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CAPTIVES REPORTED RELEASED

Tsaochwang Messages Says
All Foreigners But One
Are Released.

CHEVALIER MUSHO,
ITALIAN, IS HELD

Mrs. Seaton and Miss Lillian
Auld, of Eugene, Oregon,
Were Not On Train, Says
Report.

(By Associated Press)
SHANGHAI, May 10.—All
foreign captives held by the
Szechwan bandits have been
released with the exception of
Chevalier Musho, according to
a message from Tsaochwang.

Ladies Were Not on Train.
(By Associated Press)
PEKING, May 10.—Majors Ping-
er and Allen, captured by Chinese
bandits Sunday, are still held, but
their sons, Roland, Jr., and Robert,
Jr., have been released, according
to the latest message received here.

Chevalier Musho, an Italian at-
torney, is also held.
Advises received in Tsaochwang
indicated that captives were being
released today.

Mrs. Seaton and Miss Lillian Auld
of Eugene, Oregon, were not aboard
the train seized, it has been de-
finitely established.

Attack Is Stopped.
(By Associated Press)
WASHINGTON, May 10.—An at-
tack by Chinese troops on the Shan-
tung bandits was ordered stopped
by the Chinese government to assure
the prisoners release without injury,
the American legation at Peking re-
ported.

(By Associated Press)
SHANGHAI, May 10.—Kidnapped
Americans and other foreigners held
by the Szechwan bandits in the hills
back of Lin Ching face "dire con-
sequences" unless the troops sur-
rounding the brigands' stronghold are
withdrawn, according to a message
which has been sent out by one of the
captives, J. B. Powell, American news-
paper man of Shanghai.

The message, which Powell con-
fided to have smuggled through both
the lines of bandits and troops, urged
that the government forces be with-
drawn. The alternative, his note said,
would be that the "captives will suffer
dire consequences."

It is learned here that negotia-
tions for the release of the bandits' pris-
oners are continuing, and it is reported
they are taking a favorable turn. The
negotiations are being conducted on
the spot by American, French and
Italian consuls.

Lease For Site of Big
Celebration Closed By
Committee At Meacham

PENDLETON, May 10.—Leases on
a total of 555 acres of land just east
of Meacham on both sides of the
highway were secured yesterday by
the site committee of the Old Oregon
Trail association for holding the July 4
celebration, according to L. C.
Schaffert and S. H. Thompson, local
men who participated in the negotia-
tions.

Of the land secured, 229 was leased
from the J. E. Smith Live Stock Co.,
and 25 acres from Bailey Ross.
The land has lot of good water on
it, plenty of grass and shade and
there is just enough open ground to
make it an ideal site, "was the com-
ment of Mr. Schaffert. The old route
of the original Oregon Trail just off
of the new highway run through the
site land, and it will be on this spot
that the celebration will be held.

Others in attendance at the meet-
ing included Walter Meacham, Mr. Cal-
der, of Baker, and A. W. Nelson of La
Grande.

EXTEND IRRIGATION PROJECT
(By Associated Press)
SPOKANE, May 10.—Plans for the
inclusion in the Columbia Basin ir-
rigation project 30,000 acres south of
the Snake river extending to the vi-
cinity of Freewater, Oregon, were
presented to department interior of-
ficials today.

Weather Forecast



Portland, May
10.—Showers to-
night and Friday.
Cooler tonight.

Must Serve Long Jail Sentences And Pay Fines of Great Magnitude



OTTO OESTERLEN



BRUNO BRUNN



RUDOLPH HARTWIG

The latest photos of Bruno Brunn, Otto Oesterlen and Rudolph Hartwig, directors of the Krupp plant, who, with Dr. Krupp Von Bohlen, head of the Krupp works, and Bauer and Schaeffer, received heavy fines and sentences to imprisonment as a result of a trial by court martial growing out of the shooting at the Krupp plant March 31st. Brunn was sentenced to 10 years, Hartwig and Oesterlen were each sentenced to 15 years, and all three were fined 100,000,000 marks each.

ENJOYED TRIP TO SOUTH AMERICA

Col. W. G. Ayer Sees Great
Possibilities for American
Commerce.

"There are great possibilities
for American commerce in the Latin
Republics of South America," re-
marked Col. W. G. Ayer, of Baker,
to a reporter for the Evening Ob-
server yesterday. He has lately re-
turned from a five months' trip
which is of intense interest. Sail-
ing from New York accompanied by
his wife, they went down the At-
lantic side and came back up on the
Pacific side of the South American
continent.

Included in their stops was their
visit to the International exposition
at Rio de Janeiro, Brazil. The show
in itself, according to Col. Ayer, was
not as great as might have been an-
ticipated, but the reasons for this
are apparent due to the condition of
the world. "All countries of the earth
are out of the exposition mood at
the present time," remarked the Col-
onel, "my idea of a gala occasion is
when people are feeling good, and
we must all admit that the events
of recent years leaving their sad
and gloomy impress upon the people
do not portend to a successful cele-
bration of any kind."

