

**FIDEICOMISO ARCHIVOS PLUTARCO ELÍAS CALLES Y FERNANDO
TORREBLANCA**

**ARCHIVO FERNANDO TORREBLANCA
FONDO PLUTARCO ELÍAS CALLES**

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DESCRIPCIÓN: Carpeta con una compilación de folletos y hemerografía norteamericana, tratando asuntos relativos al problema de la iglesia en México; viaje del Corl. Juan F. Azcárate por América; la rehabilitación e las finanzas en México; declaraciones de católicos norteamericanos sobre el gobierno tiránico del Gral. Plutarco Elías Calles; protestas de los caballeros de Colón contra el Gral. Calles; reinicio del pago de la deuda externa mexicana; informe del Gral. Plutarco Elías Calles al Congreso sobre el conflicto religioso; la exportación de petróleo mexicano; la legislación petrolera y sus cambios; México y la revolución en Nicaragua; acusaciones entre el Gral. Calles y el episcopado; las conferencias con Coolidge sobre los derechos relativos a petróleo y extranjería; abolición de los puertos libres; llegada de Alexandra Kollontay a México; celebración del 15 de septiembre; la rebelión de los yaquis en Sonora; secuestro y asesinato de Jacobo Rosenthal; hundimiento de la ciudad de México; petición del Ku Klux Klan al gobierno norteamericano para que no intervenga en el problema religioso mexicano; formación de un servicio aéreo de correo; el boycott económico impuestos por el clero; negación de la solicitud de derogación de cláusulas constitucionales relativas al clero; carta abierta de

Alfredo Cámara Vales al gobernador de Yucatán, Álvaro Torre Díaz, denunciando los malos manejos que hace del henequén el Sr. Tomás Castellanos Acevedo.

NOTA DE BIBLIOTECA

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F A P R E C T

MEXICO

A Monthly Commercial Magazine



Church of Ocotlan, Tlaxcala, Mexico.

September, 1926

In this issue: MEXICAN DEPARTMENT OF COMMERCE. — TRADE NAMES IN MEXICO. — MEXICO SEEN FROM NEW YORK. — CONSULAR NEWS. — MEXICO, A LAND OF CONTRASTS. — THE NEW MEXICAN TELEPHONE SYSTEM. — FOREIGN FILMS ABOUT MEXICO. — SOCIAL INFLUENCE OF THE NATIONAL UNIVERSITY. MEXICAN LAWS AND REGULATIONS, ETC.

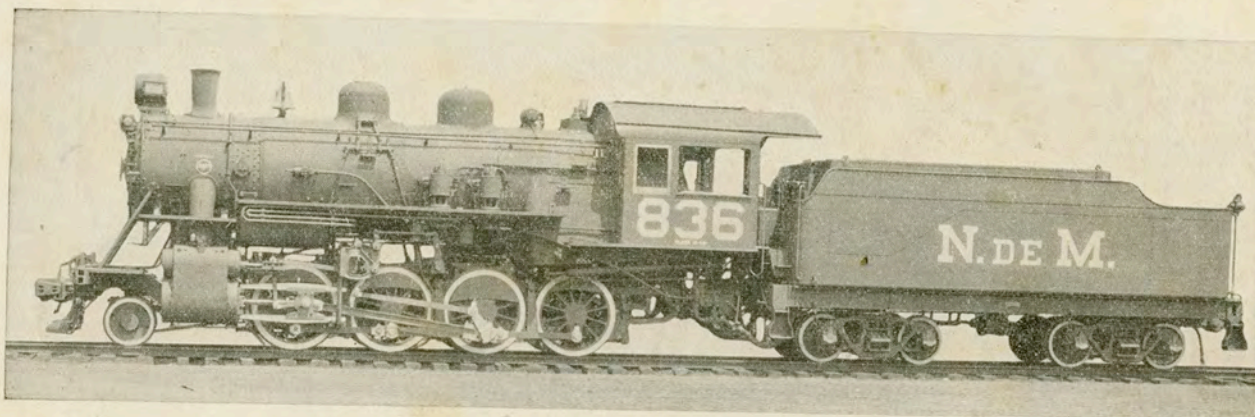
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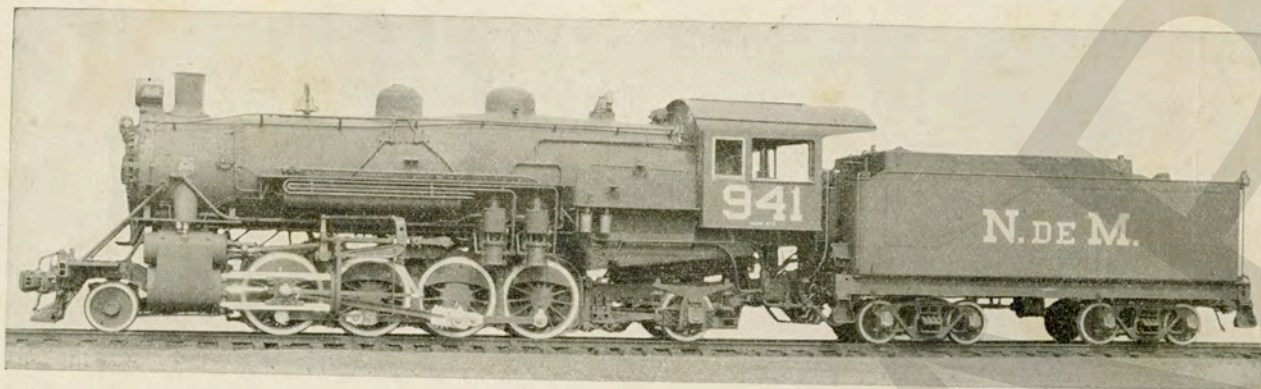
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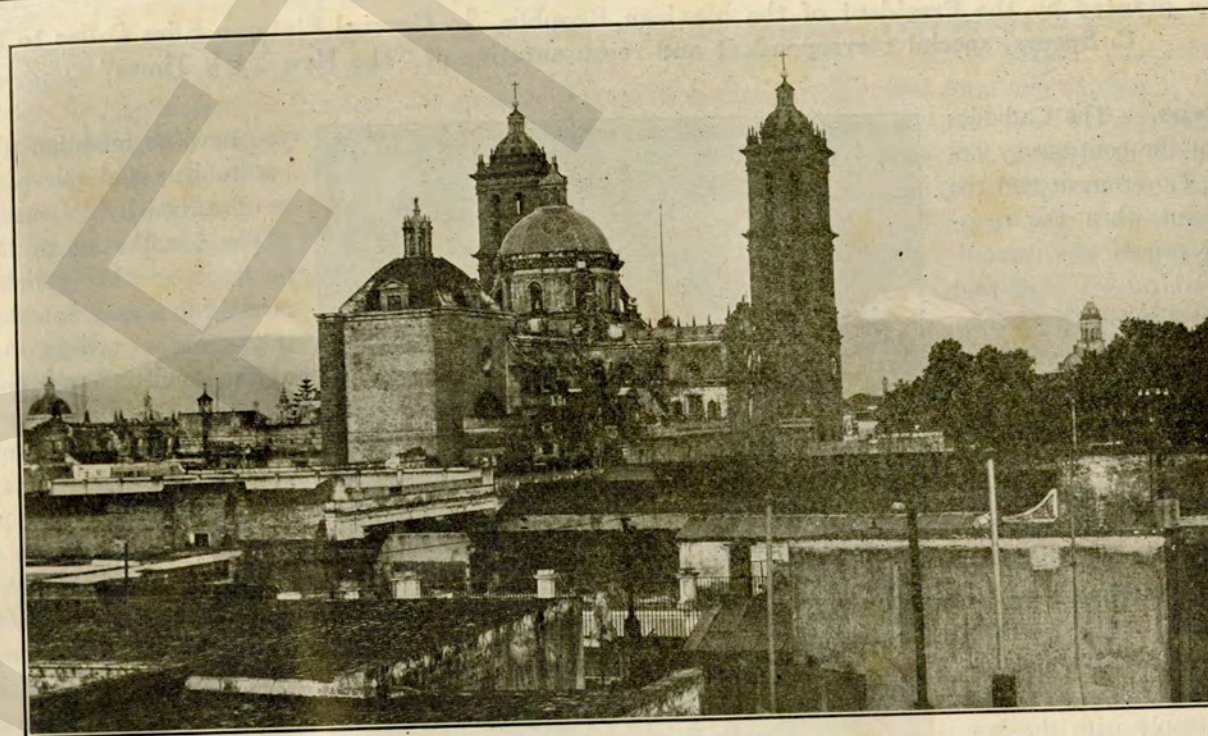
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Cathedral of Puebla, Mexico

