

THE DUNN DISPATCH

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NO. 6

NEGOTIATION TO BE ABOUT FLAG ONLY—CARRANZA'S REFUSAL OF AN ARMISTICE GIVES MEDIATION BUT ONE INTEREST.

Washington, May 4. General Carranza and the Constitutionalists today were practically eliminated from the proceedings of the three South American envoys who have undertaken to solve the Mexican problem by diplomacy. In a telegram to General Carranza, the mediators informed that, in view of his refusal to agree to an armistice with General Huerta, they withdrew their invitation to him to send a personal representative to participate in the mediation proceedings.

The mediators told the Constitutionalists leader that as long as he maintained his present attitude they must decline to treat with him. General Carranza had inquired in a note to the envoys what subjects a special representative might be required to discuss, pointing out that if the general problem of pacifying Mexico were to be approached he could not authorize any one to participate in the negotiations. He reiterated that he would consent to mediation only on the incidents which had brought a controversy "between the United States and Mexico" holding that he was the Constitutionally chosen leader to whom complaint about the assault at Tampico and other offenses originally should have been made.

NO CARRANZA REPRESENTATIVE

In their telegram tonight the mediators quoted Carranza's last note to them as saying that as long as he maintained that attitude they must decline to receive a representative from him as they could not separate the incidents at Tampico and elsewhere which had brought about friction between the United States and Mexico and the from the general subject of pacifying Mexico.

Earlier in the day it became known that, in view of the unyielding attitude of the Constitutionalists, mediation virtually would be limited to the arrest of American marines at Tampico and other offenses which had brought the Huerta Government and the United States to the verge of war.

Suggestions that General Carranza might change his attitude after he took Saltillo brought no comment from local representatives of the Constitutionalists.

The language of the telegram sent to mediators leaves open to Carranza, however, the privilege of sending a special representative to participate in peace negotiations whenever he is willing to arrange an armistice with Huerta.

This new turn in events, ended, in the view of many officials, the chance of solving the entire Mexican problem immediately, though it did not lessen the enthusiasm of the mediators, who will continue their efforts to solve the differences between Huerta and the United States, which directly brought about the present crisis.

Mexican developments moved today with an evident tenseness in the diplomatic and the military situation. The South American mediators held three sessions, stating that Secretary Bryan that General Huerta had named De Milla Rabaza, an eminent Mexican jurist, and Augustin Garza, under secretary of justice as two of his delegates to confer with the mediators. Mr. Bryan did not confer with the mediators as to the appointment of American delegates.

The length of the envoy's conference with Secretary Bryan led to the belief that something made was discussed than the mere matter of names of delegates and that some of the crucial questions were being approached. While no official announcement was made, it was generally understood that as a result of the unyielding attitude of the Constitutionalists, mediation for the time being would be limited to the flag at Tampico, on which President Wilson's course was justified by the joint resolution of Congress.

HUERTA'S DESPERATE CONDITION

Reports of the desperate condition of Huerta at Mexico City continued to circulate and with such circumstantial detail from authentic sources as to leave no doubt on that score.

At the same time the military aspect of the situation again became increasingly prominent. General Funston reported renewed demands by Mexican Federal outposts for the surrender of the waterworks supplying Vera Cruz. No shots were fired and the Mexicans fell back, but General Funston voiced the prevailing spirit in military quarters in inquiring as to the steps the United States contemplated in view of the threatening situation.

Secretary Garrison conferred with his military chiefs, but said no further orders had been given for the movement of troops and none are contemplated during the mediation.

The fourth or sixth brigade of the Second Division of the Army with headquarters at Texas City, is ready and could board the four transport, due back at Galveston today if more troops are needed.

MEXICO CITY MESSAGE

Word that Huerta is in desperate straits came from many quarters. One dispatch from a Foreign Minister at Mexico City said briefly of Huerta: "Position desperate, but details not known."

Another through diplomatic channels reported Mexico City not actually quiet today. Still another referred to the doubtful attitude of the troops heretofore loyal to Huerta. Information also came that the quarrels between General Blanquet, Minister of War, and Huerta, might bring Blanquet to the front in case of Huerta's fall, much as Huerta rose after the Madero Regime and the Felix Diaz movement.

The British Minister at Mexico City notified the State Department that Americans there were in no way harassed or in danger, but that he advised them to remain in close quarters and avoid demonstrations until they could leave.

