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# The Daily Capital Journal

CIRCULATION IS OVER 4000 DAILY

THIRTY-EIGHTH YEAR | SALEM, OREGON, THURSDAY, JANUARY 27, 1916 | PRICE TWO CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

# INTERESTS OF NEUTRALS WILL NOT BE IGNORED

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### Allies Will Unite In Declaration of Policy In Answering Protests if United States and Sweden---Emperor Franz Joseph Has Stroke of Apoplexy---British Army of 20,000 at Aden In Dangerous Position---London Populace Warned to Stay In Doors During Air Raids

London, Jan. 27.—Issuance of a joint allied note, answering trade interference protests from the United States and Sweden, and setting forth the allies position toward neutral trade during the war is contemplated, it was learned today. By uniting the allies in a single declaration of policy, the government plans an impressive showing to influence neutral nations.

The newspapers today applauded the government intimation that it intends to deal firmly in answering the American trade protest. At the same time, they pointed out that Sir Edward Grey had given assurance that the nation is not ignoring the interests of neutrals, and they supported his contention, made in the blockade debate yesterday, that England could not yield to America without jeopardizing the success of the allies.

Concerning the government announcement that it will stand for the present on its present technical blockade of Germany, editorials today are widely divergent. Those in favor of an actual blockade fiercely attacked the government and declared that they intended continuing their campaign for more effective measures, despite the Grey "stand pat" statement.

On the other hand, the government supporters applauded the decision of the government to steer clear of any course involving Great Britain with America or other neutrals.

"Sir Edward Grey's statement," said the Daily News, "is the final, crushing reply to the wild incendiaries who with shameful levity are playing with the peril of bringing the whole world to arms against Great Britain."

Berlin, by wireless to Sayville, L. I., Jan. 27.—Twenty thousand British troops defending Aden, Arabia, are in a rangerous position from attacks by combined Arab and Turkish forces, according to the Cologne Volkszeitung today. This paper reported that the English had lost 15,000 in killed and 20,000 in wounded there since the combat began.

A wounded British major was given as authority for the statement that the Arab sheikhs had joined the Turks, and that nearly 100,000 square miles of Arabia, formerly controlled by the British had been lost to them. The Arabians were said to be using British arms against the British forces.

Aden is a strongly fortified town known as the "Gibralter of the East." Because of its position with reference to the Suez canal, it is a very important trading center. It has a commodious bay, and is the chief trading port of Arabia.

Berlin reported several weeks ago that the Turks had driven the British upon Aden and were preparing to attack the city, but this was denied by the British.

#### Franz Joseph Stricken.

Rome, Jan. 27.—Emperor Franz Joseph of Austria suffered two strokes of apoplexy and is in a serious condition, according to reports received here by diplomats today.

#### Opposes Conscription.

Bristol, Eng., Jan. 27.—English workmen recorded themselves today, through their representatives in the big labor convention here, as tremendously opposed to the government conscription bill, which through passage by the lords last night, became a law. A resolution passed by the convention, declared that conscription is "contrary to the spirit of British democracy, and full of danger to the liberties of the people."

#### To Stop Some Imports.

London, Jan. 27.—The government has decided upon a partial prohibition of importation of many articles not absolutely necessary to the nation, in order to relieve the shipping conditions, President Runciman of the board of trade announced in the house of commons today. He said the whole British mercantile marine will be placed under government control.

Neutral nations, particularly the United States, from whence come the most of the prohibited products, will be the hardest hit.

Imports of wood pulp, glass and tobacco will be permitted to enter in limited quantities; possibly, later the government will prohibit imports of furniture, woods and other raw materials, and exports of rags and other waste from which paper is made, as well as several other products.

#### Must Stay Inside.

London, Jan. 27.—The London populace was warned today it must stay indoors when air raids are made against the city.

"To increase the protection against hostile air craft," said a police statement. "It is more necessary that the public take to cover during raids so as to be sheltered from falling fragments of shells."

