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THIRTY-NINTH YEAR—NO. 264 SALEM, OREGON, FRIDAY, DECEMBER 8, 1916 PRICE TWO CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

GERMAN ADVANCE CUTS OFF RETREAT OF ONE DIVISION

Ten Battalions, One Squadron and Six Batteries Captured

CLAIM TEN THOUSAND CAPTURED YESTERDAY

Teuton Troops Being Sent to Monastir. Where Next Fighting Is Staged

Berlin, via Sayville wireless, Dec. 8.—The German advance on the line beyond Bucharest and Ploesti has proceeded so rapidly that Rumanian forces on the frontier mountains in the Prudeni and Altschanz passes have had their retreat cut off today's official war office statement asserted.

These Rumanian forces, it was said, encountered the German-Austro-Hungarian troops as they sought to return, and already being pressed from the north, a majority of the Rumanians have already fallen prisoners.

In the whole section of Rumania between the mountains and the Danube the German pursuit of the enemy continued.

The German Ninth army yesterday took over 10,000 prisoners.

On the Alt, the statement said, the troops against the Rumanian forces cut off in the western part of the country "had been fulfilled."

Colonel Von Szilov with his Austro-German troops on December 6 forced these to surrender," the statement explained.

Ten battalions, one squadron and six batteries, numbering 8,000 men, with six cannon, laid down their arms."

RETREAT WELL CONDUCTED

London, Dec. 8.—Fred Daniels of the German occupancy of Bucharest received today added to the belief here that the Rumanian retreat had been masterfully executed and with a minimum of losses.

The Rumanian army still is intact, and with reorganization and reequipment may again become a formidable force.

Presumably the Rumanian forces which evacuated the capital and the other cities in the territory taken by the Germans are planning their reorganization northward in that part of Rumania just below Moldavia. Rumanian marrows in this part and the flank of such an army would be well protected by natural obstacles against an enemy.

Moreover the Rumanians established here would be closer to their sources of supply in Russia and better able to draw reinforcements in men from the czar's legions.

A renewal of bitter fighting in Dobruja was looked for here today as the immediate result of the Rumanian retreat.

Disciplining Greece.

London, Dec. 8.—Disciplining of Greece by the allies begins today. A blockade of Greek ports was to be formally announced by the French government, which, combined with previous British and French orders against movement of Greek vessels from their harbors was expected absolutely to cut the kingdom off from supplies.

Dispatches from Athens today said the Italian colony was the only colony

Abe Martin

You can convince some folks of most anything 'cept that they can't sing. If there's anything a man would rather do than push a carpet sweeper it's drive an electric.

SEATTLE WOMEN TO FIGHT

Seattle, Wash., Dec. 8.—Four thousand housewives of Seattle are expected to attend the mass meeting at the Hippodrome at 2 o'clock this afternoon to out-line a campaign to reduce the cost of living.

Members of the dairymen's association pleaded with the women yesterday afternoon at a conference, not to boycott butter, saying it would be a play into the hands of the canned milk concern, as long as food prices remain high.

Embargo measures on all necessities, it was argued would be the fairest means of reducing prices. Manipulation of prices has hurt the farmer and consumer alike, they argued.

POLICE WRECKED CECIL HOTEL BAR

Mirrors Smashed and Fixtures Demolished in Seattle's Swell Joint

Seattle, Wash., Dec. 8.—Broken glass and splintered mahogany was all that remains of the Cecil hotel bar, after a police wrecking squad laid down their axes at four o'clock this morning.

The \$40,000 establishment, operated by John E. Savage in connection with his styled "liveried cafe in America" was ordered demolished by Mayor Gill after Sergeant of Police Putnam of the dry squad had convinced the executive that investigators exchanged marked money for liquor.

The cafe, connecting with the bar, was not wrecked.

It was closed down early last night when the police prepared to wreck the bar fixtures, but will continue to run with its corps of entertainers.

Savage denied booze had been sold over his bar, but two marked bills were found in the cash register.

The bar was one of the finest in Seattle, and the restaurant facilities in the same room were destroyed with it. Great plate glass mirrors said to be among the largest and most expensive on the coast were demolished at a single blow.

FRANCE REARRANGING HER ORGANIZATION

Will Not Be In Line of Cabinet Changes, But Changing of Staff

Paris, Dec. 8.—Like England, France is preparing a "reconstruction government."

The change will not be one of cabinet, however, but will be in a new organization of the general staff and a concentration of the war's conduct under restricted direction.

