

HENRY CLEWS FINDS OUTLOOK BRIGHT FOR ALLIED NATIONS

Business and Financial Prospects Are Generally Good His Conclusion

New York, May 9.—The Liberty Loan proved a handsome success. It was heavily oversubscribed and the number of subscribers reached nearly 13,000,000, or considerably more than one-tenth of our total population. The best feature of the loan was not the oversubscription, but its extraordinarily wide distribution among the public. Earlier loans depended much more largely upon large individual subscribers and financial institutions. Too great a proportion of the earlier issues was taken by wealthy interests, and by the banks whose functions are best performed when their resources are kept fluid and not tied up in large blocks of securities, however sound they may be. From every standpoint it is desirable that the Liberty Loan be widely distributed, such a policy being sound financially and wise politically. Recognition of this fact by the banks and big lending institutions partly explained the temporary tardiness of subscriptions, which however came in with a rush during the last two days. The whole result is decidedly stimulating. It proves that our people are aroused to the gravity of the war, that they are ready to freely give in their moral and financial support, and that the country has unbounded financial resources for pushing the struggle to a successful conclusion. It is also stimulating to the men who go to the front and German military leaders must be daunted if they fail to recognize that America has come into the war with the determination of preserving freedom and destroying militarism. What will Germany's present leaders think of President Wilson's request that he be given power to draft an unlimited army, and to raise an appropriation of \$16,000,000,000?

The week just ended has been an encouraging one for the allies, the great German drive having, like its predecessors, ended in exhaustion and failure of its supreme object. The enemy gained ground at ruinous loss of men which will count for nothing in the end; while the allies saved men tremendously, and that in the final results will mean victory. It is now quite evident that the allies will be able to hold the line until the Americans come up in force, and it is a foregone conclusion that the enemy will not be able to force a decision until this takes place. The enemy must soon realize that his defeat is inevitable, that his victories are empty and that his tragic sacrifice of life is useless. To continue the war may defer the collapse; but the longer the delay, the greater the penalty for Germany.

The month of May begins with a satisfactory business outlook. At this season crop problems come to the front, and this year they are of far and greater importance than usual. Fortunately there is no prospect of a food shortage in this country. For this statement we have the assurance of one able food administrator, Mr. Hoover himself, that where there could be no more reliable authority. He confirms the opinion already expressed that the outlook is for a big wheat crop, possibly 900,000,000 bushels. The outlook for an abundance of food is fortunately not confined to wheat. Other grains are doing well, and the same is true of fruits and vegetables for which the conditions have thus far been favorable. Our animal products next year are also likely to show a material increase. Good prices are insuring large production, and in many cases distributors are carrying over liberal supplies from last year; this factor being largely attributable to the home-garden campaign a year ago, also to the growing habit of economy and thrift cultivated by government propaganda. Our cotton outlook is encouraging, the acreage being estimated at about 5 per cent more than last year, which under existing conditions suggests a crop of about 15,000,000 bales. Taking into consideration the surplus left over from last year, there is no fear of a scarcity of this staple during the coming season. Cotton has had a remarkable break, and the decline should help solve the problems of our manufacturing interests. It will also check the agitation for price fixing, which was being pushed with vigor. The steel industry is somewhat deranged by the necessity for concentration upon essential products, leaving the non-essentials to the future. There is an insistent demand for steel plates and other materials for our allies, Great Britain, France and Japan. In view of the fact that the war threatens to be continued with growing intensity, it is quite probable that a considerable period may elapse before the production of non-essentials is resumed. One notable example of the demand for essentials is the placing by the government of a \$40,000,000 order for locomotives, with two leading manufacturers. Enough of these engines are to be made in order to avoid a deficiency of motive power, which had so much to do with the breakdown of our railroad system last winter. This order also supplements that recently placed for 100,000 freight cars, valued at nearly \$300,000,000, which will doubly insure us against a repetition of the coal shortage.

The effect of war upon new capital issues is very striking, as might be expected when the government was endeavoring to gather in all the available funds for the Liberty Loan. In April the recorded issues from the leading states were only \$29,500,000, compared with \$130,000,000 last year and \$229,000,000 in 1916. The total for the first four months was \$333,000,000, against \$838,000,000 last year and \$932,000,000 the year before. Of this total only about 10 per cent was for the railroads, and in April the issues on this account ceased almost entirely, owing to government control.

On the Stock Exchange there was

some revival of activity, accompanied by a decidedly more optimistic temper. This was induced by the success of the Liberty Loan, by the better war situation, by satisfactory business conditions and by a good crop outlook. The action of the government in meeting the financial requirements of New Haven and New York Central also had a marked effect, inasmuch as it confirms the belief that the railroads will receive fair treatment under government control. During the four months of government operation, over \$90,000,000 has been advanced to the railroads as loans to meet their obligations. In about two weeks the war finance corporation will be ready to commence operations and the railroads and public utilities also will receive the financial consideration to which they are fairly entitled. The belief that our railroads cannot ever return to pre-war conditions excited considerable distrust at one time; but the action of the government just referred to indicates that reason and justice will play the chief part in such regulations, and confidence is correspondingly returning. Many railroads are selling at exceedingly low prices, some of them at half their real value, largely owing to the former illiberal policy of the interstate Commerce Commission. Certainly there is no inflation in railroad shares, though there is very considerable inflation in commodities and wages. Now that the bond campaign is over there will be less pressure upon the money market, and railroad shares are likely to receive more attention from careful buyers. Income tax payments will soon be in order; but these have been provided for in part and will, of course, be financed much more easily than the bond issue. Finally it should not be overlooked that the South and West are exceedingly prosperous owing to high prices realized for agricultural and mineral products, while the east is correspondingly prosperous because of continued industrial activity.

