

Full
Leased Wire
Dispatches

The Daily Capital Journal

Today's News
Printed Today

THIRTY-SEVENTH YEAR.

SALEM, OREGON, THURSDAY, APRIL 16, 1914.

PRICE TWO CENTS. ON TRAINS AND NEWS STANDS, FIVE CENTS.

HUERTA WILL SALUTE FLAG IF MEN-O'-WAR PROMISE A RETURN

DICTATOR BACKS DOWN FROM DEFIANT ATTITUDE WHEN UNITED STATES SHOWS ITS TEETH-COMPLI- ANEC WITH THE USUAL FORMS DOES NOT CON- STITUTE RECOGNITION OF USURPER AS OFFICIAL HEAD OF MEXICAN GOVERNMENTAL AFFAIRS.

BULLETIN.

Washington, April 16.—President Wilson this afternoon instructed Charge d' Affaires O'Shaughnessy to tell President Huerta that he accepts the latter's offer to salute the American flag and that, in accordance with naval precedent, the United States ships will return the salute.

This, it was stated, ends the crisis unless disapproval of the agreement should come from Mexico or from the United States congress.

Washington, April 16.—President Huerta, it is willing to salute the American flag on condition that the American ships return the salute.

Acting Chairman Stanley of the senate committee on foreign relations, admitted this afternoon that he had been "officially advised" that this answer to the United States' demands was transmitted to Charge d'Affaires O'Shaughnessy today.

"This stipulation," said Shively, "is merely a request that the usual forms be complied with. Of course if the Mexicans salute we will salute in return."

"This, however, will not constitute recognition to Huerta as head of a de jure government of Mexico. It is a recognition of only a de facto government, just as our demand was a recognition of a de facto government."

"There is no de jure government in Mexico to recognize."

"I suppose Huerta's compliance with our demands will end the present situation and leave matters where they were before. In fact, I can't think of any other way in which the situation can work out if Huerta does what he seemed today to intend doing."

An American Backdown.
The question whether the United States could return the Mexican salute without recognizing the Huerta government thereby, was an acute one, however. Many influential men disagreed with Senator Shively. Senator Lodge was one of them. He contended that a return of the salute would be an American backdown.

President Wilson indicated the utmost pleasure at the way matters were shaping themselves.

It could not be learned whether the original naval plans would be carried out but the impression prevailed that some at least of the ships on their way southward would be recalled if the flag were saluted before the reached Tampico. It was believed others would be diverted to Guantanamo, where they would be within striking distance of the Mexican coast in case of a fresh crisis.

May Recognize Factions.
It was learned on administration authority that the government was considering steps to prevent the rebels from getting more arms and ammunition from the United States. This was because some suspicion existed, despite the denial by constitutionalist leaders of any interest in Huerta's troubles with America, that the drastic action President Wilson is taking might result in a reconciliation of federals and rebels.

Preparations were being made here today to assist Americans in Mexico to

as they did at Torreón and San Pedro.

According to General Ortega, among the prisoners his men took when they captured San Pedro Monday night were five American newspaper and magazine writers who had been accompanying the federals. General Villa ordered that every consideration be shown them and they were held at a hacienda on Lake Mayran, between San Pedro and Benavides Station.

Since San Pedro's capture 1,000 wounded have arrived from the scenes of the various battles and skirmishes fought in its vicinity.

General Villa captured here 20 locomotives, 300 empty freight cars, 25 carloads of coal, eight of ice, 20 of water, 30 of ammunition, 50 of cotton and five of clothing and general merchandise.

He took also 11 canon in San Pedro and dozen more which the federals abandoned along the line of their retreat.

Fifteen hundred federal prisoners have been taken thus far.

San Pedro, Mexico, April 16.—Surrounded by rebels, the last remnant of President Huerta's army of the north was making its last stand fight at Benavides Station today.

The federal force was reduced by the battle of San Pedro from 12,000 to about 6,800 men but they were still resisting desperately. General Villa was determined to exterminate them. He was in personal charge of the rebel attack, had all his available troops in action and had sent for 3,000 more from Torreón.

Runners from the scene of the engagement reported it one of the fiercest of the rebellion. They said the federals occupied a strong position and were defending it with reckless determination. The rebels, however, were tightening the cordon about them and it was declared they were certain to be wiped out unless they surrendered. There was no chance for them this time, said witnesses of the battle to slip through the rebels' line

WEST WINS OUT IN THE \$6,000,000 SCHOOL FUND CASE

Judge Galloway Overrules Demurrer as Notes Are Not Money.

