

The Daily Capital Journal

FULL LEASED
WIRE DISPATCHES

CIRCULATION IS
OVER 4000 DAILY

THIRTY-NINTH YEAR SALEM, OREGON, SATURDAY, JULY 8, 1916 PRICE TWO CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

AUSTRIAN ARMY CUT OFF BY QUICK RUSSIAN DASH

Force Estimated at From 100 to 30,000 Left Helpless When Slavs Capture Railroad—Cornered Against Mountains May Be Forced to Surrender—Indications Are Austro-Germans Will Fall Back—Rain Checks Battle Along Belgian Front

Petrograd, July 8.—An Austrian force estimated at between 20,000 and 30,000 has been cut off by the Russians southwest of Kolomea.

The Austrians were massed east of the railway leading southward through Jablonitz pass. The sudden dash of a Russian infantry body that seized the railway station of Mikluiczyn, cut off their retreat to the south. The right wing of the same Russian army advancing westward upon Nadvorna, severed their communication with the Austrian forces to the north.

The latest reports to the war office said that Russian troops were attempting to squeeze the Austrians against the foothills of the Carpathians and effect their capture before they can escape through the mountain passes.

Russian aeroplane scouts report the withdrawal of enemy heavy artillery on the right wing of General Von Bothmer's Austro-German army. There are other indications that Von Bothmer, hard pressed by the Russians advancing on Nadvorna and Stanislaw, is preparing to fall back on the whole Galician front.

From Volhynian battleground northward, the Germans continue a most stubborn defense. On the Riga-Dvinsk front and in the fighting around Sokul, where the Russians have made further progress, the enemy is counter attacking with great vigor.

By Ed L. Keen.
(United Press staff correspondent.)

London, July 8.—The super-offensive of the allies' armies entered its second week today with the allies everywhere attacking and maintaining their early gains at practically every point despite heavy counter attacks.

A heavy downpour of rain throughout yesterday afternoon converted the battle ground on both sides of the Somme into a great sea of mud last night and seriously hampered operations. Despite this handicap, the French war office today claimed slight further progress south of the Somme, with the taking of 400 prisoners.

The British troops north of the Somme, after scoring important successes against the Germans in yesterday's fighting, contented themselves last night with improving their positions. The fighting at the village of Contalmaison reported a deadlock during the night, with the British holding the British and French the eastern part of the ruined town.

No official estimates of either the German or British losses have been made by the war office since the offensive began at 7:30 last Saturday morning, but the Germans are unofficially reported to have lost from 30,000 to 40,000 in killed and wounded besides nearly 20,000 taken prisoners by the British and French. Special dispatches from Paris today reported that 5,000 Prussian guardsmen, the flower of the kaiser's army, were killed in the early days of the fighting, but this may be an exaggeration.

British Capture Gains.
General Haig reported that in the last few days the British have captured 20 guns, 51 machine guns, numerous automatic rifles, trench mortars, mine throwers and other war material.

The operations on the Russian front, where the Slav offensive continues to spread and develop in power, are being watched with the greatest interest here.



It's nice t' live in a little town where even a cow kin get her name in the paper. Uncle Es' Pash says he kin remember when only folks that amounted t' somethin' wore frock coats.

GOVERNOR JOHNSON REFUSES TO DICTATE

Advises Progressives to Fight for Principles Through Both Old Parties

San Francisco, July 8.—California progressives were urged to act collectively both in the democratic and republican parties by Governor Hiram Johnson in a speech at the progressive state conference here this afternoon.

The governor declared that if progressives did not act in concert, their legislation, won while the party was in power here, might be lost. He said that while the progressive national party has ceased to exist, progressiveism still lives and that progressives will continue fighting both the old organizations were imbued with their spirit.

Johnson left the former bull moose adherents to decide for themselves which candidate—Hughes or Wilson—to support. He said he would enlarge on his personal reasons for upholding Hughes later on.

