

Entente Rejects German Offer; Asks Terms

PART ONE
NEWS SECTION
PAGES 1 TO 14.

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THE WEATHER
FAIR; WARMER

ALLIES REJECT PEACE PROPOSAL OF THE KAISER

Joint Reply of Entente Nations Says Suggested Council Without Conditions Is Really War Maneuver.

'INSINCERE, INEFFECTIVE'

Places Responsibility for Starting Conflict Upon the Central Empires.

CAN'T TRUST OATH BREAK

Washington, Dec. 30.—The official text of the allies' reply to the German proposals began arriving at the State department late today. As the United States acts only as an intermediary in transmitting the note to the central powers it will not be made public here.

Paris, Dec. 30.—The entente governments in replying to Germany declare that they refuse to consider Germany's insincere and ineffective proposal for a conference.

The suggested conference without conditions is not a peace offer, the note says, but is rather a war maneuver.

It is long and sets forth again the responsibility of the central empires for the European conflagration. It insists on legitimate reparations and restrictions demanded by the entente as outlined by Premier Lloyd George and also says that Germany by failing to formulate proposals for peace removes in advance any basis for further parleys.

The note seeks to suggest that the Berlin cabinet having proclaimed in 1914 its contempt for treaties cannot pretend to obtain the same conditions as powers respectful of signatures and must offer guarantees.

Text of the Note.

"The allied governments of Belgium, France, Great Britain, Italy, Japan, Montenegro, Portugal, Roumania, Russia and Serbia, united for the defense of the liberty of their peoples and faithful to engagements taken not to lay down their arms separately, however, resolved to reply collectively to the pretended proposals of peace which were addressed to them on behalf of the enemy governments through the intermediary of the United States, Spain, Switzerland and Holland. Before making any reply the allied powers desire particularly to protest against the two essential assertions of the note of the enemy powers that pretend to throw upon the allies responsibility for the war and proclaim the victory of the central powers.

Still for Peace.

"The allied governments cannot admit an affirmation doubly inexact and which suffices to render sterile all tentative negotiations. The allied nations have sustained for thirty months a war they did everything to avoid. They have shown by their acts their attachment to peace. That attachment is as strong today as it was in 1914. But it is not upon the word of Germany, after the violation of its engagements, that the peace broken by her may be based.

"A mere suggestion, without a statement of terms, that negotiations should be opened, is not an offer of peace. The putting forward by the imperial government of a sham proposal lacking all substance and precision would appear to be less an offer of peace than a war maneuver. It is founded on calculated misinterpretation of the character of the struggle in the past, the present and the future.

The Aggressor in 1914.

"As for the past the facts, dates and figures which establish that the war was desired, provoked and declared by Germany and Austria-Hungary.

"At The Hague conference it was a German delegate who refused all proposals for disarmament. In July, 1914, it was Austria-Hungary, who, after having addressed to Serbia an unprecedented ultimatum, declared war upon her in spite of the satisfaction which had been accorded at once.

"The central empires then rejected all attempts made by the entente to bring about a pacific solution of a purely local conflict. Great Britain

(Continued on Page Four Column One.)

MOVES OF FORCES OVER WAR ZONE

Germans Report
Press, with Result
Advances Being Made.

QUIET ON VERDUN FRONT

(Associated Press War Summary.)
The Russians and Roumanians are fighting a heavy rear guard action as they retire toward the line of the Sereth, in northeastern Wallachia and southern Moldavia.

Today's German army headquarters report shows steady progress for Field Marshal von Mackensen's armies along the entire front between the Roumanian Carpathians and the Danube, despite the strong resistance, they are encountering. At the same time the attack on the Moldavian frontier is developing and Russo-Roumanian positions have been carried and passed by the invaders, repeated counter attacks not serving to stop them. In this fighting the Teutonic forces took 600 prisoners and seven machine guns.

The Teutonic line of advance from the Wallachian plain now lies well to the north of Rimnik Sarat, on the railway from Buzco to Fokshani, while on the right flank a still nearer approach has been made to Braila, the Danube granary, which is one of the main objectives of Von Mackensen in the present stage of the struggle.

Operations on the Franco-Belgian front have been confined to minor movements except in the Verdun region, where Berlin announces the results of several attacks made by the French on the positions on Dead Man hill, of which the Germans recently reported the capture.

