## WEATHER FORECAST

Oregon: Tonight and Tuesday prob by rain, moderate southerly winds, Local-No rainfail; river, I foot,

FORTY-THIRD YEAR .- NO. 58.

SALEM, OREGON, MONDAY, MARCH 8, 1920

Capital Journal

# OLCOTT ORDERS GRAND JURY PROBE

WILSONS AGREES

al With Resercations

WITH PREMIERS

**ON FEW POINTS** 

## MERICAN HELD Income Tax Provision **BY VILLASTAS IN** BANDIT RETREAT

## Mine Company Employe, Taken Captive During Raid on Train, Retained on Demand for \$50,000 Ransom

El Paco, Texas, March S .-- Joseph willisms, an employe of the Amerima Smelting & Refining company plant at Pedricena, Mexico, is a captive in the hands of Francisco Villa, held for \$50,000 ransom, according to passengers from southern Chiehushau, who have reached Juarez Williams, who is an American citizen. erved in the world war and suffering from the effects of German gas, was returning tothe United States for matment when the northbound Mexkan City-Juarez train, on which he was traveling, was held up Thursday marning last near Corralites, Chihuahus, 400 miles south of El Paco.

Taken from Train In a battle between Villa's men and the train guard, ten of the bandis and nineteen of the train guard were slain and the balance of the defenders, fifty in number, either wounded or driven off. The train and Pullman, car conductors were among the dead, the latter being killed by a shot from Villa's pistor. When the fighting ceased the bandis herded the passengers to a small hill near the track where Villa harangued them and threatened them

which had been taken by the rob-

According to R. J. Peltier, an American citizen, resident of Mexico troops and seasen have actually oc-City, who was roughly handled and threatened with death, the bandits Times says: numbered about 300. They stopped the train by placing a charge of dynamite on the track which wrecked the engine.

Washington, Mar. 8 .- Provisions of 1100 shares of new stock received in the income tax act of 1916 taxing as January, 1915, as a stock dividend income stock dividends declared by from the Standard Oil company of Cal-corporations out of earnings and prof- ifornia. The case was one of a series its accruing subequent to March 1, 1913, were held unconstitutional to-

ter, mutual relations or interests of a tors orporation.

crees denying the authority of congress to tax stock dividends and award which she had paid under protest on had been filed and computed.

CONSTANTINOPLE IN

day by the supreme court. Justice Pitney in rendering the court's opinion said stock dividends are no more than a "book adjustment" in the determination of the question and do not change the nature, charac- involved affects thousands of inves-

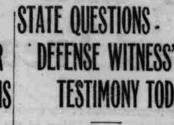
The court divided five to four, Jus- government must refund millions of and British premiers accepts with made research into the early life of tices Holmes and Day joining in one dollars in taxes collected on stock div-dissenting opinion and Justices Bran-idends since the 1916 law became ef-ted to settle the Adriatic dispute.

to Myrtle M. Macomber \$1367 it would not be known until all claims

Taxing Stock Dividends

Is Held Unconstitional

Under the court's ruling the federal not be estimated at this time and that



### America Criticized

London, Mar. 8.—Commenting up-on unconfirmed reports that British

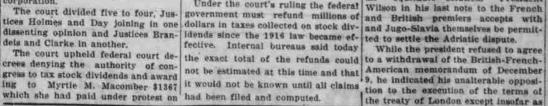
up Aslatic Turkey acording to their

Kaiser's Cousin

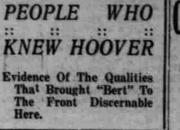
Berlin, Mar. 8. - Gustav Noske

Ordered By Noske

Arrest Of Former



prime ministers received on February 27. He notes with satisfaction their unalfered desire to reach an equitable worthy for correlation with Hoover's The testimony of John Patterson also was attacked. Patterson had tes-tified to being close to the hall at the Times says: "Cardinal Gibbons, James W. Ge-rard, former American ambasador at Berlin, and other notable American demand that the Turk be expelled from Constantinople and that Armen-ia from Ararat to the sea, be given the fullest autonomy. This manifesta time of the tragedy. Today Miss Ruth Godfrey, 15, a neighbor's child, testi-principles of the peace conference and candidate for public office. Perhag



### By Will Carver.

Notes on Adratic Situation This portion of The Capital Jour Accepts Settlement Proposnal's biographical review of Hoove from the viewpoint of his Salem resi dence, will be devoted to a phase of Bert's life which clearly demonstrates Washington, Mar. 8 .- While ex- the unselfish attributes qualifying him pressing satisfaction at the "unaltered for one of the most important positions desire of the allied leaders to reach" arising during the wartime emergency. an "equitable solution," President Eastern writers and others who have

ered an admirable trall discernable in the Hoover family. Modesty, and a desire of self effacement.

to a withdrawal of the British-French American memorandum of December 9, he indicated his unalterable opposi-tion to the execution of the terms of the treaty of London except insofar as the United States government "may be convinced that those term are in-trinsically just and are consistent with the maintenance of peace and settled order in southeastern Europe." **Lave Albania Out.** While he said he would gladiy ap-prove a mutual settlement between Italians and the Jugo-Slavs which

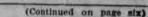
angred them and, threatened them, thater, according to eye with east. Latter, according t



curities At Inflated Value With Funds Of State Accident Commission By Hoff From Morris Bros.

