

OREGON: Tonight and Friday fair, continued warm, moderate easterly winds.
LOCAL: Maximum yesterday 95, minimum today 55; no rainfall. River -1.6, stationary.

Great Battle Raging to Decide the Fate of Warsaw

Get-Rich-Quick Wizard Arrested by U.S. Officials Liability Over \$7,000,000

Swindler Accused of Using Mails to Defraud Capital of Hanover Bank Completely Wiped Out--Ponzi Surrenders to Government Authorities But State Also to Prosecute

Boston, Aug. 12.—Federal Auditor Edwin L. Pride stated today that Ponzi's liabilities were upward of \$7,000,000. Ponzi claimed assets of \$4,000,000.
Ponzi today surrendered to the United States marshal and a warrant for his arrest is being prepared, charged with using the mails to defraud.
Bank Commissioner Allen announced this afternoon that the capital of the Hanover Trust company probably had been completely wiped out. The bank was closed by the commissioner yesterday. Charles Ponzi had been a director up to yesterday.
Boston, Aug. 12.—Charles Ponzi, whose spectacular career as an investment banker was cut short by the authorities, today surrendered to the United States marshal and was placed under arrest. He was charged with having used the mails to defraud.
With state action against him expected, the young Italian financier turned a trick by putting himself in the custody of the federal authorities at the moment the state police were petitioning a municipal court judge to issue a warrant for his arrest. Ponzi apparently was alive to what was imminent and leaving his Lexington home early today, hurried to the office of the marshal and asked to taken into custody. A warrant immediately was served. His arraignment followed. Ponzi pleaded not guilty and was held in bail for \$25,000 for a hearing August 19. He said that he would furnish surety.
State Also to Prosecute.
The surrender of Ponzi did not deter the state authorities from their purpose to obtain his arrest. It was said that their charge would be larceny.
The ramifications of Ponzi's banking connections shared in the public interest, the fate of himself and his company, the Securities Exchange, Bank Commissioner Joseph C. Allen, who yesterday closed the Hanover Trust company, alleging illegal operations in connection with Ponzi's affairs this afternoon issued a statement declaring that the capital of the trust company was not only impaired, but in Ponzi's hands probably wiped out.
Ponzi issued this statement after his arrest.
"I had an agreement with the district attorney to go tomorrow and meet my liabilities with cash. With the closing of the Hanover Trust company and with other funds tied up, I

Red Forces Outnumber Defenders

350,000 Russians Attacking Warsaw, Which is Defended by 140,000 Poles

Washington, Aug. 12.—Polish forces defending Warsaw are outnumbered about two and a half to one. Details as to the bolshevik military organization, received today by officials, place the ration strength of the soviet army at 350,000 men. The strength of the Poles has been estimated at 140,000.
It is estimated that in rifle and sabre strength alone, the soviet forces composing the army north of the Pripiet river consist of 114,000 men, bolshevik rifle and sabre strength south of the river is placed at 48,000 men.
Twenty six soviet infantry divisions, the official details assert, have been identified as facing the Polish army, with thirteen in reserve. In addition ten cavalry divisions have been noted in active operation with two in reserve. The bolsheviks are estimated to have scattered in other parts of Russia 35 other divisions as well as two cavalry divisions.
General Sergius Kameneff, and not General Brusiloff, commands the entire soviet forces on the Polish front. In a recent intercepted wireless dispatch by the soviet government the report that General Brusiloff was in command of the soviet army was characterized as "the mistaken, intentionally perverted idea spread by European and American bourgeois agencies."
Kameneff Commands.
General Kameneff formerly commanded the troops fighting Kolchak on the eastern front and, according to the soviet wireless, it was as a result of his victories in that area that he was promoted to his present command.
The bolshevik force on the Polish front is reported to be divided into two armies, the northern in command of General Toukachewski who is only 27 years of age and the southern commanded by General Yeoroff. Both were officers in the czar's army. General Brusiloff is known to be chief of a military council at Moscow which has been preparing military plans against Poland.
More Stores Here Victim of Check Artist Now Jailed
The White House restaurant and Kafoury brothers store were also victimized by J. G. Adelbert, confessed bad check artist of this city, while a second worthless check was cashed by Penney's store by the youth shortly before he was captured Tuesday by Officer Lee Morelock, it was learned Wednesday.
Adelbert, who was apprehended after it had been learned that he had passed worthless drafts at the shoe store of Pernor, Crahn and company, and at Penney's, is held in the city jail charged with obtaining money under false pretenses. Later he may be charged with forgery, Chief Welsh stated.

