

WILSON NOT OPPOSED TO COMPROMISE SUP. COURT KNOCKS OUT 1916 INCOME TAX

WILSON FOR CONTINUING PEACE TALK

President in Letter to Senator Hitchcock Understood to Reiterate Objections to Lodge Reservations, But Not in Such Language as to Dissuade Democratic Senators From Continuing Compromise Efforts.

WASHINGTON, Mar. 8.—President Wilson's letter to Senator Hitchcock regarding the peace treaty is understood to reiterate the president's objections to the republican reservations, but not in such language as to dissuade democratic senators from continuing their compromise efforts.

WASHINGTON, Mar. 8.—President Wilson will state his position on the Lodge reservation to article ten probably today, it was announced at the White House.

His attitude on this and other questions will be outlined in a letter to Senator Hitchcock of Nebraska, the administration leader.

He will not see Senator Simmons, democrat, North Carolina, as requested by Senator Hitchcock, but will write Senator Simmons telling him the matter is sufficiently covered in his reply to Hitchcock.

The president's letter to Senator Hitchcock was put in final form this morning.

Administration officials said the president would not accept the Lodge reservation to article ten. They disclosed that he had discussed the so-called Taft reservation to article ten with Senator Glass of Virginia and that while he had not stated his approval of it, he did not say he would not accept it.

NAVY WILL DROP BACK TO 1914 IF MEN NOT ADDED

WASHINGTON, Mar. 8.—Unless provision is made to maintain the efficiency of the present naval reserve force by systematic training, the navy within a few years will be faced with the same lack of potential man power as when the country entered the war. Secretary Daniels today told the house naval affairs committee. In other war, the secretary said, there probably would not be the "same opportunity for preparation."

An active reserve force of 27,000 men, enlisted for one year, was recommended by Mr. Daniels as necessary to provide an adequate trained reserve. He approved the bureau of navigation recommendations for a total reserve of approximately 200,000 men to be enrolled and divided into two classes, 100,000 to be trained for service with the fleet and an equal number for duty on merchant vessels.

GERMAN PRINCE ARRESTED ASSAULTING FRENCH OFFICER IN A BERLIN CAFE

BERLIN, Mar. 8.—Gustav Noske, minister of defense, has ordered the provisional arrest of Prince Joachim Albrecht of Prussia, cousin of the former Emperor William, and Baron von Baten, for engaging in an assault upon Captain Roughevin, a French officer with the inter-allied mission in this city Saturday night.

The assault occurred in the dining room of the Adlon hotel, the prince and his friends hurling candles, crockery and other missiles at Captain Roughevin and his party, who

AMERICAN FATHER IS BECOMING EFFEMINATE; MUST ASSERT RIGHTS

BOSTON, Mar. 8.—Growing weakness on the part of the men in the country is developing a sinister feminism, Cardinal O'Connell told a gathering of men at the Cathedral of the Holy Cross last night. Man, as the head of the house, he said, should assert his proper authority in the home.

Failure to do this, the cardinal asserted, leads to a false feminism, which unless it is curbed in time, will have disastrous results for humanity.

"The women are becoming masculine, if you please, and the men are becoming effeminate. This is disorder."

Cardinal O'Connell questioned how a father could "look on and see his children, especially the girls, running rampant without any consideration for modesty."

C. OF COMMERCE NON-PARTISAN AT ALL TIMES

James E. Gheen, Director of Chamber of Commerce Campaign Defines Proper Attitude of Civic Organizations—Take Stand on Measures, But Not Upon Candidates.

RE-BIRTH OF CIVIC IDEALISM

"If we are to regenerate our cities, to preserve their beauties and to make them better, more is required than the good intention of a group of technical experts or public servants; for this must be developed in all citizens. When people begin to feel the ties which bind them together as citizens and which attach them to the place which they inhabit, when they shall understand their own prosperity, that their dignity, that their happiness, are bound up with the welfare of the city, when they have learned to cherish their home city, their love for which unites with and intensifies their love for the nation and love for humanity itself, then will arise in our country an increased community vitality, and this expansion of the civic consciousness is not the least of the benefactions that we can expect from our adoption of comprehensive programs for future civic development."

