PRICE TWO CENTS

Trade Unionists Sweep Into Control Subsequent to Resignation of Bela Kun Government.

Platform of New Rule to Stand for Orderly Conduct and for Negotiations With the Allies.

Copenhagen, Aug. 2 .- (U. P.)-Trade unionists have formed a Socialist government, with Julius Beidel as premier, in succession to Bela Kun's government, which has resigned, according to unofficial advices from Budapest today.

The new cabinet issued a proclamation stating its main objects were negotiation with the allies and the main-

Premier Beidel named the following cabinet: M. Pager, home minister; M. Haubrich, minister of war; M. Agoston, foreign minister; M. Carbai, minister of education; M. Carami, minister of justice; M. Takos, minister of agriculture; M. Miskiciz, minister of finance; M. Dovesak, minister of industry; M Knittelhofer, food minister.

A Vienna dispatch gave the name of the new Hungarian premier as Julius

BELA KUN GOVERNMENT QUITS; ENTIRE RED CABINET RESIGNS

Vienna, Aug. 1 .- (U. P.) - Hungary's soviet governmental experiment ended today, according to reports from Budapest, when Bela Kun and the entire "Red" cabinet resigned. The move fol-lowed a conference of several hours, during which the commissaires decided that capitulation of the Bolshevik government was the only means of saving lungary, due to the recent military

A Socialist-Democratic coalition govrument is being formed under leadership of Julius Peidi, who will be pre-mier. The Hungarians have decided to give up the soviet system for good, according to the reports.

The Socialists and Democrats attempted a government in Hungary overthrow of the Hapsburg regime. The two parties were equally represented in the Karolyi cabinet until they resigned as a protest against the allied armistice terms. The Socialist-Democratic party is the strongest in Hungary and favors a con-

stitutional republic form of government.

It has advocated compliance with the demands of the allies, in order to make peace as soon as possible.

FOUR THOUSAND HUNGARY REDS KILLED BY ROUMANIANS

Bucharest, Aug. 2 .- (I. N. S.)-Four thousand of the Hungarian Reds were killed in the fighting with the Roumanians on the Theiss river, said dispatches from the scene of the fray today. The Roumanian losses were heavy

American ambulances are still bringing the wounded back from the battlefield. Early Friday morning word was. received here to send ambulances and 60 American cars were rushed off at

The tide of battle swayed uncertainly for a while. The Roumanians were com-pelled to fall back for 20 miles, but they rallied and in a counter assault drove the Hungarians across the Theiss

Nearly 2000 wounded Hungarians were treated in one hospital, showing the severity of the fighting.

Major George Treadwell of Albany Y., a former military attache on the staff of Theodore Roosevelt when he was governor of New York, is in charge

of the ambulance supplies. A new automobile field hospital service, presented to the queen of Roumania by Colonel Detarmowski of Chicago, has just arrived here and is being employed on the front. It cost \$400,000 and consists of 17 automobile trucks, forming one complete unit.

Leader Says He Will Fight London, Aug. 2.—(I. N. S.)—A Reuter dispatch from Copenhagen today states

that Bella Kun, the deposed Hungarian dictator, promises in his final proclamacontinue the revolutionary

