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The Daily Capital Journal

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THIRTY-EIGHTH YEAR

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MORE SUCCESSSES FOR GERMANS IN RUSSIA

Victorious Legions Are Pressing Close On Heels of Retreat-ing Slavs and Riga Is Expected Soon To Fall--Italians Report Capture of Mountain Summit Dominating Goritz--Vienna Reports Capture of Italian Dirigible--News From Various Theatres of War

Berlin, via The Hague, Aug. 7.—Fresh victories for the German armies in the east are hoped for within the next twenty-four hours.

With Kovno, the fortress of North-west Poland and the Baltic port of Riga threatened, early occupation of these two important points is expected while the Russian forces which retreated from Warsaw are believed to be in danger of envelopment.

Despite the stubborn resistance offered by the Russians they have not been able to halt the forward sweep of the widely separated wings of the German armies.

That the steady German drive has caused a change of Russian plans in the north is believed to be indicated by the fact that the fall of Kovno is near.

Reports from Petrograd that the fortress of Novogeorgiewsk is prepared to withstand an extended siege conflict with statements that the Russians were evacuating this position and the official claim that the Germans had pierced the positions of the positions.

It is believed, possible, however, that all along the Germans may have penetrated between some of the Novogeorgiewsk forts. But at all events it is not believed the forts which are still manned and defended can withstand the battering of German siege guns for long.

It is reported that the capture of Novogeorgiewsk the railways and the Vistula river, which it commands, will be open to the Germans for the transportation of supplies.

Russians In Full Retreat.

Berlin, via wireless to Sayville, Aug. 7.—The Russian line north of Warsaw is in full retreat. General Von Schoellz and General Von Gallwitz have broken the resistance of the Slavs near Lomza at the mouth of the Bug river and are driving them in confusion, it was announced here today.

The Germans have captured Dobrzyn, the statement declared. From the east bank of the Vistula the Russians are now bombarding Warsaw, until this week their strongest point on the Polish line. The bombardment of the Polish capital continued throughout yesterday it was stated.

German aviators dropped bombs upon the Novo Minsk and Siedlce railway stations. Both of these points are east of Warsaw and the Russians are retreating along the railway running through the towns.

Italian Dirigible Brought Down. Vienna, Aug. 7.—The Italian dirigible Citta Di Jesi, attempting to approach Pola, was brought down by shrapnel from anti-aircraft guns it was officially announced today. The dirigible was damaged and was towed into Pola. The loss of a dirigible and its crew to the Austrians was reported yesterday from Rome, though the Italian official announcement merely said the dirigible fell in the Adriatic while returning from Pola.

Submarine Sinks Submarine. Paris, Aug. 7.—A special agency dispatch here today declared it was reported in Rome that an Austrian submarine sank the Italian submarine Neriede in the Adriatic recently. The report was without confirmation. The Neriede carried 17 men.

Six Fishing Vessels Sunk. London, Aug. 7.—German submarines have sunk six English fishing smacks and set the Danish schooner Hans Emil on fire during the last 24 hours. The crews of all the vessels destroyed were rescued.

Sweden May Attack Russia. London, Aug. 7.—The Post today expressed the fear that Sweden's unfriendly attitude toward Russia may lead to war. It is reported that warlike preparations have been observed in northern Sweden. The Swedes, it is said, are apparently emboldened by the German successes.

German Troops Mutiny. Havre, Aug. 7.—Serious mutinies have broken out in the German garrison at Liege, Ghent and Bruges, according to advices here today. The landrum troops, upon being ordered to the German lines of the Yser front are said to have refused to go. The leaders of the mutinies are reported to have been shot.

San Francisco Chronicle: Until the nations are ready to make a declaration of interdependence there can be no United States of Europe, far less of the world.

Italsians Capture Summit. Paris, Aug. 7.—The Italians have attained the summit of Monte San Michel, dominating the Austrian stronghold of Goritz, according to advices here today. With this important advantage gained, the Italian attacks are said to have been renewed with such fury as to promise the early capture of Goritz.

SUIT TO BE BROUGHT AGAINST DIRECTORS OF INSURANCE CO.

Local Mutual Insurance Company Tangle To Be Aired In Courts

A motion was filed in the circuit court of this county today in the matter of the receivership of the Horticultural Fire Relief of Oregon which raises the question of the right of the creditors of the company to claim the unearned premiums or such parts as are available. This motion paves the way for a suit which will be filed next week against the receiver of the company to compel him to proceed against the directors of the company and to hold them personally liable for the debts of the company.