The situation at Mexico City gave added importance of coming of Joaquin Casasus from Carrizal. It was believed that his real post was to be Minister of Foreign Affairs in a direct line for President under the Mexican constitution, so that this would bring to succession a man regarded as particularly strong in case Huerta disappeared from the scene. Casasus was formerly Mexican Ambassador at Washington and those who know him well, including some of the mediators, spoke in high terms of his fitness for the Foreign Ministry and the presidential succession at this juncture.

NO RECOGNITION

The understanding that the mediators would limit their efforts for the time being to the settlement of the Tampico incident which is responsible for the Americans being in Vera Cruz have practically given up hope of interesting the Constitutionalists in the first stages, but also had determined to postpone consideration of any definite plans for settling the dispute between Huerta and the United States. By this procedure the mediators would avoid the problems of a quasi-recognition of Huerta or of the elimination of the Mexican dictator and conditions precedent to mediation which diplomatic skeptics were earlier sure would wreck the negotiations at the very outset.

A simpler problem, that of the degree and nature of amends to be offered by Huerta for the conduct of his generals and subordinates at Tampico and Vera Cruz, would be for mediators to solve and success in this preliminary effort would contribute greatly to the chances of working out a general settlement of the Mexican imbroglio.

The mediators expressed satisfaction with the class of men chosen by Huerta as his delegates to confer with them. The appointment of the Rubazo brings a big man into the proceedings. He is one of the closest advisers of General Huerta and it has been said in Mexico that he was in the combination with Huerta and Felix Diaz which disposed of the Madero Government. The other Huerta delegate, Senor Garza, is a young lawyer, secretary to the vice president under Porfirio Diaz.

The mediators will continue in complete charge of the plans of settlement and will not take the delegates from the different parties into any general council with them. The delegates will be merely advisers, while the three South American envoys will contribute the international tribunal trying to work out the problem.

Secretary Bryan expressed satisfaction today with the mediation proceedings. He went to the White House for a conference with President Wilson during which the status of the mediation and the Mexican situation generally was gone over.

The only word from Carranza during the day was an inquiry from him to the mediators as to just what functions the delegates, which they had asked Carranza to name, would have. He desired to know before naming such a delegate just what powers he would exercise and that they would not be extended to deal with the situation again became increasingly prominent. General Funston reported renewed demands by Mexican Federal outposts for the surrender of the waterworks supplying Vera Cruz. No shots were fired and the Mexicans fell back, but General Funston voiced the prevailing spirit in military quarters in inquiring as to the steps the United States contemplated in view of the threatening situation.

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OFFER TO FIGHT UNITED STATES REJECTED BY VILLA

In answer to General Maas' Request Rebel Leader Shows Opposition

Torreon, Mexico, May 4. (via El Paso, Texas, May 5)—The answer of Gen. Francisco Villa to a request from Federal General Maas in command of the Saltillo division, that Villa join the Federals in avenging the American occupation of Vera Cruz, was delivered to the Federal headquarters today.

General Villa refused absolutely to ally himself or his men with the Federals and declared that the Huertistas had provoked foreign intervention for their own ends. General Maas' letter said that in addition to occupying Vera Cruz the port of Salina Cruz had been seized by the United States forces April 23.

GENERAL MAAS' REQUEST

"I have received instructions to notify the revolutionary chiefs that American intervention in Mexico is an accomplished fact. The United States by the North have committed a grave offense against Mexico by disembarking troops in Vera Cruz on April 21 and by taking similar action at Salina Cruz two days later. This action constitutes the intention of war and this is the supreme moment to call on the patriotism of all Mexicans to present a united front and forget our differences in the intense love of a country of which we are possessed. We can consider the enemy only as a foreigner, who in the most unjust and inhuman manner has stepped upon the holy soil of our fatherland.

"We therefore call upon your brothers to rally to the common cause for the defense of the National Integrity. You could not more nobly yield your position than in the cause of all Mexico, that we can march together on the invading Yankee."

VILLA'S REPLY

General Villa's answer in part, follows: "I know that the chiefs, by various processes, up to this time, have sought to bring about North American intervention in Mexico. It is known without doubt that the coming of the Americans was desired and provoked by you. The situation in which you have excited internal troubles, is clear to all the world.

"General Huerta and you did not show much wisdom when you were converted into instruments of the chiefs and brought about the assassination of President Madero, vice-president Suarez and other liberal Democrats, because you did not realize that the blood of the heroes who started the democratic movement in 1910 would cause a civil war that would lead to your ruin.

"Now you desire to provoke a foreign war to save yourselves from the disaster coming from the civil conflict.

"The Constitutionalists desire to do all possible compatible with the National dignity to avoid a foreign war, but if we are not able to avoid it, we will face two enemies, the powerful stranger and the depraved patriots."