#### Storm French Trenches.

Berlin, via Sayville, L. I., Jan. 27.—After successful blasting operations, the Germans stormed the French positions on a front of from 500 to 600 yards at the Artois, said today's official statement.

#### Surviviors Captured.

London, Jan. 27.—Senussu tribesmen in northwestern Egypt have captured 95 survivors of His Majesty's ship Tara, it was announced today.

#### The Kaiser's Birthday.

Berlin, Jan. 27.—Kaiser Wilhelm celebrated his 57th birthday today afield with his troops. Chancellor Von Bethmann-Hollweg left last night to join him.

At the emperor's request, elaborate celebrations customary in the past, were not duplicated. Flags were hung out, but parades and demonstrations were lacking. In Berlin, entertainments were given for the benefit of the Red Cross and for the children of soldiers.

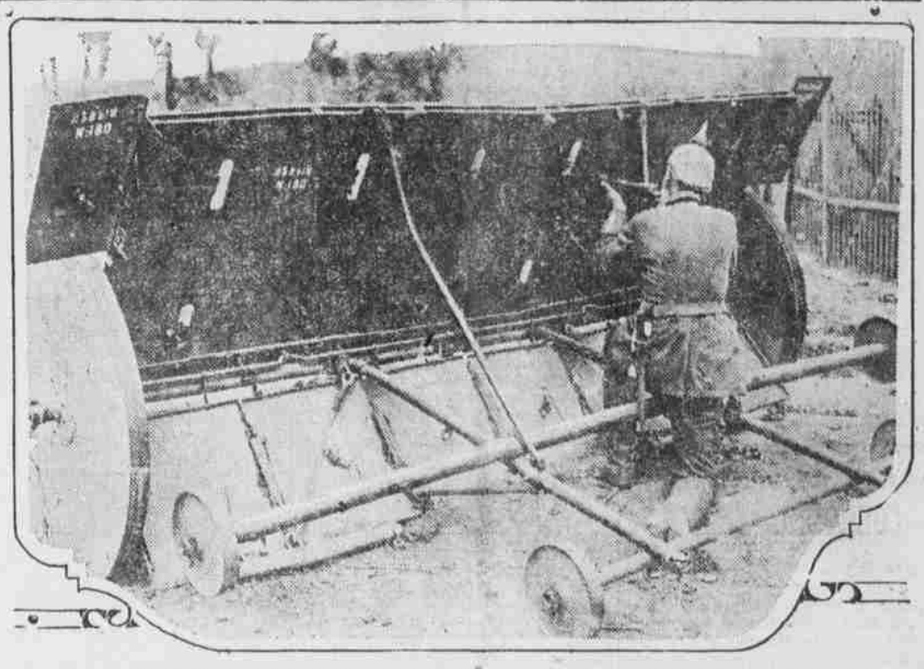
The kaiser has recovered from his recent illness, and now spends most of the daylight hours afield.

### Abe Martin

It's sweet t' be remembered, but it's often cheaper t' be forgotten. What's worse'n travlin' t' read an out out magazine in bed?

It should be explained that the Portland pastor who denounces mothers who love their boys better than their nation never was a mother.

### FLEEING RUSS ABANDON ARMORED SHIELDS; GERMANS USE THEM



This movable armor protected shield behind which a squad of men could find shelter while pumping a rain of shell into the enemy is one of the many being used by the Germans. It is the invention of the Russians, who made use of it when the Germans were laying siege to the Russian fortress of Grodno. The apparatus is equipped with six wheels. Two horses are harnessed to it in order to bring it into position.

## WOMAN BURGLAR IS KILLED BY WOMAN

### Woman Whose House Had Been Robbed Several Times Kills Neighbor

St. Louis, Mo., Jan. 27.—Several unpaid coal bills tucked in the pocket of her dress, and a number of melodramatic novels in her home, told today, in the the police view, the story of why Mrs. J. F. McWilliams, wife of a railway mail clerk, turned burglar—and was killed by a neighbor.