The suit is being brought by J. C. Luckel, C. L. McKenna and Louise M. Blair-Wilkes, as the committee representing the policy holders of the company. Oswald West and Charlie McCulloch are representing the policy holders and they hold that if they win their contention in court the assessments against the policy holders will be virtually wiped out. In round numbers they give the assessments as \$32,000, to this is added \$6,000 in other assets making a total of \$38,000 in assets of the company. To the \$30,000 losses of the company is added the \$72,000 general liabilities of the company making a total of \$102,000 in liabilities and the committee holds that this shows a dividend of approximately 33 1/3 per cent for the policy holders.

Since one-third of \$72,000 is \$24,000 it is held that the \$24,000 virtually cancels the \$32,000 assessments held against the policy holders and relieves them of further liability. The suit against the directors is based on the allegation that the director slevied an assessment when they knew that the company was insolvent and questions the right of the directors to take over the Pacific Home Mutual and Oregon Merchants' companies and pay the losses of these two companies out of the funds of the Horticultural Fire Relief. The report of the examiner shows that the cost of taking over the Pacific Home Mutual was \$16,700 and that the assets gained from this transaction totaled \$3,500, leaving an alleged deficit of \$13,200 by the transaction. In the taking over of the Oregon Merchants' Mutual the report of the examiner shows that it cost the Horticultural \$26,000 and that the assets gained were \$1,600 making the cost to the Horticultural company approximately \$24,400 which added to the cost of taking over the Pacific Home Mutual aggregated \$37,500 which was charged to the Horticultural company.

Without waiting for the endorsement of the Pan-American diplomats the administration is now actively engaged in efforts to restore order in Mexico. The immediate work is purely pacificatory in nature and is being handled by the United States minister in Mexico. The approval of the diplomats must be secured before a definite policy is adopted, but hope is entertained that a favorable impression will be produced on them if they can be shown tangible progress in the scheme of President Wilson and Secretary Lansing.

Looking for Robbers. Ellensburg, Wash., Aug. 7.—Deputy sheriffs are today on the lookout for three robbers who kidnaped and gagged A. K. Bott, 86, at his ranch near here. They demanded \$100. They kidnaped Bott's wife and the hired girl in another room, but before they could accomplish the robbery they were frightened away by the approach of a neighboring farmer.

GENERAL CARRANZA WILLING TO TREAT WITH VILLA NOW

Communication From Dominant Faction Leader Is Received

UNITED STATES TAKE STEPS TO RESTORE ORDER

Religious Issue Is Paramount Owing to Position of General Carranza

Washington, Aug. 7.—General Carranza is willing to treat with General Villa for peace. It was announced at the state department today that Secretary Lansing had been notified of the "first chief's" willingness to open peace negotiations with Villa through Judge C. A. Douglas, his Washington representative.

General Carranza's communication said: "Any citizen of Mexico who, in good faith, has a suggestion to make for the country's welfare, I, or others concerned in the government, will gladly hear and confer with." "There has been no time when General Villa or commanders under him could not have obtained a conference with General Obregon or our other commanders in a military way. We are ready to confer with any Mexican element for the welfare of our common country, but we must not yield or throw ourselves to the winds of the victory which now enables us to realize the aims of the revolution." "Trying to Restore Order. Without waiting for the endorsement of the Pan-American diplomats the administration is now actively engaged in efforts to restore order in Mexico. The immediate work is purely pacificatory in nature and is being handled by the United States minister in Mexico.

MORGENTHAU SAVES FOREIGNERS FROM TURKISH VENGEANCE

Two Thousand English and French Civilians Would Have Been Sacrificed

By Henry Wood.

Constantinople, Aug. 7.—(By courier to Dedeagatch and cable to New York, Aug. 7.)—By a dramatic move which aroused even the admiration of the Turks, American Ambassador Morgenthau saved 2,000 English and French civilians whom Enver Pasha, the Turkish war minister, had decided to expose to the bombardment of the allied fleet in the Dardanelles. The fact that fifty French and English civilians were actually taken to the Dardanelles to screen the Turks from bombardment, but were rescued by Ambassador Morgenthau has been known in the Balkan capital for some time. But the full story was learned only today.

Angered by reports that several undefended villages had been shelled on Enver Pasha secretly ordered the chief of police to transport all enemy civilians from Constantinople to the Dardanelles. He planned to scatter them through deserted Turkish villages, and then warn the fleet that further bombardments would result in the death of non-combatants of the allies. The order of the war minister was to have been executed on Monday morning. Morgenthau accidentally heard of the preceding evening. The ambassador called Enver Pasha on the telephone immediately and protested with the result that the Young Turk leader promised to spare women and children by leaving them behind and finally consenting to postpone execution of his order until Thursday.