OTHERS JOIN IN REFUSAL

Chihuahua, Mexico, May 5.—General Obregon, commanding the division of the Northwest of the rebel army; Gen. Pablo Gonzales, commanding the Northeast division; General Panfilo Novena, commanding the Central division; General Caballero commanding the besieging forces at Tampico and others, have refused proposals that they unite with the Federals to repel an American invasion.

CAPTURED STILL AND 800 GALLONS OF FREEER

Deputy Collectors H. G. Guiley of the local revenue office, and Deputy K. W. Edwards, of Henderson, have returned from Harriet county where Saturday morning they captured a big copper still and eight hundred gallons of beer. Along with the big haul they secured a large number of utensils and implements used in the manufacture of blacked whiskey. In the lot were two copper worms and ten fermentors, and 16 bushels of meal.

The still was in the Spout Springs section of Harriet county, in the same locality where Deputy Marshal Reese was shot and seriously wounded several years ago. The men were on duty forty-eight hours from the time when they started on the hunt until they returned to the city, and lay in wait near the still for sixteen hours. The still was ready to be operated, but the owner never did return to complete his day's work. Monday's News and Observer.

COMMENCEMENT EXERCISES AT DUKE

Duke, N. C., May 4.—The commencement exercises of the Duke Graded School were held Friday afternoon in the Erwin Hall and consisted in a program of song, marches, recitations, etc., in which all the grades took part.

Mr. E. S. Yarbrough was Master of Ceremonies and the exercises were opened with prayer by Rev. S. J. Oldham, pastor of the Baptist church. Immediately after the exercises the prizes for attendance, of which there were twenty awarded, four members of one family had not missed a day since school started. The scholarship medal offered by Mr. Thos. H. Webb for the highest average made during the year in all work was won by Rabon Womack.

Mr. Frank Culbreth presented the medal. All present were invited to visit the various rooms and inspect the work done by the different grades. This work would do credit to any school in the state. The school under the lady principal, Miss Jessie Smith, has had a very prosperous year, and the attendance has been excellent. Several months during the term the attendance was 95 per cent, of the enrollment. Saturday night the night school held their exercises. This night school is among the best in the State and is doing a wonderful work. Married men and women who have come to Duke to seek a livelihood and were unable to read and write, here have attended the night school and are now able to enjoy the newspapers and books and write letters, etc. And the men are enabled to cast votes. The school started six years ago with but one teacher and a very small attendance. This year the enrollment was past one hundred and two teachers were required to do the work.

The District Meeting of U. D. C. held at DUNN, N. C.

The District Meeting of the United Daughters of the Confederacy, including chapters from Pittsburg, Lillington, Lenoir, Raleigh, Smithfield, Selma and Dunn, was entertained by the Chocoma Chapter of Dunn, N. C., April 30th, all Chapters being some 1000 delegates. The meeting assembled at the opera house at 4 P. M. for business and the following program was rendered:

BRINGING DEAD HOME

Vera Cruz, May 3.—The bodies of seventeen American marines and marines killed in the street fighting during the operations accompanying the occupation of Vera Cruz by the United States fleet started on their way to New York today, on board the *Yosemite*, Montana. Solemn honors were paid by the great assemblage of United States and foreign war vessels as the *Yosemite* departed.

The crews of the warships in full uniform lined the sides of the warships as the *Yosemite* reached each one, the men stood at attention, the marine guards presented arms and the ship's bands played. One by one the colors of the fighting craft sank to half mast.

On shore during the *Yosemite's* passage out of the harbor, the flag over Brigadier General Frederick Funston's headquarters was half-masted and was only raised again when the vessel had disappeared on the horizon.

The hospital ship *Solace*, with about 100 sick and wounded, might sail northward later this week. All the men under treatment on board are doing well.

Envy is like the rust of iron; it wears away the envious.—Aristotle.

WILSON NAMES MEN ON RESERVE BOARD—FIVE MEMBERS TO SERVE UNDER THE NEW CURRENCY LAW, APPOINTED.

Washington, May 4.—President Wilson tonight had selected the five men who, together with the Secretary of Treasury, W. G. McAdoo, and the Comptroller of the Currency, John Skelton Williams, are to compose the Federal Reserve Board.

All of those selected had not yet accepted, so formal announcement will not be made for another day or two. The men to whom the President has offered places are:

Richard Olney of Boston, Mass., former Secretary of State under President Cleveland, to be Governor of the Board.

Paul Moritz Warburg, of New York, member of the banking firm of Kuhn, Loeb & Co.