James E. Gheen, director of the Campaign Committee.

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VILLA WEEPS, ASKS 50,000 U. S. RANSOM

Bandit Leader Moved to Tears After Killing 19 Guards and Holding Joseph Williams, U. S. Citizen, for Ransom—Reference to Genl. Angeles Cause of Emotional Outburst—Kidnap Trust Is Operating on the Border.

EL PASO, Texas, Mar. 8.—Joseph Williams, an employe of the American Smelting and 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 Chihuahua, who have reached Juarez, Williams who is an American citizen, served in the world war, and suffering from the effects of German gas, was returning to the United States for treatment when the northbound Mexico City-Juarez train, on which he was traveling was held up, Thursday morning last, near Corralitos, Chihuahua, 400 miles south of El Paso.

In a battle between Villa's men and the train guard, ten of the guards 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 pistol.

When the fighting ceased the bandits herded the passengers to a small hill near the track where Villa harangued them and threatened them with death. Later, according to eye witnesses, he broke into tears and told them he would spare their lives out of respect to the memory of General Felipe Angeles, who recently was executed by the Carranza authorities at Chihuahua City.

Williams and an Arabian merchant, M. Nassar, were forced to accompany the bandits when they rode away, leaving the balance of the passengers marooned in a desolate country, bereft of their belongings and many of them without their clothing, which had been taken by the robbers.

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

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The announcement says this unique company is made up of Mexicans 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 countries."

Acting on the information presented by the foreign office the war department, according to these advices has issued instructions to the military commanders in the state of Chihuahua, Durango, Coahuila, Nuevo Leon and Tamaulipas to break up the kidnaping organization. The government says it is believed the instigators of the kidnaping organization are rebel agents who recently circulated handbills advertising the "reorganized government of free Mexicans," and announcing a coup planned for May 5.

Because of the frequency of attacks on railroad trains the Mexican government plans to erect blockhouses along the railroad lines except where they already exist, other reports from Mexico say. The blockhouses would be of reinforced concrete with a guard of fifty soldiers in each.

Miss Dora Gebers and Miss Gladys Perkins spent the week end in Grants Pass.

HENRY S. GRAVES, HEAD U. S. FOREST SERVICE, RESIGNS HIS POSITION

WASHINGTON, Mar. 8.—Henry S. Graves, head of the Federal forestry service since Gifford Pinchot, has resigned to return to private life. Mr. Graves headed the Yale forestry school before entering government service and was at the head of the lumber operations conducted by the American expeditionary forces in France.

SHOTS WERE FIRED BEFORE ATTACK ON I. W. W. HALL MADE

TESTIMONY OF WILLIAM SPEARS, RESIDENT WASH., WASH., COAL MINER, GIVEN LAST SATURDAY AS A DEFENSE WITNESS IN THE TRIAL OF TEN ALLEGED I. W. W. FOR THE MURDER OF WARREN O. GRIMM, CENTRALIA ARMISTICE DANCE PARADE VICTIM, WAS ATTACKED BY THE STATE IN REBUTTAL AT THE OPENING OF THE SEVENTH WEEK OF THE TRIAL TODAY. SPEARS HAD TESTIFIED THAT HE HAD BEEN ADVISED BY R. H. McFADDEN, DEPUTY SHERIFF OF KILLIS COUNTY, TO NOT COME TO MONTESANO TO TESTIFY IN THE I. W. W. TRIAL.

To rebut Spears' testimony, McFadden was called by the state today, and he denied vehemently that he had so advised Spears. He said he did not know Spears had witnessed the Centralia shooting until he read it in the papers last Saturday.

The testimony of John Patterson also was attacked. Patterson had testified to being close to the hall at the time of the tragedy. Today Miss Ruth Godfrey, 15, a neighbor's child, testified that she was in the Patterson home on the morning of November 12 and heard Patterson tell his wife that he had seen nothing of the affair. J. A. Pollock, also a neighbor of Patterson, testified that Patterson had told him he was a block away from the trouble, having been compelled to take his children back home when they became frightened at the shooting. Pollock declared he was not in sympathy with the I. W. W.