The "organization," "concentration" and "restricted direction" phrases were those included in the language of a resolution of confidence adopted by the chamber of deputies last night, 341 to 100. It followed a stormy secret session. The meeting was the tenth closed session held recently in which it is believed the Briand ministry came dangerously near dissolution. Last night, it is assumed, the deputies found satisfaction in certain promises of reforms looking to more rigid control of the war made by Briand and thereupon registered their support of his ministry.

A number of deputies at last night's session bitterly assailed "arbitrary warfare," and demanded a "speeding up" on France's part.

SHOT CASHIER IN BACK

Point, Texas, Dec. 8.—C. A. Glass, cashier of the First State bank, died today from wounds received when a bandit stood him against the wall of the bank after robbing the safe last night and fired three shots into his back.

Despite his wounds Glass crawled on his knees half a block to the home of Will Thorne, a deputy sheriff, and gave the alarm. No trace of the bandit could be found early today. He obtained about \$250 in cash.

SENTENCES COMMUTED

Washington, Dec. 8.—Jail sentences against Ladvinka, James Oates, F. J. Stachans and Fanny Sullivan, labor organizers, who participated in the West Virginia coal mine strike in 1914 and who were convicted, they claimed, on the testimony of one detective, were today commuted by President Wilson to expire at once.

SLOPPY AT TACOMA

Tacoma, Wash., Dec. 8.—Rain which began falling early today rapidly melted the inch of snow that came down during the night. It was the first snow storm of the winter and is unusual at this season.

RAILROADS USED TO HELP GAMBLERS ROB CONSUMERS

25,000 Freight Cars Held at Chicago and Detroit for Unloading

INTERESTS CONTROL DISPOSITION OF CARS

These Have Withheld Food Supplies in Order to Boost Prices

Washington, Dec. 8.—The government has "damaging evidence" of a widespread, illegal speculation in the food markets of the country, a high official intimately connected with the food price probe said to the United Press today.

This official expressed the belief that the investigation, so far tends to show "a gross abuse of the transportation facilities of the country."

It was declared the inquiry so far tends to show that "certain interests" able to control to some extent the movements of large numbers of freight cars have been acting "in a vicious and illegal collusion" to withhold food supplies from large markets, notably at Chicago.

These charges are considered deeply significant in view of the conference yesterday between George W. Anderson, special assistant to the attorney general in charge of the federal food probe, and Commissioners Meyers and McChord of the interstate commerce commission. Additional significance is attached to the charge in view of a statement by the American railway association today that more than 25,000 freight cars are held up at Chicago and Detroit awaiting unloading.

It was stated at the White House today that much evidence wanted by the administration has been laid before the president in the past twenty hours and that all government branches active in the campaign have done "exceptional" work. Until every investigation is completed, however, the president will formulate no plans for remedies. When he is ready, though, it is declared today, "he will strike quickly and strike hard, if striking is necessary."

The high cost of living problem was to occupy considerable time during this afternoon's cabinet session. Commerce Secretary Redfield will confer with the president afterwards on the work his department has done.

Government Gets Busy

Washington, Dec. 8.—The government food price probe took definite shape today.

While official statements regarding plans for investigation and action in this sort of work are withheld, the United Press learned authoritatively that the department of justice has been given carte blanche in the matter. This plan is known to have the complete approval of President Wilson.

The investigations on under the supervision of the agricultural and commerce departments and by the federal trade and interstate commerce commission are also to be pushed with vigor. But where investigators of these branches of the government run into evidence of food or coal price conspiracies that will be turned over immediately to the department of justice.

Wherever the trails of agents of these government branches cross department of justice trails, the former will defer to the latter.

Special Assistant Attorney General Anderson approved this plan of campaign on the grounds that the price of wheat will thereby be centered and consequently have more power behind it.

Think Wreckage Came from the Daisy

Astoria, Or., Dec. 8.—Shipping men today were inclined to believe that wreckage which drifted ashore south of here was from the lost deckload of the steamer Daisy, rather than evidence that the steam schooner Santa Barbara had been damaged.

The Daisy lost her deckload only a few miles from Cape Mearns, where most of the debris was sighted. A life preserver marked "Santa Barbara" floated among the rubbish. This gave rise to the report that the Santa Barbara was in trouble.

Tugs which went out to look for signs of disaster returned here without having sighted the Santa Barbara or any more wreckage.