OF NO CONSEQUENCE WHO HOLDS NOTES

Land Board May Gain Possession at Discretion of Governor.

As the \$6,000,000 school fund notes held by State Treasurer T. B. Kay are not actual money but only representative of the irreducible funds secured by mortgages, Judge William Galloway this morning overruled the demurrer of Treasurer Kay to the complaint filed in the circuit court for Marion county by the State of Oregon in relation to Oswald West, governor, and Ben W. Oleott, secretary of state, demanding possession of the notes.

Judge Galloway held that it made no particular difference who held the notes as they were held by mortgages that are recorded. In his opinion if the school notes were actually destroyed, there would be no loss as the mortgage record would be evidence that the funds were in existence. It was all right for the treasurer to have custody of them or for the state land board.

The school funds, however, cannot be deposited in any bank. In this case, the judge said that he passed merely on the law phase of the question and did not enter whatever into the fight between the governor and the state treasurer. If the state board secures control of the notes during this administration, he said when the next one takes office the notes may be handed back to the treasurer again.

Judge Galloway's Decision.
"In this case," said Judge Galloway, "the defendant interposes a demurrer, the principal grounds being the lack of legal capacity of plaintiff to bring this suit and that this court is without jurisdiction of the subject matter involved. Article 8, Section 5—Constitution of Oregon, says—"

"The Governor, Secretary of State and State Treasurer shall constitute a Board of Commissioners for the sale of school and university lands and for the investment of the funds arising therefrom, and their powers and duties shall be such as may be prescribed by law."

"It follows that the State Land Board is a co-ordinate branch of the State Government and, therefore, has discretionary power in all matters not specifically prescribed by law."

"The State Land Board elects a clerk who shall give a bond fixed by the Board in an amount not less than \$5,000 for the faithful performance of his duties and specifically requiring him to turn over all money coming into his hands to the State Treasurer, who is by law custodian of the funds of the State, but no where does the law provide that the Treasurer shall be the custodian of these notes which are only the evidences of the educational funds of the State. The plaintiff is not asking possession of any of the funds or money of the educational funds of the State."

Educational Funds Excepted.
"The Common School, Agricultural College and University funds and the investment and disposition thereof is reserved from the State Treasurer to the State Land Board exclusively. Sec. 2654, L. O. L."

"The powers and duties of the State Treasurer are to receive and have charge of all moneys paid into the State Treasury, to deposit same in solvent banks and to pay out as prescribed by law, excepting, however, the educational funds of the State, which are reserved."

"Every one of the 8000 or more notes involved is secured by mortgage of record in the county where the loan is made and it is purely a matter in the discretion of the State School Land Board where the notes are kept. The notes in question may be deposited in the vaults of some bank and this Court is not aware of any law restraining the action of the Board in the matter of the custody of the notes, as the State Land Board is a co-ordinate branch of the State Government and its discretions and decisions are not subject to review by the courts."

"The demurrer will, therefore, be overruled."

WILL FURNISH MONKEY WITH FREE CHEWING
Eddie Maier announced today that he has purchased a monkey. The little beast will be the Venice baseball club's mascot. He will wear the club uniform and be furnished free chewing tobacco.

Huerta and Some of His Followers Who "Reconsider"



Photos copyright, 1913, by American Press Association.
General Huerta, as provisional president of Mexico, worsted in first clash with United States.

ARE NOT GARBED IN SHOOTING CLOTHES

"CHICKENS" DO NEW AND UNUSUAL STEPS TO PATTER OF BIRDSHOT ON STAGE

Portland, Ore., April 16.—Charged with disorderly conduct because he added zip, zest and vigor to the terpsichorean endeavors of the chorus girls on the stage at the Lyric theatre by fusing them with No. 12 birdshot, propelled from between his teeth with a toothpick, C. L. Pruitt, star twirler of the Oakland Coast league team, faces trial in the police court today.

The stinging projectile caused the "pony" girls, clad in the usual lightweight ballet costumes, to go through their dance with startling contortions, and with little regard for the rhythm of the orchestra music.

Patrolman Howard, who made the arrest, declared the girls were dancing like young pullets on the traditional hot griddle.

Pruitt was released on his own recognizance, pending trial.

DOUGLAS COUNTY MAN IS MURDERED.

Roseburg, Or., April 16.—Morrison Campbell, an aged resident of Cleveland, 16 miles west of here surrendered to the sheriff at Roseburg today, saying that he had shot and killed John Becker, a neighbor, aged 23. Becker was found dead in a field early today but it was supposed that death had been from natural causes.