Tom Lawson Ready
To Tell Congress of
Diplomatic Leak

Boston, Mass., Dec. 30.—In response to a telegram from Congressman Robert L. Henry of Texas urging that he go to Washington immediately and produce any facts he may have bearing on a leak from the State department to Wall Street in connection with President Wilson's recent peace note, Thomas W. Lawson today replied by wire that he would call on the congressman Monday.

"You have libeled a congressman and public officials and predict you can make good," Congressman Henry stated in the telegram which Mr. Lawson made public here today. It was explained that Mr. Henry made his request in his capacity as member of the house rules committee, of which he is chairman.

"The good old capital has been wallowing in Wall street leak grafts for forty years," the Lawson reply said. "You and Congressman Wood started this leak merry-go-round, then you sort of reeked into it through your press statements and then you made me the whole of it. Now I say, congressman, have a heart, have a heart."

"This is my program. Tomorrow I will give you a serious 3,000-word bit, then, if you wish, I will visit you on New Year's day. Tuesday from the gallery I will listen to you and the other statesmen who missed out on the leak, lambast me some more."

Dry Federation
Drafts Measure
To Enforce Law

Lincoln, Dec. 30.—(Special Telegram.)—The office of "public smelter" may be created by the coming legislature if the bill prepared by a committee of the dry federation and given out late this afternoon becomes a law, as it gives authority to all officers, who catch a whiff of the breath of an individual and take him and his breath to the bastille, where before an authorized tribunal he must tell where he secured the stuff.

The bill which covers forty-five typewritten pages and has sixty-five sections, is the most drastic, rock-ribbed, bone dry law that has ever been before a legislature in the United States. It prohibits the sale of liquor in any form in clubs and any drug store keeping more than one piece of its stock of a nature which might be intoxicating is subject to prosecution.

Public advertising of liquor is prohibited on bill boards or in any paper and common carriers must deliver intoxicating liquors between the hours of 5 in the morning and 5 at night with no deliveries on Sunday. Physicians prescribing liquor for medicinal purposes must pay \$5 yearly license and keep a record of all prescriptions issued.

The governor is given power to enforce the law and is made prohibition commissioner with a deputy commissioner in charge of the office.

Inflow of Gold During Year
Up Toward Billion Dollars

New York, Dec. 30.—The inflow of gold this week carried the total of the year's imports to \$684,700,000. This is by far the greatest amount of gold to enter the United States in a single year.

The total of imports for the week in behalf of the British treasury amounts to \$53,600,000. The heavy expansion of shipments since last Monday is taken in banking circles as an indication that the British authorities are planning to continue sending gold here on an enormous scale.

MEXICAN BANDIT THREATENS CARRANZA SWAY

Pressed on Every Side by
Growing Forces of Outlaw
Chiefs, De Facto Leader
Faces Overthrow.

VILLA RECRUITING ARMY

Northern Rebel More Interested in Increasing Band Than in Taking Cities.

WASHINGTON IS ALARMED

Washington, Dec. 30.—Increasing evidence that Carranza's government is being menaced by bands of insurgents, coupled with the prospect that the first chief will not accept the Atlantic City protocol, has brought the Mexican situation to a stage that is causing growing concern.

Officials admit that the conditions are embarrassing. Some high army officers are urging that Pershing's men be withdrawn as a military step and regardless of conditions, but it is insisted that so far there has been no change in the administration policy. The American members of the joint commission which drew the Atlantic City protocol will meet here Tuesday to discuss Carranza's request for modification and to consider whether any basis is offered for further conferences with the Mexican commissioners. Charles A. Douglas, an attorney for the Carranza government, saw Counselor Polk of the State department today and is understood to have made a further plea for withdrawal of the troops.

Want Men Brought North.

Several army officers of high rank are no longer attempting to conceal their impatience over the joint commission's failure to secure ratification of an agreement, and openly are urging that the altered conditions in Mexico make it imperative to bring the 12,000 men now in Mexico to positions on the border, where they could be handled to better advantage if it becomes necessary.