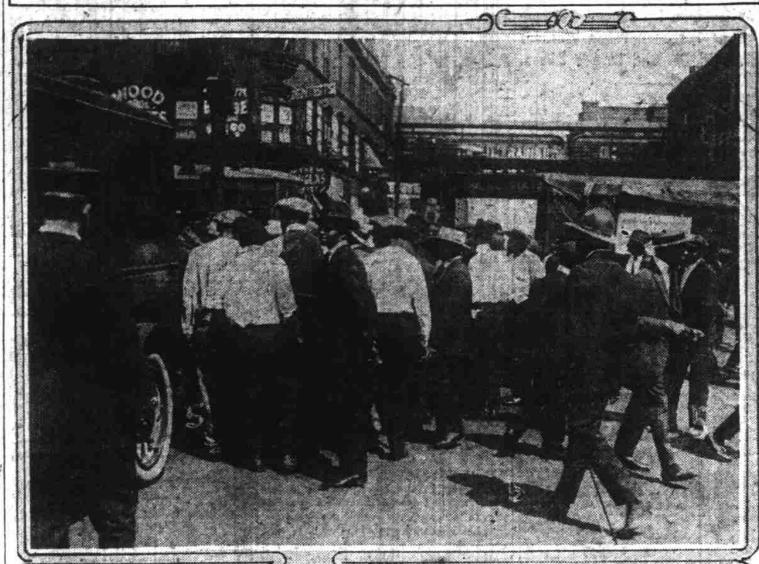
Strike of \$1 Day More, Say Drivers San Francisco, August 2,-(U. P.)-Two thousand five hundred teamsters revenge as a result of the race riots, will strike Monday if their demands for Packers, city officials and union lea

\$1 a day increase in pay is not met, John T. McLaughlin, business agent of the Teamsters' union, announced today. demand has been the subject of a number of conferences with the Draymen's association, the employing organ-

WHAT about that fishing trip? If you will consult The Journal's directory of resorts, which is published each Wednesday, Friday and Sunday, you can decide where you want to go. Additional information will be given you as to routes and hotels at The Journal Travel and Information Bureau.

VIVID SCENES DURING CHICAGO RACE RIOTS

HOTOGRAPHS taken in the negro districts of Chicago at the height of the race riots that took place in the Great Lakes metropolis this week. The upper picture shows a patrol wagon picking up one of the colored rioters in the heart of the negro district. The lower picture was taken while a white mob was chasing negroes. Note how the negro is running for his life, while white women are scurrying to get out of the mob's way.





LAMES ARE ON TRAIL OF RIOTS

Hundreds Homeless in Chicago When Fire Sweeps Section Near Stockyards.

Chicago, Aug. 2,-(I. N. S.)-From 40 to 60 homes of white families in the district "back of the yards" were burned to the ground or seriously damaged, hundreds were saved in st-the plant of the American Can comthrilling rescues and made homeless, pany. and the efforts of the entire fire department were taxed today by a sweeping fire of supposed incendiary origin. An area of six blocks was devastated.

Fire Attorney John R. McCabe estimated the loss at between \$250,000 and \$300,000. McCabe immediately ordered an investigation into the reports of in-McCabe later announced that he had

found a witness who told of seeing a negro fire one of the buildings and as- lived at 406 Everett street. serted he was convinced the fire was the work of a coterie of negroes seeking Packers, city officials and union leaders today faced a grave problem of race prejudice left in the wake of the recent ploody riots the feud between white and negre employes of the stockyards. Observers of conditions in the yards declare that this problem of employment and labor was the real underlying cause

White employes of the yards, it is declared, object to the negroes largely because of their non-affiliation with the unions, rather than because of color. The situation is expected to reach a climax Monday morning, when, under the protection of the police and militia, the packers are going to attempt to bring their negro employes back to the yards. Chief of Police Gar-rity admitted today that he had heard rumors that the white employes will go

on strike if the negroes return. Chief Garrity has established a police headquaters within the yards and allied with the police will be the militiamen. Orders have been issued to search every man entering the yards and every precaution will be taken by the police and military authorities to prevent violence, awaiting sentence.

Girl Dies as Cut Finger Is Being Dressed

While her injuries were being dressed at the Good Samaritan hospital at 9 o'clock Friday night, Miss Norma Starr 18, who lived at 27 Ninth street, died suddnely in the operating room, supposedly from shock and heart weakness. Miss Starr had been hurt earlier in the day while she was operating a machine Her hurts were considered anything but serious, consisting simply of a cut finger.

Miss Starr is said to have come to Portland on March 17 with her grand- which father, J. B. Starr of Stockton, Cal., and ago. a small brother. Her mother, Mrs. C. N. Corman, is said to live at Susanville, Cal., with the girl's foster father. No

other relatives are known here. Police records show that Miss Stars had some trouble with a Greek recently over the possession of a watch and that the case was investigated by Inspectors Snow and Tackaberry. The girl then The coroner, said not to be satisfied with the details of the story, is pre paring for a complete investigation.

