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The Daily Capital Journal

TODAY'S WEATHER (FARE PLEASE)
Oregon: Tonight and Tuesday fair; warmer tonight except near the coast; moderate north westerly winds.

FORTY-FIRST YEAR—NO. 125

SALEM, OREGON, MONDAY, MAY 27, 1918

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ON TRAINS AND NEWS STANDS—FIVE CENTS

GERMAN BLOW FALLS IN VICINITY OF LOCRE; IS MAKING SOME PROGRESS

New and Powerful Attack Is Made to South of Ypres—Heavy Bombardment Was Followed by Successive Waves of Infantry Immediately After Dawn—Allied Troops Believed to Have Been Pushed Back in Places But Are Fighting Brilliantly—To Fight to Give Results of Latest Offensive

By William Phillip Simms,
(United Press Staff Correspondent.)
With the British armies in France, May 27.—The German blow in Flanders, which got under way early today, is reported to have progressed in spots, but it is too early to know the actual result.
The attack was a powerful local blow by General Von Arnim's army against Scherpenberg (a mile northwest of Loere), where the French wrested considerable ground from the Germans a week ago.
The allied troops are fighting brilliantly.
The battle for Scherpenberg began with a heavy bombardment of the Ypres-Comines canal (half a mile east of Voormezele) to the French frontier, (a mile west of Loere.)
The artillery opened up at dawn and in the midst of a haze covering the Flemish lowlands, the German infantry swept forward in successive waves.

FOURTEEN ARE DEAD THREE MISSING, TWO SEVERELY WOUNDED

No Pacific Coast Men On the List—Nine Killed in Action

Washington, May 27.—Nineteen names were on General Pershing's casualty list to the war department, divided as follows: nine killed in action; four dead from wounds; one dead from disease; two wounded severely and three missing in action.
The list follows:
Killed in Action
Corporal Milton Scarborough, Childs, Md.
Lonnie Simpson, Ready, Ky.
Privates Alexander P. Garrett, Mangum, Okla.
Joseph Griffin, East Hampton, N. Y.
James C. Holland, Rice, Ga.
Eugene Rockwell Oakes, Sparta, Wis.
Frank John Schmitt, Milwaukee, Wis.
Walter Schutzman, Ethel, La.
James Wallen, Fairfield, Okla.
Died of Wounds
Sergeant James E. Lee, Troy, N. Y.
Wagoner Norris G. Stokes, LaCrosse, Iowa.
Privates Earle Symmes, Willow Creek, Cal.
William J. Olizewski, Manistee, Mich.
Died of Disease
Private Menne Otto Wilts, Wellsburg, Iowa.
Wounded Severely
Privates Arthur O. Anderson, New Rockford, N. D.
Elmer Samuelson, Paso Robles, Cal.
Missing in Action
Privates Jerry A. Brown, Columbus, Ohio.
Charles W. Knowlton, Fairfield, Conn.
John B. F. Walters, Gadsden, Ala.

PRESIDENT WILSON WANTS CONGRESS TO PROVIDE FUNDS

Appears Before Joint Session and Delivers Strictly Business Message

MONEY MUST BE PROVIDED BY JUST TAXATION

Says Spirit of Nation Has Risen High Since Boys Went "Over There"