Campbell's surrender was the first intimation that the officials had that Becker had come to an untimely end. Campbell said that he had quarreled with Becker and that the latter had seized him and started to drag him across a field. Refusing to release him Campbell saw he shot, the third bullet killing Becker.

The Trover-Weigel Studio, opposite Bligh theater, for Kodak finishing and enlargements. Notice our new prices for this work.

The Weather

Glad I didn't pack this coat away
Fair tonight with heavy frost except near coast; Friday fair and warmer, westerly winds.

RACING OFFICIALS DEFY MILITIAMEN

DECLARE THEY WILL CARRY ON MEET DESPITE VOLLEYS OF STATE TROOPS YESTERDAY.

Tulsa, Okla., April 16.—Undismayed by yesterday's demonstration, when two companies of state militiamen fired a volley of shots over the heads of jockeys, officials of the Tulsa Racing association declared today they would carry on the meeting despite Adjutant-General Canton and his troops.

Canton asserts he is acting under direct orders from Governor Cramer, and they were to stop racing.

"If the horses are led to the track," said Canton today, "I shall order my men to shoot and kill. The horses will be shot down in their tracks, and if this happens the race track officials will have no one to blame but themselves."

MILITIA TO BE PUT ON WAR FOOTING

OREGON NATIONAL GUARD WILL BE READY TO TAKE THE FIELD ON SHORT NOTICE

Portland, Ore., April 16.—With the admitted object of having the Oregon national guard in position to take the field on short notice, the general staff of the Oregon national guard held a meeting in the office of Adjutant-General Finzer today and approved the recently issued general orders calling for the re-organization of the medical staff of the guard. This action was taken with the view of putting the guard on a war footing, a suggestion which it is said came direct from the war department a short time ago.

The general staff also decided to hold the coast artillery encampment June 12 to 24, dates which have already been approved by the war department.

Real Luck for Moneyless Man

FAIR HIGHWAYGIRL HANDS STARTLED VICTIM A KISS WHEN SHE FINDS HIM 'BROKER'

Los Angeles, Cal., April 16.—Held up and kissed by a fair highwaygirl was the startling experience reported to the police today by a citizen, who became embarrassed and fled, without giving his name, when some one giggled. "I was walking along Central avenue about midnight," the citizen reported, "when a tiny girl in man's clothing stuck a gun in my face. I stuck up my hands, but she didn't find any money when she searched me, so she kissed me, and told me to run along home and tell my wife about it."

Ten minutes later James O'Hara reported that he, too, had been held up in the same block by a girl and robbed of \$2.40 and a watch. The lady returned the watch and 40 cents, remarking that he might want a drink before going to bed.

GANG OF REPUTED ROBBERS CAPTURED

FIVE RUSSIANS IN CUSTODY ON CHARGE OF LOOTING BANK OF ELMA ON MARCH 28.

Seattle, Wash., April 16.—Sheriff Shelton Matthes, of Chehalis county, is on his way to Seattle today to take into custody five Russians arrested here last night by Burns operatives and city detectives, as the men who robbed the Bank of Elma of \$4200 on March 28. Three of the captives have been positively identified by E. L. France, cashier of the looted bank.

Local operatives of the Burns detective agency declare the gang was forced out of Russia, after many bold attempts on the life and property of citizens in that country.

The gang was traced to Seattle, where the five members were captured in a room at 507 Seventh avenue. Diagrams, planted by detectives, signalled many bitter quarrels over the division of the spoils.

It was also learned that the head of the gang had turned heel on his fellows, and with \$1700 of the stolen coin, had fled to New York. He embarked hurriedly for Europe. A cablegram will cause his arrest at Liverpool.

GRAZING LANDS WERE NOT DISCUSSED

GOVERNOR SAYS THE QUESTION WAS NOT OPENED AT DENVER—LANE BILL IS CONFUSED.

A story in the Oregonian, or, to be exact, a communication to that paper, accuses Governor West of opposing the leasing of grazing lands in the state. The governor says the writer was evidently laboring under a mistake, as the question of leasing grazing lands was not discussed at Denver. The matter of leasing coal, oil, gas, potassium, borax and such lands was up, and this was warmly supported by the governor. This is known as the Lane bill, and was framed for the purpose of opening all lands to exploitation, and also providing for a revenue from the same, which will, in turn, be given to the western states for the purpose of reclaiming lands. The bill applies to Alaska, and will not only keep the title of such lands in the general government, but will also furnish a perpetual revenue, while, at the same time, permitting all such mineral lands to be made use of and productive.

STOLE HIS WIFE'S BAR TRUMPET—GETS DIVORCE

Los Angeles, Cal., April 16.—"He stole my car trumpet, judge, and I could not hear a sound without it," complained Mrs. B. A. Douglas, seeking a divorce. She got it—the divorce—and \$17.50 alimony, with the custody of her child.