Governor Olcott this morning ordered a grand jury investigation of conditions in the state treasurer's office and a probe of investments made, as a re sult of charges alleging that State Treasurer Hoff had purchased questionagle securities at inflated valua-

ALLIED HANDS UNDER ARMISTICE TERMS ARMISTICE TERMS Marks Agencia to the anistice, it is pointed out by the Petit Parisien this morning, which says that city is head morning, which says that city is nead the cance of citigan and the anistice of the anistice of the anistic of the anistic





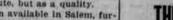
CIRCULATION

5458

PRICE 2 CENTS.

Avarage for Quarter En December \$1, 1919

that time was 5 per cent. No Firm Excluded "It was my desire to invest the funds at as early a moment as possible so that the interest earnings would be correspondingly large. All offerings of bonds were considered and for the reason that Morris Brothess was in a position to furnish large amounts of bonds without delay It was concluded to make purchases from this firm, not, however, to the exclusion of any other firm. The purchase of bonds made were municipal in charactor and based would be securities of the different municipalities in the state of Gregon and personal obligation of the raspec-tive municipalities. The taxes of the state come from different counties and for that reason I believed that if se-curities were good, bonds from the dif-ferent cities and counties in the state.



Washington. March 8 .- Discovery of a "co-operative kidnapping assofrom Mexico City.

The announcement says this "uniuse company" is made up of Mexicuns and Americans on the border. this statement being based on reports from various consular officers. The foreign office says the "association" also is engaged in "the ignoble task of creating trouble between the two

Acting on the information presented by the foreign office the war de-partment, according to these advices, has issued instructions to the military nanders in the states of Chihunhua, Durango, Coahuila, Nuevo Leon and Tamaulipas to break up the kidnaping organization. The government mys it is believed the promoters of the kidnaping organization are rshel agents who recently circulated minister of defense, has ordered the

hand bills advertising the "reorgan- provisional arrest of Prince Joachim ued government of free Mexicans" Albrecht of Prussia, cousin of forand an May 5.

Paris Mar. T .- French losses in Gilicia from the end of January to ing room of the Adlon hotel, the Pebruary 15, which includes the per- prince and his friends hurling canat Marash were 155 killed, 275 Captain Roughevin and his party, hotel management. wounded. 181 missing, according to who had refused to stand while the The Temps, Losses of French regu- orchestra was playing "Deutchland ars and native troops are included Uber Allies" Captain Roughevin was the total construction of the Source Construction of the a these figures. beaten and his clothes were torn.



But you don't know.

A bank might be honest and efficient without government inspection.

But you don't know.

A business concern may be absolutely responsible without a commercial rating.

But you don't know.

A publication may have the circulation it claims without verification by the Audit Bureau of Circulations. But you don't know.

BETTER BE SURE!

The circulation of the Capital Journal is verified by the the A. B. C.

the fullest autonomy. This manifesta the fullest autonomy. This manifesta tion of the best American opinion frightened at the shooting. Pollock de-tion of the best American opinion frightened at the shooting. Pollock decation" having for its purpose "the will be excedingly welcome to the al-kignapping and holding for ransom used to the statement of his own willingness to invitation for contributions to this col-the I. W. W. of foreigners, preferably Americans," tains any proposal for American as-

Firemen Search

Hotel Ruins For

tains any proposal for American as-banounced by the Mexican foreign sistance in carying out the policy from Mexico City,

not hear of schemes which involve the sacrifice of more money and blood, except for objects which con-strain them in conscience and honor to attain. They will not fight for con-cessions to communities or tribes, and international concession hunters are not hear of schemes which involve international concession hunters are; these meetings, had not been establish. mere exchange of views; it was a state now very active in plans for carving ed.

ment of principles and a recapitioa-tion of the chief points upon whrea

agreement had been reached. "There was thus afforded a summary review of these points of agreement of the French, British and Amer- stances, it is said, they have been reican governments and the memorandum should remain as it was intended have launched a counter attack which store was finally entered. Victims Of Fire to be, the basis of reference represent-ing the combined opinion of these gov-

rnments.

