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SPECIAL WILLAMETTE VAL-
LEY NEWS SERVICE

The Daily Capital Journal

TODAY'S WEATHER
Oregon: Tonight and Saturday rain, moderate south-westerly winds.
GUESS I'LL GET OUT THE OLD MAN



FORTY-FIRST YEAR—NO. 70

SALEM, OREGON, FRIDAY, MARCH 22, 1918.

PRICE TWO CENTS

ON TRAINS AND NEWS STANDS—FIVE CENTS

VALUE OF CARGOES AND SHIPS SUNK \$6,000,000,000

Cost of Reproducing Vessels Sunk by U-Boats Is \$3,240,000,000

CARGOES DESTROYED COST MORE THAN SHIPS

Most of This Great Treasure Lies in Small Area Near English Coast

DON'T SEND DAINTIES
Washington, Mar. 22.—The American soldier can buy his gum, cakes, candies and soft drinks cheaper in France than here. Hence, the postoffice department urges mothers and sisters to pass up sending dainties to the soldiers—because ship and rail space is needed for vitals.
During February the parcel post matter to France occupied 120,000 cubic feet of cargo space and there was so much of it that mails were delayed days in France through lack of cars to carry it.

Washington, Mar. 22.—Germany's economic toll in cargo ships sunk by her submarines during the war totals more than \$6,000,000,000 to date, officials here estimated today.
The value of tonnage sent to the bottom is based on ship losses just made public for the first time by the British admiralty. The losses, it is estimated, would be divided about as follows:
Cost of reproducing ships sunk, \$3,240,000,000.
Probable cargo value between \$3,000,000,000 and \$5,000,000,000 more.
Of these losses, it is estimated the 1917 total will exceed \$2,800,000,000.
In a comparatively small area about the British Isles lies most of this great treasure of ships and merchandise, including millions in gold and silver bullion.
As a result of the sweeping losses frankly admitted now by allied officials, the government is preparing to announce sharp restrictions of imports.

COUNTRY FAIR OPENS—IS TRUE TO NAME, EVERYTHING THERE EXCEPT SHELL GAME

Brother Bill, Who Was Once "Mary's Little Lamb" Arrives from Portland To Be Sold at Auction—Whale Steaks Are On Demand and Jitney Dance and Jazz Music Will Be Closing Features

Very conservatively speaking, the Red Cross country fair at the armory is a success. As one citizen of the rural districts stated, "All that's lacking is a shell game and someone to tap the bell and 'bawl out' a driver for not keeping away from the pole." There are many rural citizens present today and more are expected tomorrow, as the Red Cross has made this not a Salem affair, but an enterprise in which the entire county is interested. The farmers have rallied to the assistance of the "country store" and that department has been doing a rushing business all day in goods sent in for the most part, by the farmers.
Things started moving early this morning. Patrons arrived with or before the "employees" and the sales force at the store and other booths were kept on the jump. In the afternoon, the State Hospital comedy company started its continuous performance, and during the hour a concert helped the cooks in pleasing those who patronized the restaurant. These, as near as can be estimated, amounted to over 200 at lunch today, and the restaurant people expect to do a bigger business tomorrow.
Brother Bill There
"Brother Bill," the big ram doled by a Jefferson county resident for the Red Cross, will be auctioned off as soon as the necessary arrangements are made. Brother Bill refuses to take the matter seriously. Bill has been auctioned too many times and since he started his financial campaign has raised over \$5000 for the Red Cross. Bill arrived from Portland this morning.
An "added attraction" was announced this morning in the way of auction