JOHNSON LEADS DOG RACE

Nome, Alaska, April 16.—Less than 100 miles from Nome, John Johnson, the record holder, is leading "Scotty" Allen and Fred Ayre by about 25 miles, and is considered to have a safe lead in the All-Alaska sweepstakes dog race, for which a purse of \$3000 is hung up.

JUDGE DISSOLVES INJUNCTION IN PRINTERS' TANGLE

State Printer Harris Now Unrestricted as to His Employees in Plant.

NOT DEPRIVED OF ANY LEGAL RIGHT

Non-Union Men May Be Employed According to Decision Handed Down.

As it was not shown that the contract between State Printer R. A. Harris and the Salem union regarding the employment of only members of the Salem union in the state printing plant was in existence and in force at the present time, and also because there was no infringement of legal rights alleged by the parties plaintiff, Judge William Galloway this morning dissolved the temporary injunction in the case of W. C. Francis, et al., against Chris Schumann, Governor West, Treasurer Kay, Secretary of State Ben W. Oleott and the Salem printers' union, an action brought in the circuit court for Marion county to restrain the state printer from paying the men in the state printing office. In dissolving the temporary injunction, Judge Galloway sustains the demurrer interposed by District Attorney Ernest Ringo, for the defendants.

That the employment of union men in the state printing plant is wholly discretionary with State Printer Harris, is the opinion of Judge Galloway.

As long as the plaintiffs are not deprived of any legal right inherent as citizens of Oregon, and are not damaged, they have no cause of action. If the employment of Salem union men in the state printing plant had done harm to them and impaired their rights, then there might be cause for action by the court.

Judge Cites Example.
Accordingly to the defense demurrer on the ground that the plaintiffs had no capacity to sue, that there was a defect of the parties plaintiff, and finally that there were no facts alleged sufficient to constitute a cause of action.

Judge Galloway said it was like having a job of spading in the garden to do, and there were two men to do it—a white man and a black man. If his wife did not like to have a black man around, she told him she preferred a white man, but left the actual matter of hiring to him. If he exercised his judgment and hired the white man, he could not see any reason why the black man had any complaint coming, unless he had lost some of his public rights in the matter. So it is in the present case, the judge declared. As long as State Printer Harris deprives no citizen of his rights as such he may hire a Salem union man or not, just as he pleases.

Judge Galloway granted the plaintiff ten days in which to file an amended complaint. Attorney Clark, of the law firm of Spencer & Clark, of Portland, representing the plaintiffs, gave notice that he would appeal the case to the supreme court.

Rebels Surround Federals Making Their Last Stand

San Pedro, Mexico, April 16.—Surrounded by rebels, the last remnant of President Huerta's army of the north was making its last stand fight at Benavides Station today.

The federal force was reduced by the battle of San Pedro from 12,000 to about 6,800 men but they were still resisting desperately. General Villa was determined to exterminate them. He was in personal charge of the rebel attack, had all his available troops in action and had sent for 3,000 more from Torreón.

Runners from the scene of the engagement reported it one of the fiercest of the rebellion. They said the federals occupied a strong position and were defending it with reckless determination. The rebels, however, were tightening the cordon about them and it was declared they were certain to be wiped out unless they surrendered. There was no chance for them this time, said witnesses of the battle to slip through the rebels' line

as they did at Torreón and San Pedro.

According to General Ortega, among the prisoners his men took when they captured San Pedro Monday night were five American newspaper and magazine writers who had been accompanying the federals. General Villa ordered that every consideration be shown them and they were held at a hacienda on Lake Mayran, between San Pedro and Benavides Station.

Since San Pedro's capture 1,000 wounded have arrived from the scenes of the various battles and skirmishes fought in its vicinity.

Coxey's "Second Invasion" Begun With Army of 200

Massillon, Ohio, April 16.—Riding in a rickety old phaeton, drawn by a mule, "General" Jacob S. Coxey, at the head of 200 unemployed men, today started on his long heralded trip to Washington. Hundreds of persons watched the start. A banner attached to the mules harness read:

"Jacob's ass, I am jobless and mortgaged. My owner pays 8 per cent in advance every two months. The bank loaning him the money gets it from Uncle Sam at cost, and, besides, he pays bank interest on securities deposited for issuance money."

"I am pulling my owner to Washington to have him granted the same privileges."

Mrs. Coxey accompanied her husband.

band. David Coxey, aged 11 years, their son, rode behind the phaeton on a pony.