By Robert J. Benier
(United Press Staff Correspondent.)
Washington, May 27.—President Wilson today called upon congress to sacrifice political expediency and drive through a tax bill.
Appearing before a joint session on Washington's hottest day of the year, the president found an audience of senators distinctly disgruntled at the prospect of persisting over a revenue measure this summer.
It was the second strictly business message the president has delivered since we got into the war.
Turning from his manuscript in concluding a forceful address to congress in joint session, the president spoke extemporaneously:
"Just as I was leaving the white house," he said, "was brought the news that Germany had apparently resumed her long expected drive on the west front. Surely you can realize how that saddens my feeling as I come to you, and strengthens the purpose that I have tried to express in these lines."
The president's address follows:
"Gentlemen of the Congress:
"It is with unaffected reluctance that I come to ask you to prolong your session long enough to provide more adequate resources of the treasury for the conduct of the war. I have reason to appreciate as fully as you do how arduous the session has been. Your labors have been severe and protracted. You have passed a long series of measures which required the debate of many doubtful questions of judgment and many exceedingly difficult questions of principle, as well as of practice.
"The summer is upon us in which labor and counsel are twice arduous and are constantly apt to be impaired by lassitude and fatigue. The elections are at hand and we ought as soon as possible render an intimate account of our trusteeship to the people who delegated us to act for them in the weighty and anxious matters that crowd upon us in these days of critical care and action. But we have not got to the end of the road. We have done our duty to the full. These are days when duty stands stark and naked and even with closed eyes we know it to be there. Excuses are unavailing. We have either done our duty or we have not. The fact will be as gross and plain as the duty itself. In such a case lassitude and fatigue seem negligible enough. The facts are tonic and suffice to freshen the labor."
Facts of the Situation
"And the facts are these:
"Additional revenues must manifestly be provided for. It would be a most unsound policy to raise too large a proportion of them by loan and it is evident that the four billions now provided by taxation will not of themselves sustain the greatly enlarged budget to which we must immediately look forward. We cannot in fairness wait until the end of the fiscal year is at hand to apprise our people of the situation they disclose. Enormous loans freely spent in the stimulation of industry of almost every sort produce inflation and extravagance which presently make the whole economic structure questionable and insecure and the very basis of credit is cut away. Only fair, equitably distributed taxation of the widest incidence and drawing chiefly from the sources which would be likely to demoralize credit by their abundance, can prevent in-

War Summary of United Press

1394th Day of the War; 68th Day of the Big Offensive

Western front—The Germans resumed their offensive early this morning, along an entirely new 35 mile front, and joining the Picardy front on the south and east and simultaneously struck on a five mile front south and west of Ypres, on the extreme northern tip of the Flanders area.
Field Marshal Haig's official report merely mentioned the beginning of these attacks and gave no indication of their progress.
The assault on the new front, Haig said, was made on "wide fronts" between Rheims and Soissons, following a bombardment of great intensity.
He described the assaults as "strong hostile attacks."
This front includes the famous Chemin des Dames sector, where American troops have been in the line for some time, near Craonne. This is about midway between Rheims and Soissons and apparently would bear the brunt of the enemy thrust.
Haig also states that this attack was made against combined British and French forces, indicating for the first time that the British are operating south of the Aisne. A London dispatch said this was accepted as further evidence of General Foch's plan of coordinating all the allied armies.
The northern attack was made between Voormezele, less than two miles directly south of Ypres and Loere, slightly more than five miles to the west and south. This sector is held mostly by French troops. American troops, however, are also known to be training in this region, and it is possible that Americans are figuring in the defense.
A staff dispatch from William Phillip Simms today said that enemy artillery activity was increasing all along the British front, particularly in the Somme and Scarpe valleys and in the Ypres region.
American front—Fred S. Ferguson cabled from the Picardy region that cannonading increased there last night and that unusual aerial activities were under way, with the American and French aviators having all the best of it.
American airmen are maintaining their supremacy of the Lorraine front through sheer ability, Frank J. Taylor reported. He said the Germans have larger and better armed planes.
American army—The London Express published a dispatch from an English channel port, stating that the fifty seven American soldiers who were killed in the torpedoing of the British steamer Moldavia last Thursday morning, lost their lives because they disobeyed the rules which require all passengers to be on deck, while a ship is traversing the danger zone. The dispatch said an official inquiry may result.
France—The long range bombardment of Paris was resumed at 6:25 this morning, shells dropping in the city every 15 minutes.
Ireland—Webb Miller, cabling from Dublin, said that a break may occur at any time between the Nationalists and Sinn Feiners.
Russia—A Petrograd dispatch to the London Express, dated May 21, said it learned from enemy sources that certain German elements are planning a restoration of the monarchy in Russia with the Duke of Mecklenburg-Schwerin as the governing head of one of the German states, as czar.
Austria-Hungary—An official statement issued in Vienna declared that as a result of Emperor Karl's recent visit to Sofia and Constantinople, the Austro-German alliance soon would be extended to Bulgaria and Turkey.
Zurich advices said the anti-government demonstrations continued in Prague Friday, many arrests being made.
Turkey—A wealthy Turk, arriving in Geneva from Constantinople, said that half the population of Constantinople is starving.

