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LEY NEWS SERVICE

# The Daily Capital Journal

TODAY'S WEATHER  
Tonight and on Tuesday, fair gentle westerly winds.



FORTY-FIRST YEAR— NO. 178. SALEM, OREGON, MONDAY, JULY 29, 1918. PRICE TWO CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

## GERMANS ARE FIGHTING WITH DESPERATION TO HEAD OFF ADVANCE

Rear Guards Make Every Effort To Cover Retreat of Army—Village of Sergy Changes Hands Four Times With French Remaining In Possession—Franco-American Troops Now Within Eight Miles of Great Concentration Point of Fismes On Vesle River—Allies Have Crossed Ourcq.

By Lowell Mellett  
(United Press Staff Correspondent)

With the French Armies in the Field, July 29.—The Germans are fighting desperately to retard the Franco-American advance northward from the Ourcq.

Repeated enemy attacks on Sergy last night and early today resulted in the village changing hands four times, remaining in the possession of the French.

South of Sergy a German guard division attacked the Americans, who firmly held their line and inflicted enormous losses.

Newly won French positions north of Fere-En-Tardenois are firmly established.

In the wood east of Champlet (south of Ville En Tardenois) the French captured much material, including a number of 77 and 150 millimeter guns.

Both artilleries are engaging in a terrific artillery duel along the southern end of the salient. In addition the Germans are dropping huge quantities of gas into the Marne and Ardre valleys.

### STILL SWEEPING NORTH.

By John De Gandt  
(United Press Staff Correspondent)

Paris, July 29.—Sweeping northward from the Ourcq, French and American troops are now within eight miles of Fismes, the important German concentration on the Vesle river.

Desperate fighting is under way in the new pocket between the Ourcq and the Vesle where the Germans are strongly covering their retreat to the latter line.

In some places the Americans and French have pushed several kilometers beyond the Ourcq.

By Fred S. Ferguson  
(United Press Staff Correspondent)

With the American Armies in France July 29.—(8:40 a. m.)—The Americans are continuing to advance northward and northeastward from Fere-En-Tardenois and are improving the positions they took yesterday.

Fighting continues on the north bank of the Ourcq at some points where the German defenses were not completely wiped out.

Enemy artillery is heavily bombarding Seringes (a mile and a half east of Fere-En-Tardenois), Nels (two miles east of Seringes) and Sergy.

There is also heavy boche machine gun fire from Nels (north and northeast of Fere-En-Tardenois).

The cable does not make clear whether Seringes and Nels have been captured or whether the Germans have abandoned those towns and are firing upon them to prevent Franco-American occupation. Either situation represents a greater advance than has yet been reported.

Near Sergy, the lines are so close to the fighting continues to consist entirely of our infantry rushing enemy machine guns. There has been no contact between the opposing infantry in the past several hours.

ger that the boches can plainly be seen digging shallow holes in the open fields.

German airplanes are harassing our rear lines. One attacked a field dressing station, swooping down and playing machine gun fire on the wounded who lay about on the ground on stretchers.

## War Summary of United Press

145th Day of the War: 12th Day of Counter Offensive

Soissons-Rheims front.—The German defense along the Ourcq has been wiped out and the crown prince is retiring upon the Vesle river line, 10 miles farther north.

Americans and French, pushing forward on the lower end of the pocket have advanced three miles on a 20 mile front since Sunday morning.

Enemy artillery and machine gun contingents are fiercely opposing the allied advance and counter attacks have been made in the center and on both wings.

One of these counter attacks, which was repulsed with severe enemy losses, was made on the two mile front between Nels and Sergy against the eastern side of a sharp wedge Franco-Americans have driven into German defenses toward Fismes, which is only 10 miles north of Nels. This wedge apparently is designed to cut the high-way running south from Fismes in the d'Orillon river valley.

The Franco-American line apparently runs from a point north of Fere-En-Tardenois eastward through Seringes to Nels, sharply southward to Sergy, then sharply eastward through Villers-Agros.