Much Wool in Argentine.
The colonel found tremendous wool
warehouses filled with Argentine
wool and according to the best in-
formation he could obtain the world
market for wool was very dull. This,
in the face of the strong demand for
wool in United States industries, again
the positiveness of the benefit of the
protective tariff to the wool produc-
ers of the northwest.

As an added feature to the pro-
gram of the trip, which was evidently
thrown in for the benefit of the
tourists, a very fine little earthquake
was pulled off by Mother Nature
while Col. Ayer and his wife were
far out at sea. The rumbling was
plain and the shake-up was genuine,
and when the skipper of the ship
run down his thermometer in the
ocean he found the water was in-
tensely hot. "I never knew exactly
what it all meant," said Col. Ayer,
"but I must confess that I began
to wonder if some things Billy
Sunday says about the hot regions
were not true."

In speaking of the climate he said
the heat was intense in most of the
regions visited and many was the
night he would have given a great
deal to have had just two hours in
Eastern Oregon climate. The ladies
of the southern hemisphere, he found
were free from the cosmetic habit.
Most of them have the olive com-
plexion and quite a few could be
classed as good looking.

On the return trip Col. and Mrs.
Ayer had the pleasure of the com-
pany of Mr. and Mrs. William Mc-
Adoo, the husband of the late Adeline
Patti, Mrs. Carrie Chapman Catt and
other notable characters who had
been enjoying the southland.

VINA CONLEY IS IN MAY DAY FESTIVITIES

WALLA WALLA, May 10.—Vina
Conley, of Cove, Ore., has been ap-
pointed as an attendant in the May
Queen festivities to be held at Whit-
man college this week, as a part
of the regular Campus Day program
which is held each year. On this
day the entire student body and fac-
ulty is divided into squads, and work
on the campus all morning. In the
afternoon and evening a regular
program is given, including the crown-
ing of the May Queen, a "Stunt" by
the "W" Club, and an all-college
dance in the school gymnasium. An
athletic contest is usually scheduled
for the afternoon as well, the events
this year being a track meet with
Gonzaga, and a tennis match with the
University of Idaho.

Crew of Stranded Ship Rescued This Morning

(By Associated Press)
SEATTLE, May 10.—Twenty-
three members of the crew of the
steam ship Lake Gehart, stranded
near Umalla Reef, were transferred
this morning to the tug Humacoma.
Two remained aboard the wreck.
A message at 9 o'clock said
that "the vessel is breaking up
forward, less the pull is further."
Five cutters and tugs were
sent off at 10 o'clock.

(By Associated Press)
SEATTLE, May 10.—Later ad-
vices reported 26 taken from the
wrecked Lake Gehart, three re-
mained on board. The vessel is
a total loss. Heavy swells
pounded the forward to pieces.

MAN CREMATED
(By Associated Press)
LOS ANGELES, May 10.—One man
is burned to death and several are
missing after a fire swept the plant
of the Gorham Engineering company,
an oil concern, in Vernon today.

Train Wreck Proves Fatal

(By Associated Press)
BETHEL, May 10.—A telegram
from Saint Ger, in Rhonish
Prussia, says a train operated by
the French, plunged into the
Rhine. Twenty-nine bodies were
recovered.

THE MARKET.
(By Associated Press)
PORTLAND, May 10.—Cattle slow,
hogs and sheep steady, eggs unsettled
and butter firm.

OIL EXPLOSION FATAL TO MANY

Spark Sets Off Texas Gush-
er With Terrible Results;
Death List May Increase.

CORPUS, Tex., May 10.—Death
has claimed at least 16 known dead
as the result of the Navarro county
gusher explosion Wednesday night
when three smoldering skeletons
were seen at the well by investi-
gators.

CORPUS, Tex., May 10.—Sev-
eral were killed and one probably
fatally injured at the G. K. Hughes
Developing company's No. 1 well,
16 miles southeast of here late
Wednesday, with a possibility of the
number of dead reaching 26, when
the gusher explosion exploded.

A spark from a hammer on a rock
as the control valve was being
changed at the well ignited the gas
and oil from the gusher. A crew
of 20 men who came from Mexico
Wednesday morning had not been
accounted for. The crew was work-
ing in the near vicinity of the well
when it caught fire.

The bodies of five men have been
recovered. Those recovered are so
badly charred that identification is
impossible.

One man, Mr. Shagonda, who
was on the derrick floor with the
crew, escaped by running. His cloth-
ing, not being oil soaked, did not
ignite. A 15-year-old boy escaped
with him.