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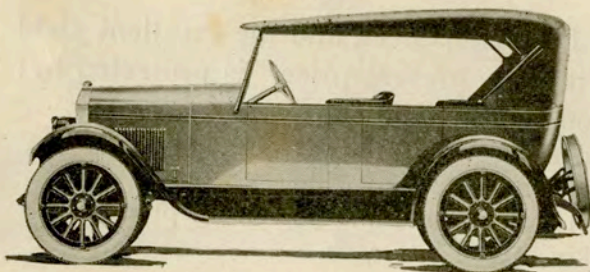
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The Church Problem in Mexico

Interview granted by the President of the Mexican Republic, Sr. General Plutarco Elias Calles to Mr. L. C. Speers, special correspondent and representative of "The New York Times"

Mr. Speers.—The Catholics assert that the controversy between the Government and the clergy began when the registration of priests was decreed.

The President.—I have said before that the Government of the Republic has no controversies with the clergy and cannot have them. The Mexican Government, and very particularly the Federal Executive, has the unavoidable duty to compel the obedience of the General Constitution of the Republic and of the laws based on it. I cannot understand why the Catholic priests or any other person refuses to comply with the law, particularly when it deals with such a small thing as it is—the act of presenting themselves to the municipal authorities, give their names and state what church building they have under their care.

Mr. S.—Is it true that the Government is going to administer the churches?

The P.—That is wrong. The Government cannot administer the churches, because that is not its mission; but the churches are national property, and what less can the Government ask, being the legitimate representative of the people, than to know the names of those persons in charge of the administration? With the acts of doctrine, with the mere spiritualistic matters, the Government has no concern, therefore the fear of the clergy is unfounded. That cannot be the reason why they are so much upset; the cause must be some other.

Mr. S.—What is the object of the registration?

The P.—To know who is in charge of the church buildings and who is responsible for what they contain, since, as I said before, they are national property, property of the people, and the only genuine representative of the people is the Government. The registra-



General Plutarco Elias Calles
President of Mexico

tion is part of the police regulations, to complete statistics, and for a thousand more administrative reasons the Government must have this data on file and must keep control of the things that by right belong to the nation. Do you not have the right to know the names of the persons who administer your property? The question of the permit is only an excuse, a story, as a matter of fact; they are alarmed on account of the reform to the Penal Code. It is not the registration that bothers them, but the penalties prescribed to punish the transgressors of the law. I think you are familiar with the constitutional provisos, but the regulations pertaining to it had not been made, and therefore there were no penalties prescribed to punish those that did not abide by the Constitution. Supposing that the crime of robbery did not exist and that no law to punish it with so many years of prison had been made, what would you say if that law were enacted? Would you protest against it? Certainly not, as

you have no intention to steal, but robbers and thieves would be disturbed by its enactment.

The Constitution of the Republic says: "The priests have no right to preach or make seditious speeches against the laws of the country," and now the law states that the priest guilty of making seditious speeches would be subject to a certain penalty, and they protest against this regulation. What would you understand? It is plain that they intend to transgress the law by making speeches of a seditious character. The Constitution says: "The public manifestations of external cult are forbidden," and now the law says that any one guilty of carrying out manifestations of external cult will be punished with a certain penalty. If they have no intention to disobey the law, why do they

protest against it? One thing is certain, if the penalties had not been specified and Catholic priests would continue disobeying the law as they have been doing it for centuries. There could not be a state within a state. That is the question, and I am going to be more explicit.

The President on the Fifth of this month reads in a Mexican newspaper a paragraph which says: "The offices of the Episcopal Committee received yesterday copies of a communication of the Holy See stating its views on the Mexican religious conflict, and at the same time giving instructions to the archbishops and bishops in the Republic as to what to do in this case." The first document was an answer to the query made by the Mexican Episcopate in connection with the suspension of religious cults with the intervention of the priests, and the second one is the answer to His Holiness, Pope Pius XI to said consultation. These documents read as follows: "The majority of the Mexican Episcopate in-

tends to suspend the services in all the churches of the Republic before the 21st instant, since their mission cannot be fulfilled according to the canons of the Church. The new law takes effect on the 31st of this month. The Episcopate requests the approbation of the Holy See." The answer was as follows: "The Holy See condemns that law and any other act that may be interpreted by the faithful as an acknowledgment and recognition of such law. To this view the Episcopate must adjust its procedure in order to secure the co-operation of the majority and, if possible, act with uniformity so as to give an example of concord." In the offices of the Episcopate we will also inform that all the Mexican archbishops upon knowing the contents of the cable sent by the Holy See, signified their conformity to the pastoral letter published the 25th of last month.

The President continued: So that the Episcopate states that the churches will be closed because the new law will be put into effect on July 31st, and what law is that? The law stipulating the punishments to which I have been referring, and the Episcopate addresses itself to the Pope and asks his opinion, and his answer is that he condemns that law and orders to disobey it; that is to say, he advises them to disavow their Government and the institutions of our country. With what right does he give these orders? What will the American Government answer to the Pope if he would order the people of the United States to disobey the fundamental laws of that country? What Government would countenance an intromission of this nature? They pretend to disavow the General Constitution, and in this country nobody has the right to disavow the Constitution. Not even in the past, when the nations were governed by Princes and Catholic Kings and fanatics did they allow Rome to interfere in the affairs of a State when these were of a purely domestic nature. How do they pretend that in this century we accept their intromission?

Mr. S.—Will the Government you head accept a mediation?

The P.—No, it cannot accept any mediation, since there is no conflict at all and the only concern is the obedience of the law, and I am ready to

make use of the powers the same law grants me to enforce its compliance.

Mr. S.—Besides the suggestion of the President of Peru, have you received any other?

The P.—The priests are trying to deceive the public. It is a story they are spreading, purporting that mediations have been offered. They want to create the impression that some persons by their own free will have offered their services to mediate with the Government, and this is not true; the Episcopate has addressed itself to the ministers of the Latin-American nations requesting them to interpose their good offices, and I have in my possession copies of the communications they have sent to them. They have addressed themselves in this form to the minister of Cuba, Peru, Bolivia, Dominican Republic and so forth.

The archbishop and Bishop Diaz wrote a letter to the lawyer, Mestre, letter that I have, asking him to secure an interview with me. I was to select the bishops who were to come to discuss the matter with me; but, I refused to receive them because the Government cannot allow anybody to discuss the Constitution,—its duty is to make everyone abide by it.

If, due to the evolution of the country or other cause, it will later be found necessary to amend the Constitution, it can be done, but it must be done by the legal process prescribed by that same law.

Mr. S.—Of course, you will not permit foreign mediation!

The P.—No, under no circumstances.

Mr. S.—What measures will the Government take if the boycott continues?

The P.—None.

Mr. S.—They think that the boycott will force the big merchants to appeal to the Government for relief.

The P.—Do you think that the economic life of a country can be stopped because the priests say that nobody should buy neither the things they need to live, nor the wearing apparel they require? This cannot be done. The Catholics are the first ones to pay no attention to the famous boycott. He who needs a suit of clothes will buy it; and he who is thirsty will buy refreshments.

Mr. S.—They say you are a fanatic.

The P.—On the contrary, I am broad-minded. To me, all religions are good: the Catholic religion is good and so also is the Protestant, the Buddhist, the Hebrew, because all are respectable and all have a moral aim.

Mr. S.—Have you received any news from any of them?

The P.—Yes, we have been receiving news from some of them to whom we returned their church, they having promised to obey the law.

Mr. S.—Is there anything that may be dangerous?

The P.—Nothing at all; there is no danger; the only thing is that the Catholic religion has a very grave fault, and that is, that their dogmas cannot be discussed; they consider themselves infallibles; they cannot make mistakes, and they have succeeded in instilling that idea into the minds of the ignorant.