Reports to the State and War departments today supported unofficial advice indicating that Villa is rapidly gaining strength in northern Mexico that makes his suppression by the Carranza army appear doubtful. At the same time followers of Felix Diaz are said to be making trouble in the south, while Manuel Palaez and other rebel leaders are gaining ground in the central portions of the republic.

Families Sent to Border.

The official advice indicated that the Carranza forces in Saltillo two days ago were anticipating an attack by Villa forces. The governor of the state had directed that the government archives be prepared for removal and many prominent civilians and officials had sent their families to the border. Successes of the Villa forces about Torreón were confirmed by the advices.

Villa's operations in the last few weeks have convinced army men here that he and other leaders of the rebel movement are following a plan of campaign having for its immediate object the recruiting of an army and the collection of equipment rather than the occupation of territory. It is pointed out that Villa has entered towns of importance in northern Mexico eight times since he resumed operations on a larger scale, only to surrender them without a struggle. The net result has been to add to his fighting strength materially through the conversion of Carranza soldiers captured and deserting into rebel troops, and through captures of arms and ammunition, including about thirty pieces of artillery.

Villa Again Advancing.

El Paso, Tex., Dec. 30.—Federal agents here today sent a report to Washington saying that Villa was at Jimenez and was advancing on Chihuahua City with approximately 10,000 troops. It was also said by the federal agents that General Francisco Murguía was reported to be making preparations to evacuate the state capital.

Villa captured a train of ammunition and sixteen cannon recently when he took Torreón, persons here said to be in communication with Villa announced today.

General Talamantes committed suicide when he saw the fight was lost, it was added. Villa evacuated the town after he had obtained the train of ammunition, the cannon and a supply of shoes, clothing and blankets for his men, the Villa partisans said.

Senator Wilson to Oppose
Mass of Worthless Laws

Fremont, Neb., Dec. 30.—(Special.)—State Senator Wallace Wilson will use his influence in the Nebraska legislature to cut down the number of laws passed.

Senator Wilson has no bills of his own and will endeavor to see that the state is not burdened with a lot of laws that will not be enforced. "We have two many laws now," Mr. Wilson said, "and I intend to see what can be done to limit the output of the legislature."

He said he had notified his constituents in Dodge county that they will not get any of the jobs he has to give out. He will favor selling the Fremont college, if the matter is brought before the senate.

Speed the Parting—Welcome the Coming



English-Speaking Peoples Should Avoid Reversion to One-Man Rule

Dr. Roscoe Pound Thinks There
Is Better Way to Adapt Law
to Human Needs.

HALL HEADS STATE BAR

Declaring that we, the English speaking peoples, should find some more rational method of adapting the law to the human needs, instead of returning to the personal form of government and going back to the days of oriental justice, Roscoe Pound, dean of the law school of Harvard university and known as an authority on jurisprudence on two continents, speaking before the seventeenth annual meeting of the Nebraska State Bar association at the Hotel Fontenelle, suggested that we should shape some broad road to justice without destroying the results of year of experience.

Dr. Pound, a former Nebraskan and personally acquainted with the majority of the members of the state bar association, received a demonstrative and enthusiastic reception, when he was introduced by John Dryden, president of the body. His scholarly address on the subject, "The Recrudescence of Personal Government," though carefully worded and brilliantly phrased, was delivered without the aid of notes or manuscript of any kind.

The administration of law and justice from the primitive times up to the present day, as described by the eastern law school dean.

Growth of Law.

He told of the growth of law and justice from the very beginning, when kings and rulers administered justice in rough and ready fashion, according to their personal feelings at the time. For instance, he pointed out that the witty fellow, who told of his crime or misdemeanor in a manner to please the king, probably escaped without punishment, while the dull individual who bored his majesty was lucky if he got up with his life.

Then, asserted Dr. Pound, came the primitive period in the dispensation of justice, when the ruling motto was, "peace at any price." He told his listeners that there was then developed a period of primitive law, the principle of which was to buy off the injured person by rewards fixed according to their relative seriousness. In this system of tariffs, Dr. Pound gave as an example the old English case, where a man, if he received a bruise protected by his

(Continued on Page Four, Column Two.)

ANGLO-FRENCH WIN BATTLE OF SOMME

Would Be More Complete but
for Pro-German Weather,
Says Douglas Haig.