Harry A. Wheeler, of Chicago, vice-president of the Union Trust Company of Chicago, and former President and organizer of the United States Chamber of Commerce.

W. P. G. Harding, of Birmingham, Ala., president of the First National Bank of Birmingham, and one of the leading bankers of the South.

Dr. Adolph Casper Miller of San Francisco, now assistant to Secretary Lane of the Interior Department, is an economist and authority on finance.

The nomination will be sent to the Senate in a few days. As yet Messrs. Olney and Harding have not indicated whether or not they will accept. Upon the new board will develop the task of setting in motion the banking system of the country thru the 12 regional banks already selected.

They also constitute a governing board, which is given wide power to regulate the 12 banks and issue currency. The President had told his friends that he regarded the membership of the board equally important as that of the Supreme Court of the United States.

The President is very anxious that Olney accept, and had a personal representative in Boston today urging him to do so. The impression among many persons here, however, was that Mr. Olney would decline, as he had done in accepting a post in Great Britain, on account of his old age.

Should Mr. Olney decline, it is believed Mr. Harding or Mr. Warburg will be chosen to head the board, but this will not be determined until definite word comes from the first choice.

SELECTION OF MEMBERS
While the White House did not make any announcements, persons close to the President confirmed the names of the first four men above mentioned, and discussed freely the principles which had guided the President in making his choice. He selected men from New England, New York, the Middle West, South and Pacific Coast, they said, so as to conform with the provisions of the new law, which specify that no two members of the new board shall come from the same regional reserve district. The President, according to those who were in his confidence when he made his selections, was guided by no political considerations, seeking to get the best bankers and business men available. White House officials did not know the names of the men mentioned except that Messrs. Olney and Harding were Democrats and they believed Mr. Warburg was a Republican. Mr. Wheeler is a Republican and close friend of former President Taft.

burg & Co., founded in 1798 by his great-grandfather, to study the requirements of banking. In 1901 he became a member of the municipal council of Hamburg, taking an active part in the elevation of the League of German Banks and Bankers. He moved to New York in 1912 to become partner in the firm of Kuhn, Loeb & Co.

HAS NOT BEEN OFFICIALLY NOTIFIED
W. P. G. Harding, of Birmingham, who is announced as an appointee to the Federal Reserve Board has not yet received formal notice of his appointment. Mr. Harding stated tonight that in absence of definite advice on the subject he would prefer to withhold comment.

Dr. Miller's selection was not confirmed until late tonight although the names of the other four were known throughout the day. Dr. Miller, who is 48 years old, holds a professorship in finance in the University of California. Since coming to Washington he has been an intimate adviser of Secretaries McAdoo and Houston, of the organization Committee of the Federal Reserve Board.

Secretary Houston was one of the men the President wanted to place on the board, but he did not wish to make any changes in his Cabinet.

OLNEY MAY NOT ACCEPT
Boston, May 4.—No statement was forthcoming from Richard Olney tonight regarding his appointment as governor of the Federal Reserve Board, but an intimate friend stated that there was little doubt that Olney would decline. Advanced years and business interests were believed to be factors entering into this decision.

BENEFIT A TENT PRESIDENT WILSON RESTS THIS SUMMER

Washington, D. C., May 3.—A large tent has been erected in the flower garden, south of the White House, and it is expected that President Wilson will transact much of his business during hot days beneath its cool shade.

The long executive program mapped out for Congress, together with the Mexican problem, make it probable that the President will be unable to go away for a real vacation until late in the summer.

BENSON HIGH SCHOOL COMMENCEMENT PROGRAM
The closing exercises of Benson High School begin Sunday morning, May 10th, with the baccalaureate sermon, which will be preached by Rev. H. F. Ellinwood, pastor of Hamlet Presbyterian church, in the school auditorium at 11 o'clock.

Wednesday night, the primary grades, under the direction of Mrs. Lura Toler and Miss Eldridge, will render an interesting program. The intermediate grades, with Misses Canada and Jones and Mrs. J. R. McLamb, in charge, will give their exercises Thursday evening. The literary addresses and graduating exercises will take place Friday morning and on Friday afternoon a game of ball will be played and the Declaimer's contest. The exercises will close Friday night with an interesting program by the literary societies and the music and expression classes.

MARTHUR NOTE SUIT LIKELY TO END TODAY
Payetteville, May 4.—The Newton McArthur trial is still dragging in its slow length along, all of today being consumed in the continuation of argument, which will be concluded tomorrow, when Judge Rountree will charge the jury and they will take the case. The speeches on both sides have been able, and the courtroom crowded, a large part of the audience being ladies.