Pleasant front.—Australian troops advanced on a two mile front between the Ancre and Somme rivers, taking first and second enemy trenches and capturing 100 prisoners.

England.—Striking munitions makers are returning to work. The tie-up evidently is practically ended.

## BANKERS WILL LOAN MONEY TO ASSIST WITH WAR EXPENSE

State Department Guarantees To Take Care of Allied Investments.

Washington, July 29.—The state department announced today an agreement it has reached with a group of American bankers whereby a loan of \$100,000,000 will be made to China.

The agreement provides that the group shall have representatives from different parts of the country as an assurance on the bankers' part that they will cooperate with the government and follow the state department's policies; that the names of the banks be submitted to the department for approval along with the terms and conditions of the loan or loans.

In return the department agrees to aid in every way possible to make prompt and vigorous representations and to take every possible step to insure the execution of contracts made by American citizens in foreign lands.

British, Japanese and French bankers, it is hoped, will be associated with the American group, and negotiations are now pending to grant these bankers equal parts in the loan.

"China declared war against Germany largely because of the action of the United States," said Acting Secretary of State Polk. "Therefore this government has a special interest in the desire of China to equip herself so as to be of more specific assistance against the central powers."

"This government felt because of the approach to Chinese territory of disorder a special effort should be made to place means at the disposal of China. \* \* \* There is a further incentive to cooperate with all these governments because the war has created a communitative interest between them and their citizens and those of other governments and has broken down barriers which once had existed and has made easier the intercourse between them."

## PLAN TO ORGANIZE MACHINE GUN UNIT FOR NATIONAL GUARD

Company in Salem To Be Formed Under Authority Of Adjutant General

Under instruction and by authority of Adjutant General Williams a machine gun company will be organized in Salem immediately.

This machine gun company will be one of the units of the national guard regiment now being formed in Oregon and will be the only machine gun unit in this regiment and to dispel any idea that the public may have on the subject, it may be stated positively that this company is in no wise affiliated with the local companies of Oregon guards.

It is the desire of the military authorities to perfect a permanent organization and men who are between the ages of 18 and 21 or 31 and 45 will be preferred, however, men subject to draft will also be accepted but membership in any unit of the national guard will in no wise relieve men subject to draft from such military duty as the U. S. authorities may require of them.

The federal government will issue complete equipment for this unit after being formally mustered in and inspected and all applicants will be subjected to the rigid physical examination of the regular army, however, men with previous military training may have minor physical defects waived as well as the age limit.

Owing to the fact that the machine gun units are equipped with revolvers and machine pistols, rather than rifles and bayonets they escape the manual of arms and that of the bayonet and a great deal of infantry drill making this branch of the service highly preferable, in addition, they are supplied with motor conveyances.

Anyone may join this machine gun unit and still retain their membership in any of the companies of Oregon guard.

Approximately only 60 men will be required to form this company and any one desiring information or to enlist may call on Geo. Schultz, at his place of business next to the Masonic Temple, Grove Street, Salem Fruit Union, LeRoy Howell at the post office or L. B. M. Pierce at 294-5-6 Hubbard building or phone 43.

## Hobby Beats Ferguson And McLemore Defeated

Dallas, Texas, July 29.—Representative Jeff McLemore of the seventh Texas district was defeated for renomination at Saturday's democratic primaries, fairly complete returns today indicated.

Judge Clayton Briggs, appeared to be the nominee with McLemore running third.

Governor William P. Hobby was renominated over former Governor James Ferguson by a large majority.

Carlos Bee and A. P. Barrett were in a neck and neck race for the congressional nomination in the 14th district where Representative Snyder abandoned his fight for renomination under white house pressure.

## Hindenburg Alive And In Good Health

Amsterdam, July 29.—Official statements received here from Berlin declare the health of Field Marshal Von Hindenburg is excellent.

This official statement undoubtedly was issued to refute numerous rumors of his death and illness which have been heard from time to time and give circulation in this country.