Hambone Butte Fire Now Under Control

The Hambone butte forest fire near Estacada has burned over from 1500 to 2000 acres, says T. H. Sherrard, supervisor of the Oregon forest, who returned Friday from the fire. The blaze is now under control but between 50 and 60 men will be kept on it for about a week longer.

Navy Man Pleads Guilty to Bribery

New York, August 2.—(U. P.)—Having pleaded guilty to six of 51 counts in charges that he accepted bribes from the army and had married Mildred Irene Owen, 21, on June 18 last. His in charges that he accepted bribes from the marriage, secured a wartenant B. J. Ellert, U. S. N., is now restered to the marriage, secured a wartenant B. J. Ellert, U. S. N., is now restered to the marriage, secured a wartenant B. J. Ellert, U. S. N., is now restered to the marriage, secured a wartenant B. J. Ellert, U. S. N., is now restered to the marriage, secured a wartenant B. J. Ellert, U. S. N., is now restered to the marriage, secured a wartenant B. J. Ellert, U. S. N., is now restered to the marriage of the marriage.

RAILWAY SHOPMEN **GO OUT ON STRIKE**

Maintenance Departments Eastern and Southern Roads Crippled as Result.

Chicago, Aug. 2 .- (I. N. S.) -- Maintenance departments of practically every steam railroad entering Chicage are badly crippled today by the strike of machinists and shopmen, who are dissatisfied with the failure of the railroad administration to act upon demands for increased wages which were submitted nearly a year

mately 50,000 men are on strike in the goes. vicinity of Chicago. Shops in other railway centers, it is reported, also are

Thus far the operating departments of the railroads have not been hampered by the strike. If the strike continues, however, freight and passenger traffic eventually will be seriously handicapped as the strike of shopmen will, prevent repairing of rolling stock and force thousands of cars and engines out of

Man Charged With Bigamy Takes Life On Ferry Steamer

Francisco, Aug. 2.-(U. P.)-While detectives were waiting at the ferry building last night to arrest him on a charge of bigamy, Major David Edwin Barney excused himself from his young bride and, slipping below the deck of a Northwestern Pacific ferry boat, sent a bullet crashing through his

Barney recently was discharged from bigamy.

Increased Effort to

Mass of Testimony, Before De-

By Marshall N. Dana

Seattle, Aug. 2.-Puget Sound's re-

sistance of the Columbia basin rate

Commerce Commissioners Hall, Dan-

digestion of the mountainous mass of

testimony and exhibits that have been

John C. Lawrence of Spokane, former

public service, commission, was the first

attle, he recalled the incidents of rate

reduction to Puget Sound. He began

by saying that the Washington commis-

sion had found it difficult to allocate

terminal and construction, as well as

operation costs in rate fixing, but he ad-

mitted under cross examination by for-

mer Governor West, counsel of the In-

land Empire Shippers' league, that an

attempt had been made to base the

With intent to damage the Columbia

basin cause, railroad attorneys earlier

in the hearing had endeavored to show

that West, as a member of the Oregon

public service commission, had partici-

pated in approving and adopting for

Oregon the rate order of the Washing-

"Was it not a fact that the Oregon

commission, having made no such study

of costs as the Washington commission.

temporarily adopted its findings, feeling

sure that rates for the mountain haul

would be more than just to the water

The answer was necessarily affirma-

(Concluded on Page Elever, Column Two)

Two Bandon Youths Are Accused

of Slaying Lillian Leuthold;

Body Is Found in Brush.