"In referring to 'the common fron- of Bobrulak are said to have been un-Old Point Comfort, Va., Mar. 8 .tier in the Flume region' the president der attack at two points, the soviet

of the kidnaping organization are agains who recently circulated of bills advertising the "reorgan. Soverment of free Mexicans" 5. FRENCIE LOSSES BIG Parts Mar. 7.—French losses in ida from the end of losses in ing con of the Adlon hotel, the sacut occurred in the find surgement. The assult occurred in the interval discover ments that the one mangement. The assult occurred in the interval discover ments that wo or three persons hotel management. The management. The as

erament reservation. If was seven government of the United States is pre-stories in height and of frame construction. The flames broke out on willing under such circumstances to the ground floor and soon were be. leave the determination of the common youd control. The loss, including the frontier to Italy and Jugo-Slavia. In yond control. The loss, including the effects of guests, was estimated at more than \$3,000,000. a more than \$3,000,000.

PHONE COMPANY WARNED ed without prejudice to the territorial

AGAINST BREAKING LEASE or other interests of any third nation,

haste in terminating its lease arrange- president must reaffirm that he cannot ments with the Federal Telegraph com possibly approve any plan which as-pany, in a letter written by Fred A. signs to Jugo-Slavia in the northern Williams of the Oregon public service districts of Albania territorial co

sation for what she is deprived of elseundaslon. The present lease arrangements be- where. Concerning the economic outheadway. Food and coal supplies wer tween the two companies, Williams lets for Jugo-Slavia in the region of points out, were made when the gov- Scutari suggested in the note under ernment took over a large part of the reply, the president desires to refer to alo drifted in the wireless equipment of the Federal com- the memorandum of December 9 as hurricane raged.

pany during the war. This equipment making adequate provisions to meet was distributed over the United States the needs of Jugo-Slavia. and has not yet been returned so that London Treaty Sepraed. any sudden termination of its lease ar-rangement would tend to disrupt serv-

ice by the Federal company.



## Bolshevik Launch Attack On Poles And Finns, Report

London, Mar. 8 .- Russian soviet.

forces have launched attacks against the Poles and the Finns on the western and northern fronts, according to advices received here. In both inpulsed and the Finns are reported to

Polish units holding the line run-

tract attention when they carried it to their automobile.

THRU CLEVER RUSE for that the sold, bonds from the date forent cities and counties in the state should be purchased in order to make a fairer allotment of the state's fund

Los Angeles, Cal., March 8.—Four men robbed the safe of the Fifth Street store here last night, securing from \$15,000 to \$30,000 cash and lib-erty bonds, the exact value of the lat-ter not yet checked. The men well and an anti-The men gained entrance to the store by rapping for a watchman and telling him they were detectives from an agency which he knew was sm-ployed to watch the store. Once in-acter concerning the moneys of the ployed to watch the store. Once in- acter concerning the moneys of the side, they bound and gagged the state entrusted to me as its official watchman. Then they overpowered a and in all investments was guided night janitor, blew the safe and thereby. I never at any time have fur-walked out. The robbery was not dis-covered for five hours. covered for five hours. The watchman and janitor were but have always purchased, as I be-found handcuffed to the iron grills lieved, from the owner of the bonds.

State Earnings Increase.

The watchman told the police that imately the same bank balance as the Polish units holding the line run-ning through the Pripet marshes south big old-fashioned safe and in the mean state \$5789 in Interest more than in while forced him to "ring in" his usual the preceding year. In spite of the

Ing about 15 pounds of pennies had In the management of my office i been taken with the other contents of ascertained that full inheritance taxes the safe but left on the main floor. had not been paid, and I appointed The police believed the men aban. deputies to investigate this matter and loned because they feared it would at- have collected large sums which other-

(Continued on Page Six.)

S. Sur - James -

## DEMOCRATS ASKED TO SIGN HOOVER NOMINATING PETITIONS

Petitions have been sent to the Capital Journal office and can be signed there to place Herbert Hoover's name upon the primary ballot as a democratic candidate for president.

The fact that Hoover has refused to state his party allegiance does not prevent the people of either or both parties from nominating him against the wishes of the politicians, and his own wishes. It is a case of the job seeking the man.

Only registered democrats are eligible to sign these petitions, but if any republican will get out similar petitions to nominate Hoover, the Capital Journal will render similar aid in securing signatures.

It is up to the people to beat the politicians to it and name the next president. If you are a democrat, sign this petition. If you are a republican, get out a petition of your own.

From Hardships

Death Follows **Refugees** Fleeing

Constantinopie, Mar. 8 .- Death put sued 300 refugees who fied from Novorosaisk on the steamer Navajo at the approach of Russian soviet forces, as

er many had died of disease, cold and but Albianian questions should not be included in the proposed joint discus-

The Pacific Telephone & Telegraph included in the proposed joint discus-sion of Italy and Jogo-Slavia and the Eighteen hours after leaving port.

the vessel, which had been chartered by the American Red Cross to bring the flightlyes out of southern Russia was struck by a blizzard which for two days prevented the ship from making

all consumed. For four days the Nay ajo drifted in the Black sen while

Typhus then appeared on board and the refugees saw the bodies of scores consigned to the waters. At last an-"Regarding the character and ap-(Continued on Page Five.) other refugee ship picked up the Nav-ajo. Hundreds of the passengers ar-rived here with hands and feet frozen.