The neighbor, Mrs. Jennie O. Thornburg, explained she had been the victim of a burglars raid several times. Apparently from the nature of the articles stolen, the intruder was a woman. So last night, Mrs. Thornburg sat with a loaded revolver in her darkened home waiting for the burglar.

Soon she entered. A streak of fire flashed out in the room. A woman's shrill scream sounded. On the floor beneath the window lay the lifeless form of Mrs. McWilliams, a file clasped in her hand, showing how she had sawed her way into the house.

A patrol wagon clanged up to the house. Children playing in the street gathered in curiosity. In the group was Mrs. McWilliams' little girl. She didn't know the still form beneath the white sheet was that of her mother.

Investigation today showed Mrs. McWilliams had been acquitted in 1913 of the death of Mrs. Myrtle Neff, who died after eating dumplings Mrs. McWilliams had made. A year later Mrs. McWilliams was arrested on a charge of robbery but the case was later dismissed.

## HEAVY RAINS IN ORANGE SECTION START NEW FLOOD

### Rainfall at Long Beach 3.33 Inches In 15 Hours---Streets Are Rivers

## SECOND SNOW STORM IN SACRAMENTO VALLEY

### Railroad Traffic Is Stopped Again---S. P. Alone Keeps Trains Running

Los Angeles, Cal., Jan. 27.—Floods hit southern California with renewed force today.

Following an all night downpour, the waters which did millions of dollars of damage a week ago, and exacted a toll of several lives, again became dangerous.

Rain is predicted for the next 36 hours. Along the coast it is accompanied by a stiff gale, which drives it in almost horizontal sheets. Many of the Los Angeles city streets are rivers.

Railroad service, half repaired after

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## UNION IRON WORKS TO BUILD MANY SHIPS

### Purchases Million Dollar Plant ---Has Orders for All Work It Can Do

San Francisco, Jan. 27.—The Union Iron Works, which has just purchased the shipbuilding plant of the United Engineering Works for $1,000,000 will spend $300,000 more improving the place, according to announcement today by President J. A. McGregor.

The plant will be modernized in every way. Machinery of the latest type will cost $50,000 and three new slips will be built. McGregor declares that the business already waiting for the Union Iron Works will keep the new plant going to capacity for an indefinite period and he even predicted that it would not be long before even these new facilities for his company would be outgrown.

"The demand for ships is almost beyond comprehension," said McGregor, "and price is no object just now. I have been compelled recently to stop negotiations because we had not the facilities to fill the orders that poured in."

## Barometers Break Record Is It Storm or Quake?

Sacramento, Jan. 27.—Is it storm or quake?

The barometer at 2 o'clock this afternoon registered 28.95, the lowest mark it has dropped to in the history of the weather bureau.

Southern Pacific officials have reports of an unusually big snow storm in the Sierras. It is said that the snow is falling so thickly that it is difficult for persons to see more than a few feet ahead of them.

It is believed railroad traffic will again have to be suspended because of the heavy snow.

#### Low In San Francisco.

San Farnicsco, Jan. 27.—At 10 o'clock the Merchants Exchange barometer recorded 29.08 as against the low mark of 29.07 in 1891. It had taken a drop of .14 inside of 2 1-2 hours.

During the forenoon rain fell here in sheets, but in the early afternoon the sun broke through the clouds for a time and the rain ceased at least temporarily.

In common with other cities, San Francisco has had an abnormally large amount of rain this month, but no flood conditions.

## Aggressive Bears Keep Most Stock Prices Down

(Copyright 1916 by the New York Evening Post.)

New York, Jan. 27.—The aggressive professional movement against prices did not slacken during the early hours of the stock market today, except at intervals, and on the whole it was effective. Railway shares dropped a peg lower, and some war stocks scored rather violent declines, but the changes were irregularly distributed. Many recovered at mid-day and in the closing hour a very decided reaction from the earlier weakness ensued.