## ABE MARTIN



## CROWN PRINCE NOW RETREATING HURRIDLY TOWARD AISNE RIVER

Heavy Draft Calls Planned For August

Washington, July 29.—August draft calls, which are expected to reach 300,000 men, from the provost marshal general's reports indicate that class one in the draft will be completely exhausted by October 1.

This means that congress will have to get quick action on the new man power bill when it convenes August 13—and that a new registration and classification of American manhood just coming 21 will be held before October.

## PRUSSIAN RULERS DARE NOT INFORM PEOPLE OF DEFEAT

For First Time Official War Office Reports Made Up of Deliberate Falsehoods

By J. W. T. Mason.  
(United Press Staff Correspondent.)

New York, July 29.—General Foch is continuing his strategic pressure against the Aisne-Ourcq salient with the same firm refusal to be tempted into a general engagement that has marked his course since the Germans started to retreat from the Marne.

Full justification for this policy of caution has been provided by the re-entrant German retreat during the last forty eight hours. General Foch is fighting with brain power as well as with man power. This combination does not give the quick, spectacular results that Von Hindenburg has accomplished by the use of man power alone; but it will win the war with a minimum loss of American lives.

It is not necessary for the allies, purpose to throw away lives by the thousands in order to gain the final victory a little more quickly. The allies' money can hold out to whatever extent is necessary to save the lives of allied troops. This is the principle on which General Foch is working.

The depressing effect upon German morale of Von Hindenburg's retreat from the Marne will be the same, regardless of the method by which it has been brought about.

This is encouraging evidence that the German war lords are badly frightened at the prospect of having to tell the German people what has happened north of the Marne. For the first time since the war began the German official communications are deliberately lying and camouflage.

The Germans at home have not yet been informed that Von Hindenburg has had to give up his entire hold on the Marne and is headed back toward the Vesle and the Aisne. In all previous defeats, the war office at Berlin has been studiously frank, for the purpose of impressing on the allies the belief that German morale was sufficiently unbending to withstand bad news. This condition no longer exists. The Kaiser dare not confess his present defeat outright. He is breaking the news slowly and timorously. Well he might, for his dynasty is in grave danger of being found out.

After Verdun, the Marne, the Hohenzollern heir may soon become known throughout Germany as the crown prince of disaster.

## AMERICANS ARE WARMLY RECEIVED THROUGHOUT ITALY

Progress Of First Fighting Units Toward Front Is Continuous Ovation

ROME, July 29.—Progress of American troops through Italy toward the fighting front where they will face Austrian soldiers has been a continuous ovation.

Passing through important cities, they found buildings decorated with the allied and American colors and crowded with reception committees.

Flags, flowers and other souvenirs were distributed by high officials and Italy's prettiest women and girls.

Princess Letizia, greeted the Americans at Turin, where the troops, escorted by American and Italian bands, paraded the streets amid unending demonstrations.

## GERMANS ARE FIGHTING WITH DESPERATION TO HEAD OFF ADVANCE

By Fred S. Ferguson  
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With The American Armies In France July 29, 11:00 p. m.—The Crown prince is rapidly retreating toward the Crise and Vesle rivers and may fall back clear to the Aisne.

(The Crise flows from a point five miles northwest of Fere-En-Tardenois, northwestward through Soissons. The Vesle flows westward through Rheims, converging with the Aisne about six miles east of Soissons. It forms practically a straight line between Rheims and Soissons. The Aisne flows straight westward through Soissons, passing Rheims about 12 miles to the north.)

The biggest American advance since the start of the Franco-American push was carried out across the Ourcq, near Sergy, three miles east and south of Fere-En-Tardenois this morning.

Squeezing of the pocket on the right and left sides while thrusting northward sent the boches further in retreat.

The Americans steadily advanced all day yesterday through a heavy rain. They fought through tangled, narrow paths in woods and across fields, routing out machine gun nests and pushing on as resistance was demolished.