Morgenthau suggested that twenty-five of the civilian allies be sent to the war area and finally compromised on fifty. The ambassador supervised the departure on the following morning of 24 French and 26 English civilians the police had collected. The scene at the Golden Horn pier where their friends and relatives came to bid them goodbye—they were going to seemingly certain death—was one of the most affecting ever witnessed. At the last moment an English pastor volunteered to go along to offer spiritual consolation to the victims. Ambassador Morgenthau sent Hoffman Philip, first secretary of the embassy, with them to see that they had food.

Recused at Eleventh Hour. Arriving at Gallipoli the party was divided. They were quartered in vacant houses of a village which had been under fire for days and was deserted except for cats and dogs. For five days they huddled together in huts, awaiting the expected bombardment. Their hours were full of terror. At any moment they expected to hear the dull boom of their miserable hiding places knocked to pieces about their ears. On the sixth day a courier arrived from Constantinople. Upon Ambassador Morgenthau's plea, Enver Pasha had agreed to their return to Constantinople. Relatives sobbing with joy, met the seemingly doomed civilians at the pier.

Pittsburg Chronicle Telegraph: Why does it always rain hardest when a fellow is going to work or going home from work? The men gave their names as Charles Reynolds, aged 27, of Tulsa, Okla., and Frank Jones, aged 28, of Tillamook, Ore., and pleaded guilty when arraigned before Circuit Judge Hamilton. They also pleaded guilty to the charge of attacking Mrs. Lakin and were each given 20 years imprisonment for this. The assault was committed about 3 o'clock Thursday afternoon. Mrs. Lakin was compelled to dismount from the horse she was riding and dragged into a lonely canyon. Four hours later the two fiends were captured by a posse of farmers. Friday morning they were indicted by the grand jury, and just 24 hours after the commission of the crime were doomed to life imprisonment.

PREPARED FOR GERMAN ON WESTERN WAR FRONT

Greatest Slaughter Ever Witnessed Will Result From Attempt To Break Through French Line, Assert Military Leaders of That Nation--Wonderful Stores of Munitions and Food In Great Fortress of Verdun--Absolute Confidence That Positions Are Impregnable

Paris, Aug. 7.—(Copyright 1915 by the United Press; copyright in Great Britain.) How long will the war last? "Until we are in Germany." "We will fight until this is accomplished, be it two years or ten." This was the reply of a famous French general Wednesday, the anniversary of the declaration of war between Germany and France, to the question of William Philip Simms, United Press staff correspondent.

One is vividly impressed with the spirit of determination everywhere prevalent in the French ranks after a year of war. Men and officers alike agree that another year is a practical certainty. Both displayed the utmost cheerfulness as to the French prospects. They say they are so accustomed to campaigning now that they fear they will find peaceful pursuits tame when the war ends.

All along the battle front trenches and villages back of the lines have been renovated to add to the soldiers' comforts, giving further evidence that the troops expect to be in action for a long time. In some of the villages elaborate power plants and water works have been established and churches and theatres built. Quiet cross roads towns have been equipped with electric lights. Photograph galleries and postcard stores have put in their appearance.

American barbed wire strung between the opposing trenches has established a deadlock from the sea to the Swiss frontier and war is reduced to a routine business. French officers, however, expect a change shortly, though few think peace is at all near.

On Wednesday, the anniversary of the formal declaration of war between France and Germany, I asked one of Joffre's ablest generals how long the war would last. "Until we are in Germany," he answered quietly. "We will fight until this is accomplished, be it two years or ten."

Strength of Verdun. On this trip over the battle front, I was shown sights which few, if any, civilians have heretofore seen, or if they did see them and were caught, they paid the penalty of standing blindfolded before a firing squad. Secrets of the great Citadel of Verdun were made an open book by French officers. I was conducted through subterranean passages nearly 200 feet below the surface of the forts where the siege preparations comprised everything from food and shells to grist mills, water works, hospitals, a wireless plant, and sleeping quarters for the entire civil as well as military population of Verdun. The military governor and his staff were working 100 feet underground in an office of considerable size directly beneath the Citadel. The governor explained that these preparations were being hurried in danger, but because on June 1, twenty-six 380 millimeter shells were hurled into the town by the Germans who used the same long range guns that shelled Dunkirk from a distance of about twenty miles. In this subterranean office the staff is able to work without regard to possible dangers and it is also possible for the civil population to find refuge underground if the bombardment should be repeated.