In conclusion the governor reviewed his work in office and said he had always done his best in spite of the attacks of his enemies and efforts of "millionaire newspaper owners" and politicians to sway him. The approval of the plain people, he asserted, meant more to him than the advocacy of all the "millionaire newspaper owners."

Think Lansing Has Promised Withdrawal

Mexico City, July 8.—That Secretary of State Lansing has pledged the withdrawal of American troops from Mexico in his answer to the Mexican note is the popular belief here.

The people are awaiting expectantly for the contents of the note. It is the general impression that the United States has abandoned the idea of intervention and has expressed a willingness to negotiate future difficulties.

There is great satisfaction over the practical solution of their difficulties, reports that Mexico and the United States will reach both a peaceful and satisfactory solution of trouble. Sentiment has undergone a marked change and it is quite likely that demonstrations and parades to show friendly feeling for the United States will be held tomorrow.

EIGHTEEN DEATHS DUE TO EPIDEMIC IN NEW YORK CITY

Ten Thousand Citizens Members of Home Defense League Called Out

892 CASES SINCE START DIED DURING WEEK 126

Playgrounds and Nearly All Public Resorts Closed to Children

New York, July 8.—Ten thousand New York citizens, members of the Home Defense league, were called out today by Acting Police Commissioner Leo L. Godley to aid in the fight being waged by government and municipal health authorities against the infantile paralysis epidemic. Eighteen more deaths and 95 cases were reported today. This brings the total number of deaths for the week up to 125 and the total number of cases reported to the health authorities to 892. A majority of the deaths and new cases were in Brooklyn.

With six federal health officers under the leadership of Dr. William C. Rucker here, efforts to curb the disease were redoubled today. It was admitted, however, that the excess heat—it was nearly 90 this afternoon—was likely to cause additional deaths and more new cases.

From 4 o'clock until midnight each day, a league member will accompany a patrolman in his rounds and assist him in seeing that his orders are not violated.

Federal health officers were admittedly disturbed by reports of infantile paralysis appearing in nearly a dozen different states, but it was pointed out these were mostly isolated cases.

The deaths and new cases reported today were divided as follows:

(Continued on Page Eight.)

WILL NOT ATTEMPT TO AID WITH MONEY

Administration Will Make No Move Until Carranza Requests It

By Robert J. Bender.
(United Press staff correspondent.)

Washington, July 8.—President Wilson will make no effort to rehabilitate Mexico with American money until General Carranza requests it. Administration officials have been informed that any offers of financial assistance now would meet with rebuff.

This is not due to the fact that Carranza does not need money, but to fears among Mexican officials that full trust cannot be placed in this country. Carranza has said in the past that any foreign loan would mean right of intervention as a loaning power to collect its interest. Up to the present Carranza has refused to consider borrowing from any foreign country.

Within the last two weeks, however, two things have occurred which may result in a co-operative plan between President Wilson and Carranza from which an American loan may result.

In the first place an earnest effort has been made to convince Carranzista agents of the sincerity of President Wilson in dealing with Mexico that the United States may be looked upon as a friend of the republic.

This work is already bearing fruit and some of these agents are expected to return to Mexico City soon carrying their report to Carranza.

In the second place, the reply of President Wilson to Carranza's last note leaves the way open for the first chief to suggest not only means of ending the border trouble but also of solving other problems confront him.

El Paso Fire Due To Mexican Incendiaries

El Paso, Texas, July 8.—A Mexican plot to burn all El Paso buildings connected with the United States has been unearthed by government secret service men, it was learned today. Responsibility for \$500,000 fire loss here within the last fortnight in buildings supplying the army with provisions and automobiles and in the reconstruction of Fort Bliss barracks, is laid to the operations of the "Mexican fire brigade," as the plotters called themselves.

OFFICERS SAY VILLA MAY PREVENT AN AGREEMENT

Is Reported As Nearly Well of His Wounds and To Be Raising An Army In Southern Chihuahua—Peons Reported Flocking To Join Him—May Yet Get Strong Enough to Overthrow Carranza—War Department Does Not Believe He Is Alive

El Paso, Texas, July 8.—Francisco Villa is reported today to be marching from Jimenez to Chihuahua City, while contradictory advices from Carranzista sources declared the de facto government troops had re-occupied Jimenez and were driving the bandits southward. Carranzista officials do not admit that Villa himself is leading the rebels.