Did Not Harm Americans

Jose Bovio, an Italian refugee from Chihuahua City, today told United States authorities here the first authentic story of the sucking of the northern Mexican capital by Villistas. Bovio had four conversations with Villa who told him he would harm no foreigners except "gringos" and Chiriquis.

Villa singled Bovio out and ordered him to round up all the merchants in the city and tell them to come to him (Villa). From them the bandit chief demanded two hundred thousand pesos.

"Villa lived with a peon family during the five days he was in Chihuahua City," said Bovio. "He did not go out on the streets much. He was good natured and in good health. He walks with a cane, but can mount his horse without assistance."

"From the first day of the bandit's entrance into the city, systematic looting went on. Every day a train or two loaded with booty pulled out on the Mexican Northwestern railway. The

Dr. Fisher Killed

Washington, Dec. 8.—The state department received official reports today that Dr. Fisher, an American, had been killed by bandits at Santa Rosalia.

The killing is said to have occurred some days ago but this is the first report from an official source to the department in this case.

Officials said today they classed overnight reports from the border which told of the killing of the Americans, Gray, Foster and Snyman, with "wild reports of killings in Chihuahua City last week."

INFANTILE PARALYSIS

Milwaukee, Or., Dec. 7.—Milwaukee schools closed today on account of an outbreak of infantile paralysis. A life preserver marked "Santa Barbara" floated among the rubbish. This gave rise to the report that the Santa Barbara was in trouble.

VILLA MURDERING ALL FOREIGNERS TORTURES SOME

Reported American Rancher, Named Foster, Burned at Stake

MURDERED WILL SNYMAN SON OF BOER GENERAL

Fifteen Hundred Carranza Troops Desert to Join Bandits

By Webb Miller.

(United Press staff correspondent.)

El Paso, Texas, Dec. 8.—With the reopening of telegraphic communication between Chihuahua City and the border, information of massacres and outrages upon citizens and foreigners in all parts of northern Mexico is reaching relatives and the United States authorities here.

Indications seen in reports to United States department agents last week that Villa's attitude toward "gringos" and foreigners had changed proved to be misleading and every scrap of information now reaching the border points to the fact that the bandit chief is sparing lives only when it is in his own interest.

Yusef Salazar, Villa's chief lieutenant, saved the million dollar American-owned Alvarado mines and also saved the town of Parral from destruction by arguing that both the mine and the town would be useful to Villa when he obtains control of the country.

Authentic information has been obtained that at least 1,500 government troops deserted and joined Villa during the attack upon Parral.

On the northern march toward Chihuahua City Villistas murdered Will Snyman, son of the famous Boer general, W. D. Snyman, at San Pablo De Moqui, 50 miles south of the northern capital, according to a telegram to friends here, but no details of the murder were reported.

From various sources reports are reaching government agents here today that an American rancher named Foster has been slain near Torreon by Villistas. Department agents obtained a letter from Torreon received by a Mexican here stating that Villistas had killed Foster by burning him at the stake.

After entering Parral, a month ago, parties of bandits detailed by Villa searched for Americans in the town for several days. The bandits knew the names of all "gringos" refugees and later sought to execute them.

Additional details of the Villista raid upon Chihuahua City have reached the border. The home of Donald Gillis, an American, was wrecked and Howard Snyder's store looted.

The first passenger train from Chihuahua City since the bandit attack upon the city arrived at the border during the night. Jose Barrio, Italian, and his daughter, who was reported kidnapped, were passengers.

Apprehension was aroused here by the movements of bodies of American troops during the night. General Bell, commanding, said the movement had no significance but was merely part of a preparedness program and to accustom the troops to night movements.

A small additional number of guards were placed at the international boundary due to reports of an imminent revolt of the Juarez garrison caused by dissatisfaction over receiving their pay in paper notes.

By Ed L. Keen.

(United Press staff correspondent.)

London, Dec. 8.—All doubt that David Lloyd-George would have complete support for his new government in parliament was swept away today when the Liberal party members, in conference, formally resolved to support the new regime in the prosecution of the war.

The action means the new premier will not only be backed up by the Unionists and the Labourites—totaling 324 votes out of the 670 in commons—but also the Liberal block of votes—260 more. The Irish Nationalist group is the only one of any strength now remaining in common with those position toward the new ministry is not yet clear.

The Liberal conference today adopted resolutions of confidence in its leader, former Premier Asquith, but declared its determination to support the new government in the prosecution of the war.

