Washington, Jan. 3.—Congress returned to Washington today after the holiday recess and promptly pulled out to a siding awaiting signals from President Wilson.
Tomorrow the president will deliver his railroad legislation message and ask that it be given a clear track until disposed of. He will explain the exigencies which led to government operation of the roads and detail the need for prompt appropriations and enactment of protective laws that the McAdoo directing regime may be unhindered in carrying out its gigantic task.
Congress was full of pep and purpose when it arrived today. Tremendous problems of war work confront it. Vast sums of money must be provided but the railroad legislation loomed as the most troublesome directly confronting it. Scores of proposals are waiting to be trotted out by the legislators, one the president has mapped out his program.
Two chief points of controversy will be the three year average suggested by the president as the basis for paying the railroads had the question of getting back government money invested in new equipment. Aside from the railroad legislation, congress comes back without a program. There is a vague idea that many tremendous things must be done but nobody knows just what.
Suffragists doubled their activity in an effort to get the Susan B. Anthony amendment through the house on January 10. There is no reason to change earlier forecasts of the amendment's defeat.
Legislators returned reflecting deep
(Continued on page three)

WHAT A COMMUNITY CAN DO TO ASSIST IN SECURING FRUIT VEGETABLE PRODUCTS PLANT

(Delivered by Robert C. Paulus, manager of Salem Fruit Union, at annual meeting of the Washington State Horticultural Association, Kennewick, Washington, Jan. 3, 1918.)
Before a firm or corporation can be induced to invest its money in a factory in any locality there are several local and general conditions that must undergo a careful investigation, and the advantages that locality may possess are carefully weighed against its disadvantages and also the advantages of a competitive community and its corresponding disadvantages. Among the things to be considered outside of a cooperative attitude of the people living in the town under consideration are: Material, power and water, climate transportation facilities, labor supply, cost of proper site and its cost attitude of local financial institutions toward the business. Sales markets, the proximity of other industries, the rise or fall of which might affect their business, the possibilities of expansion, and sometimes taxes, insurance and fire protection are taken into consideration. The above are items which are taken into consideration in the establishment of any new industry; the consideration given main attention is the source of supply of raw and finishing materials. Naturally to be able to induce a factory to come into a town there must be available a large supply of the material to be used and possibility for a large increase and the town in which the industry is to be located must, by the superiority of its product, or by the unavailability of the product in other places, show a superior reason for the location of the plant within its borders or the factory will be located in some other town which does possess the superior advantages. Naturally then a town in casting about for a factory of any kind must confine its endeavors to factories which will consume the raw product of which it has an abundant supply. We of the northwest, excelling in our horticulture, agriculture and timber, and being so far away from the source of supplies of metals, etc., must confine ourselves to the securing of industries which utilize the products of the soil. Agriculture, horticulture and timber must then be the basis for our industries, and are the basis for the future prosperity of the Pacific northwest.
Along the particular lines which we are interested in, which are agriculture and horticulture, we must induce fruit and vegetable canneries, evaporators, cider and vinegar plants, juice factories and plant products of a kindred nature, to come to our community, and in addition to the considerations outlined above in a fruit or vegetable products plant, the possibilities of specialized diversification of raw products must be carefully considered. By specialized diversification is meant a diversification within the individual farm or orchard. To great a diversity on a place tends to draw away from specialization, which cuts down efficiency and too great a specialization oftentimes tends toward "burning" and a lack of employment for a great part of the year, which is also inefficiency. But to get the best results from a farm a diversification which will bring about the raising of from two to four products, the blooming and harvesting time of which will follow each other in natural sequence will tend to provide a condition which will permit of a maximum efficiency, particularly in labor employed, and also against the liability from loss of a whole crop, due to poor blooming or harvesting weather.
Some people imagine that if there is an overproduction of some one particular fruit or vegetable that a cannery or dryer could be secured to take up this overproduction, but it is of primary importance that there be a number of different products to work on, the season for each product following the preceding product with no, or only a small interval between the harvesting periods. This is necessary on account of the fact that to run a cannery for instance, it requires the employment of a skilled superintendent and skilled cook room employees. In order to keep these people so that you may have them from year
(Continued on page two)

SEN. REED CRITICIZES HERBERT HOOVER'S WAY

Food Commissioner Vigorously Defends the Action Which Was Taken
Washington, Jan. 3.—Usurpation of authority under the food law in fixing wheat prices was charged against Herbert Hoover, food administrator, by Chairman Reed at the senate sugar inquiry today.
"Didn't you assure congress when the bill was pending that there was no authority for price fixing?" asked Reed.
"Well, you abused the powers conferred on you in that bill—an act that, under normal conditions, would be a criminal one," asked Reed.
"Well, everything has been done with full approval of the president," answered Hoover. "I consider the bill in its general purpose gives me authority to do as I have in the matter, even if it does not specifically say so. We faced a big emergency."
Hoover maintained that wheat prices have been stabilized.
The farmer, he said, was consulted and agreed to the price fixed, which was fifty cents over the previous year's market.
The flour price, he added, had been reduced \$3 per barrel to consumers under the early war prices. This is but a small advance over the flour prices a year ago, he said. Reed disputed that, saying it was nearly double the 1916 price.
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PALESTINE WILL BE SURVEYED AND PLATTED