Defends Distribution of Kingdom News

Salem, Oregon, May 8, 1918. Editor The Daily Capital Journal: My attention has been called to an item in your issue of May 4, which hardly states the matter dealt with in a fair light. It is true that the distribution of the "Kingdom News" was done largely at night, but not because of implied reason. Those engaged in the distribution were all laboring people who work during the day hence had only the night to devote to the distribution. While it is true that Mr. C. W. Olcott was discharged because the ordinance under which he was arrested was not in effect; he would have been discharged in any event, as the City Recorder stated at the time, because the Kingdom News contained nothing of a seditious character. That this is true is proven by the fact that the City Recorder has permitted the distribution of this purely religious literature since the discharge of Mr. Olcott.

Again, you were evidently misinformed with reference to Mr. Olcott's connection to the Loyal Legion of Loggers and Lumbermen. Mr. Olcott was not asked to give up the metal insignia, and when last seen by myself Mr. Olcott was still wearing said insignia. This is only a small matter, but it is just as well to have the record correct. I am glad to learn that, as stated in your report of the matter, the management of the Spaulding Company was forced to do as the employees of that company demanded. I trust that this action shall not be forgotten when in the future the employees may make other demands upon the company. It is a most excellent precedent. Very truly yours, A. SLAUGHTER.

War Song of I. W. W. Read in Court Today

Chicago, May 8.—Warlike songs to peaceful religious airs were read into the record of the I. W. W. seditious trial here today by Prosecutor F. K. Nebeker as proof of his repeated charges the organization is of "revolutionary and lawless" character. The 112 defendants lolled sleepily in the chairs while the prosecution read pages of I. W. W. history and literature to the jury. The songs varied from humorous doggerel to profane appeals to vigorous action. "You will eat, bye and bye, in that glorious land above the sky. Work and pray, live on hay, 'You'll get pie in the sky when you die." Was one chorus to start a laugh in the jury box. Many of the songs were in line with the declaration, "there's but one bargain the I. W. W. will make with the employing classes—complete surrender of industry to the organized workers."

Two Naval Aviators Rescued by Steamer

New York, May 9.—Two naval aviators who disappeared off the Florida coast May 5 arrived here today aboard an American steamer. They were Lieutenant Arthur Laverentz of Cheyenne, Wyo.; O. C. Cotton, mechanic. They had been picked up after nearly thirty hours of battling for their lives on a stormy sea that threatened to wreck their hydro-aeroplane. They were faint from hunger and the knowledge that the water was infested with sharks added to their mental agony. They were nearly sixty miles off shore when rescued.

CIVILIAN ARE KILLED BY GERMAN SHELLS

Amiens Now As Completely Wrecked As Rheims and Soissons

By Henry Wood (United Press staff correspondent) With the French Armies in the Field May 9.—Two hundred and thirty-two civilians have been killed so far in the German bombardment of Amiens, including thirty women and fifty children. In addition, 345 civilians have been wounded, including forty eight women and 19 children. None of these include British military casualties. Amiens has joined Arras, Rheims and Soissons in the sisterhood of martyred cities. It is completely dead. Seven thousand shells, bombs and aerial torpedoes have devastated the place in the shortest time on record. It is worse wrecked than Soissons and Arras, which have suffered four years of constant bombardment. Twelve hundred houses in Amiens have been hit. Scarcely any house in the city is untouched by the effects of the bombardment. The cathedral still is intact, despite nine shells which have crashed into it. The damage done to this famous structure was principally in the interior. The huge statue of Christ has been knocked to fragments. Workers are feverishly building sand bag barricades about the structure. At times ten fires raged simultaneously. Firemen from Paris who attempted to extinguish the flames were bombed by German airplanes and thwarted. Great portions of the city have been swept by fire. The Germans are using mustard gas against the four hundred civilians who are still clinging near their homes. Living in caves until their belongings can be removed. Amiens is now only a name. There is nothing more that can be destroyed and nothing worth stealing left, should the Germans eventually capture the city.