Mr. S.—Do you not think that there are two kinds of Catholics: the liberals and the fanatics?

The P.—Yes, but the liberal Catholics are on our side—they think as we do, they have their own beliefs and they live up to them, but they recognize a division between the spiritual and material affairs.

Mr. S.—According to the law, can you allow foreign Protestant ministers to officiate?

The P.—Not just now, because the law clearly states that the priests of all religions must be of Mexican nationality. At present, the Protestant ministers in Mexico are allowed to continue the work without being disturbed, because they are complying with the law. The reason why no foreign priest is allowed to officiate cannot be understood by you, because there is no such problem in your own country, but in all Latin-America the foreign priests always have been a calamity, more so the Roman Catholic, because all the dredges of Rome and even of Europe have come to our countries; thousands of priests have come to fanaticize our people and to sink them in ignorance, and at the same time taking out of the country all they could get hold of; and finding ourselves confronted with this situation, by the natural process of evolution, we had to resort to radical measures to eliminate this ill. They

(Continued on page 13)

Editorials from the Mexican Press

Reforms to the Mining Law

In justice we must recognize the fact that among us, the first reaction that a new law creates in the public mind, is one of opposition. May be this is only a natural outcome counterbalancing the fetishism that characterizes our legislators; the governed have a tendency, first of all, to mistrust the ability of the State as legislator.

The action of these two opposing forces brings about either the absolute triumph of the new legislative measure, if its merit is real and has been inspired on what the public needs, or else its total failure, when it is not calculated for the public good.

The State, to be more explicit, our State has shown almost since its formation a blind faith on the omnipotence of its legislative ability. The extraordinary number of laws of short-lived enforcement that clog the archives of the nation have not been proof enough to convince it that together with the sobriety it exerts over organized society, there is another force, not so well defined and clear, but as potent or more so that finally determines the success or failure of all acts of the government, and this force is public opinion.

And as a natural consequence, the public harbors the belief that the excessive confidence the State has on the power of the law, invariably puts it on the risk of making mistakes whenever it enacts new legislative measures. If the State shows an exaggerated optimism, according to the judgment of the public, the people lean toward a pessimism that also is undoubtedly exaggerated.

We have said before that what prevails, is the conciliation of these two attitudes, but we must not forget that before such result is attained there is a period of time, short or long, of strife between the people and the State. This strife brings with it, as a natural consequence, an uncomfortable situation, causes a loss of social energies, and provokes a transitory separation of government and governed. Such an outcome should be and must be avoided.

The Secretary of Industry, Commerce and Labor not long ago gave a very good example of how much it can do towards preventing public dissatisfaction. It was on the occasion of the anti-trust law. Although the justice of this measure was never disputed, however some of its regulations were criticized, pointing out the difficulty of their application, and how in some instances the results obtained were just the contrary of what was expected.

The Secretary, instead of assuming that the law was perfect and therefore above reproach, instead of taking an attitude of confidence in the efficacy of the laws to modify by themselves the nature of the medium and the conditions under which they should operate, took heed of the objections raised, and through the press made public his intention and willingness to study and consider all of them and promise to reform the law if found necessary.

Labor is confronted with a similar situation. The new Mining Law, recently enacted, is being criticized; the people are of the opinion that it is against the small operator, against the explorer and exploiter of limited resources, and

in favor of the large mining interests. Without going deep into the matter it is clear that all of these objections should be taken into consideration, for the moral and social effect this will have, even if only to show the injustice of the objections.

May be the opposition of the people in this particular case is one instance more of the tendency we have pointed out of resistance toward regulation of article 28, consider all these remarks and objections, weigh them and announce through the public press its willingness to revise the law and modify it, it is found that the critics are right.

Mr. Juan Angel Morales of Matehuala, S. L. P., presented to the Secretary of Industry a long document in which he tries to prove that the new Mining Law handicaps and hurts the interests of the small industrial. He basis his objections on technical grounds upon which we are not called upon to pass judgment; but we insist that to avoid possible injustices and bad feeling, his case should be taken into account.

We very well know that mining is an industry that requires large capital. We also see that under the difficult circumstances prevailing, the large mining corporations deserve a protection that will guarantee their heavy investments and that will also attract them to this field.

We, therefore, applaud all the measures that are taken to achieve this result, and that are incorporated in the new Mining Law. On the other hand, it is clear that we are not trying to make a show of anti-economic radicalism against the Secretary of Industry, more so when it is in the hands of one of the national labor leaders.

To our mind this problem, as many others, is only one of conciliation of interests. Those of the large mining corporations with those of the small operator. There is no doubt that in framing out this law the aim was to counterbalance the interests of the two groups, that this was not attained is shown by the objections raised. Therefore, it is necessary to revise the law and change it or else prove that the opposition is wrong.

Luckily, as we said before, the Secretary of Industry and Commerce, is the one called upon to act, and it has already established precedents of wisdom and serenity; but even if this were not the case, and we had the conviction that our words were not going to be heard, we would insist that the State should not forget its role as mediator and harmonizer of the various interests and even of the social tendencies.

Our attitude should not be taken as a proof of criticism towards the law. On the contrary, as a sincere and patriotic desire to help it we have the inner conviction that when the policy initiated by the Secretary of Industry and Commerce generalizes itself, that is to say, when the Government enacts laws counting with the support of the majority of the people, the day would have come in which the task of governing would be the easiest in the world.

—EL UNIVERSAL.

Mexican Department of Commerce Organization and Functions

By F. SUASTEGUI, Commercial Attaché at Washington.

THE services rendered to business firms by the Mexican Department of Commerce are performed through the main offices at Mexico City, the district offices throughout the Republic and the Commercial Attaches and Consulates in foreign countries, and organization and functions of these three branches of the service can be summarized as follows:

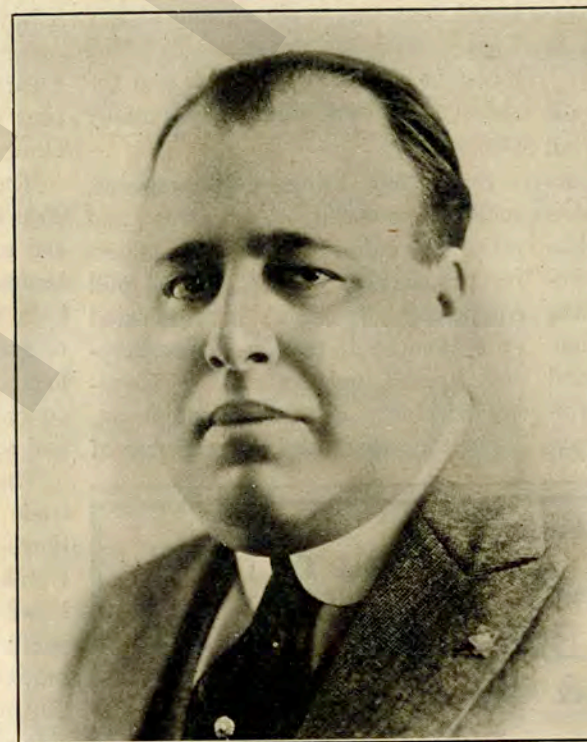
Main Office at Mexico City.

—The department is subdivided by commodity divisions and sections, with personnel trained for the purpose, each handling exclusively matters pertaining to its line of research, such as textile fibers, lumber, grains and cereals, fruits and vegetables, animal products, fish, minerals, petroleum, industrial machinery, laboratory research, etc., etc.

Business information is received from the Department of Agriculture, the Department of Communications, the Department of Statistics, and other branches of the Federal Government; also from the district offices in the Republic, the Commercial Attaches and the Consulates. The information is then classified, revised, completed and distributed in the form of reports and bulletins to the district offices, the Commercial Attaches and Consulates, as the case may be.

Daily reports are given to the press, the chambers of commerce, industry, mines and agriculture in the country, which in their turn publish them in their monthly or weekly bulletins. The district officers are furnished with the same service, but in fuller detail, besides telegraphic notices of all important matters, and the department conducts a daily radio service broadcasting all trade opportunities, market quotations, etc., throughout the country by means of the receiving stations handled by the district officers.