Charged with the murder of Lillian

Lieuthold, 16, Carrol Worden, 18,

and Harold Howell, 15, were arrested

the county seat of Coos county, where

Suspicion was directed against the

J. B. Worden, father of one of the

boys, asserts that his son was at home

eating dinner at the time the murder

evening, hidden in the brush at a lonely

the far north. The order was split be-

The girl's body was found Monday

Alaska Egg Order

out to take a .25 calibre shell.

at Bandon today.

der Sunday afternoon.

is alleged to have occurred.

Portland Gets Big

of the Oregon Country.

ton commission. One question by West

mountain route rates on cost.

cleared this point.

Postmaster Replies Hotly to City Final Session Devoted to Much Executive's Charge That Returned Soldiers Mistreated.

He Says Was Sworn To by One of the. Complaining Clerks.

Postmaster Frank S. Myers resents the charge that he has discriminated against ex-soldiers who have applied for their former positions in the cause occupied the closing session wired to Postmaster General Burleson setting forth the complaints of iels and Eastman. Before the deciaggrieved ex-soldiers, the mayor is sion of the big issue can be expected made the subject of some caustic months must elapse for the patient comments by Postmaster Myers.

tion was found in certain affidavits introduced by all sides to the conmeasures by the postmaster. The latter, culty in ascertaining the identity of the complainants. One of them, Carl Proppe, was called on the carpet, the nterview resulting in a pather remarkable affidavit which the postmaster appends to his own reply to Mayor Baker's charge, and which, Postmaster Myers says, "was given voluntarily in the presence of three witnesses." Following is Postmaster Myers' state-

"With reference to the charge made to Mayor Baker by four postoffice clerks who have returned from military leave and who allege that discrimination has been used in not giving them day work instead of night work, will state that there is not one word, either in the postal laws and regulations, or in the postal code, or in the letter files from the department, in which it is stated that seniority in service should govern as to night or day shifts. The postal laws and regulations explicitly state that all employes are under the postmaster's upervision, that he and he only is bek fice, and that he should assign the employes in his office where, in his judgment, they can do the most efficient and

"The facts are that I was the first ostmaster in the United States, in a large office, to recognize seniority in service as a working rule which would be adhered to as closely as possible with out impairing the efficiency of the institution, transacting a very large business, and the postmaster is charged with a heavy responsibility in giving serv-(Concluded on Page Two, Column Four)

BATTLED FLAMES

Soldiers Who, Saved Priceless Cargoes at St. Nazaire to they were placed in jail. Be Here Today. youths when they were found to have a .22 calibre gun which had been bored

let of the latter size was taken from the body of the dead girl. The boys, Fourteen soldiers under command of Lieutenant A. O. Schwartz of Portof Lieutenant A. O. Schwartz of Port- it is alleged, were also seen in the land were due to arrive in Portland neighborhood of the spot where the girl at 3:30 o'clock en route to Camp was killed about tife time of the mur-Lewis for discharge. The men were members of the St. Nazaire fire company overseas, and were all formerly members of the old Third Oregon unit. Special entertainment plans have been made, and the boys will spot near her home at Bandon. remain in the city until 11 o'clock this evening.

Numerous citations were received by this group of firefighters for their work in saving cargoes and ships at the St. Nazaire harbor during the war. Lieutenant Schwartz wears a distinguished service medal for his effective work in combating flames which threatened at It is estimated today that approxi- various times to destroy priceless car-

> The 14 firefighters were assigned to St. Nazaire by Brigadier General R. D. Walsh, commander of base section No. when the old Third Oregon was split up. Lieutenant Schwartz was formerly an officer of Company B, and was made fire marshal of the town. The boys were anxious to get to the front but rendered such valuable service at St. Nazaire that they were kept there until several weeks ago when the former French village fire company again took over the fire fighting apparatus. From Newport News, 71 men of a

casusal company will arrive at the Union station at 12:30 p. m., Sunday, on their way to American Lake. They will remain in the city until 4 o'clock. Sixtythree men left Garden City, L. I., for Camp Lewis via Portland today and 233 men left Camp Merritt Friday travling the same route. Both of these de tachments which have just left the East will arrive in Portland about Thursday.

