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BELGIUM DECLINES THE SEPARATE PEACE OFFER

Germany Was Ready to Grant Very Liberal Terms to Conquered Nation—Assistance in Rebuilding Property and Guarantee of Neutrality Du Remainder of War Promised—The Hague Given As Source of Rumor Which Seems To Be Well Founded, Although Denied By Belgium Officials

London, Feb. 9.—Belgium has rejected overtures for a separate peace with Germany, according to a Rome dispatch today.

Cardinal Mercier, it was reported, conveyed this information to the pope.

Terms on which Germany wanted Belgium to conclude the separate peace were said to be:

An agreement for complete restoration of Belgium, with certain privileges for the Germans at channel ports.

Germany to pay a large sum for rebuilding destroyed structures in Belgium, and for maintenance of Belgium neutrality during the remainder of the war.

King Albert, however, indignantly rejected the proposals and declared he will not consider peace until the allies are victorious, it is reported. Belgium sources recently denied any overtures had been made, but The Hague reported that negotiations were actually under way and proceeding satisfactorily from the German standpoint.

Substance was lent to the peace reports from the fact that Sir Douglas Haig recently went to Havre on a "special mission" to meet King Albert. No announcement of the result of his trip has been forthcoming, however, though it is thought he must have determined Albert against acceptance of separate peace, if indeed the Belgian king had seriously considered acceptance.

London, Feb. 9.—In a sudden smash in the Artois region, the Germans captured 800 yards of French trenches, said the Belgian official statement today. They greatly improved their position on the Vimy heights and provided further safeguards against an allied offensive toward Lens from the south.

The Paris war office confirmed the attack, but claimed the Germans afterward were driven out by counter moves. The Germans claimed to have captured 100 prisoners and five machine guns; Paris said the attack was preceded by a heavy bombardment of a three mile front north of Arras.

Artillery battling in the Vosges was announced, too, by Paris.

Zepplins Destroyed. Amsterdam, Feb. 9.—Destruction of two Zepplins recently was reported today by the Echo Belge. This paper said French fliers shot down one near Ath; and that another returning from the Paris raid of January 29 struck a tree near Ligne, collapsing and hitting houses as it fell. Everyone of the crew were said to have been killed.

Lieutenant Acquitted. London, Jan. 22.—(By mail).—Lord Edward Seymour, second lieutenant in the Royal Warwickshire regiment, was acquitted of the charge of drunkenness by a court martial at Grantham today because he was able to say "round the rugged rock a ragged ruffian ran," without a fizzle.

Witnesses testified that Lord Edward was a little slow in rounding the corners, but was able to walk straight and could enunciate "royal artillery" as fast as they desired.

Lincoln Bound For London. London, Feb. 9.—Ignatius Lincoln.

Abe Martin



Th' louder a feller talks th' less he knows, Miss Fawn Lippincott is keepin' company with a young Ford owner.

WHERE FLOODS HAVE TAKEN SCORES OF LIVES NEAR SAN DIEGO



Back country near San Diego, Cal., where floods have played havoc. Scores of lives have been lost and property valued at hundreds of thousands of dollars has been destroyed in the flood which has just visited southern California. The storms were most destructive in the vicinity of San Diego.

INDICTED GERMAN CONSUL DECLARES HANDS ARE CLEAN

San Francisco, Feb. 9.—German Consul Bopp and Vice Consul Schack, indicted in a wholesale "clean up" of alleged bomb plotters and neutrality violators declared today they have nothing to fear from the government action. Both indicated that their hands are clean, but government authorities intimated in return that the case against these men and the many others indicted is "air tight."

Business circles were stirred at the extent of the indictments. Many of the most prominent men in shipping and other lines here as named as neutrality violators in connection with the expeditions of the steamers Sacramento, Olson and Mahony, Aetivier and Marzellan as alleged supply ships for German war vessels.

Named in indictments charging conspiracy to violate the Sherman anti-trust law by attempting to dynamite munitions plants and thus thwart trade; and likewise charged with setting on foot a "military expedition" to Canada to blast railway tunnels were the following: German Consul Bopp; Vice Consul Von Schack; Attache Von Brincken of the local consulate; Johannes H. VanKoolbergen, alleged German spy, said to have been engaged to blast the tunnels, but now held by Canadian authorities as an alleged forger; C. C. Crowley, consulate detective and his secretary, Mrs. Margaret Cornell (both of whom were under previous bomb plot indictments).