One regiment marched and fought 10 1/2 miles in 24 hours, in order to keep up with the faster moving units in other parts of the line, where the resistance was lighter.

At 9 o'clock this morning, American machine guns were stationed on Hill 141 outside Fere-En-Tardenois, sweeping the avenue of retreat from the city. Our artillery was brought up to the heights outside Sergy.

Such towns as Ronchères, Frenoy (3 miles south and east of Fere-En-Tardenois) and Courmont (a mile northeast of Frenoy) were completely enveloped and passed. Village after village fell to the Americans.

Two main points of resistance were encountered—the first at Crois Farm the second at Ourcq. Both were thick with machine gun defenses. The Germans maintained their fire as long as possible, then withdrew, set up their guns again and resumed firing until they were wiped out.

The Americans swung forward two or three kilometers (a mile and a quarter to a mile and three quarters) after disposing of one line of machine gun defenses before encountering the next. Then the fight would be repeated.

I asked a wounded doughboy how they cleaned up the nests. He explained: "When we rushed 'em' we'd yell: 'Over the top, fellows! Get 'em! Then we'd run forward, firing. That's all.'"

There are many additional prisoners, but they include few machine gunners. The Americans killed or wounded practically all of the latter, who were left behind as sacrifices.

An intensified war of movement has again set in, with renewed momentum. The armored cars are being used in reconnaissance.

When the Americans approached the Ourcq they were first held up by artillery and machine gun fire. A sharp fight ensued. Then the artillery came up behind our artillery and the resistance was wiped out. The Ourcq is narrow and shallow. The Americans ford-

## GERMAN ARMY LOSES REAL PUNCH FOREVER

Reserves All Practically Exhausted And Confusion Exists Behind Lines

By William Phillip Simms.  
(United Press Staff Correspondent.)

With The British Armies In France, July 28.—(Night)—Barring the worst hard luck imaginable for the allies, the German armies never again will be able to drive forward with the punch they carried when they opened their series of 1918 drives last March.

Today, the starting point of the fifth year of the war, it seems to me to be merely a question of time before a forced retreat to defensive positions will have to be carried out by the boche in the hope that it will be possible to obtain peace before the stream of arriving Americans so swells the forces of the allies that an unconditional surrender will be forced. It is an open secret that it is becoming increasingly difficult to fill German field depots. Boys of the younger German classes cannot be counted in the same class with the Americans who are daily arriving in such numbers as to completely nullify Germany's new crop. Documentary evidence in the hands of the British army shows that General Ludendorff fears political results at home from too quickly shoving the boys into battle. The German people who reluctantly consented to the participation in battle by these youths to gain the promised victory that was foreseen in the hope of bringing about an early peace, are beginning to feel they have been betrayed. Opposition is growing up of remaining sons for cannon fodder.

A sergeant recently captured declares drafts are being filled with the utmost difficulty. Prince Rupprecht's army has practically the only fit reserves left on the west front. The crown prince, it is declared, has only five first class divisions left.

Confusion exists behind the German lines. There is indecision everywhere. Manifestly, there is a question of whether Germany is not now putting up a colossal bluff while trying to hide hopeless conditions behind a wall of imitation steel.

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## "Roll of Honor" From "Over There" General Pershing's Official Report