The department publishes every working day a bulletin containing the



Señor Luis N. Morones

Mexican Secretary of Commerce, Industry and Labor

daily market quotations in domestic trade centers, the New York market prices on Mexican products, buying and selling trade opportunities in domestic and foreign markets, and brief reports on any matters of interest. Besides this a monthly bulletin is printed, and the district officers distribute between the producers, merchants and exporters in their territory, mimeograph copies of all trade opportunities and quotations.

The Commercial Attaches are furnished with special reports on all matters of interest, and copies of all bulletins issued. Besides this, all specific offers of Mexican products for export are turned over for their attention, same as inquiries from importers or manufacturers desiring to purchase machinery, equipment, materials or supplies.

The department also handles daily a large number of specific inquiries from producers, manufacturers, importers and exporters, and furnish them with information kept classified and

up to date for the purpose. Special investigations are conducted through the district officers, the Commercial Attaches, the Consulates or other Government departments when complete details are not in file.

District Offices.—There are 22 district offices distributed throughout the Republic and handling the work of the department. The scope of their activities is very broad, embracing the duties above outlined, the visiting of all trade, industrial, mining and agricultural centers in their territory and preparation of detailed reports on their resources, production, and business establishments; the assistance to merchants and exporters in presenting their offers for export or sale in domestic markets and the work of securing any trade information required by business firms.

The district officer is in many cases a pioneer of business, and many a transaction or a new enterprise is made possible through their efforts. These offices are supplied with directories of importers in foreign countries, merchants, jobbers, producers and manufacturers in the country and full data on classification, packing and quality requirements, import and export duties in Mexico and foreign countries, etc., etc.

Commercial Attaches and Consuls.

The Commercial Attaché is the direct representative of the Department of Commerce and Industry in the country where he is accredited, and his office is located at the corresponding Embassy or Legation, where he conducts his work in conjunction with the business matters turned over for his attention by the head of the diplomatic mission.

The duties of the Commercial Attaché, besides those above enumerated, consist in assisting and directing the Consular commercial activities; handling all inquiries received directly

from business people in Mexico and the country of their jurisdiction and those received through the Mexican Department of Commerce; presenting offers of Mexican products for export to suitable importers and placing Mexican importers in touch with foreign exporters desiring to find a market in Mexico for their products.

The Commercial Attaché handles the distribution of trade information of all kinds in the country where he is accredited, and one of his duties consists in translating, classifying and publishing statistical reports on Mexican imports and exports, mining, petroleum, agricultural and industrial production, trade and industrial opportunities and business information of every description. The services are performed abso-

lutely free of charge and in an entirely conservative manner.

It would be difficult to give an accurate idea of the nature of the work handled by the Commercial Attaché, the scope of his activities being so broad that they embrace almost any trade report or investigation which might be necessary or useful, and the character of the work is essentially constructive.

Every day brings new problems, such as securing descriptions and prices on coffee pulpers and hullers for producers in Vera Cruz, oil mill equipment for dealers in cottonseed or sesame seed, catalogs of beekeepers' supplies, nut crackers, refrigerating machinery or flour mill equipment.

On the other hand, an exporter of

vanilla may offer 20,000 pounds for export to the United States, a dealer in goat or deer skins may want to make connections with New York or Philadelphia importers, a producer of ixtle fiber or kapoc may want to find a buyer, a contractor in tabasco may present an offer of mahogany and cedar logs, or a large exporter of chick-peas may desire a connection in New Orleans.

The basis of the work is a knowledge and constant study of the American and Mexican markets, careful selection of importers and exporters in both countries, detailed investigation of specifications and packing requirements, customs duties, carrying charges, market conditions and buying and selling seasons.

The object of the work is to increase trade with Mexico along substantial lines, and for the purpose great care is taken in presenting only the facts in all cases, discouraging unprofitable ventures as much as assisting feasible projects. A shipment of Mexican china clay to Georgia would be as unprofitable as a consignment of American washing machines to a large center of Indian population where the work is done by hand at a nominal cost.

Just the same as Mexican exporters are given assistance in finding a suitable market for their products, the American importer of industrial raw materials or natural products is directed to the proper center of production in Mexico. It would be just as wrong for a Mexican exporter of mahogany to look for a market in San Francisco instead of New Orleans or New York than for an American importer to look for a supply of vanilla or sisal on the West Coast.

For the larger success of this work, the hearty co-operation of all concerned is essential. Confidence and team work, and the absolute elimination of selfish motives combined with efficiency, will bring about a development of profitable and sound trade relations, an increase in production and a larger supply of needed natural products and industrial raw materials in adjoining territory for manufacturers and consumers in this country.

Bearing the above in mind, this office does not spare any efforts which

(Continued on page 26)



THE EDITOR'S PAGE

Mexico seen from New York

There was never so much interest on the part of the American people to learn more about Mexico as it is today, on account of this so-called religious problem which at the beginning caused so much anxiety. However, writers like Speers of the *New York Times* explained the situation so clearly that there is no doubt that Mexico is on the threshold of attaining her true liberties, for which so much blood has been shed. That is to say, she is attaining her economic and spiritual rebirth.

Fortunately for President Calles' program of liberation in a practical way, he has the collaboration of a group of men who are fearless, intelligent and truly nationalistic in their purposes.

To solve the financial problem, General Calles has as Secretary of Finance, Mr. Pani, who already has achieved what his most ardent sympathizers thought would require many years. What he has accomplished is little short of marvelous, and Mexico's foreign credit has been strengthened a great deal by the policy of economy and retrenchment that General Calles set in at the very beginning of his Administration.

The Agrarian problem, with his unflinching Minister, Mr. Luis Leon, has entered in its final phase, and the establishment of the Banco Agrícola will solve the most important problem the revolutionary movement created for Mexico in many years. Once this problem is running smoothly, even the former great landowners of Mexico will admit the absolute necessity of creating a national wealth through the widest distribution of land to the Mexican people.

The international affairs of Mexico which not long ago were so delicate on account of foreign investments in the country, have been straightened out through the able leadership of the Minister of Foreign Relations, Mr. Aaron Saenz.

Mr. Luis N. Morones, Secretary of Industry, Commerce and Labor, is the staunchest supporter of General Calles' policies and in the political field has been a great factor in Mexico. Nevertheless, Mr. Morones' work in promoting the commerce and industries of Mexico has been of such magnitude that while the total international trade of Mexico in 1923 was but \$883,579,640, in the last year of 1925 it amounted to \$1,073,481,000. Figures speak for themselves.

The Government had to turn its attention to the educational problem, with Dr. Puig Casauranc, a learned and able Minister of Public Education at its head. Unfortunately for the Mexican revolution, few Mexican writers like Rafael Nieto have been in a position to explain even to the Mexicans themselves the true problems of Mexico which have to be solved once for all in order to put the country on the road to real prosperity and happiness. The lack of publicity and of writers devoted to the banners of the revolution, have been the cause of much misunderstanding at home and abroad.

As General Calles said, there is no religious problem in Mexico, in the truest sense of the word. What he has done, is to enforce through the regulations, laws that have been in the

Mexican Constitution for many years. Naturally, the curtailment of the political activities of the ecclesiastic group brought about this intricate situation.

The absolute separation of Church and State is a necessity in Mexico, but not on the basis of a State within a State. The liberal Catholics are with the Calles administration because they understand what it means for Mexico to be under the influence and power of a religious institution. The issue is not the religious activities of the churches as such. The issue is whether Mexico will ever have and maintain its institutions free from ecclesiastic interference. It is absurd to think that the Government wants to control the Church, but up to the publication of these regulations the door has been open to the clergy for infringement of the constitutional restrictions. The issue between the Church and the Calles Government is a political one, perhaps a legal one. No one can cite a case of the Government denying or attacking purely religious subjects. Although Mexico has been compared with Russia, in Mexico no images have been destroyed nor any churches desecrated. Religiously, we believe, there is little difference between the followers of General Calles and his opponents. Politically, they are as far apart as the two poles.