List of alleged neutrality violators, as announced by United States District Attorney Preston were:

Vice Consul Von Schack; Chancellor Henry W. E. Kaufmann of the German consulate; Turkish Consul Hall; Local Manager Robert Capelle of the North German Lloyd Steamship company; John and Julius Rothschild, prominent local grocers; George and James Flood, well known shipping men; Attorney J. I. Bied; Dr. Simon Reimer; C. D. Bunker & Co., customs brokers; Northern & Southern Steamship company; Swayne & Hoyt, shippers and customs brokers and, individually, R. H. Swayne and John G. Hoyt of the company; President Thayer of the Northern &

Lusitania Incident Affects Market Little

(Copyright 1916 by the New York Evening Post.)
New York, Feb. 9.—On the whole, it must be said that additional Washington particulars regarding American acceptance of the German terms in the Lusitania fell rather flat on the stock exchange today. This may have been because this outcome was expected, or that there was nothing in the settlement to excite more than perfunctory gratification.

Southern Steamship company, C. D. Bunker and Joseph L. Bley, of C. D. Bunker & Co.; Captain Anderson of the Sacramento; Benno Klocke, Adolph Wimmel, Gustav Traub and T. R. Johansen of the Sacramento crew and Fred Williams and George Phillips.

As in the recent Hamburg-American neutrality violation cases at New York, the defendants here are said to be charged with use of false clearance papers in their alleged outfitting of a German squadron by sending out supply ships from the Pacific coast.

Indictment Expected.
Hints that Bopp would be indicted had been current for some time. Washington dispatches recently indicated, however, that the federal government was withholding action until such time as the Lusitania case was settled. Announcement of the indictment against him followed directly upon word of a satisfactory ending to the Lusitania negotiations.

This is the first indictment of a high foreign official since the government started probing alleged nation-wide bomb plots.

In most of the cases, the federal officials will merely serve notice of the indictments as soon as they are publicly recorded, and rely upon the prominence of the defendants to insure their remaining in the city for hearing later.

Revelations in the Hamburg-American case tended to strengthen the belief of authorities here that money, direct from Germany, had been sent to San Francisco for the supply ship work. Previously, some of those named in the present indictments had been indicted in the "Sacramento expedition" case. The Bunker company is said to have acted as disbursing agent of the expedition. Williams and Phillips are designated as purchasers of supplies for the expedition, while Dr. Reimer is reported to be a German naval officer who helped load the supply ships.

Traub and Klocke are said to have had only a small part in the case. Federal officials suggested today that the Sacramento case will be proven even more easily than were the cases against the Hamburg-American heads at New York, where sentences were obtained.

Among other charges in connection with the bomb plot indictments are that the parties named conspired to blast the Hercules Power plant at Pinole, California, and plants at Gary, Indiana, and Birmingham, Michigan, as well as conspiring in connection with destruction of a munitions laden barge at Seattle some time ago.

During the day, a number of those indicted offered to surrender themselves, but as no warrants had yet been issued their proffer was not accepted.

Headquarters at Boston.
Boston, Mass., Feb. 5.—That German agents, active against Canadian and American munitions plants, have moved their headquarters to this city is believed here today. Indeed, reports say that Federal Agent Schmidt, acting on a tip from British Ambassador Spring-

OREGON HOP MEN FAVOR MAKING OF LIGHT BEER

Internal Tax To Be Used For Construction of Hard Surface Roads

ASSEMBLING DEPOT TO BE MADE IN DISTRICTS

New Plan Will Reduce Cost of Handling Crop to Growers 50 Per Cent

The Oregon Hop Growers' association went on record at their business meeting yesterday afternoon as favoring an amendment to the law of this state which would permit the manufacture of beer and to put on a tax of 1 1/2 cents per quart to be used in the construction and maintenance of hard surface roads in the districts where the sale was made.

A resolution was also passed favoring national legislation in the interests of American hop growers, and recommending that all imported foreign grown hops be stamped with the name of the country and province in which they are grown.

As to the manufacture of beer in this state the resolution asks that the state law be amended to permit brewers to make beer which would contain not in excess of 2 1/2 per cent alcohol and that the beer be distributed from the breweries and not through saloons. The resolution recommends that the beer be sold under the provisions and limitations of stringent laws against excessive indulgence and the association in no way favored the re-establishment of saloons in the state.

As an aid to the state wide movement in the interests of good roads it was advised that the tax of 1 1/2 cents per quart be exempted in the district where the beer was consumed for hard surface roads. The growers consider that all of the money now being sent from Oregon to California points could be well spent in this state and also the money spent for the shipment of the liquor could be saved and invested in the form of a tax to be put upon the Oregon roads.