GARFIELD PLANS REORGANIZATION OF COAL INDUSTRY

Will Have Zones Supplied From Nearest Mines to Save on Haul

285,000 CAR DAYS WILL BE SAVED AT ONE MINE

Two Million Tons Hauled 331 Miles to Chicago Instead of 660 Miles

Washington, Mar. 22.—Reorganization of the entire bituminous coal industry began today, following an announcement by Fuel Administrator Garfield of fourteen producing zones within which consumption will be largely confined.
Elimination of thousands of miles of long cross hauling with consequent increase in car utility are the big results aimed at.
Only bituminous and cannel coal are affected. Anthracite, coke, railroad coal, coal for movement on inland waterways and coal delivered to Canada are not affected. Regulations are effective April 1.
Embargoes by Director General McAdoo will prevent violation of Dr. Garfield's order. Special dispensation may be obtained through the fuel administration in the case of special coal needed for producing illuminating gas, metallurgical, smelting or other technical purposes. With these exceptions, coal must be purchased from the nearest producing center.
Short Instead of Long Hauls
Every effort will be made, the fuel administration explained to preserve long established trade relations between producers and consumers insofar as economy of transportation is not involved.
Nothing must interfere with the coal supply, it was emphasized.
"It has been found that a factor which has largely diminished the number of cars available for loading in the mines and the number of locomotives available to haul coal is that in a substantial sense, the country has been carrying coals to New Castle," the fuel administration stated in issuing its zone order.
"Cars and locomotives have been occupied for many unnecessary days in hauling coal hundreds of unnecessary miles in order to deliver it at places much more accessible to other

BOLSHEVIKISM MAY GAIN STRONG HOLD IN KAISER'S DOMINIONS

Claim Made German Prisoners Are Inoculated—and Will Carry It Home

By Ralph Turner
(United Press Staff Correspondent)
Tokio, Mar. 22.—That bolshevism is gaining strength in Russia, but that the very gain is likely to cause political changes in the central powers, was the word brought here today from Harbin by Japanese officials. The doctrine of the bolshevik, they said, is not being killed, but is inoculating enemy prisoners of war who may carry the principles home when they leave Russia.
Germany fears the influence of the bolshevik, they declared, and therefore is not making an attempt to drive to the Far East. Germany has no intention of crushing Russia, but is relying on two main aims—the concentration of forces in the west and the procuring of food in the Ukraine.

LENINE'S MOVEMENTS

By Joseph Shapiro
(United Press Staff Correspondent)
Petrograd, Mar. 19.—(Night)—It is regarded as probable here that Nikolai

SURPRISED BECAUSE AMERICAN TRENCHES WERE NOT ATTACKED

Washington Awaits Developments As To What Germany Intends

LINE WILL HOLD
Washington, Mar. 22.—"The great west front line will hold," High American army officials today when shown United Press dispatches from William Philip Simms at the front showing that the enemy is checked, declared the Germans would never break through. They believe the British have merely been forced back a bit under the heavy bombardment. An air of great confidence was evident throughout army circles here today.

ABE MARTIN

By Carl D. Groat
(United Press staff correspondent)
Washington, Mar. 22.—Germany's big bombardment and attacks on the west line were generally regarded here as the start of her long advertised but much doubted major offensive.
That it met with partial success at the outset, however, did not discourage military men for they declared it



What's become o' th' feller that used to flare up an' say, "Do you think I'm made o' money?" ever' time he was asked to come across? "Speakin' o' th' signs o' spring, th' thing I can't understand is how a fishin' worm gets up on a tin roof," said Pinky Kerr, today.

POINT OF ATTACK IS ILLY CHOSEN FOR MAJOR OFFENSIVE

Expert Points Out Hindenburg Is Fighting for Ground He Abandoned

By J. W. T. Mason
(Written for the United Press)
New York, Mar. 22. If the German forward movement west of Cambrai meant by Von Hindenburg to be a major offensive, the German general staff has selected the very area along the west front where a break through the allied lines would count least for Germany.
The district behind the British positions was voluntarily abandoned by Von Hindenburg exactly a year ago because he did not consider it worth the large number of men its defense required. The Germans at that time moved back to the Hindenburg line, part of which they lost to the British last November. If Von Hindenburg is now seriously determined to regain the territory he surrendered without a blow last year, he has become the severest critic of his own strategy.

MAY BE FOR DEFENSE

The Germans have defensive purposes to serve, however, by the attempted advance. Von Hindenburg may well believe that the capture of Cambrai will be attempted by the British when they begin their own major offensive this year. Cambrai's fall would seriously menace an important part of the German lines of communication. If the British went a comparatively small distance beyond Cambrai, they might even compel a large German retreat.

TO CUT OUT RENT

Seattle, Wash., Mar. 22.—All uptown railroad offices in the high-rent districts of all cities are to be closed and merged into one office by order of Director General McAdoo, according to the belief expressed by Seattle railroad officials today.
Consideration of strategy, and on Hindenburg's vanity are forcing the Germans into an engagement that already is proving a slaughter trap for them.