Americans are learning how a sensitive and proud country like Mexico resents even the inference of possible intervention in its internal affairs. The attitudes of the Knights of Columbus in this country and of the Association for the Protection of Religious Rights in Mexico, have helped to strengthen the Mexican Government and have reacted in Mexico's favor. Only a few days ago, Mr. Elias, Consul General of Mexico in New York, refuted the statement of Judge Talley that Mexico's present attitude toward the church was "because the church stands for individual and property rights, and that the Mexican Government's purpose was to drive out religion." Mr. Elias said: "Judge Talley certainly has a right to champion the rights of the Catholic church or any other church to special privileges, but neither Judge Talley nor any other spokesman for the Church Hierarchy has a right to misrepresent the issue."

We are sure that even the ecclesiastical powers in Mexico will not approve of this uncalled-for meddling. The ecclesiastic authorities in Mexico are bound to Rome, it is true, but their leaders are Mexicans who love Mexico, and for this reason this problem so transcendental to the Mexican nation has to be settled right there. The patriotism of General Calles will guide him in this eventful hour in the history of Mexico.

Everybody with moderate education can see that one of the loudest cries of Mexico and Latin America is the necessity of a more liberal church procedure, but on this score Rome has been inflexible. Mexico will remain Catholic, it is true, but absolute separation of Church and State has to be accomplished for the better administration and welfare of Mexico.

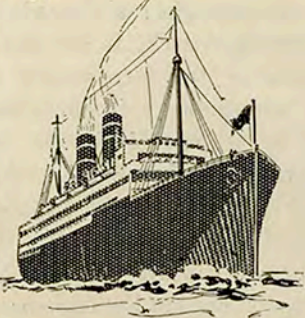
—R. Martinez Perdomo.

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Monthly Report of Consular News

DECREE

Modifying Several Fractions of the Tariff of Import Tax on Vehicles

Plutarco Elias Calles, President of the United States of Mexico, to all inhabitants of the country, be it known:—

That using the special power vested upon the Federal Executive by the Hon. Congress of the Union, I have issued the following decree:

Article 1.—Fractions 625, 624, 627, 628, 629, 630, 631, 632, 633, 633C, 633G, and 635 are hereby amended, and Fractions 625A, 625B, 625C, 625D, 625E, 625F, 625G, 625H, 625I, 625J, of the Import Tax, are hereby established as their relative vocabulary specifications, as hereinafter expressed:

Tariff Vehicles

Frac. 625.—Automobiles of all kinds, not specified, for transportation of merchandise.—Note 239A.

Legal Kilo...\$0.10

Frac. 625.—Automobiles of all kinds, not specified, for the transportation of persons, when the net weight of each vehicle be up to 1,100 kilos.—Note 239A.

Legal Kilo...\$0.08

Frac. 625A.—Automobiles of all kinds, not specified, for the transportation of persons, when the net weight of each vehicle be over 1,100 kilos, without exceeding 1,250 kilos and the value does not exceed \$2,000.—Note 239A.

Legal Kilo...\$0.12

Frac. 625B.—Automobiles of all kinds, not specified, for the transportation of persons, when the net weight of each vehicle be over 1,100 kilos, without exceeding 1,250 kilos and the value be over \$2,000.—Note 239A.

Legal Kilo...\$0.15

Frac. 625C.—Automobiles of all kinds, not specified, for the transportation of persons, when the net weight of each vehicle be over 1,250, without exceed-

ing 1,750 kilos and the value up to \$2,000.—Note 239A.

Legal Kilo...\$0.25

Frac. 625D.—Automobiles of all kinds, not specified, for the transportation of persons, when the net weight of each vehicle be over 1,250 (without exceeding 1,750 kilos, and the value be over \$2,000.—Note 239A.

Legal Kilo...\$0.30

Frac. 625E.—Automobiles of all kinds, not specified, for the transportation of persons, when the net weight of each vehicle be over 1,750 kilos, and the value not exceeding \$2,000.00.—Note 239A.

Legal Kilo...\$0.25

Frac. 625F.—Automobiles of all kinds, not specified, for the transportation of persons, when the net weight of each vehicle be over 1,750 kilos, and the value be over \$2,000.00 and not exceeding \$4,000.00.—Note 239A.

Legal Kilo...\$0.30

Frac. 625G.—Automobiles of all kinds, not specified, for the transportation of persons, when the net weight of each vehicle be over 1,750 kilos, and the value be over \$4,000.00 without exceeding \$6,000.00.—Note 239A.

Legal Kilo...\$0.45

Frac. 625H.—Automobiles of all kinds, not specified, for the transportation of persons, when the net weight of each vehicle be over 1,750 kilos, and the value be over \$6,000.00 without exceeding \$8,000.00.—Note 239A.

Legal Kilo...\$0.60

Frac. 625I.—Automobiles of all kinds, not specified, for the transportation of persons, when the net weight of each vehicle be over 1,750 kilos, and the value be over \$8,000.00.—Note 239A.

Legal Kilo...\$0.20

Frac. 625J.—Tops and curtains of all kinds for automobiles or carriages.

Legal Kilo...\$1.75

Frac. 627.—Wagons, carts of all kinds, and all other vehicles specified, for commerce, agriculture or the trans-

portation of merchandise.—Note 240.

Legal Kilo...\$0.30

Frac. 628.—Carriages of all kinds, not specified, exclusively the transportation of persons.—Note 242.

Legal Kilo...\$0.50

Frac. 629.—Chassis of all kinds, for automobiles, when the net weight of each chassis be up to 600 kilos.—Note 239A.

Legal Kilo...\$0.05

Frac. 630.—Chassis of all kinds, for automobiles, when the net weight of each chassis be over 600 kilos.—Note 239A.

Legal Kilo...\$0.10

Frac. 631.—Automobiles with special equipment for extinguishing fire or for city cleaning.—Note 239A.

Exempt.

Frac. 632.—Tractors with wheels of all kinds and their parts, whether loose or for replacement, when they cannot be applied for some other purpose.—Note 239A.

Exempt.

Frac. 633.—Bodies and front of back trucks and their loose parts, not specified, tongues, shafts, wooden wheels, or of wood and some common metal, painted or varnished, and metal tires for wagons or carriages.—Note 243.

Legal Kilo...\$0.50

Frac. 633C.—Bodies and front of back trucks and their loose parts, not specified, for automobiles of all kinds.—Note 243A.

Legal Kilo...\$0.60

Frac. 633D.—Motors for automobiles and their parts for replacement and all other parts used in the propelling of these vehicles.—Note 243A.

Legal Kilo...\$0.30

Frac. 635.—Axle-boxes, axles, springs and wheels of iron, single trees, whiffle trees, hubs, posts and spokes of wood, for wagons, carriages or plows.—Note 243.

Legal Kilo...\$0.50

Fifty per cent. reduction on Import Tax on Automobile Parts

The new regulations of the law of October 15th, 1925, on import tax of vehicles, establishes that:

Steel plates, cut and perforated; all diverse wooden parts used in bodies, springs, motors, incomplete chasses, transmission gears, hind axles without suspension rods, suspension rods, seat cushions, tires, tubes, screws, bolts, paints, the different parts that constitute the windshield, crystals for same, jute cloth and rubberized or oil-cloth, electric implements and accessories used in the construction of automobiles and auto trucks, shall pay only 50 per cent. of the import tax established by the tariff, *when these parts are imported for the purpose of assembling, finishing or building automobiles and auto trucks in Mexico*, and that the commercial invoice and consular certification required for the importation shall be exempt from fees.

Should the parts imported under this franchise be used for any other purpose than those specified hereinabove, such importation will be considered as smuggling and a penalty of four times the tax specified in the tariff will accrue.

The above reduction is a good inducement for establishment of an assembling plant in Mexico.

Some Very Important Data on the National Railways of Mexico

Highly illustrative of the fast growing prosperity of the country and the development of its resources, are the following data: Production during the months of—

March, 1925.....\$8,062,520.08
March, 1926.....\$8,648,329.33

Increase for 1926 — \$585,809.25

April, 1925.....\$6,940,550.15
April, 1926.....\$7,363,792.04

Increase for 1926 — \$423,241.89

May, 1925.....\$7,136,511.93
May, 1926.....\$7,943,986.82

Increase for 1926 — \$807,474.89

June, 1925.....\$7,046,785.85
June, 1926.....\$7,696,322.00

Increase for 1926 — \$649,536.15

Total Increase in four months,
1926.....\$2,466,062.18

Total production in the specified four months in 1925 was—\$29,186,368.01 and in 1926 it was \$31,652,430.19. The average monthly increase for 1926 was \$616,515.29, or 9 per cent. of the total receipts.