The news of the day was not gloomy. St. Paul increased its dividend, while the New York state $25,000,000 fours offered to the public were taken at 103 1-4 and promptly sold on the curb above 104.

The Bank of England reported a gain of $5,280,00 in gold the past week, though with no material increase in the ratio of reserve to liabilities. The French bank also reported an addition of $1,075,000 to its gold reserve which is now within $11,600,000 of the high record reached in December.

## AMERICAN BUSINESS MEN WOULD BROADEN THEIR FIELD OF TRADE

New Orleans, La., Jan. 27.—American business men were counselled today by leading lights of the financial and industrial world to spread out the hands of American trade to corners of the earth where other nations have ruled supreme.

This advice was voiced before the third National Foreign Trade convention by President James A. Farrell of the United States Steel corporation, John Clansen of San Francisco, manager of the foreign trade department of the Crocker National bank, President A. V. Johnson of the Baldwin locomotive Works and J. Berwind of New York. Particularly, they emphasized the importance of gaining fresh trade with South America holding that "commercial preparedness" is a vital, throbbing need of the United States.

"Foreign investment is a commercial preparedness measure, a source of protection for the whole industrial fabric of our country, should the world recede to political-commercial policies of trade restriction," said Farrell in sounding the keynote of the gathering. "It is an element of strength in our influence as a nation, should a wiser instinct realize that the true guarantee of the world's peace is the provision of equal opportunity for all."

He declared foreign investment of American capital necessary to meet the keener competition expected in world trade after the war.

"We can no longer talk of foreign trade merely as an adjunct of domestic prosperity," he continued. "The fact has to be recognized that there can be no stable prosperity at home unless we are able to make liberal sales of American manufacturers abroad. The fact that in normal times about 60 per cent of our exports consist of foodstuffs and raw materials gives a standard of measurement for the enormous possibilities of our mechanical production. It would pay us better to convert our raw materials into finished products here than to sell them for conversion abroad.

"But our advance in that direction will be relatively slow, without a constantly broadening foreign outlet for articles of American manufacture. It is as much in the interest of the workman as his employer that provision be made for a steady sale abroad of the products of the mechanical industry of the United States. In fact the foreign business in many corporations, since the war began, has been their greatest asset, and the only justification for the operation of their plants on full time.

"This profitable employment will end when the war ceases. The need of a foreign outlet will remain but ability to market the product will not, as in the case of war contracts rest merely on ability to make deliveries.

"Whatever may be the nature of the competition, our manufacturers will have to meet after the war, it would not be safe to conclude that it will be

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# TWO AMERICAN SOLDIERS CAPTURED BY MEXICANS

### Four Were Swimming In Rio Grande and Getting Beyond the Border Two Were Forced to Land On Mexican Side---Fourteen of Their Comrades Swam the River to Rescue Them, and of These Four Were Drowned---Feeling On Both Sides Bitter and Clash Is Imminent

Washington, Jan. 27.—Details of the drowning of four American soldiers in the Rio Grande near Brownsville, Texas, yesterday, and the Mexican capture of two of a swimming party of soldiers were related in a telegram from General Funston given out by the war department today as follows:

"We have received the following from Major Anderson of the Twelfth cavalry from the sub-district of Mercedes, timed 8 p. m.:

"'Four men of Battery D of the Fourth field artillery swam across the Rio Grande, stripped, in bathing, at Progreso, about 3:30. Two were taken prisoners by three Mexicans with rifles and were taken to the interior. The other two swam back and several shots were fired at them. Lieutenant J. E. Mort, commanding the battery, with Lieutenants Peyton and Waldron and fourteen battery and one cavalryman crossed the river three quarters of an hour later and went three quarters of a mile into the interior and searched two houses, but did not find their comrades. They were fired on ten or twelve times from the brush. They remained on the other side for an hour. The return crossing was covered by our men on this bank, who fired some 200 shots. None of our men were killed or wounded.