FIRE UNCHECKED
CORPUS, Tex., May 10.—Six-
teen were killed in the fire in the
oil well starting from an explosion
yesterday. The fire continued today
unchecked, and is visible from points
fifty miles distant.

PIERCE BACKS UP THE INCOME TAX MEASURE

PORTLAND, Ore., May 10.—"I am
strongly opposed to the referendum
of the present income tax law," said
Governor Pierce in an address before
the members of the Portland Ad club
at their luncheon meeting yesterday.
"The law is not my own, and not
the one I desired—but it is far bet-
ter than no income tax law. It will
remove some of the burden from
property, and unless that burden is
removed Oregon is moving toward a
ruinous awakening."

"I grant that the state has rap-
idly developed. I grant that many
of our expenditures have been for
progressive purposes and that for our
money we have received many bene-
fits. I grant that much of that
money has been well spent and I do
not regret all of its spending."

"But I have pleaded and pleaded
and shall continue to plead for a re-
duction of this burden and redistri-
bution upon shoulders better able to
bear it. I know of no way to reach
the great big enterprises that afford
magnificent incomes than by an in-
come tax, fair and equitable. I know
of no other way to reach all the in-
calculable wealth. I know of no other
way to reach the rich man."

"A fairer and more equitable tax
was never dreamed of. If you do
not make a profit, you do not pay
taxes. It makes a fair allowance
for the wife and dependent ones. I
paid an income tax myself three
years, and an easier tax to pay I
never had. The difficult tax to pay
is the one that the producers are
paying where they have no profit. To
them the present tax simply means
another note in the bank or another
mortgage."

How Tax Levies Operate.
"In 1922 \$9,500,000 was collected in
Oregon for state purposes. Two mills
went to primary education, 2 mills
to higher education, 1 mill to mar-
ket roads and 1 mill to soldiers'
bonus. All of that is not distinctly
state business. Yet 99 mills is re-
quired to collected \$9,500,000. It con-
stitutes nearly one-half of the farm-
er's taxes. The average county levy
does not exceed 12 mills."

"In the state of California the en-
tire cost of state government, \$31,-
000,000, is raised by a tax on the
gross earnings of corporations and
various fees. The state of Minne-
sota raised nearly all her revenue
from a severance tax and gross earn-
ings tax. Louisiana raises a part of
her state revenue from a severance
tax upon natural resources.

"Why should we not do the same
in Oregon? God has blessed us with
the most magnificent forests today
that any state can boast of. As these
trees are being shipped to the world
in the shape of severed lumber, why
should the owners not, when the tim-
ber is severed from the earth, pay
a tax as the coal does in Pennsylv-
ania and as the iron does in Minne-
sota as it is severed from that
source?"

(Continued on Page Five)

108 Degrees Above Zero Is Report from Arizona

WASHINGTON, May 10.—The
man in the east who shivered
Wednesday and felt uncomfort-
able with his new straw hat
should have been cut in Yuma,
Ariz. The temperature touched
108 degrees there, while Los An-
geles reported 98 degrees maxi-
mum—quite a contrast to the
chilly weather prevailing gener-
ally east of the Mississippi.
The weather man promises a
slight rise in temperature thru-
out the east Thursday, although
portions of the lower lake region
and north Atlantic states may
get a touch of snow. Friday it
ought to be much warmer.

BAKER STRONG FOR PAGEANT

The Chamber of Commerce
Luncheon Yesterday Indi-
cated Big Support for
Trail Celebration.

Baker will be on top of the Blue
Mountains with the bells bright and
early on the morning of July Fourth.
When the cannon booms and the flag
unfurls, the early birds of the city
which dug up the historic data on
the Old Oregon Trail will begin their
ceremonies commemorating the pio-
neer in all of his glory.

This was demonstrated beyond a
doubt yesterday when a large num-
ber of Baker's business men ath-
leted around the dinner tables in the
Grand hotel and renewed their
allegiance to the entire scheme, which
has been from time to time out-
lined for the Fourth of July celebra-
tion by all towns and cities
of Eastern Washington, Eastern Ore-
gon and Southern Idaho in a com-
bined and unified effort.

It was a regular meeting of Bak-
er's chamber, but it was devoted
chiefly to the Old Oregon Trail pa-
geant. The board of directors had
invited the editor of the La Grande
Evening Observer to be present and
talk on the subject.

Not unlike La Grande and other
cities, Baker has her local problems,
some of which cropped out at the
meeting yesterday. One was the
continued announcement of the I. W. W.
strike and a by-law was given of in-
formation obtained by private de-
tectives which was alarming to say
the least.

Before the luncheon adjourned
positive action was advocated and
the machinery set in motion to stop
the picketing of trains running to the
number camp, and all members of
the I. W. W. will be under the closest
watch hereafter.