Thunder Showers Probable, It Is Said

Washington, Aug. 2 .- (I. N. S.) -The veather bureau today issued the followng forecast for next week; Pacific tates - During the week beginning August 4 the temperature will be nor-mal and the weather generally fair, although occasional local thunder showers are probable in Washington and Oregon.

Auto Licenses Total 75,044 in Oregon July 31

Maximum of 80,000 for Year Is Confidently Expected; Receipts Are \$562,251.

Salem, Aug. 2.-With a total of 75,044 automobiles bearing the Oregon license tag up to the close of business July 31, the 75,000 mark set Testimony for River Route. early in the year as the probable maximum registrations for 1919 has already been passed and five months Presents Remarkable Affidavit Months Must Elapse, Because of yet to come. It is now confidently expected that 80,000 automobiles will have been registered by the automocision in Case Can Be Expected belle department in the secretary of state's office by the end of the year. During the month of July 2196 autobiles were registered, according to the monthly report compiled by Sam A. Kozer, deputy secretary of state. Three re-registrations and 1851 were new cars postal service. Because Mayor Baker here this morning before Interstate Fees on these automobiles aggregated \$16,366, while the revenue of the registration department from all sources totalled \$19,411.

The receipts in this department up to July 31 totalled \$562,251 as against rency committee of the senate to in-\$461,422 collected during the entire 12 An extensive traffic in used cars is

indicated in the number of transfers recorded by the department, which totalled 1741 in July as against 1150 transfers for the same period a year ago. More than 200 applications for automobile licenses were received by the secretary of state's office Friday, the first day of the half fee period. 30 licenses were issued Thursday, last day on which the full license fee was required for the 1919 license plate.

TO WORK, PEEVED

Members Indignant; They Will Have to Change Their Arrangements to Leave.

Washington, Aug. 2,-(I. N. S.)he senate today concurred in the house action repealing the joint resolution providing for a six weeks' ecess of the house.

Washington, Aug. 2 .- The urgent representation from President Wilson that the railroad situation is growing ing problem demands immediate attention which caused the house to forego its five weeks' recess scheduled to begin today and continue until September 9, aroused great indignation among, Republicans and Democrats alike. His promise to submit recommendations for relief from the high cost of living, however, put the Republican majority in a position where it could not afford to disregard the president's request that the Marshfield, Aug. 2 .- (U. P.) - house remain in session.

When word was passed around that the president had asked that the house rooms and the lobby and gave vent to

The boys were taken to Coquille, their indignation. Representative Kahn, Republican, would "submit to dictation from the White House" just when a plan had been completed. He said:

"We would halt the recess. president went out of the country without asking our permission.

This was before Mondell took the matter up with the steering committee, however. When the matter came to vote only four members recorded themselves as opposed to the president's request. They were Representatives Curry of California and Platt of New York, Republicans, and Blanton of Texas and Moon, Tennessee, Democrats. Representative Knutson of Minnesota, the Republican whip, was one of the most bitter critics of the president's actions. He said:

"The president's prolonged absence from this country and his unpardonable failure to call congress in extra session immediately after March 4 undoubtedly Portland firms secured the contract for caused the very conditions of which he 100 cases of eggs advertised for by the now complains in his letter to Mr. Mon-Alaskan commission for shipment to dell."

The principal grievance aired by tween the Hazelwood Creamery company disgruntled members was that they had and the Savinar company. The Hazel-made all arrangements to leave for their disgruntled members was that they had wood secured an order for 759 cases. The homes and that it would cause them eggs must be delivered at Seattle docks serious inconvenience to have to make other arrangements.

Means to Lower Cost of Living

Is Seen by Senate in Taking Some Money From Circulation. Opponents of League of Nations

May Be Forced to Give Way Before Other Vital Ouestions.

Washington, Aug. 2.-The senate his afternoon passed a resolution, introduced by Senator Myers of Montana, ordering the banking and curvestigate the amount of currency in circulation and to make recommendations as to the wisdom of withdrawing currency in circulation.