BETHLEHEM STEEL SHOWS NET INCOME ABOVE \$27,000,000

Net Earnings Were \$53,979,360 for 1917, a Decrease of \$7,737,949

New York, Mar. 22.—The net income of the Bethlehem Steel corporation during 1917 was \$27,928,737, according to the report for the year ending December 31, issued today. The total net earnings amounted to \$53,979,360, a decrease of \$7,737,949, as compared with 1916.
The orders on hand December 31 totaled \$453,808,759, as against \$193,374,249 at the end of the preceding year.
Dividend payments during 1917 amounted to \$8,177,320 and in 1916 were \$5,502,150.

In commenting on business for the year, the booklet issued to stockholders by Chairman Charles M. Schwab and Eugene Grace, president, said: "Such plant extensions as have not been considered vital to production of materials for government use have been postponed or cancelled and every effort made to concentrate upon the absolute essentials demanded for the prosecution of the war."

The adoption by the government of the "cost plan" and the "cost and fee" methods of determining the contract price has presented difficulties in application and interpretation, but they have not been permitted to delay progress of the work in hand.

A scheme to combine three mining properties operated in Cuba—the Spanish-American Iron company, Juragua Iron company and the Bethlehem Iron Mines company—into a single company directly subsidiary to the Bethlehem Steel corporation, thus practically completing the scheme for central control and operation of all the various Bethlehem properties, is planned for the coming year, the report states.

The total bonus payment to officers and heads of departments of the corporation and its subsidiaries, the report states, was \$1,913,838 in 1917, or 7.96 per cent of the total net earnings after deducting all interest charges and providing for all taxes, but before deducting for depreciation.

BRITISH ARE HOLDING HUNS AT ALL POINTS OR DRIVING THEM BACK

Latest Dispatches Says: "Enemy Has Not Reached a Single One of His Objectives—Counter Attacks by British Forced Germans to Abandon Doignies—From 140,000 to 285,000 in Attacking Army—British Machine Guns Mow Swaths Through German Phalanxes

By William Philip Simms
(United Press Staff Correspondent)
With the British Armies in France, March 22.—British troops are holding the Germans everywhere and are driving them back in places, the latest reports indicate.
The enemy has not reached a single one of his objectives, which, according to a captured map, included Hermies, Achie-le-Petit, and Boiry-St. Martin.
British counter attacks with tanks at 7 o'clock last night threw the Germans out of Doignies which the British still occupied this morning.
The Germans have not used tanks on this front so far. The German artillery operated in the open, under the densest camouflage. German prisoners declare their batteries suffered greatly.

As this is cabled, Hindenburg's first thrust apparently is checked with small gains.
The situation has quieted down, at least momentarily, save in the region of Bongville, where heavy shelling continues.

Hermies is three miles west of Flesquières and nine miles east of Bapaume. Flesquières is the apex of the sharp "Cambrai salient."
Achie-le-Petit is four miles north-west of Bapaume and eight miles south-west of Croisilles. The latter is one of the points of the German penetration. Achie-le-Petit is a junction point in the railway running from Bapaume to Arras northward.

Boiry-St. Martin is two miles west of Croisilles.
Doignies is about a mile south of Louverval, where the Germans are also reported to have penetrated the British lines. It is eight miles east of Bapaume on the Bapaume-Cambrai highway.
"Bongville" probably may mean Fronville, which is ten miles due west of Cambrai.

GREAT DRIVE BEGUN

By William Philip Simms
(United Press Staff Correspondent)
With the British Armies in France, Mar. 22.—(1:15 a. m.)—British troops with their customary coolness, bobbed up after the German barrage of gas shells and high explosives at the start of the big enemy attack and met the first rush, wearing gas masks and machine gunning the advancing waves.
Hand to hand fighting was frequent. British soldiers occupying the strong points in the line fought it with knives and bayonets.
It looks as though Hindenburg had launched his long heralded offensive. If this is the loudly advertised drive, it has come according to specifications. Officers and men are smiling confidently as this is cabled. The situation is necessarily vague. When fighting begins on such a wide front a few hours are required to watch developments. What sometimes appears a hurricane becomes a feint and a seeming feint becomes a serious drive.
The Germans hurled their storm troops against the British right flank, following a brief bombardment, on a forty-five mile front. They came on in thick waves in a smoke barrage.
Machine Guns Deadly
British artillery and machine guns cut swaths in the enemy ranks.
Enemy high velocity guns began shelling towns far in the rear as the battle commenced. They fired regularly throughout the morning at five minute intervals, stopping periodically to cool off their guns.
German preparations prior to the attack were stupendous and were carried out with the utmost attempt at secrecy. Haig, however, knew what was happening. His airmen reported every new ammunition dump, railway line, strategic road or airbase as soon as they were commenced.
Day by day, they watched Hindenburg complete his preparations. And day by day Haig took counter precautions accordingly.
The enemy attacked in tremendous strength yesterday. At least 10 divisions (probably 140,000 to 285,000 men) figuring on the basis of 8,000 to 15,000 men in a division) have been identified.
By noon they had succeeded in penetrating the British first and second defense systems on a short frontage.
At five o'clock in the afternoon the Germans attacked heavily northwest