About 200 Liberals from both houses of parliament, including a number of former ministers, attended the meeting of the party, held at noon in the Reform club. Asquith, smiling and apparently happy, was accorded an enthusiastic ovation by the crowd which gathered at the entrance to the club.

Has Confidence of All

Former Premier Asquith presided at the meeting of the Liberals. He explained in full detail all the circumstances leading up to the change in government, particularly defining his own position in the crisis which led to dissolution of the coalition cabinet.

The new premier's surprising mastery of a political situation yesterday was universally taken as indicative of his future general conduct of the administration in tackling difficult problems, either foreign or domestic.

The general admiration for Lloyd-George's energy, organizing ability and gift of conciliation was expressed by the Pall Mall Gazette today.

"The success and rapidity with which Lloyd-George is fulfilling his commission," the Gazette asserted, "indicates he will shortly have an administration not only with a strong personality and practical talent, but armed with the nation's confidence. Yesterday's achievement gives a more vivid impression than anything else of the striking gifts of leadership which the new premier possesses."

London does not expect formal announcement of the personnel of the new ministry until next Tuesday, to which date the house of commons adjourned yesterday. In the interim Lloyd-George has plenty of time in which to make his selections and utilize his gifts as a conciliator infuser of enthusiasm and organizer.

Railway Embargoes Weakens Wheat Prices

Chicago, Dec. 8.—Widespread food probes and railway embargoes served to depress the market early today, but prices had a moderate recovery later. December wheat was down 1 cent below today's opening at \$1.66; May up 1-4 at \$1.77 1-4, and July up 1-8 at \$1.48 7-8.

Corn was weak after a lower opening. December was down 3-4 at 91; May down half at 92 3-4, and July unchanged at 93.

Oats declined slightly. December was down 1-8 at 52 7-8; May down 5-8 at 56 7-8; July down 3-8 at 53 5-8.

Provisions were steady.

OREGON HENS TO COMPETE

Portland, Or., Dec. 8.—Oregon hens in large numbers will invade Washington state next week and seek prizes at the Seattle Poultry Show. H. V. Marx, superintendent of a local exhibit, said 260 Oregon birds were entered at Seattle.

bandits got 20 cannon and several wagon loads of ammunition. We were allowed to walk about the streets. Everything was quite orderly."

Bovio declared that Villa had about 5,000 men with him in Chihuahua City. He estimated the losses on both sides during the battle for possession of the city at about 500 dead and wounded.

Although Villa declared he would kill all Americans in the city, he made no effort to hurt them, Bovio said. All were in hiding. Bovio believed Villa evacuated the city before he intended as he had arranged another conference with merchants Saturday, but marched out before the advance of General Mur-gia.

LIBERAL MEMBERS PROMISE SUPPORT TO LLOYD GEORGE

Express Confidence in Asquith But Will Aid New Minister

PROSECUTION OF WAR DESIRE OF ALL PARTIES

New Force Injected Into Conflict and Great Results Expected

By Ed L. Keen.

(United Press staff correspondent.)

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600 GUARDSMEN TO COME HOME AT ONCE

Selection Left to General Funston—Oregon Boys Must Stay Awhile

Washington, Dec. 8.—Six thousand national guardsmen will be sent home from the border at once for muster out, it was announced today.

The war department statement carrying this information said:

"In continuation of the general policy of the department to relieve national guard units as conditions permit, 6,000 guardsmen will be sent home for muster out at once. The selection of units was left to General Funston. He has designated the following organizations for this purpose:

Ambulance company number 2, New York; field hospital number 2, New York; signal battalion, New York; one brigade headquarters, New York; second battalion engineers, New York; eighteenth infantry, Pennsylvania; battery A, Utah; first battalion field artillery, California; first battalion, field artillery, Missouri; No. 1 Massachusetts ambulance company; Second infantry, Idaho; first infantry, Iowa; signal company, District of Columbia; battery A, Kansas.

Tacoma May Have Municipal Markets

Tacoma, Wash., Dec. 8.—The establishment of municipal markets where vegetables and other food stuffs raised by the farmers may be sold at cost direct to the consumer, is one of the recommendations in a report submitted to the mayor and city council today by the committee appointed to investigate high food prices here. Legislation is proposed to permit farmers to have access to the facilities of the present public market place and to dispose of their products without the aid of middle men; also an ordinance directed at commission merchants who are charged with destroying "wholesome foods in order to keep up prices."