The progress is most marked in the following table:

Fiscal Years	Gross receipts	Expenditure	Net proceeds
1911-12.....	\$ 61,447,790	\$ 38,436,254	\$23,012,535
1919-20.....	73,207,569	46,983,697	26,223,872
1920-21.....	107,300,760	91,288,084	16,012,675
1921-22.....	112,000,734	110,945,293	1,055,441
1922-23.....	105,581,029	95,859,928	9,721,100
1923-24.....	105,555,229	102,978,295	2,576,933
1924-25.....	125,383,553	111,801,284	13,582,268

Tin Mining Necessary in Mexico

Tin is getting scarcer every day and the consumption of tin is on the increase. In 1890, the United States were importing their tin from England. Today, the United States produces 1,200,000 tons per year.

Tin scrap is being carefully saved and numerous patents for the reclaiming of tin scrap have been registered in the last fifty years.

Mexico produced only ten tons of tin during 1924 and yet—cassiterite, from which the pure tin is extracted, is found in large quantities in the States of Aguascalientes, Durango, Guanajuato, Hidalgo, Jalisco, Puebla, Queretaro, San Luis Potosi and Zacatecas.

Tin is found in nine municipalities of the State of Guanajuato, there being well-known mines in this State. Having, as we have in Mexico, steel mills as those of Monterrey and Mexico City; having the tin and the iron, and having the large demand we have for tin cans and boxes, the necessity of tin mining and tin container factories is evident. The Department of Industry would gladly co-operate with any persons willing to go into these industries.

A Very Rich Mining District of the State of Jalisco Still Unexploited

Up to the present time, the wealthy mining district in the municipality of Tapazula, State of Jalisco, is practically unexploited, although, according to reports of the delegate of the Department of Industry, said zone is richer in mineral deposits than the famous zones of Pachuca or Real de Monte.

Gold, silver, copper, cinnabar, coal, marble, galena and quartz are found in large deposits in this section. In confirmation of his statement, the delegate of the Department of Industry sent to the department samples of native silver and galena from this district.

Some enterprising capitalist should establish a smelting plant in this section, without delay, as there are *hundreds of mines* easily accessible in this section, and some of them are *very rich*.

In the district of Soyatlan de Adentro, in the same State, petroleum and mineral coal are abundant and this would be a large factor in industry as some plants have been forced to close owing to the scarcity of fuel.

Tabasco State Rich in Forestry Products

The district of Cunduacan, in the State of Tabasco, has vegetable products that could be exploited in a very large scale. Precious woods for the cabinetmaker's trade, such as mahogany, cedar, sapota, zapote, chico; construction woods such as bari, chacte, tatuan, macuilis, cocohite, chipilcohite and hague, are plentiful.

Medicinal plants, such as cassia fistula, sarsaparilla, arnica, rattan, babasco (poisonous), and many others.

Dye woods are añspanimdamt: campeche wood (giving all shades of fast yellow), mulberry, canotillo, manche (also used for flavoring drinks and pastry), and textile fibres such as jolsin, majahua and agaver.

Tropical fruits: mangoes, pineapples, coconuts, oranges, limes, lemons, and *this section is almost unexploited*.

THE CHURCH PROBLEM

(Continued from page 7)

have even meddled in domestic politics and endeavored to control all of our activities, undermine our institutions, and reverse all the good results we have attained after so many years of strife and so much blood that has been shed.

We could not make a law specifying that this or that foreign priest could officiate and this is why the law has a general character and has to be applied to all faiths. This problem is not only a Mexican one; it affects the whole of Latin-America.

Mexico, a Land of Contrasts

By T. B. PECK
Editor, The Straus Magazine

THIS is a story of a land where history reaches far back into the ages—centuries pass in review as but days—and the real and unreal, the known and unknown, the true and untrue, are so unexplicably mixed as to make accurate definition almost impossible. It is of a land unbelievably rich, yet unthinkably poor; a land where copper was so despised that hundreds of thousands of dollars in coinage were thrown away as refuse; silver so base

that a common use was for soles of sandals; gold so plentiful that it was beaten into dishes, yet had little or no value in trade or barter, and the one valuable medium of exchange was the bean of the cocoa tree!

A land of phantasy, of mirage, of imagination, you say, and you might be right, were it not for the physical evidences of this ancient civilization which have come down through the ages to tell their own incontrovertible story. Today, we are prone to think of Mexico as a land of opera bouffe warfare, of plot and counterplot, with a history written in words of one revolution after another. Actually, it has a past so significant, even glorious,

According to the liquor made from the maresponsible for the fall of the 1116. Today, (upper right) ans gather the sap in goat ly as did their ancestors cen in the outlying districts like ed by the passing of years, he coffee pickers huts (up of Mexico City. In contrast, Office and, just beyond, the ht) in Mexico City and a v alo, or Central Square (low toward the City Hall.



that thought of the present fades into contemplation of what has gone before.

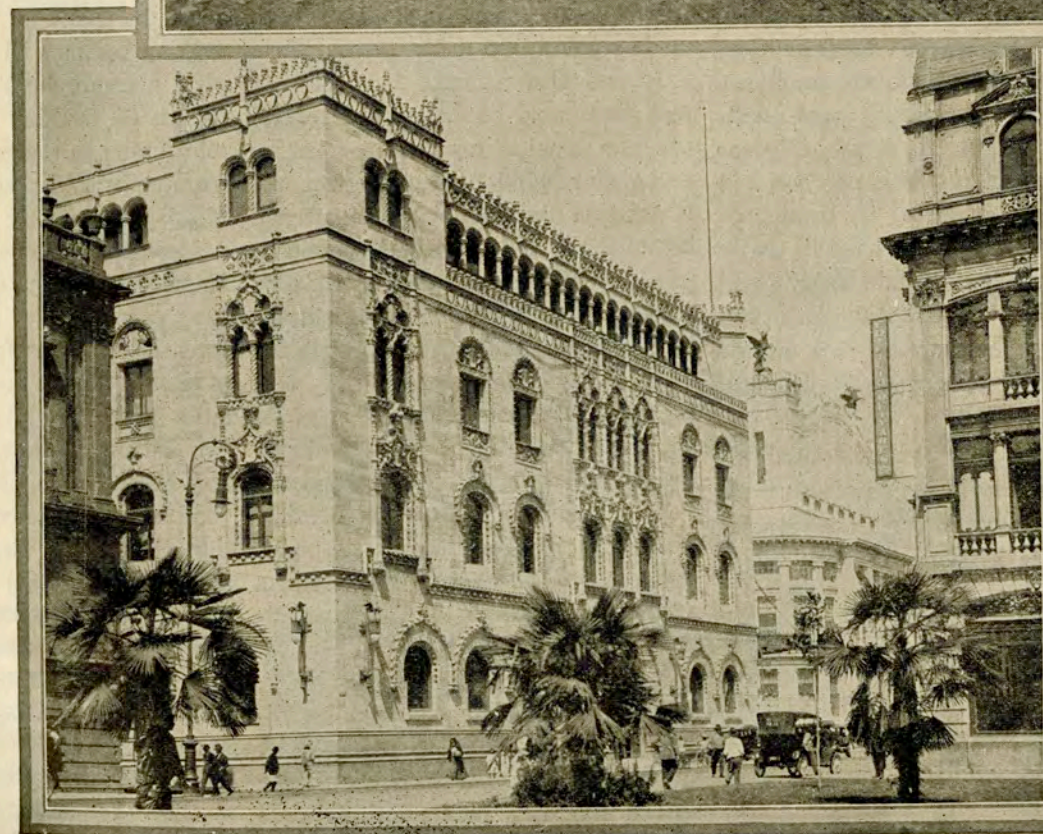
Consider, if you will, a civilization which was contemporary, if it did not antedate, that of the Babylonians. This was the civilization which reared, among others, the great Pyramid of the Sun, at San Juan Teotihuacan, a monument 750 feet square and more than 200 feet high, in its design and construction rivaling the pyramids of Egypt. It was these people who built the great temple at Mitla, a structure which despite the ravages of thousands of years stands today evidencing solidity and nicety of construction modern science cannot duplicate. And these are but two of a hundred or more such reminders of a past so great as actually to defy imagination.