Poles Ask Consent To Raise Army

Polish Minister Seeks Authorization of United States to Accept Offers of Enlistment

Washington, Aug. 12.—Secretary Colby and Prince Lubomirski, the Polish minister, held a long conference last night at the state department, it was learned today.
It was understood that Prince Lubomirski had on would at a second conference to be held with the secretary of state this afternoon ask authorization of the United States to accept the numberless offers of enlistment in the Polish army which are being received daily from all parts of the country.
The extent of the Polish request for war material and munitions Polish officials said today, may be made contingent upon a favorable response to the Polish request for permission to accept recruits from this country.
It was declared that the legation was receiving many offers of enlistment not only from natives of Poland but also from Americans, veterans of the world war.
Britain and France.
Paris, Aug. 12.—Great Britain has communicated officially with France with regard to the differences between the two governments, it develops from a statement made by the semi-official Havas agency today. It says:
"The British charge d'affaires this morning brought to the general secretary of the ministry of foreign affairs a communication from the British government. From the conversation suggested in between the charge and M. Paleologue (general secretary of the French foreign office) it developed that both governments are examining in the most friendly spirit the divergencies in views between them, but which will not prevent them from continuing their friendly collaboration."
Premier Millerand, who arrived at Montdidier for luncheon today was immediately informed of the conversation.
School Children Slaying Rodents
Oscar Johnson, 12 years of age, and his sister, Anna, age 14, believe in making their vacations pay. With their mother, Mrs. Anna Johnson, the children appeared at Clerk's Boyer's office, Thursday and collected \$14.95, as the bounty due for the capture and extermination of 379 gray digger squirrels caught at their home on the O. Langsdorf farm, two miles south of Silverton.
While picking berries and doing other chores, Oscar and Anna found time in which to round up the rodents during June and July. The county pays a bounty of five cents each for gray digger scaps. For gophers and miles, the bounty is ten cents.

Poles Counter-Attack In Effort To Halt Red Drive Save Capital From Capture

Venizelos Of Greece Shot By Two Assassins

Paris, Aug. 12.—Premier Venizelos of Greece was attacked and wounded today as he was leaving the Lyon railway station for Nice. As he stepped onto a train two men fired revolvers at him. He was wounded slightly. His assassins were arrested.

Landlords Here Not Profiteers Realtors Claim

Rents in Salem are at present not even decent interest on the money invested in property.
There is no such thing as rent profiteering in this city.
Salem landlords are receiving much less rent for their houses than are owners in other towns of like size in the northwest.
Highest authorities in the United States, including municipal realty boards, have declared a fair return to be 15 per cent gross on the amount invested, and Salem property owners are receiving much less than that amount.
Houses Worth Much More.
These are some of the contentions of prominent Salem realtors and other authorities in answering charges, frequently made of late, to the effect that Salem tenants are the victims of landlords who use Jesse James' methods. Hundreds have protested that, while there are scores of houses for sale in Salem, it is practically impossible to find a dwelling for rent.
"Old figures show that a house worth \$3000 four years ago is now \$5000 today," Charles W. Niemeyer pointed out this afternoon. "Fifteen per cent for a month would be \$62.50 on a \$5000 house. Even on \$3000 it would amount to \$37.50. In Salem a landlord may get \$25 for this house, but the tenants would be apt to complain."
Bigger Returns Available.
Landlords, Mr. Niemeyer said, would like to realize at least 6 per cent on their investment, but at the present time, counting in taxes, depreciation and repairs, they cannot receive more than two or three per cent on their money.
"Of course there have been charges that people want to sell rather than rent," Mr. Niemeyer said. "When a business man can let far greater returns for his money in other things, that is the natural thing to want to do."
Police Judge Earl Race stated today that a number of persons who desired to locate in Salem have told him they must necessarily leave because it is impossible to find houses for rent here.
Lower Rentals Here, Claim.
"Without question Salem has lower rentals than any one of the four largest towns in Oregon," Mr. Niemeyer declared. "Portland is 100 per cent higher, and they have in addition an eight cent car fare."
It was only three years ago, Mr. Niemeyer said, that property owners had to allow their houses to be rented for almost nothing to keep them in decent condition.
"The one big reason why houses are not being built for renting purposes is that rented property does not bring such attractive returns as bonds, mortgages and various other securities," he declared.
Mr. Niemeyer said that he did not know of one rent profiteer in Salem.
According to a report of the Clackamas county school superintendent, the per capita cost of high school students in Oregon City has increased \$10.56 in the last 10 months.