Jewish Commission Will Take Up Work for Building of New Zion
Chicago, Jan. 3.—Palestine is to be surveyed, studied and planned by the brains of Zionism, and then methodically, scientifically, a New York or a Chicago, with its street cars, subways, rattle and turmoil will rise out of peaceful, venerable Jerusalem.
Dr. Selmaria Levin of Palestine, a Jewish leader, announced today that within the next two weeks he has planned for a commission to visit Palestine. There, with men already on the ground, twentieth century Jerusalem will be dreamed. Scientists, economic experts, agricultural leaders and engineers will decree the future city. The personnel of the mission has not been determined, but it will include men from America, England and Russia.
Dr. Levin says:
Irrigation systems, electric and water power, street cars, railroad trains, gas and electric lights, telephones and other things born since Jerusalem was in its ascending will jar the village from its slumber within a year, under the embryo plan. The historic old buildings are to be preserved. The new structures will represent modern architecture.
Jerusalem's reincarnation is to start immediately. The report of the committee will be followed by actual steps to rehabilitate the home of Jews, Dr. Levin said today.
A republic—with the best principles of the United States, Swiss and English governments, will be the government of the new country. Government control of public utilities probably will be established.
Jerusalem is to be an agricultural center. Fruits will be produced in great quantities. Getting back to the land will be the realization of the dreams of millions of Jewish workers who have been penned up in American and European cities for years, says Dr. Levin.
Revival of the culture, life and old nations of the "near east" also are desired by leading Zionists. Dr. Levin said. He declared he would like to see these nations restored continue their old status.

LONGEST WIRELESS
San Francisco, Jan. 3.—The island of Java is in daily wireless communication with The Hague, 10,900 miles away, according to A. P. A. Kising, resident of Batavia, Java, who arrived here today. This is the longest wireless communication ever achieved.

OREGON SELLS GARLIC
Portland, Or., Jan. 3.—Oregon became a strong contender with Italy today when a carload of garlic was started for the New York market. The shipment contained 25,000 fragrant pounds, and the Oregon product is said to be superior to the imported garlic in size and keeping quality.
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SHIPBUILDING WAS FINANCED BY BOARD

Private Concerns Could Not Secure Loans to Keep Construction Going
Washington, Jan. 3.—Inability on the part of a dozen shipbuilding companies to get loans on government contracts, necessitated the emergency fleet corporation coming to their aid by advancing money in order to keep ship construction moving.
Admiral Bowles, construction chief, who so testified at the senate ship inquiry said that several of these concerns were old established ones who for various reasons had found themselves without the necessary capital to proceed.
"I don't know why the banks will not advance money on government contracts, but they won't," he said.
Strikes on the Pacific coast, which stopped work, allowed deliveries of material to pile up, was one of the main causes of the situation, he said.
The Sloan Shipbuilding corporation of Olympia, Washington, which he said, the government had to take over after it had received payment of \$1,724,000 on its contract for 16 ships May 18, 1917, which are now only three percent completed.
The contract was made by General Goethals, Bowles said, the money was advanced by the government in June and July and represented 11 payments in accordance with the contract.
The government audit of the company's books made in August, Bowles said, showed that of this amount only \$530,000 had been expended directly on ship work. Over \$500,000 had gone to the Clinchfield Aviation company, New York, and for private purposes of the Sloan company, and the remainder had gone into subsidiary companies of the Sloan corporation, he said.

FARM LOAN BOARD WOULD SELL BONDS TO ASSIST FARMERS

Assertion Made That American Agriculture Faces Serious Financial Crisis
Washington, Jan. 3.—American agriculture is faced with a serious financial situation, the federal farm loan board declares in its first annual report to congress today.
Recommendations are made to purchase the secretary of the treasury to permit the coming year \$100,000,000 worth of farm loan bonds, if necessary, these bonds to be resold to investors as the demand for them develops. This, it is declared, "will provide the basic industry of the United States with the capital needed to increase food production during the war, stabilize interest rates and encourage bond purchases."
"Millions of dollars of foreign capital which had been invested in farm mortgages in the United States has been withdrawn on account of the war, the report declares.
"The funds of large corporations and individual investors which have been
(Continued on page two)

STAY AT HOMES MAY BE COMPELLED TO WEAR ONLY THAT WHICH IS LEFT OVER

(United Press Staff Correspondent)
Washington, Jan. 3.—Stay-at-homes of all fighting nations, the United States included, may soon go about in strange get-ups, so that their armies may be properly clothed. This has been the experience of the British powers and government data today reveals a world shortage of civilian clothing.
The situation has led the defense council's economy board to curtail shoe and apparel styles and materials. Cutting 50 per cent of wool and an equal amount of leather from shoes now being made for next fall trade and eliminating all feminine fripples in duds are only starters in what the board will do.
Shoes and clothes are so scarce in Austria-Hungary and Germany that the government is seriously considering a citizen's suggestion that civilian dead, rich and poor, great or humble, be buried in gingham instead of their "Sunday best" so that the needy living may have their apparel.
The United States economy boards proposed order for low heel shoes and those only in black and two shades of tan; black, gray and blue fabric only for men's and women's apparel; only one grade and color of silk and no patch pockets or plaits, is nothing compared with restrictions in Europe, most of whose peacock alleys, when trod at all, are trod by a very dowdy lot of birds.
The Central Powers, government data shows, have limited the amount of clothing each man, woman and child may possess, even stipulating the number and quality of handkerchiefs. Much of the clothing is made of woven paper. Even that is scarce and costly.
Leather shoes are unknown outside the army. It is next to impossible to get any kind. Forbidden to use everything else, shoe manufacturers bought up family table cloths and doilies and lined wooden shoes with them. The government stopped that, seizing the table cloths for government use.
Shoe cards are issued to the populace but most of the time are worthless as the dealers have no shoes. When shoes exist, they are made of wood, paper or
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