Will Organize Hop Centers.
It was decided at the business meeting to lease or erect five or six warehouses in the most convenient points of the hop growing sections of the state where the hops could be received from the grower, sampled and inspected and the samples sent in to the headquarters of the association where they could be graded and put into shape for more successful handling and selling. It is proposed to eliminate the expenses of sampling and double inspection by this means and also to relieve the in-

LUSITANIA AFFAIR IS ALMOST CLOSED

Only the Arrangement of Technical Details Now Awaited Before Final Agreement Will Be Made—Report of Colonel House Said To Have Greatly Influenced President to Accept the German Proposition—Settlement Will Form Basis of International Law Governing Submarine Warfare in Future

Washington, Feb. 9.—The Lusitania negotiations today awaited only the arrangement of technical details for a final, satisfactory ending.

Berlin will receive shortly by cable America's provisional acceptance of the German "last word" in the case; and this acceptance will be complete when Foreign Secretary Von Jagow at Berlin substitutes a formal note for the informal memorandum Ambassador Von Bernstorff presented to the administration.

The memorandum, which President Wilson yesterday agreed would be acceptable when it was translated into a formal note, specifically concedes American demands.

In effect, it is a real disavowal of the torpedoing, with loss of American lives. But, what the president considers is even more important, is that the reply furnishes a precedent and basis for international law to govern submarine warfare.

The immediate cause for this satisfactory termination of a dangerous controversy is known to have been the report Colonel House forwarded as President Wilson's personal envoy.

While the contents of this report may never be made public, it is understood that the colonel emphasized conditions he found in Germany to have been: A spirit that Germany had made her final concessions. A growing demand for resumption of unrestrained submarine warfare as a result of the feeling against America.

A feeling that severance of diplomatic relations would inevitably result in war.

Ambassador Gerard also forwarded pessimistic reports of what would happen if the president did not accept Germany's "last word." The two sets of reports therefore convinced the administration that Germany would not offer any further concessions in an effort to settle the case.

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THE WEATHER

Oregon: Tonight and Thursday rain; southerly winds.



WHAT THE LUSITANIA SETTLEMENT IS

The informal Lusitania memorandum, sent to Berlin to be formally made into a note, replying to the American note, says in effect:

"Although the sinking of the Lusitania would have been justified as an act of reprisal against the illegal British blockade, the fact that American crews were aboard made the sinking unjustifiable in this instance.

"Therefore, Germany admits financial liability for the death of American lost aboard her."

"Germany expresses the hope that, in line with suggestions made by the United States in its formal Lusitania note, it will be possible for the two countries to co-operate in effecting greater freedom of the seas."

While the German proposals are acceptable in spirit to President Wilson, their wording is not exactly as he desires.

The forthcoming reply from Germany, it is understood, will not contain the word disavowal, though the administration all along insisted that this must be a disavowal. Instead, it will set forth in effect that belligerents can not legally order any act, even a reprisal, that endangers neutral lives. It does not specifically admit that the Lusitania incident was illegal.

In the matter of reprisals, America held that they may be justifiable some times, but never legal. In this connection, however, Germany has agreed to admit that reprisals are unjustifiable when involving neutrals; and this means, therefore, that the Lusitania sinking was illegal. America pointed out that illegal acts include unjustified acts, and therefore the administration accepted Germany's admission that the Lusitania case was unjustifiable as equivalent to an admission that the case was illegal.

English Not Pleased

London, Feb. 9.—Lacking official confirmation, Washington reports that President Wilson had virtually accepted Germany's latest proposals in the Lusitania case were accepted reservedly here today.

The newspapers, however, expressed the hope that Wilson had not succumbed to his demand for a disavowal of the torpedoing.

"It is obvious," said the Daily News "that he cannot now surrender on the Lusitania issue without suffering irreparable personal disaster and without gravely discrediting his country. If he accepts anything short of a decisive victory, his persistence will have been that of a man who entered the struggle without counting the cost. We do not think he is that sort, and we do not think he will surrender the great human trust, of which he is the champion."

French Buying Horses

Los Angeles, Cal., Feb. 8.—A French government commissioner will arrive here Thursday to spend \$2,000,000 buying every horse he can get in Arizona, Southern California and Lower California, according to the statement today of E. K. Cassab, horse contractor, who has been looking over the grounds for several weeks. Spot cash is to be paid for all accepted. They will be placed on fast trains here and will be on the firing line 22 days after they are purchased.

WAR NEWS OF ONE YEAR AGO TODAY

The prelude to the big Teutonic drive on Russia was being executed in some of the fiercest fighting of the war, in the Carpathians. The U. S. was considering asking Germany whether American lives and ships would be safeguarded from submarines in Germany's undersea blockade of England.