Heavy Fighting in Progress Along Extended Front--All Warsaw Drilling to Protect Homes--Americans with Poles Considered "Fair Game to Kill" by Bolsheviki--Reds Near City

Paris, Aug. 12.—A great battle is in progress on the Russo-Polish front upon which hangs the fate of Warsaw, according to information reaching the French foreign office today.
Warsaw, Aug. 11.—(11 p. m.)—The Poles have launched a counter offensive with bayonets in the region of Pultusk, where the Russians have been striving to break the Polish defensive lines. Pultusk is 31 miles north of Warsaw.
Paris, Aug. 12.—Dispatches to the Echo De Paris from Warsaw today report the military situation as greatly improved following the reinforcement of the northern Polish army in conjunction with the advice of General Fergand, of the French mission. The Polish army is said to be the equal numerically of the soviet army.
Brest-Litovsk, has been taken by the soviet troops, while further southeast they have captured Vladimir-Volynsky, east of the Bug. Further advances on the front nearer Warsaw also are announced.
Paris, Aug. 12.—The Polish armistice and peace delegates, M. Okucinski, director of the political department of the ministry of foreign affairs, and Major Stawinski left Warsaw Wednesday evening to meet the Russian delegates, according to a dispatch to the Temps from Warsaw today.
Americans Fair Game.
Johannisburg, East Prussia, Aug. 11. Reports that Miawa, an important city on the Warsaw-Danzig railway, was taken by the Russian bolsheviks Tuesday and that soviet cavalry was within rifle shot of Warsaw, the fall of which was expected Thursday or Friday, were brought here today by a correspondent of the Koenigsberg Allgemeine Zeitung.
No official dispatches have indicated the soviet armies have taken Miawa, and most recent advices have shown the bolsheviks to be some 30 miles from Warsaw.
Americans, British and French who are fighting with the Poles against the bolsheviks are considered "fair game to kill" by the common soldiers of the soviet army, it is declared by the correspondent, who says the bolsheviks have been told these fighters are "bolsheviks who should be exterminated."
The correspondent, who spent some time along the bolshevik front said he had been given most courteous consideration.
Bolshevik cavalry, he said, is excellently disciplined and equipped with machine guns which are operated from the saddle. The men, however, presented a ragged appearance.
Russian forces have occupied Soldau, a town in East Prussia by consent of the German inhabitants, according to rumors here.