"'The following four were drowned in swimming to the other side: Sergeant Owen Clements, Corporal Michael King, Privates Harry Rhode, and Charles Wiltenbest. All were carried away by the swift muddy current and their bodies were not recovered. We are searching for them.'

"'The following are still in the hands of Mexicans on the other side: Privates William Wheeler and Biggo Peterson'."

Funston reported the arrest upon his orders of the lieutenants who swam across the river. He said the Mexican consul had been informed of Anderson's telegram and that the consul had asked the Matamoros commandant to make an immediate search for Wheeler and Peterson.

The Mexicans, Funston said, were not uniformed.

Brownsville, Texas, Jan. 27.—Officials here sought today to guard against open clashes between American and Mexican troops as a result of the drowning of Sergeant Owen Clements, Corporal Michael King, Privates Harry Rhode and Charles Wiltenbest, as they were trying to rescue Privates William Wheeler and Biago Pederson whom the Mexicans at Progreso captured yesterday afternoon.

Though a cross fire swept above the swimmers, none was hit. Their companions had been seized after swimming to the Mexican side of the river. The drowned men sank while going across to wrest their companions from the Mexicans.

The fate of Wheeler and Pederson is unknown. But Carranza authorities, upon request of American military men are seeking to rescue the pair. The officials claimed at first that there was no patrol of Carranzista soldiers in that neighborhood, but it is claimed definitely here that the captors were in the uniform of the de facto government.

Meantime, General Funston maintains that the American soldiers were at fault for swimming in the Rio Grande beyond the American line.

Four men were in the water when a band of Mexicans appeared on the opposite bank and ordered the quartet to continue on to the Mexican side. Wheeler and Pederson obeyed, but the others dived and escaped.

#### Men Were Seized.

Upon reaching the Mexican side, the two men were seized and taken away. Fourteen American soldiers immediately organized a relief expedition and swam over the river while guns from both sides scattered a cross fire above them. None of the bullets, however, struck the swimmers.

The relief expedition searched two houses on the Mexican bank but found no trace of their companions. As they returned to the American lines, Mexican bullets again sputtered past them.

As evidence of his belief that the Americans had violated orders against crossing into Mexico, Funston ordered the arrest of Lieutenants Mort, Waldron and Payton, of Battery D, Fourth artillery. At the same time, he issued instructions to send a field officer to Progreso, about 30 miles from here, to investigate.

Though Colonel Quintinilla in command of the Carranzistas across from here, maintained no patrol at Progreso, he immediately ordered a detachment of men near Progreso to hunt the captors.

The fear of officials that there might be open clashes between American and Mexican troopers seemed to have some ground from the fact that there has been ill feeling, particularly on the Mexican side of the boundary since last summer when there were numerous raids in this section. All commanders were ordered, however, to keep a strict watch on their troops and to see to it that there was no hostile act on the part of the Americans. Recurrence of swimming episodes will also be carefully guarded against.

#### May Cause Trouble.

Washington, Jan. 27.—Press reports of the Mexican seizure of two American soldiers near Brownsville yesterday, with drowning of others while swimming in the Rio Grande, gave occasion for alarm in official circles today, according to authorities. It was suggested, though, that the incident might lead to a fresh outbreak of anti-Mexican and anti-administration discussion in congress.

Officials declared that the American soldiers had no business in Mexico, and that the Mexican authorities were within their rights if they arrested them for crossing the boundary.

This is not the first incident of the kind. Once a dozen soldiers crossed near El Paso, and the Juarez authorities arrested them, but released them as soon as they ascertained that the crossing was accidental.

If civilians, and not Carranzista soldiers, captured the two, General Funston probably will ask the Carranza commander for assurances of their safety, and hold the Carranzistas responsible for their safe keeping. If the Americans crossed the river in attempting to rescue their comrades, it is expected the Carranzista commander will protest to Funston, and that

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### THE WEATHER

Oregon: Tonight and Friday unsettled, probably snow; not much change in temp; ly winds, strong near the coast.