DEATH PURSUES RED CROSS SHIP UPON BLACK SEA

CONSTANTINOPLE, Mar. 8.—Death pursued 800 refugees who fled from Novorossisk on the steamer Navajo at the approach of Russian soviet forces, after many had died of disease, cold and starvation. The craft arrived here with emaciated and starving passengers.

Eighteen hours after leaving port, the vessel, which had been chartered by the American Red Cross to bring the fugitives out of southern Russia, was struck by a bilzard which for two days prevented the ship from making headway. Food and coal supplies were all consumed. For four days the Navajo drifted in the Black sea while a hurricane raged. Typhus then appeared on board and the refugees saw the bodies of scores consigned to the water. At last another refugee ship picked up the Navajo. Hundreds of the passengers arrived here with hands and feet frozen.

ALLIED ARMY OCCUPIES THE TURK CAPITOL

Constantinople Taken Over by Italian British and French Troops, According to Report From Paris—Reinforcements to Be Sent General Pasha, Turk Nationalist Leader, Hastens Action.

PARIS, Mar. 8.—Constantinople is actually occupied by allied troops under provisions of the armistice, it is pointed out by the Petit Parisien this morning, which says that city is headquarters of General Franchet d'Esperey and there are in the city one division and one brigade of French troops.

In addition there are in Constantinople one regiment of Italian and a battalion of British troops, and there are other British forces in the region of the straits. A British division is spread over Anatolia, between Scutari and Brusa, while the French have a division in western Thrace, the newspaper says.

PARIS, Mar. 8.—French losses in Cilicia from the end of January to February 15, which includes the period during which disorders occurred at Marash, were 158 killed, 279 wounded, and 181 missing, according to the Temps. Losses of French regiments and native troops are included in these figures.

To Reinforce Gouraud LONDON, Mar. 8.—Premier Lloyd George announced in the house of commons today that prompt measures had been taken by the French government to send reinforcements to General Gouraud, commander in chief of the French forces in the east for the purpose of re-establishing his position and preventing further attacks on Armenians.

LONDON, Mar. 8.—While definite news of allied occupation of Constantinople is still awaited, it is stated in some quarters that this operation is rendered all the more inevitable owing to information that Kemal Pasha, the Turkish nationalist leader, is strengthening his forces in Asia Minor and that Turkish bands are concentrating in eastern Thrace in contravention to the terms of the armistice.

England Quotes Gerard LONDON, Mar. 8.—Commenting upon unconfirmed reports that British troops and seamen have actually occupied Constantinople, the London Times says:

Cardinal Gibbons, James W. Gerard, former American ambassador, Berlin, and other notable American, demand that the Turk be expelled from Constantinople and that Armenia from Ararat to the sea, be given the fullest autonomy. This manifestation of the best American opinion will be exceedingly welcome to the allies, but we do not observe that it contains any proposal for American assistance in carrying out the policy which is approved. Allied peoples will not hear of schemes which involve the sacrifice of more money and blood, except for objects which constrain them in conscience and honor to attain. They will not fight for concessions to communities, or tribes, and international concession hunters, who are now active in plans for carving up Asia-Turkey according to their desires.

Carpentier Is Married. PARIS, Mar. 8.—Georges Carpentier, heavyweight boxing champion of Europe was married to Mademoiselle Georgette Laurientia Elsanse at the city hall today. The religious ceremony will be celebrated at a Paris church today. The civil marriage occurred some hours before the time originally set, in order to avoid crowds. Dr. and Mrs. J. J. Emmens arrived home this morning from their long sojourn in New York city.

ATTY. GEN'L. BROWN INVESTIGATES CHARGES AGAINST STATE TREAS'R

SALEM, Ore., Mar. 8.—Upon request of State Treasurer O. P. Hoff, Governor Ben Olcott today called upon Attorney General George M. Brown to conduct a grand jury investigation relative to the purchase of securities by the state treasurer with funds of the industrial accident commission. Newspaper charges that certain purchases had resulted in profits to a bond house led to the treasurer's demand for a probe. The attorney general is asked to investigate particularly the purchase of bonds of the cities of Warrenton, Reedsport, Monmouth, Oakland, Ontario, Yamhill, Rainier and the Port of Bay City, Oregon.