Dealers Fear Gasoline Probe Boosts Price

Fears that any attempt to probe the high cost of gasoline now existing in Oregon could only result in additional penalties for consumers in this state were expressed by automobile dealers from Portland here yesterday afternoon to urge upon State Treasurer O. P. Hoff the unwisdom of the investigation which he announced would be instigated several days ago. Those attending the conference included:
M. O. Wilkins, president of the Oregon Automobile Dealers association; C. L. Bow, A. H. Brown, A. B. Manley, A. S. Robinson, C. C. Fagen and others.
The radical increase in the price of gasoline to Oregon consumers was largely justified by the dealers with the explanation that the additional charge was necessary to cover the cost of importing a supply from the mid-continent field in order to tide over the emergency existing in this state due to the inability of the California field to meet the abnormal demand. They had no serious complaint to make against the present price of gasoline so long as it provided the necessary supply.
Although the dealers did not say so in as many words it was plainly intimated that they regarded the oil companies as in absolute control of the situation with nothing left for the consumer to do but take his medicine and act as though he liked it, no matter how bitter the dose might be.
The conference was the result of a statement issued by State Treasurer Hoff several days ago to the effect that he proposed to go to the bottom of the gasoline situation in an effort to discover the responsibility of the increase in the price which he intimated is a distinct violation of the agreement between state officials and the oil companies at the time the bars were let down on the specific gravity test in this state in order to tide over the gasoline shortage.
Commenting on the conference Hoff declared: "I am looking for information on this subject from every angle and the automobile dealers were able to supply me with some of it."

Bolshevik Fail To Make Reply Polish Appeal

London, Aug. 12.—Premier Lloyd-George last night notified Leo Kameneff, soviet emissary here, that the Polish government had just informed the British premier that up to 11 p. m. Tuesday, Poland Moscow government to the message of Poland expressing willingness to send delegates to the armistice and peace conference at Minsk.
Poland informed the prime minister that the Polish officer commanding the sector beyond Siedlce had announced that the Russian peace delegation had arrived in that sector and, not finding the Polish delegates, had stated it would wait until ten a. m. Wednesday.
The premier further informed M. Kameneff that Poland replied that the Polish delegation was proceeding to the front immediately to meet the Russians and that if the Russian delegates were still there, the Poles would send their peace delegation immediately. Poland further stated she was notifying the soviet authorities that she was prepared to start her armistice and peace delegation for the scene Wednesday night.

All Europe Bolshevik Within Coming Year Predicts Leon Trotzky

Warsaw, Aug. 11.—Leon Trotzky, Russian bolshevik minister of war, has arrived at Bialystok, just behind the soviet front, and has set up headquarters there, according to news reaching here. Speaking in Vilna, capital of Lithuania, recently he announced soviet Russia has been officially recognized by the western powers and that M. Krassin and M. Kameff, heads of bolshevik commercial mission to Great Britain, had been received at London with the ceremonial usually accorded foreign ambassadors. He asserted bolshevism was "more powerful than ever and would soon spread to other countries."
"In a year," he continued, "all Europe will be bolshevik."
Warsaw newspapers publish interviews with soldiers, who declare the bolsheviks advancing upon this city claim they have come to exterminate the bourgeoisie, and distribute the land among peasants. In the Bialystok district the bolsheviks took a number of

British Retiring Along Euphrates

Paris, Aug. 11.—The situation in Mesopotamia continues serious says a Havas dispatch from Beirut. British detachments on the Euphrates are falling back adds the dispatch, and the garrison of Divanieh, situated on the right bank of the river about 95 miles southeast of Baghdad, has been cut off.
Three road signs have been set up in Linn county pointing the way to Albany and its tourist park.

ASK THE MAN WHO HASN'T ONE

The Capital Journal is a member of the Audit Bureau of Circulations. Do you understand what that means to you as an advertiser?
It means that you get a "square deal" when you buy our circulation. It means that the net paid distribution of the Capital Journal has been verified by the only recognized authority on circulation.
It means all that and more. It means that our circulation is "above board." We have nothing to conceal.
Facts are given in detail in the A. B. C. statements. The Capital Journal is glad to furnish them on request. Every publisher with nothing to hide can do the same.
So, ask the man who hasn't one—why?

Gas Shortage Evils Grow; Tank Stolen

"Just one more evil resulting from the gasoline shortage," Chief of Police Jack Welsh observed Thursday when Morris Stone, 1937 North Capitol street, reported to officers that somebody had stolen a gasoline tank from his garage.
The fuel receptacle had a capacity of 20 gallons, and was painted green. Mr. Stone said. Somebody is believed to be making ready for any kind of a gas shortage.