DETAILED STORY OF FIGHT

London, Dec. 30.—The battle of the Somme is pictured as a sweeping triumph for the entente allied arms in a report by General Sir Douglas Haig, which was issued tonight and which covers operations from July 1 to November 18. General Haig terms the battle a triumph in which the German western armies were only averted from complete collapse and a decisive defeat by a protracted period of unfavorable weather, that prevented the Anglo-French forces from taking full advantage of their successful advance.

He declares that nevertheless it was a triumph which proved beyond doubt the ability of the allies to overthrow Germany "when the times comes." The British commander shows himself a firm believer in the doctrine that the entente allies can win the war on the western front.

Does Everything Possible to
Centralize Trade in America

Paris, Dec. 30.—Alexandre Ribot, minister of finance, addressing the senate on the appropriations for the first quarter of 1917, said that the French government had done everything possible to centralize its purchases in America and that it now had an intermediary to regulate prices.

The senate voted unanimously for the first clauses of the bill, comprising the credits as a whole. Discussion of the other clauses and the new taxes was postponed.

NO IMMEDIATE STRIKE, SAYS LEE

Head of Trainmen's Brotherhood Denies Railroad Men
Ordered to Quit Work.

NO CIRCULAR IS PREPARED

Cleveland, O., Dec. 30.—Warren S. Stone and W. G. Lee, heads of the Railway Engineers and Railway Trainmen brotherhoods, respectively, arrived in Cleveland today, following the rejection of the demand by the managers' committee that the Adamson law be placed in effect January 1.

"It is highly improbable that there will be a strike Monday," Stone said. He asserted the report that a circular letter had been sent to railway employees, asking for a renewal of the authority to call a general strike, was untrue. "No circular has yet been prepared," he said.

Stone said no further statement would be forthcoming today in Cleveland, and that there would be no meeting of the brotherhood heads.

It was pointed out that a general strike Monday would be an impossibility because of the fact that railroad unions would have to be first notified of such an intention, and that they would have to notify their subchapters.

Lee said he had nothing to add to the statement given out yesterday in New York. "There will be no immediate strike," he said.

Emperor Charles

And Empress Zita
Crowned in Splendor

London, Dec. 30.—The coronation of Emperor Charles and Empress Zita of Austria as king and queen of Hungary took place this morning in St. Matthy church at Budapest, the Amsterdam correspondent of the Exchange Telegraph company cables.

The ceremony was marked with all the traditional medieval pomp. The king wore the gala uniform of a Hungarian field marshal and was surrounded by the captains of his bodyguard. The queen rode in a coach drawn by sixteen horses, which was followed by a page. A salute was fired as the procession moved through the streets.

Cardinal Czernoch, primate of Hungary, with the remainder of the clergy escorted the king and queen into the church, which was filled with officials and diplomats. The king took the oath to defend the interests of the Roman Catholic church against any enemy. Afterward the king, wearing the crown, took the oath before the Parliament building in the presence of the populace.

Commission Suspends

Corn Rate Into Canada

Washington, D. C., Dec. 30.—Proposed increases of from 10 to 20 per cent in freight rates in corn shipped from Chicago and Detroit elevators to Toronto and other points in Ontario, Quebec, and Canada were suspended today by the Interstate Commerce commission until May 1, the suspension applying to rates over the Canadian Pacific, Grand Trunk, Wabash and Michigan Central lines, fidout

Men Who Hold Cars Too

Long Are Under Suspicion

New York, Dec. 30.—After a conference here today of federal district attorneys from Maine to West Virginia who are investigating the high cost of living, a statement was issued by George W. Anderson, United States district attorney at Boston, in charge of the government's inquiry into food and fuel prices, declaring that "business men who hold or retain cars unnecessarily and unfairly are under just suspicion."

Played Poker Christmas Eve

And Now They Are Arrested

Sioux City, Ia., Dec. 30.—Warrants were issued today for the arrest of seventeen well known citizens of the town of Moville, Ia., this county, on the charge of gambling. The accused are alleged to have played poker Christmas eve.

GREATEST YEAR IN HISTORY OF GATE CITY ENDS

Building Permits, Bank Clearings, Grain and Live Stock Receipts All Make Gains That Are Enormous.