RAILROAD RATES TO BE ADVANCED IN EFFECT JUNE 25

Increase On Some Freight 25 Per Cent and On Some Still More

OPERATING COST IS \$830,000,000 HIGHER

Some Commodities To Pay Special Rate—Passenger Rates 3 Cents Mile

Washington, May 27.—Twenty five per cent rate increases on class and commodity freight rates will go into effect on June 25. Railroad fares will be raised to three cents a mile June 10. Some heavy commodities largely handled will undergo raises of more than 25 per cent.
This announcement came today from the United States railroad administration in the wake of the announcement that railway men's pay would be boosted—mainly in accordance with the railroad wage board's recommendations.
The increases were necessary because of the need to meet higher operating expenses, estimated at from \$830,000,000 to \$860,000,000 more than last year.
The traffic in heavy commodities, which form a large portion of the railway business, will have increases not based strictly on the 25 per cent ruling.
Some of the increases on the principal ones follow:
Coal 15 to 50 cents a ton; coke, 15 to 75 cents a ton; iron ore, 50 cents a ton; building stone, two cents per hundred pounds; road stone, sand, gravel one cent per hundred pounds; brick, cement and plaster, two cents per hundred pounds; lime 1 1/2 cents per hundred pounds; lumber, 25 per cent, but not more than five cents per hundred pounds; grain, flour and mill products, 25 per cent, but not more than six cents per hundred pounds; cotton 15 cents per hundred pounds; livestock 25 per cent, but not more than seven cents per hundred pounds; sugar, 25 per cent, except to points in middle west states, rates from the producing centers will be maintained on the present relationship; copper, oil and molten products, approximately \$6.50 per ton from the Rockies and Pacific coast states to the Atlantic seaboard.
All exports and imports will be advanced.
(Continued on page two)

OREGON GUARD DIFFERS FROM HOME GUARD

Military and Semi-Military Organization of the State at Present Time

For the benefit of those who are rather mixed up as to the difference between the Oregon Guard and the Home Guard, a local military authority submits the following:
The Oregon Guard is organized under the old military code of Oregon prior to the time when the Guard was federalized. The three companies of Oregon Guard now in Salem, Companies E, F, and G, are on exactly the same military basis as the old Company M, Oregon National Guard.
Hence the three companies of the present Oregon Guard are subject to call from the governor for service in the state of Oregon. If called out to suppress riot or for any guard duty, the Oregon Military code will stand back of the Guard just the same as it did back of the old Company M.
The Home Guard companies that are now being organized throughout the state are simply men sworn in as deputy sheriffs and should they do damage to property or kill in the discharge of their duty, they are liable to civil action. There is no Home Guard company in Salem.
The Military Police is a state police force, composed of men who are paid a regular monthly salary and give all their time to police work in any part of the state. Major Deich of Portland is head of the Police with headquarters in Portland.
(Continued on page two)

AMERICAN SOLDIERS LOST WITH MOLDAVIA DISOBEYED RULES

All Passengers Required To Be On Deck But All Those Drowned Were Below

London, May 27.—The death of fifty seven Americans when the British steamer Moldavia was torpedoed in the English channel Thursday morning, was due to the fact that they disobeyed the rules which require all passengers to be on deck while a ship is passing through the danger zone, according to a dispatch to the Express from a channel port today.
This may result in an official inquiry, the dispatch stated. Fifty eight men were below at the time the ship was torpedoed, the dispatch said. Fifty six were instantly killed by the explosion. Another died before reaching port. The