PRES'T ACCEPTS ADRIATIC PACT CONDITIONALLY

Leaving Settlement Italy-Jugo-Slavia Controversy to Countries Involved, Accepted by Wilson "With Reservations"—Unalterably Opposed to Treaty London.

WASHINGTON, Mar. 8.—While expressing satisfaction at the "unaltered desire" of the allied leaders to reach "an equitable solution," President Wilson in his last note to the French and British premiers, accepts with reservations the proposal that Italy and Jugo-Slavia, themselves, be permitted to settle the Adriatic dispute.

While the president refused to agree to the withdrawal of the British-French-American memorandum of December 9, he indicated his unalterable opposition to the execution of the terms of the treaty of London except insofar as the United States government "may be convinced that those terms may be intrinsically just and are consistent with the maintenance of peace and settled order in southeastern Europe."

While he said he would gladly approve a mutual settlement between Italians and the Jugo-Slavs which would be without prejudice to the interests of any third nation, the president declared he cannot "possibly approve any plan which assigns Jugo-Slavia in the northern districts of Albania territorial compensation which she is deprived of."

The market made full recovery when it was found that taxation of stock dividends as income had been declared unconstitutional. In a few instances stocks exceeded their high price quotations of the morning.

The Majority Opinion Justice Pitney, in his majority opinion, said a stock dividend "is in essence not a dividend, but rather the opposite."

"No part of the assets of the company is separated from the common fund," he said, "nothing distributed except paper certificates that evidence an antecedent increase in the value of the stockholder's capital interest resulting from accumulation of profits by the company, but profits so far absorbed in the business as to

been under attack at two points, the soviet armies advancing on the north and south sides of the marshes. It is recalled the Poles last week rejected overtures for an armistice pending peace negotiations, holding the bolshevik would strengthen their lines during the time they are protected by the provisions of the truce. In the meantime delegates from the Baltic states are expected to meet at Warsaw next week to consider the soviet terms.

INCOME TAX UPON STOCK IS NOT LEGAL

By Vote of 5-4 Supreme Court Holds Tax on Stock Dividends Is Contrary to Fundamental Law—Holmes, Day, Clark and Brandeis Dissent.—Government Must Refund Morgan, Herbert L. Pratt and Standard Oil.

WASHINGTON, Mar. 8.—Stock dividends may not be taxed as income, the supreme court held today in declaring unconstitutional the provisions of the 1916 income tax act, declaring as income such dividends declared by corporations out of earnings and profits accruing after March 1, 1913.

The court divided 5 to 4, Justice Pitney rendering the majority opinion, Justice Holmes and Day joining in one dissenting opinion, and Justices Clark and Brandeis in another.

Under the court's ruling, the federal government must refund millions of dollars in taxes, collected on stock dividends since the 1916 law became effective. Internal revenue bureau officials said today the exact total of the refunds could not be estimated at this time and that it would not be known until claims had been filed and computed.

Federal Court Upheld The court upheld federal court decrees denying the authority of congress to tax stock dividends and awarding to Myrtle H. Macomber \$1,367 which she had paid under protest on 1100 shares of new stock received in January 1916 as a stock dividend from the Standard Oil Company of California. The case was one of a series in which J. P. Morgan, Herbert L. Pratt and others had questioned the validity of the act.

Court officials said the case was one of the most important at this time and that determination of this question involved affects thousands of investors.

NEW YORK, Mar. 8.—Erroneous reports issued by financial news tickers that the United States supreme court had declared stock dividends taxable took Wall street by surprise today and caused heavy selling of the general list. Reactions of 2 to 11 points from the high prices of the morning were made by all the active issues.

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A New in Me But a standard car made experts.

MAIR

BULSHEVIKI REPULSED IN ATTACK AGAINST THE POLES AND FINNS