DEATH TOLL ON MANLY IS RAISED TO SIXTEEN

Besides These Reported Injured Yesterday Ten More Go to Hospital

Washington, Mar. 22.—The death toll on the United States destroyer Manly was raised to a total of sixteen this afternoon when twelve additional deaths were reported to the navy department.
John C. Holmes, carpenter's mate, Boston, was killed. Eleven other names of additional dead had not been received.
Besides the eleven reported yesterday as injured from the explosion, the following have been landed and sent to hospitals:
Earl P. Nelson, electrician, Waterloo, Iowa.
William J. Luckock, gunner's mate, Newport, R. I.
Isaac Diggs, mess attendant, Norfolk, Va.
Charles D. Dwight, Chicago.
William A. Johnston, ship's cook, 58 East 70th street North, Portland, Or.
John Leo Cardin, fireman, Wilkinsville, Mass.
Edward F. Russell, seaman, Natick, Mass.
Frederick Hanson, coxswain, Brooklyn, N. Y.
Kirk W. Morse, chief gunner's mate, 1011 Third street, Sashemish, Wash.
Charles William Cagle, fireman, Monroe, Okla.
All the injured were reported "doing well."

AN EIGHT-HOUR DAY

McCloud, Cal., Mar. 22.—The Wood Lumber company today announced the adoption of an eight-hour day throughout its organization. Pay will be the same for eight hours as it has been for ten heretofore. The new order affects 2,500 employees.
After March 31 it will probably take somewhat longer to "knock the daylight's" out of your best enemy.

TWELVE AMERICANS WHO DIED FOR WORLD FREEDOM ARE CITED FOR BRAVERY

Besides These the French Cross Was Given Others for Coolness

By Fred S. Ferguson
(United Press staff correspondent)
With the American Army in France, Mar. 21.—(Night)—Twelve American soldiers who have sacrificed their lives in the fight for democracy were cited for bravery by the French commander here this evening. The casualties all were in the Luneville sector. The honored dead were:
Lieutenant L. J. Jordan, Fredericksburg, Texas, of the Illinois artillery.
Alexander B. Burns, Donner's Grove, Ill., also of the Illinois artillery.
Sergeants Frank O'Connell of Ohio and Paul Ludwig of Pennsylvania.
Corporal W. F. Gerring, Pennsylvania.
Privates J. E. White, Homer Dawson, T. W. Rolowski and M. J. Bird of Ohio.
Robert Kotouck of Pennsylvania.
S. Lowe Petty of California.
W. Dickerson of North Carolina.
All these fell between February 22 and March 21.
Burns was sent into the army orders for keeping telephone wires to the artillery repaired for two days and nights under the hottest of shell fire. Wires were shot from his hands as he worked. On the third night he received a fatal shrapnel wound.
Lieutenant Jordan was the first man killed in his section. He was given an impressive funeral with French and American officers attending.
In addition to these citations, participants in a raid carried out on March 9 were given the French cross of war for their coolness and disregard of danger. Captains Ross and Casey, both from Willisca, Iowa, were complimented for their actions. All others receiving the cross were congratulated on their behavior.

To Demonstrate Use of Flour Substitutes

A lecture and demonstration of the use of substitutes for flour in bread making will be given tomorrow afternoon at 2:30 at the library by Miss Marie Anthony. The meeting is open to the public, and will be one of the series of lectures to be given by Miss Anthony.
The course was arranged for the benefit of those who do not understand the use of substitutes, and about 50 have signed up to take the course. Miss Anthony has been conducting classes in Salem for some time. In addition to the lecture she will give a demonstration on pastry making.
Patriotic people, please plow, plant, produce, pending peace.