Subsequently I was shown through the outlying forts and the munition factories. The officers allowed me to handle grenades, to inspect several new

Believe Peace Nearer Among Warring Nations. Washington, Aug. 7.—The belief that peace is near in Europe was expressed in several official quarters today. The allies and central powers are now deadlocked, it was pointed out and the opinion was expressed that if the belligerents decide they can gain nothing further by continued fighting, peace will follow.

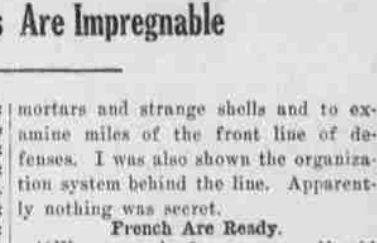
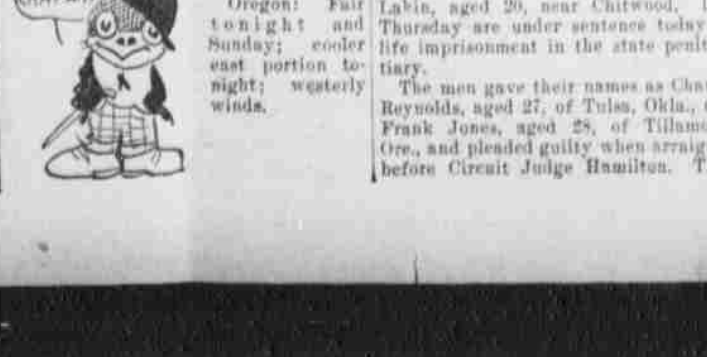
It was suggested that if the administration is convinced that the war may end soon, it may influence negotiations now in progress with the different powers, especially in England as to interference with commerce and with Germany regarding the submarine warfare.

War Expert Thinks Peace Object of French Attitude

By J. W. T. Mason. (Written for the United Press.) New York, Aug. 7.—A genuine spirit of confidence prevails in France today, that the French forces will have comparatively little difficulty to check any possible effort of the Germans to break through the line of the allies to the channel or upon Paris. So certain is the general army staff that France defensively can master any attack that the old time spirit of secrecy has disappeared. Positive evidence of this is shown in the fact that the carefully guarded defenses of Verdun were thrown open to William Philip Simms, the United Press staff correspondent, with the French army at the front. That a war correspondent should be granted these privileges is not only unprecedented but also very significant. As a consequence of the attack upon the western line which no doubt has been considered, France apparently decided that if proper publicity concerning her preparedness be given, it may demonstrate to the enemy the uselessness of attempting any major assault. At the same time the Balkans who are hesitating whether to join the Austro-German forces or the allies, cannot help from being impressed.

Simms tells of a subterranean city prepared 200 feet below the surface, Verdun's remarkable example of continued activity has been necessary during the present war in order to meet new conditions. The defenses in Liege and in Poland are undoubtedly due more to the absence of the Slavs creative activity than to any other factor. The present war is primarily a struggle to master physical difficulties and to adapt physical surroundings to meet the requirements of the defense. When this is done, the numerically superior enemy has no advantage in numbers. If a million men were suddenly added to the offensive against the French, it would probably be no more effective than if animals were led to slaughter. The French want to create this impression. It would emphasize the pertinence of the western deadlock. The German commanders unquestionably know the strength of the French positions but the public at large does not. It is probable that the revelations were made in an effort to stimulate peace propaganda. It may be assumed Germany's ingenuity has been matched by France. Since the Germans cannot hope to overwhelm the French and the French cannot break the German line, peace may not be far distant when the civilians understood this.

THE WEATHER Oregon: Fair tonight and Sunday; cooler east portion to night; westerly winds.



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Russia Fears Sweden Will Side With Germans

Portland, Ore., Aug. 7.—That Russia has feared for some time Sweden would eventually cast her lot with Germany in the European war is indicated today by literature in Swedish sent from Russia direct to Sweden in Portland. A booklet entitled "Russia's Advance to the Atlantic and Future Relations between Russia and Sweden," setting forth many reasons why Sweden should feel friendly toward Russia has just been received. The author is Engineer Nikolaj Emeljanoff.

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Miss Emma Goldman Fined In Portland

Portland, Ore., Aug. 7.—Held guilty in police court on the charge of distributing improper literature in the city Miss Emma Goldman, the anarchist and her manager, Ben Reitman, were fined \$100 each today. The literature which brought down the wrath of the authorities related to birth control and discussed the subject in very plain language. The police court was crowded when Miss Goldman and Reitman were arraigned. There were audible sighs of disappointment when Deputy City Attorney Latourette declined to read aloud the pamphlet on birth control, the distribution of which caused the arrest of the two anarchists.