PORTLAND, May 10.—Sympathy
and cooperation with the Oregon
Trail pageant, commemorating the
50th anniversary of the coming of
the first wagon train to the Will-
amette valley across the Blue Moun-
tains, is being pledged by posts of
the American Legion throughout the
state in response to an appeal sent
out by George R. Wilbur of Hood
River, department commander of the
legion.

Posts in cities lying along the route
are taking particular interest in mak-
ing the celebration a memorable
event. The actual ceremonies will
take place on the summit of the
Blue mountains. In situations have
been issued to President Harding
and the governors of five western
states.

IMPORTANT RESOLUTION

ATLANTA, Ga., May 10.—A res-
olution was reported today to the
convention of the general federation of
women's clubs endorsing the "prin-
ciple for hearing and adjudication by
orderly procedure of national contro-
versies which are susceptible of set-
tlement through judicial tribunals."
This followed a declaration by Mrs.
Thomas G. Winter, the federation's
president, that she "would not stand
for the federation endorsing Presi-
dent Harding's proposal for American
participation in the world court."
She explained that while she personally
favored American participation in
the world court she would endeavor
to have the resolution so worded that
no charge of partisan policies could
be brought against the federation.

Warship Sent to Murmansk
(By Associated Press)
LONDON, May 10.—The British
warship Harebell was ordered to Mur-
mansk Coast, where British fishing
boats were seized by the Russians out-
side of the three-mile limit.

PRESIDENT'S WESTERN TRIP REARRANGED

Harding Will Not Be In
Portland on Fourth
of July.

VISIT PORTLAND
ON RETURN TRIP

President Expects to Sail
from Seattle, Washington,
On His Trip to Alaska.

(By Associated Press)
WASHINGTON, May 10.—Confer-
ences by President Harding with
some of his advisers within the past
24 hours resulted in a rearrangement
of the executive's tentative speaking
engagements on his western trip.
The rearranged list provides ad-
dresses at St. Louis, Kansas City, Mo.,
Hutchinson, Kansas; Denver, Salt Lake
City, Boise, Helena, Seattle, and three
or four addresses in California, prob-
ably one each at San Francisco, Los
Angeles and San Diego.

He expects to sail for Alaska from
Seattle and will land at Portland on
his return. He will go thence by train
to San Diego.

QUIET MEETING OF COMMISSION

Another quiet meeting of the La
Grande city commission was passed
last evening, most of the matters
under consideration being of a minor na-
ture. A full quorum was in attend-
ance.

L. S. Leach, representative of the
Oregon Dairy and Food Commission,
with headquarters at Portland, Ore-
gon, appeared before the city's execu-
tive body and asked co-operation in
an effort to improve the condition of
the milk supply in this city. If neces-
sary, Mr. Leach believed, an ordi-
nance should be passed making it
necessary for milk-vendors to secure a
license. The city's co-operation was
given but as yet no definite action
was taken relative to the passing of
such an ordinance as Mr. Leach men-
tioned.

F. E. Osner's bid for lot 2, block
1, in Chaplin's addition was rejected
but the city presented him with a
counter proposal, setting the price on
the lot in question at \$500.

Application was made to replace
the south half of block 108 Chaplin's
addition, in the fire limits of the city.
By a vote of the commission it was
decided to leave the fire limits as they
now stand.

A communication from Mayor Baker
of Portland, relative to allowing
dogs to run at large in the city limits,
stated that Portland had found no
means to prevent such a practice, pro-
vided the dogs were licensed.

Application was made and granted
by T. M. Boyd for a license to con-
duct a sort drink establishment.
The decision on the reservoir con-
tract was held over for another week.
In addition to the above matters,
bills for the month were allowed, the
city manager's weekly report was read
and several other minor matters were
acted upon.

Warship Sent to Murmansk
(By Associated Press)
LONDON, May 10.—The British
warship Harebell was ordered to Mur-
mansk Coast, where British fishing
boats were seized by the Russians out-
side of the three-mile limit.

Sugar Decision Will Go Up to Higher Tribunal

(By Associated Press)

WASHINGTON, May 10.—An ap-
peal to the supreme court "in the
shortest possible time," Attorney Gen-
eral Daugherty announced Wednes-
day, will be taken by the government
from the New York decision deny-
ing an injunction against specu-
lation on the New York sugar mar-
ket.

Attorney General Daugherty's
statement was made after a lengthy
conference with his assistants. The
not officially informed whether the
New York decision Wednesday was
in the necessary final form to take
an immediate appeal and as a re-
sult the next step in the govern-
ment's fight against the alleged sug-
ar conspiracy was undetermined. Mr.
Daugherty and Assistant Attorney
General Seymour, who has charge of
the sugar proceedings, said that re-
ceipt of the court's opinion was
awaited to determine further action.
"The sole purpose of the govern-