Senator Myers declared that inflated currency is the cause of the high cost of living and stated that an investiga tion by the banking and currency mittee will provide a remedy by offer ing a plan to withdraw currency with out carring a panic. Not only has the house's five week

ecess been called off, but the League of Nations fight in the senate may be affected before long, senators said today Congress has power immediately to educe the high cost of living, according o President Wilson's special ee of the problem Walker Hines, William B. Colver and R. C. Leffingwell. Following a meeting at which there was unanimous accord that legislation is the proper weapon, Colver declared that the committee will be able to make a complete report to the president, his cabinet and department heads next week. It was indicated that suggestions regarding the needed legislation wil also be forthcoming at that time,

other matters in an endeavor to find some way of reducing living costs. Con-gress, relegating its other business to the rear, is seeking light on the cause that are responsible for the nations (Concluded on Page Eleven, Column Three

Warships Will Reach Sound September 8, and Some to Come Here Afterwards.

Washington, Aug. 2 .- (WASH-NGTON BUREAU OF THE JOUR-NAL.) -Commander Foote, aide to-Secretary Daniels, informs Senator remain in session troops of Republicans McNary the Pacific fleet is expected and Democrats gathered in the cloak to arrive in Puget Sound from San Francisco between September 8 and 10, and arrangements will be made California and many others declared for ships to visit the ports of Oregon that they did not believe that the house and Washington, following that date. This program varifies what has before

been outlined in Journal dispatches, that only a portion of the fleet is intended to be detailed for a visit to the Columbia river and the number to go will depend largely upon the facts presented to Admiral Rodman when he arrives on the west coast. The entire fleet is to assemble in Puget Sound.

PENROSE BLOCKS HOPE OF FRUIT JUICE MEN

Washington, August 2 .- (WASHING) TON BUREAU OF THE JOURNAL)-Hope for early action by the senate or the Hawley bill for relief of the logar berry and fruit juice industries went glimmering today when it became apparent the bill will not be reported from the finance committee in time for actio fore the house adjourns for the Augus recess. The failure is due to the attitude of Chairman Penrose, who demanded a redrafting of the measure and has show no disposition to assist in its passage. The near beer interests also threaten to hold up the bill indefinitely unless they are included in it.

Flour Cargo Denied Washington, Aug. 2.—Replying to a further effort by Senator McNary to secure a permit for export license for the Pacific International company of Portland to fill the cargo of a vessel for Europe with 2500 tons of flour. Julius H. Barnes, president of the federal grain corporation, declines to grant the permit. Portland shippers cannot, with good grace, ask special favors, he says. Senator McNary has received as intimation that the policy may be at intimation that the policy may be changed by world wheat conditions but in the meantime all concessions are re

Glass Opposes Bill

Washington, Aug. 2.—Secretary of the Treasury Glass has made an adverse report to Senator McNary as chairman of the senate irrigation committee on the Chamberlain-Smith bill to extend government credit to irrigation project under the state law. The bonding fetures are "wholly untenable" from the treasury viewpoint, says Glass. The credit of the United States would be in the control of the United States would be in the United S juriously affected, he says, and if legislation is considered desirable he reommends it be financed in the "old fashioned way," by direct appropriation. Secretary Lane is preparing a report on the bill which it is understood will fa-

FIRST IN ILLUSTRATION

FIRST IN READER INTEREST

Through the presentation of all the news, conveniently arranged,

reviews from many special fields and compelling features, all attrac-

tively illustrated, The Sunday Journal is the complete home newspaper

FIRST IN FEATURES

exploits of America's first army will be related in The Sunday Journal

short story page, a health and beauty page and Lady Duff-Gordon's

the Katzenjammer Kids and the other headliners of Funland will be

own fashion page, has an incomparable appeal.

seen in new and amusing antics tomorrow.

The Yankees at St. Mihiel. An official review of the splendid

The Sunday Journal Magazine, replete with sprightly articles, a

The Sunday Journal comic section tops them all. Maggie and Jiggs,