FACTORIES SHOW INCREASE

Gain in Butter Manufacturing Alone Totals Over Ten Million Dollars.

JOBGING FORGES AHEAD

	1916.	1915.
Manufacturing	\$ 268,057,715	\$215,843,059
Jobbing	183,120,493	177,181,875
Real estate trans.	14,430,823	15,848,068
P.H. house output	119,788,800	115,434,850
Bank clearings	1,370,158,501	682,850,886
Stock output	44,369,370	39,113,510
Bank deposits	96,701,497	65,472,787
Building permits	7,224,107	5,285,085
Grain receipts (bu.)	75,105,100	50,516,000
Grain ship's (bu.)	67,078,800	47,702,400

LIVE STOCK RECEIPTS.

	1916.	1915.
Cattle (head)	1,434,304	1,218,342
Hogs (head)	3,116,850	5,842,875
Sheep (head)	2,170,808	2,508,379
Horses (head)	27,486	41,679

Commercially, 1916 has been the most brilliant year in Omaha's history.

The greatest increases over the activities of the previous year were shown in building permits, bank clearing, manufacturing, jobbing and grain and live stock receipts.

In manufacturing alone an increase of over \$54,000,000 is shown, or a total output of \$268,057,715. This shows an increase of over 25 per cent. This great manufacturing output was in some measure due to the coming of new factories, but in a larger measure due to the increasing of the capacity of some plants, and the running of others at their full capacity to supply the ever increasing volume of orders.

The biggest gain in manufacturing was shown in the line of packing house products, which jumped some \$34,000,000 over the volume of the previous year, an increase of practically 30 per cent. While there was an increase in the amount of stock slaughtered, the increased price of meats and all packing house products to some extent caused the aggregate figures in dollars and cents to climb to this high mark.

Increase in Smelting.

The smelting industry showed an increase of over \$7,000,000, and Omaha thus easily retains first place in the world's lead reducing industry, besides occupying an important position as a gold refining center.

Butter making, in which for some years Omaha has held the world's record, forged ahead almost 40 per cent, with a total volume of \$10,789,144 worth of creamery butter produced here during the twelve months. Alfalfa products, which are only beginning to come into their own, showed an increase of \$1,386,000 over the previous year, or a gain of over 37 per cent.

Jobbing Forges Ahead.

While the jobbing figures as compiled by E. V. Parrish of the bureau of publicity, show an increase of \$6,567,818, Mr. Parrish points out that in former years he has included grain handled on the Omaha grain market in the jobbing figures, and that this year he has held this as a separate item. Thus, if grain were included here just for the sake of a fair comparison with last year's figures, the jobbing must show an increase of \$31,369,818, or a gain of some 18 per cent.

The largest gain made by any one item under the head of jobbing was made in automobiles. This business amounted to the height of \$25,660,000 in round numbers.

Jobbing in agricultural implements show an increase of between 8 and 9 per cent, but this item would also

(Continued on Page Five, Column Two.)

British Steamer Maitai Reported to Have Gone Ashore

San Francisco, Dec. 30.—The British steamship Maitai of the Union Steamship company of New Zealand, went ashore December 25 on Rararanga, one of the Cook islands, according to information received here today by the Marine department of the Chamber of Commerce. The Maitai carries passengers.

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The Weather

For Nebraska: Fair; rising temperature.

Temperatures at Omaha Yesterday:

Hour.	Temp.	Wind.
5 a. m.	34	12
6 a. m.	34	12
7 a. m.	34	12
8 a. m.	34	12
9 a. m.	34	12
10 a. m.	34	12
11 a. m.	34	12
12 m.	34	12
1 p. m.	34	12
2 p. m.	34	12
3 p. m.	34	12
4 p. m.	34	12
5 p. m.	34	12
6 p. m.	34	12
7 p. m.	34	12
8 p. m.	34	12
9 p. m.	34	12
10 p. m.	34	12
11 p. m.	34	12
12 m.	34	12

Comparative Local Record.

	1916.	1915.	1914.	1913.
Highest yesterday	34	32	34	36
Total snow since March 1, 1916	8	22	2	23
Lowest yesterday	22	22	2	23
Mean temperature	28	27	6	30
Precipitation	0.0	0.0	0.0	0.0

Temperature and