The city election was held here today and the entire Democratic ticket, headed by J. D. McNeill, for Mayor, was elected without opposition.

FOUGHT BLOODLESS DUEL

Paris, May 4.—Joseph Caillaux, ex minister of finance, and Fernand D'Aillieres, his opponent in the recent election to the chamber of deputies, fought a bloodless duel today with pistols. M. D'Aillieres fired twice at his adversary, but neither shot found its mark. M. Caillaux fired in the air.

The duellists stood 25 paces apart. The encounter took place in the Paris de Princess.

C. F. & Y. V. RAILWAY

Corporation Commission Reports to Attorney General Bickett—No Findings Given.

Salem, May 1.—The Corporation Commission transmitted to Attorney General T. W. Bickett today the evidence taken by the commission as to the receivership, sale and partition of the Cape Fear and Yadkin Valley Railroad.

The commission points out that the resolution of the 1913 Legislature under which the investigation was made, merely directs the taking of evidence without requiring any expression of opinion by the commission. The course now will be the decision of the Attorney General as to whether the evidence will warrant taking the matter to the United States District Attorney for him to institute Federal proceedings for the annulment of the sale and partition as in violation of the Sherman anti-trust act. It is understood that Attorney General Bickett will go before the Attorney General of the United States and ask for the Federal proceeding and that Attorney A. J. Brooks, of Greensboro, who has been active in the securing of the resolution and in the hearing before the commission, will go with Mr. Bickett to Washington to press the necessity for the proceeding to be instituted.

The most important witness examined by the corporation and whose evidence in detail is transmitted to the Attorney General was Harry Walters of the board of directors of the Atlantic Coast Line, Capt. J. W. Fry, who was President and manager of the old Cape Fear and Yadkin Valley Railroad, and W. L. Ky, formerly traffic manager of that line.

The trend of the evidence in a nutshell, was that prior to the receivership there was an agreement between the Cape Fear & Yadkin Valley and the Norfolk & Western for connections and extensions for interstate traffic sharply competitive with both the Southern and Atlantic Coast Line; that this was allowed to elapse after the Norfolk & Western purchased the Roanoke Winston Salem line and that there was the receivership sale of the Cape Fear & Yadkin Valley and partition under circumstances claimed to show collusion between the two lines to restrain competition.

The evidence taken shows that soon after the Cape Fear & Yadkin Valley defaulted in 1905 the Atlantic Coast Line and the Southern Railway, or their predecessors appointed committees in Baltimore and New York to buy up first mortgage bonds of the C. F. & Y. V., neither, it was said, being aware that the other was buying. Finding that this was the case, Chairman Harry Walters for the Coast Line and President Spencer for the Southern formed an agreement to cooperate in the bond purchases and to bring about the sale of the road in two divisions.

This Federal Judge Simonson refused to allow. There were legislative acts passed, especially by the Atlantic Coast Line to permit in an indirect way the obtaining of the control; and then the receivership purchase of the entire line, Wilmington to Mount Airy, was made and the partition brought about later under circumstances detailed in the evidence.

The commission recites that the evidence showed that had the pre-receivership plans of the Cape Fear & Yadkin Valley and Norfolk & Western for alliance been perfected the Virginia gateway route would have been put into effect at Walnut Cove and Winston-Salem, and that the plans for alliance, either through extension from Mount Airy or through the use of the Roanoke & Southern division purchased by the Norfolk & Western, Winston-Salem to Roanoke, Va., it would have resulted in strong competition with the Southern Railway and the Atlantic Coast Line in respect to traffic to and from the West and a great benefit to North Carolina from the extensive coal mines served by the Norfolk & Western.

AGED WOMAN CARPENTER

Kinston, May 2. A message received here says that Mrs. Eliza Gordon, one of the best known women of Washington, N. C., is a capable carpenter at 85 years old. Mrs. Gordon, who has outlived all but one of her children, who includes the late Seth Gordon, one of the most influential business men and politicians of Oklahoma, climbed upon the roof of her two story home, in which she lives alone, and nailed on shingles with which to stop a leak. The repair was thoroughly made, after which the slight, gray-haired woman patiently descended to the ground. Passerby who stopped to witness the scene applauded. Mrs. Gordon has for half a century been an honored citizen of the town. She is one of its most industrious residents at her ripe age.

WARNING IS ISSUED AGAINST ALLEGED CURES OF PELLAGRA
Washington, D. C., May 1.—The public health service today issued a warning against so-called "pellagra cures." This service reports that specimens of cures advertised throughout the Southern States have been analyzed and nothing in the preparations has any value in the treatment of pellagra.