The early history of Mexico, as it has come down to us today, is a curious mixture of legend and fact. According to native folklore, the city of Palenque, in Yucatan, was founded some 6,000 years ago by the great god

Votan, who came out of the East in the form of an aged man with grey beard and white robes. One day he announced his return to the Heavens, but found his way barred by a great tower reaching into the sky. Irritated by this attempt of humans to reach Heaven, he caused a confusion of tongues to come upon the workmen, so that their work was stopped, while he went on his way by a subterranean passage. Returning to Palenque, he is said to have built vast underground chambers in which were stored in jars

the national records and treasure against the possible onslaught of any such mortals as had attempted to build the tower to Heaven. Such a story one does not hesitate for a moment to classify as myth, but the fact remains that in 1691, and again in 1750, these underground chambers were entered, and everything was found exactly as legend testified Votan had placed it. Today, the city of Palenque still remains, and though it has been in the inexorable grip of

(Continued on page 21)





At the ceremony of the first shovelful of earth in the construction of the Condesa Building. From left to right—Engineer Guillermo Zarraga, building and conduit contractor; Mr. Gustavo Obregón, Jr., commercial superintendent; Mr. José Sitzenstatter, proprietor of Vera Cruz Telephone Company and Vice Consul of Hungary; Mr. G. A. Ogilvie, assistant vice-president; Mr. H. H. Burrell, traffic engineer; Mr. Ignacio Satrustegui; Gral. José Alvarez, chief of Presidential Staff in representation of the President of Mexico Gral. Plutarco Elias Calles; Mr. Luis Moreno, securities manager; Engineer Eduardo Ortiz, undersecretary of communications and public works; Mr. Wm. H. Prestinary, publicity manager; Lawyer Hernández Jauregui; Col. W. F. Repp; Engineer P. M. McCullough; Mr. R. Estrada Berg, general manager of the company; Mr. Alfredo Zarate, director general of telegraphs; Engineer J. Madrazo, a friend of Gral. José Alvarez; Engineer Ricardo Gayou, Jr., and Engineer Gustavo Treviño.

The New Mexican Telephone System

(Special for "Mexico")

THE fundamental work of economic reconstruction which is being carried on by the present Mexican Government is based upon an ambitious, yet thoroughly coherent and well-balanced program. It is probably too much to expect that this program will be completed in all of its details, or will be carried out, even as to its major elements, without certain delays and interruptions. Nevertheless, the record of actual performance to date and of the work now in progress is distinctly impressive.

Apparently it was appreciated almost at the very inception of this work that the restoration of the general credit of the Mexican Republic was a practical sine qua non to the successful prosecution and termination of these plans. An agreement was therefore negotiated during the latter part of 1925 between the Mexican Government and a committee representing the foreign holders of Mexican Government bonds, and service on the foreign

debt was resumed. All payments specified in this agreement have been made regularly up to the present time.

It was also realized that before a real start could be made on a general program looking towards any lasting economic rehabilitation of the country, it was first necessary that the currency be stabilized and that the Republic be provided with an adequate and elastic banking system. Both of these needs have been met successfully through the organization of the new Bank of Mexico, and through such supplemental institutions as the Bank of Agricultural Credit, the Bank of Industry, and the Popular Bank. The Bank of Mexico, which in its functions corresponds somewhat to the Federal reserve banks of the United States and now constitutes the sole bank of issue in Mexico, was officially opened on September 1, 1925, and has already exerted a beneficial influence on the general financial situation within the Republic. The special functions of the other banks enumerated above are indicated by

their official titles, and taken together with the Bank of Mexico (and the existing commercial banks) they complete a comprehensive and thoroughly integrated banking system capable of ministering to the particular needs and requirements of practically every individual and industry in the country.

Almost simultaneously with the announcement of the organization of the bank came news of the adoption of an extensive program for the construction of paved roads to connect the principal cities of the country. Already some 300 kilometers have been completed and in operation, while an additional 900 kilometers are now under construction. The most important project of all, on which actual construction work has not yet been begun but which is expected to be commenced in the near future, provides for a macadam road with asphalt coating to extend from Mexico City to Laredo on the United States border, a distance of approximately 1500 kilometers. The 1926 budget provides for an expenditure of



Excavation for Central Office Building at Tampico, July, 1926.

1,000,000 pesos monthly for this purpose.

Following the announcement of the road program came the return of the Mexican National Railway system to private operation on January 1, 1926, and the adoption of a comprehensive program of extension and improvement. Substantial orders covering new locomotives, freight cars and other rolling stock have been placed with manufacturers of railway equipment, while work has either actually commenced or will shortly be started on a number of extensions to the existing lines. Probably the most important of these is the new short line between Mexico City and Tampico which, when completed, will shorten the time required to travel between these cities from 28 to 10 hours.

Another phase of this program of economic rehabilitation is found in the plans which have been developed for a comprehensive, nation-wide irrigation system by which millions of acres of inherently fertile land will be brought under cultivation. All told, up to the present writing, contracts have been awarded for a total of thirty-five separate units of this system and additional units will be added as

funds become available. During 1926 it is expected that between 15,000,000 and 20,000,000 pesos will be appropriated by the Mexican Government for this purpose.

Not content with ministering merely to the material needs of Mexico, the present Government has also declared war on illiteracy. Where there were 900 free rural schools in the Republic in 1923, there are now 3,000 and the number is growing almost

daily. The total present enrollment in the public schools is somewhat difficult to determine accurately, but it is certainly not less than 1,500,000.

During the same period, there has been going on quietly, and with less public notice, a work which from the standpoint of the future social and industrial welfare of Mexico will prove of fully as great importance as any of the foregoing—that is, the steady rehabilitation and extension of the telephone system of the old Mexican Telephone and Telegraph Company, which became associated with the International Telephone and Telegraph Corporation during the past year.

For a number of months prior to the completion of the negotiations between the two companies, the International Telephone and Telegraph Corporation had been making a thorough study of the existing telephone situation in Mexico and the possibilities which the country offered for further expansion and development. As a result of these studies which were carried on by a staff of experts thoroughly experienced in all phases of the design, construction and operation of national telephone systems, comprehensive plans were prepared covering the complete modernization of the existing plant of the Mexican Company and providing for many important additions to the system. In brief, these plans comprehend the modernization or replacement of central offices and the reconstruction of outside plants in the Federal Dis-



Big Sign on Property of the Company. Also First Clay Ducts Unloaded.

trict, Monterrey, San Luis Potosi, Queretaro, León and Victoria; the construction of an entirely new local automatic system to serve Tampico (which is at present practically without any telephone service); and the construction of long distance lines between the cities of Mexico City, Puebla, Queretaro, San Luis Potosi, León, Valles, Tampico, Victoria, Linares, Saltillo, Monterrey and Laredo.

As soon as these plans had been formulated, actual construction work was begun on many of the projects provided for therein and has gone ahead rapidly. In Tampico, nearly one-half of the conduits for the underground distributing system have already been laid, while work is being pushed forward rapidly on the new fireproof central office building which is being erected to house the automatic equipment which is to serve the city. This exchange is designed for an ultimate capacity of 10,000 lines but the building is being constructed so that it may be extended to serve 20,000. In Mexico City, work has been commenced on extensive additions to the underground conduit system, and work is also well under way on the new "Condesa" automatic exchange, which will eventually increase by 10,000 lines the service rendered by the three exchanges which the company now operates in this city. Both in the Federal District and in the other localities where the company operates, considerable progress has been made in rehabilitating the existing plants, obsolete and inefficient telephones and switchboards having been replaced, practically all grounded lines changed to full metallic circuits, new poles set, and additional wire and lead cables installed.