WANT CIVILIAN HEAD OF ORDNANCE BUREAU

Washington, May 9.—Fear that America's military effectiveness in France this year is seriously menaced by failure of the ordnance program to meet expectations is creating great uneasiness in congress. That a civilian should be placed in direct charge of stimulating production is the conviction of members of house and senate military committees. This is the outgrowth of a quiet investigation which has been going on under the direction of Senator Hitchcock, member of the senate military committee. According to these investigators the manufacture of field artillery "is comparable only to the failure of the aircraft program." One member declared today that the inquiry has shown: The heaviest type of American field artillery—9.2 guns—will not be delivered in time for use in France this year. Only a few six and eight inch guns will be delivered this year. That effective production of the American adaptation of the French 75's has been in progress less than ten weeks. The committee has gathered a story of delay, based chiefly on the desire of United States ordnance experts to surpass what European field artillery experts have been able to do, it was said.

Fear That Ordnance Production Will Not Keep Pace with Growth of Army

By L. C. Martin (United Press staff correspondent) Washington, May 9.—Fear that America's military effectiveness in France this year is seriously menaced by failure of the ordnance program to meet expectations is creating great uneasiness in congress. That a civilian should be placed in direct charge of stimulating production is the conviction of members of house and senate military committees. This is the outgrowth of a quiet investigation which has been going on under the direction of Senator Hitchcock, member of the senate military committee. According to these investigators the manufacture of field artillery "is comparable only to the failure of the aircraft program." One member declared today that the inquiry has shown: The heaviest type of American field artillery—9.2 guns—will not be delivered in time for use in France this year. Only a few six and eight inch guns will be delivered this year. That effective production of the American adaptation of the French 75's has been in progress less than ten weeks. The committee has gathered a story of delay, based chiefly on the desire of United States ordnance experts to surpass what European field artillery experts have been able to do, it was said.

Hindenburg Firm For Strong German Peace

Washington, May 9.—Von Hindenburg, Teuton military master, intends to force "a strong German peace" to the "fresh sacrifices of blood," made by the Germans. He has given this message to the reichstag, apparently to reassure its members and the nation in view of a growing apprehension over the Teuton casualties on the west front, according to official advices today. There must be "a strong German peace which alone can preserve us from war in the future," he said.

Collier Cyclops Being Brought Into Port—Report

Philadelphia, May 9.—A report that the United States collier Cyclops, missing for more than a month, is safe and is being brought into port, was current here this afternoon.

PORTLAND CLOAK & SUIT CO. AT STOCKTON'S



Uncle Sam Says:

DO YOUR BIT

Make Potatoes Save Wheat BE A "POTATRIOT"

THE FEDERAL FOOD ADMINISTRATOR HAS DESIGNATED THE WEEK OF MAY 13TH-18TH AS "POTATO WEEK"

WE ARE OFFERING A 10 DAY SPECIAL

BEGINNING FRIDAY, MAY 10TH

Absolutely Free 2--SACKS OF POTATOES--2

DELIVERED TO YOUR HOME WITH EVERY PURCHASE OF A

Suit, Coat or Dress

HELP US DO OUR "BIT" AND DO YOURS BY TAKING ADVANTAGE OF THIS OPPORTUNITY. THE WHEAT HAS EMBARKED FOR SERVICE IN EUROPE, THE POTATOES ARE SERVING HERE AS A HOME GUARD

COATS	\$10.00 AND UP	SUITS	\$15.00 AND UP
DRESSES	\$12.75 AND UP	WAISTS, SKIRTS, MILLINERY	

Portland Cloak & Suit Co. at Stockton's

COURT AND COMMERCIAL STREETS

GOT SEVEN MACHINES

Washington, May 9.—Sergeant Baylies, American aviator, has been officially cited according to a diplomatic cable here yesterday. "In less than two months," said the dispatch "this young American pilot has succeeded in bringing down seven machines."

ADVERTISED LETTERS

Advertised May 7, 1918.—Anderson, N. Bentley, Mrs. C. C. Carey, Mrs. Laura Fuller, Mr. S. N. Fields, Mr. Edd, Gantz, Mrs. Della, Hall, Mrs. Carrie, Heswill, Mr. Denni, Park, Miss Helen, Perry, Miss Marie, Schlegel, Mrs. W. B. Stevens, Mr. and Mrs. Thad, Warren, Miss Rose, Welch Mrs. Leona. AUGUST HUCKESTEIN, Postmaster.

SUPFRAGETTES DEFEATED

Washington, May 9.—Facing certain defeat, woman suffrage advocates today abandoned their plan to bring

CLASSIC JITNEY DANCES



Independence Friday Night

THE ELITE ENTERTAINMENT COMPANY

Stirring - Patriotic

WITH A REAL PURPOSE

"OVER THERE"

WITH CHARLES RICHMAN and ANNA Q. NILSSON And All -Star Cast

Free for the Ladies, a Beautiful 5 Color Calendar of Liberty to Each Lady attending Matinee Today and Tomorrow

STARTS TODAY

LIBERTY



"Over There" is a big patriotic play built about the thrilling scenes which followed our declaration of war with Germany, and concerns the lives of a small group of young people who in their various ways rise to the occasion. During the action of the story, both stars, in their respective roles, enter into Uncle Sam's whirlwind recruiting campaign, and a number of stirring bits are staged on the speaking deck of the "Bacchus." This is the first time that the celebrated dry-land man-o-war has entered into the making of a photo drama, and its appearance on the screen invariably gets a hand.