The Villistas have issued new Mexican currency. Millions of pesos of the bandit leader's old currency is held throughout Chihuahua and he is reported to be obtaining much support by promising to redeem the now practically worthless paper.

Former Villistas in small Carranzista garrisons of southern Chihuahua are reported to have rejoined their old leader. The idol of the peons in northern Mexico, Villa, in reports which declare he is alive, is said to be recruiting a strong force to overthrow Carranza and drive out the Americans. He is paying his soldiers and buying provisions with the new issue of currency, according to unofficial sources. The rebels have confiscated ammunition and guns found in the small hamlets and also have obtained arms from Carranzista deserters and from mountain caches.

Villa May Spoil All.
San Antonio, Texas, July 8.—Army officials here believe a single factor will render useless the attempts to adjust the difference between the United States and Mexico by diplomatic negotiations. That factor is Francisco Villa, who apparently has resumed his bandit operations on a larger scale than at any time since his overwhelming defeat by Carranza forces nearly a year ago.

Villa will increase the size of his forces until they become a real menace to Mexican and American border towns alike, army officers believe, necessitating the dispatch of other punitive expeditions into Mexico to round him up.

General Funston has received the war department instructions to discharge all militiamen with dependent families. The soldiers must take the initiative, furnishing written applications with affidavits that they have persons dependent upon them.

Funston has been obliged to subdivide the Brownsville district because Brigadier General Parker, the regular army officer in command there, was outranked by Major General O'Ryan of the New York national guard. Parker was given charge of the regulars and O'Ryan the militia.

Relaxing Embargo.
Washington, July 8.—The war department considered today relaxing its embargo along the Mexican border. It will not permit, however, shipments of arms and ammunition to the Mexicans at this time.

On the other hand, supplies of a general character, which have fallen under the embargo, probably will be permitted to pass freely for a week or two. The occasion for the proposed relaxation is the difficulty encountered by General Pershing in getting his own supplies through by private means.

Movement of the troops northward in Mexico and persistent reports that Villa is alive are keeping the department on the alert for possible trouble.

The state department believes stories that Villa is still alive, while the war department doubts them.

On the state department's view the stay of General Pershing's forces in Mexico would be justified; on the war department idea, no military justification can be found, officials say. The troops will not be withdrawn, however, pending negotiations between the de facto and American governments over border patrol and other border difficulties.

Three Americans Are Said To Be Captured In Mexican Bandit Raid

El Paso, Texas, July 8.—Three Americans are reported to have been captured and carried into Mexico by Mexican bandits who invaded the United States in the Big Bend country today and attacked the properties of the Puerto Rico Mining company.

The American employees, with rifles for a time stood off the bandits from a mine shed but were forced to retreat to the foothills. Three are reported to have been captured by the raiders.

Tom Perrine telephoned from his Anapra, N. M., ranch this afternoon, claiming he and two employees killed fourteen Mexicans out of a party of forty who crossed the border and drove off half a hundred head of Perrine's cattle.

Still a third raid, in which Carranzistas are said to have cooperated with the bandits, was reported to have taken place at Terlingua, Texas. Whether company K, Texas militia, which was stationed at Terlingua, engaged the bandits is not known here.

The raiders at the Puerto Rico company's property set fire to buildings after looting stores and houses.

THE WEATHER

Oregon: Tonight and Sunday fair; cooler east portion; westerly winds.

I NEED A NEW HAT

-- We Have With Us Tonight --



T. G. Bligh is proprietor and manager of the Bligh, Liberty and Grand theatres. He also conducts the popular Bligh Hotel, recently very much enlarged and improved, and has a few other enterprises on the side. Naturally Mr. Bligh is as busy as he is entertaining.