FIFTY AMERICAN ENGINEERS MARCHED INTO ENEMY LINES

Found Out Mistake and Fought Way Back, Target of Both Armies

By Fred S. Ferguson
(United Press Staff Correspondent.)
With the Americans in Picardy, May 27.—Fifty American engineers who got into the German positions by mistake at night, fought their way back to their own lines with the American and Belgian infantry both firing on them.
Owing to considerable gaps in the trenches in some places, it is easy to wander beyond the American lines after dark. For instance a motor truck driver, headed through such a gap, drove half way across No Man's Land before the rattle of machine guns behind him warned him that he had passed into enemy territory.
(Continued on page four)

PARIS AND MARNE ARE APPARENT OBJECTIVES NOW

If Prediction Proves True American Troops Will Be In Line of Attack

By J. W. T. Mason
(United Press war expert.)
New York, May 27.—Paris and the Marne are the objectives of Von Hindenburg if the strong German attacks between Rheims and Soissons reported by Field Marshal Haig are the forerunners of a new offensive against the allies.
American troops have been reported as undergoing training in this sector and just behind the front is a highly important railway line which runs directly into another American sector in the Verdun region. If the Germans attack grow into a serious menace, it is probable Americans will be called upon to help stem the enemy advance.
This sector is the most advantageous from the allied standpoint, in which the Germans can attack.
The Marne is from 20 to 30 miles south and parallel to the Rheims-Soissons front and Paris itself is sixty miles away. Slight gains by Von Hindenburg can best be afforded by the allies here. Loss of the railway connecting Soissons and Rheims would be disagreeable for the allies but there are other communication lines to the south. If the Germans were to reach the Marne still further inconvenience to

ABE MARTIN

Mrs. Lon Pash, bride, gave seven-teen sterling silver berry spoons to the Red Cross shop today. Tilford Moots hood up a fifty cent piece in his garden today, but he wouldn't have if it weren't for the war.
(Continued on page six.)

THIRTY-FIVE BILLION WILL BE ASKED OF CONGRESS

Congress Hangs Back Although Members Know Funds Are Needed

By L. C. Martin
(United Press Staff Correspondent.)
Washington, May 27.—This promise to a \$35,000,000,000 congress. Financial experts today, settling down to prepare the greatest tax bill in the country's history—nearly \$8,000,000,000—estimate that appropriations of this congress will shatter all records for any country in the world for a corresponding period.
Great expansion of the army program is chiefly responsible for the stupendous total. Nearly \$21,000,000,000 is in appropriations and authorizations for the army and its fortifications.
In addition, \$2,500,000,000 is required for shipping, required to transport men and supplies overseas.
The navy gets \$1,650,000,000, while the war finance corporation and the federalized railroads each get \$500,000,000. Five and a half billions were appropriated for loans to the allies in the bond bill passed this session. Ordinarily appropriation bills have been considerably increased by war needs so that they total \$2,449,659,000. This makes a grand total, based on estimates submitted to date, of \$34,069,659,000.
That this total will be sent up to or

SINN FEIN GERMAN PLOT PROVIDED FOR RELEASING PRISONERS

Ireland Seethes With Rebellion and Pro-German Activities at Present

By Webb Miller
(United Press Staff Correspondent.)
Dublin, May 27.—Discovery that part of the Sinn Fein-German plot provided for the releasing of hundreds of Austrian and German civilians now interned in Ireland and for arming them against the English, has been made by the British, according to statements of officials today. As a result, deportation of these men began today.
It is declared that the conspirators planned to arm these alien civilians with weapons delivered by German submarines.
Despite the arrest of their leaders, Sinn Fein headquarters were active Sunday. Companies of them drilled at many points around Dublin. No secret was made of this fact at Sinn Fein headquarters, where it was stated that Sunday was observed in drilling "and continuing preparations to fight against conscription."
"Probably several thousand persons drilled at various places and no arrests have been reported yet," the Sinn Feiners added.
Within ten miles of Dublin, in a hilly, isolated district, I came upon sixty men and boys between the ages of 18 and 35, who were quietly assembling from various directions. They came to the scene on bicycles. When I saw them, they were quietly marching up and down a field in military formation. All were in their shirt sleeves with Sinn Fein colors in bands on their arms.
When they observed me, the marchers