- Washington, July 29.—General Pershing's casualty list today contained 199 names divided as follows:
- Killed in action 47; died of wounds 17; died of disease 4; died of accident and other causes 11; wounded severely 93; wounded, degree undetermined 7; missing in action 29.
- The list follows:
- Killed in Action**
- Colonel H. A. Smith, Fort Sam Houston, Texas.
- Lieutenant Colonel C. R. Elliott, Springfield, Mass.
- Captains—
- A. B. Hamel, Atlantic City, N. J.
- J. H. Holmes, Hendersonville, N. C.
- J. A. Mood, Jr., Summertown, S. C.
- J. N. Cockerharts, Sewanee, Tenn.
- Second Lieutenant James C. Loder, Wilmington, N. C.
- Sergeants O. Anderson, Chicago
- W. H. Starkey, Bustleton, Pa.
- Corporals J. F. Briggman, Pottsville, Pa.
- E. J. Farrell, Jr., Farmington, N.Y.
- E. C. Vais, Momeaux, Ill.
- Mechanic C. A. J. Carlson, Sweden.
- Privates—
- M. Bennink, Baltimore, Md.
- O. C. Berlin, Knox, Pa.
- C. P. Bold, Marienville, Pa.
- N. Bralatta, Shrewsbury-Delaware, Pa.
- A. I. Campbell, Spring City, Pa.
- P. S. Carroll, Jamestown, Pa.
- E. D. Charlol, Kansas City, Mo.
- L. D. Gregg, Jett, Okla.
- P. R. Collins, Philadelphia
- G. B. Cumerford, Providence, R. I.
- E. G. Danfield, Philadelphia.
- H. E. Delaney, Nedro, N. Y.
- H. W. Derusha, Newton Heights, Mass.
- N. R. Eppay, Hillsdale, Md.
- N. Frazier, Rome, Pa.
- B. Goldman, New York City
- J. Hall, Mahoney City, Pa.
- M. J. Heister, North Vernon, Ind.
- E. H. Hubbard, DeKalb, Ill.
- J. Kirby, Clinton, Mass.
- W. P. Kool, Dalton, Ill.
- S. J. McCullough, Pittsburg, Pa.
- E. J. McIntyre, Philadelphia
- A. S. McCreadie, Minersville, Pa.
- J. H. Miller, Pottsville, Pa.
- E. H. Sunigin, Lancaster, Mass.
- R. M. Murdock, Franklin, Pa.
- C. S. Myers, East Warren, R. I.
- A. S. Fyng, Walpole, N. H.
- C. G. Ritter, Macungo, Pa.
- E. D. Scott, Jacksonville, Ala.
- M. Varchioni, Italy
- H. P. Walz, Enol, Pa.
- W. R. Wellington, Carleton, Pa.
- Died of Wounds**
- Lieutenant Colonel Russell W. Hand, Sioux City, Iowa
- Sergeants G. H. Ealy, Cohasset, aMS
- W. W. Willett, Chicago
- Corporals L. Langsdorf, Philadelphia
- C. D. Walker, Belsertown, N. Y.
- Musician A. V. Anderson, New York, Mass.
- Privates—
- E. T. Armstrong, Clinton, Mass.
- R. A. Corey, Bradbury, Mass.
- A. E. Gramann, Buffalo, N. Y.
- C. Hood, Norbach, Mr.
- R. L. Howe, Waterbury, Conn.
- J. W. Lambert, Newnan, Ga.
- R. Pascoe, Middletown, Conn.
- C. R. Roberts, Lowell, Mich.
- P. Roschewicz, Jersey City, N. J.
- J. Simonson, Saratoga, Pa.
- A. E. Yelle, Fitchburg, aMS.
- Died of Disease**
- W. Anderson, Greenville, S. C.
- O. V. Knight, Sweetwater, Idaho
- Ross, Radcliffe, Mr.
- Died from Accident and Other Causes**
- Captain O. L. Cooke, New York City
- Lieutenants W. T. Hobbs, Worcester, Mass.
- L. C. Lovell, Brooklyn, N. Y.
- V. R. Manning, Rockaway, N. J.
- Chauffeur D. P. Tipton, Riverton, Va.
- Privates—
- J. T. Buchanan, Wilson, Kan.
- L. B. Ewing, Brooklandville, Ma.
- H. E. McAllister, Hinsdale, Ill.
- M. McAnuly, Roy, Mont.
- T. Nick, Akron, Ohio
- S. Hoshinsky, Detroit, Mich.
- The wounded severely included: Corporals L. Washington, Chicago
- W. M. Clem, Oreoco, Or.

(Continued on page three)