BLAME THE GRAPE JICE

Portland, Ore., Dec. 8.—Superstitious seamen saw something significant today in the fact that the new auxiliary schooner Alpha halted abruptly on the ways after having been christened with a bottle of grape juice.

A big crowd attended the event. Amid cheers the vessel started sliding. "Crash!" and Miss Myrtle Knudson swing the bottle against the prow. Grape juice trickled over the ship, and she stopped dead, having only moved six feet.

PROSPERITY COMES TO JAPAN FROM WAR

Labor Is Scarce, Wages High and Unionism Is Spreading

San Francisco, Dec. 8.—The prosperity which the war has brought Japan has just been strikingly exemplified in the announcement that the Nippon Yusen Kaisha, that country's largest steamship company, cleared a net profit of 17,243,809 yen (\$8,617,404.90) during the first half of the present fiscal year.

Word to this effect reached here from Japan today. A dividend of 28 percent was declared November 28. Members of the imperial Japanese household own a large percentage of the stock.

Labor Is Scarce.

Tokio, Nov. 21.—(By mail.)—War time prosperity has brought to Japan an actual shortage of labor and has given a strong impetus to the trade union movement in the empire, according to observers who have watched the situation closely.

In the country where only a short time ago the strongest coolie could be hired for a few sen a day almost all industries are sending agents throughout the provinces seeking more men. Not long ago there was talk of over-population and the birth statistics were used to explain the urgent need of expansion abroad, but conditions are different now. Wages have risen astonishingly and with the advancement in position of the workmen trade unionism is beginning to flourish.

The government prohibits organization of labor unions, but collective bargaining has come into existence through the formality of application to the home office.

THE WEATHER

WHAT'S THAT! MORE RAIN

Oregon: Tonight and Saturday rain west, rain or snow east portion; fresh southerly winds interior, fresh southerly gale along the coast.

SINKING OF ARABIA MAKES SUBMARINE SITUATION GRAVE

Germany Admits Act But Bases Defense On "Presumptions"

DIPLOMATIC RELATIONS MAY BE SEVERED BY IT

Germany Openly Flouts the American Interpretation of Submarine Rules

By Carl D. Grant.

(United Press staff correspondent.)

Washington, Dec. 8.—After consideration of the German "explanations" in the Arabia case, President Wilson today instructed Secretary Lansing to forward an outline of the reply to England, with the request that any facts the British government might have as to the status of the ship when she was sunk would be welcome to this government.

On the results of inquiries by agents of this government and on what facts England may be able to show therefore, will depend this government's formal opinion on the Arabia attack.

The action taken today, it was explained, will necessarily delay for several days at least any chance of final decision in the matter.

The Arabia case was to be thoroughly discussed at this afternoon's cabinet meeting.

America's policy toward the German submarine situation remains exactly what it was when this government told Germany she must stop her ruthless methods of torpedoing. This was stated officially today, but there was reason to believe that the United States had not unalterably put up the gates at least to brief discussion of serious submarine problems now before the administration.

Taken at its face, the statement that the American government stands pat on her attitude expressed in the Sussex notes, means that she would break diplomatic relations if Germany transgressed. There is growing belief that in the Arabia case, at least, and perhaps in the Marini, she had overstepped America's mandates.

But in line with a policy of averting anything that might ultimately lead to war, the administration is regarded as likely to steer clear of a break up to the last possible point.

Experts believe that the Arabia case presents a situation in which Germany openly flouts American interpretation of submarine rules and American rights in the matter.

Briefly, Germany admits that her commander built up a structure of presumption that the Arabia was a transport and hence warlike, and then proceeded to sink her. The other side of the picture lies in the American memorandum of March 25. While that applied to armed merchantmen—and armament does not enter into the Arabia consideration—it laid down the principle:

"The determination of warlike character must rest in no case upon presumption but upon conclusive evidence, because the responsibility for the destruction of life and property depends on the actual facts of the case and cannot be avoided or lessened by a standard of evidence which a belligerent may announce as creating a presumption of hostile character."

Woman Arrested Over Everett Riots

Everett, Wash., Dec. 7.—Mrs. Edith Frenette, I. W. W. agitator, arrested in connection with the dock fight here several weeks ago in which a number of persons were killed, is today bound over to superior court to stand trial for alleged first degree assault on Sheriff Don McEae, while he was being carried, wounded, to the hospital after the fight.

Former Police Officer John Molin testified he saw Mrs. Frenette draw a revolver and point it toward McEae. He ordered her not to shoot and she then put up the weapon.

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