Two Acres of Strawberries Yielded \$1950

Aurora, Aug. 12.—John Christenson of Canby is one of many growers in this vicinity who are convinced that the berry industry is certain to be a great benefit to all who pursue it from year to year. Mr. Christenson reports that he sold this year 4200 worth of strawberries from a two acre field, and \$1500 worth of plants. The plants were all sold to California growers. This is a remarkable income from one two acre tract.
But from a standpoint of production it is much less per acre than the crop grown by Fred Schneider of Aurora, who took \$150 worth of berries from one fourth of an acre—an average of \$600 per acre. These results are conclusive evidence of what the berry industry will do for this valley in years to come.
The acreage is increasing very rapidly. Large farms in the vicinity of Canby, Hubbard and Aurora are being cut up into small berry tracts and planted. It means that the population in Oregon City has increased \$10.56 in the last 10 months.

Club Favors Two Shifts At Salem Fire Department

Unanimously adopting a motion that the city council be requested by the Commercial club to better the working conditions, house increase the pay as far as consistently possible, and to submit to the voters of the city the two platoon system, Salem business men at the regular open forum Wednesday night went on record as favoring the two shift plan for firemen submitted by Chief Harry Hutton, of the fire department.
The two platoon system, as advocated by Chief Hutton, would provide for a double shift of fighters, a day crew which would work 10 hours, and a night gang which would be on duty 14 hours. All firemen, however, would be subject to call during the entire 24 hours of the day. Six men, Chief Hutton feels, should be added in order to make the department what it should be.
Mr. Meyers Backs Chief.
"I do not wish to get into any oratorical contest with Mr. Kay," observed Henry Meyers when his rose following a lengthy address by T. E. Kay, "for I fear my eloquence would be subjugated. But I want to say that I think Chief Hutton is right—that 24 hours a day is too long for a man to be on duty, that the monotony is disastrous, and it is because of that that he is forever losing his men. And I move that we make it the sentiment of this membership that the two platoon system be endorsed."
A wave of approval appeared to sweep over those present. Mr. Kay's speech had been in vigorous opposition to any action taken by the club. During his talk a rather warm argument between him and Chief Hutton ensued.
"Twenty-four Hours Too Long."
"You think that the firemen are overworked?" Mr. Kay asked Chief Hutton.
"I wouldn't stop at that," Chief Hutton shot back. "I know they are. Not physically, perhaps, but 24 hours is too long for any man to be on the job."
"I think if their pay was double they'd stay on the job and be glad to," Mr. Kay countered.
Chief Hutton rose to his feet. "Here's one that wouldn't!"
"Then you're an exception to the rule."
During a part of his talk, Chief Hutton explained that statistics show that Salem has the least number of men and the smallest amount of apparatus of any city of its size in the United States or Canada.
Housing Problem Comes Next.
"I don't doubt the fact that you have the statistics," said Mr. Kay, "but state" (Continued on Page Six)

Reunion of all Churches Asked in Appeal Of Anglican Bishops

London, Aug. 11.—Reunion of all Christian people framed by bishops of the Anglican church who attended a recent conference at Lambeth, which was made public today in conjunction with a statement by the Archbishop of Canterbury.
The appeal is "directed to the orthodox churches of the east and to the great Roman communion of the west, no less than to the free churches which have grown to maturity among the Anglo-Saxon races. Its scope is so wide that there can be no doubt large numbers of the bishops who issued it had in mind those of our kith and kin in the great Presbyterian, Methodist, Baptist and Congregational communions with whom, although they are separated from the church the Anglican communion has no much in common."
Describing the plan of union, the statement says:
"The vision embodied here is new, even revolutionary. The plans of reunion whereby the Anglican church might absorb other communions are frankly abandoned. What is needed is a new structure, simple to begin at once, but large enough to include all."
The bishops summon all the Christians to look, not for an extended Anglican church but for a truly catholic church of the future, to which every church should bring its own contribution of life and organization. No loose federation of independent churches is contemplated but rather a real organic unity based fundamentals, in which there should be ample room for groups with their own outlook and for methods such as John Wesley originally contemplated.
The appeal points out "universal ministry" as the chief need, and claims that "an episcopate is the one means for providing such a ministry."
Divisions among christian peoples are deplored in the appeal.