Particular emphasis is being placed on the construction of the new long distance system, which will be equipped with the most improved type of apparatus, including vacuum tube repeaters. Upon the completion of the work required to link up the cities enumerated above, it is hoped to extend the system as conditions warrant, to include additional cities and towns; while by means of a long distance connection at Laredo, it is expected that telephone communication may be established between any subscriber of the Mexican Telephone and Telegraph



Installation of subway of 18-way ducts in Calle de Estado between Muelle and Empresa. Tampico, June, 1926.

Company and any one of the millions of telephone subscribers in the United States and Canada and—through the lines of the Cuban Telephone Company (an associated company)—with the 60,000 telephone subscribers of Cuba. At the present time, sixteen separate construction gangs with a total personnel of 500 men are actively engaged in the construction of the Mexico City-Tampico circuits, and it is hoped that the early part of next year will see this important link in the telephone communications of Mexico in actual operation.

On December 31, 1925, there were 17,573 stations connected with the system of the Mexican Telephone and Telegraph Company. As a result of

the intensive work which is now being carried on and which has been outlined above, it is expected that there will be 10,000 stations added to the system by the end of the coming year, while in the next five years it is estimated that the number of telephones connected with the system will not be less than 43,000 stations.

In carrying out the ambitious plans on which it has embarked, the Mexican Telephone and Telegraph Company will benefit by the experience of the technical staff of the International Telephone and Telegraph Corporation, and like the other associated companies of the International system which operate the telephone systems in Spain, Cuba and Porto Rico, will receive such financial assistance as circumstances may necessitate.

The International Telephone and Telegraph Corporation is today the largest and most completely integrated telephone management company in the international field. It enjoys a strong financial backing, its large personnel is thoroughly experienced in every phase of telephone design, construction and operation, and its factories, located throughout the world, are equipped to manufacture all types of high-grade telephone apparatus and supplies. The new association of interests has already accomplished much for the Mexican Telephone and Telegraph Company, and may be regarded as a strong guaranty that the present plans to give Mexico an adequate, modern, and efficiently operated telephone system will find an early and successful fulfillment.

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Foreign Films About Mexico

By GABRIELA MISTRAL

FIRST, it was during the voyage on board the Italian steamer "Giulio Cesare." Then again in Paris. In this excellent spectacular city, where one only goes to the motion picture theatres in order to rest or to escape the inclement weather for a while. During my month's sojourn in Paris, I saw, nevertheless, two films caricaturing Mexico. During my month in Brussels, I saw two more films of the same nefarious propaganda. I am simply astonished at this persistence in which there is something deliberate, as in the routine lesson of a school teacher.

The supposition that on this score a government approves of the attitude of the motion picture industry must be loyally rejected. It must be rejected because there are governments which are purified by the presence of men of the highest type. It may be possible that the Mexican theme prevails in Los Angeles because there is still a Spanish atmosphere in that zone, due to its nearness to Mexico. But this extenuation circumstance must also be rejected; there is no ignorance more doleful than that which is shown by "Cineland" in regard to the Mexican character. This malignancy might be excused, however, if we should take into consideration the fact that those simple people, having become tired or cowboys and skyscrapers, have resorted to the love of the exotic; but then, the new excuse also crumbles—China, Persia, India, have an exoticism far more attractive than the Mexican, and they are not favored (?) with this singular predilection. By dint of eliminating these malevolent reasons we come to the most deplorable deduction of all—that of the judgment of one people towards another being spread over all the classes and flashed on the screen as nonchalantly as is the gentility of Jackie Coogan.

And if public sentiment does not complain when it sees an image on the screen of an ugly Mexican, with the wildness of a Buffalo, the passions of firebrands, slaughterers, and villains, we



Miss Gabriela Mistral
Notable Chilean Educator

must ask of what use is geographical neighborliness if the United States ignores Mexico more than the Monk of Tibet. What is the use, also, of the many instruments of culture of that land of the Kodaks and Carnegie Foundation (which is moving steadily Southward) if they have not shown to that country that in the Mexican they see the heir to the Spanish cathedrals and the pyramids of Teotihuacan.

And if we are dealing simply with a commercial enterprise, is there not in the celebrated commercial codes some article or law to prohibit these systematic injuries and falsehoods from being propagated against another country?

The gist of the films I have seen tends to the spreading of a Mexican character whose idiosyncrasies would be analyzed like this:

Physical debility and cowardice in warfare, supplanted by repugnant cunning; gluttony and alcoholism dominating their habits; bestiality in the men and moral degradation in the women; living in a tribal state.

Without making an eulogy on Mexico, any one with normal vision and some common decency knows that the Mexican character is made up of these elemental features:

Courage, as a virtue, is made a vice by their carelessness of their lives;

moderation in eating, and, when we think of Russia and England (the two great alcoholic countries), sobriety in drinking; cunning, as applied to warfare, should be expressed as intelligence, as it is in any other country; in the soldier, the bestiality which goes hand in hand with far, no more, and in the women an strong Spanish traditionalism.

We refer to those absurd films.

They find dejected physiognomies, and before the Mexican acts the spectators already hate him, on account of his face. They make the most absurd contradictions in the Spanish scenes they try to depict, and in the man-eating action developed in that ambient, they mix,

with an irritating ingenuousness the Shawl of Santa Maria with the Andalusian head-dress; the "zarape" and the naked body of the universal coctte."

Grotesque, here as everywhere, nationalism goes on a frantic revel; the cowboy leaves the horseman from Sonora far behind him on the road, and the only beautiful thing left to the unfortunate one is the superb landscape of Mexico.

The motion pictures are, today, a sort of a universal spelling book in which we all read the world. The public of the motion pictures is a passive public which has nothing in common with the actors of the dramatic play. It accepts an image as a child accepts a definition. Each one of those poisonous and ignorant films is, therefore, a graphic textbook where the world is learning to hate a country, by leaps and bounds.

If Mexico should put a public lecturer in each market place in all of the European and American cities to defend his country, she would have only one millionth part the success which the motion picture finds. If Mexico should pay a newspaper in every country for propaganda, neither would she be able to offset this wave of disrepute. There is no defense, in written or spoken propaganda, big enough to compete

with the terrible effectiveness of the image. It seems that a similar thing has never before been done to a nation, not even to Soviet Russia, which was so furiously hated.

A great company dedicated to hate, that is what it is. An American child grows up knowing that on the other side of the Rio Grande there is a people who do not know how to break a horse, who never shoot unless they are behind a copse, who drink until they burn down their houses, who have faces like nightmares; a country where the women do not resemble her mother nor the children resemble their father.

There is being carried out in Europe, in the "League of the Nations," and in the smallest moral institution, the elaboration of future peace through truthful instruction to the children. How can this be realized, then, in a Nation that while trying to give normal morals to the world, is poisoning its children with hate?

I do not believe that these films ("The Midnight Lady," "The Belle of Vera Cruz," "The Fatal Princess")—I especially recommend the last one—will ever reach Mexico. It would be worth while if an attentive observer in Havana or Paris would make note of a list of the names of these films and the companies that edit them. Without boycotting the entire motion picture industry, which would be also a hate-

ful action, it would be sensible and reasonable to boycott the firms guilty of filming these pictures. Little or nothing is accomplished by official action. The representative of Mexico in Belgium explained to me, that on account of the liberty with which one may operate in this country, neither his demands nor those of the English Minister, in a similar case, had been attended to.

Countries, as well as men, live for the most part honestly, and they cannot look with contempt nor with stoicism on the repeated slanders.

During the European War there arose the legend of the children of Belgium, whose hands, according to the story, had been cut off by the German soldiers. I have followed the effect of this lie. I saw the effect for the first time in the Lyceum in which I gave my classes. The hateful lie was read: si-

lence, an exclamation and then, in all the little girls the loathing of an action too horrible to name. I saw the effect of the story on Christian families, some of which moderated or changed their germanism. The ex-Minister of Italy, Nitti, in one of his books, tells about a conversation he had with Lloyd George: "If this be fully proven," Nitti had said, "it will be necessary to ostracize Germany." And Lloyd George would have given full consent.

The legend was false altogether, and the Belgians have nobly rectified the mistake.

Will there be a justice which will oppose this black legend of Mexico and smile at the grotesque image, still keeping its support for the unknown offender?

But Mexico does not expect a miracle. This high classed propaganda does her more harm than a petroleum scandal.

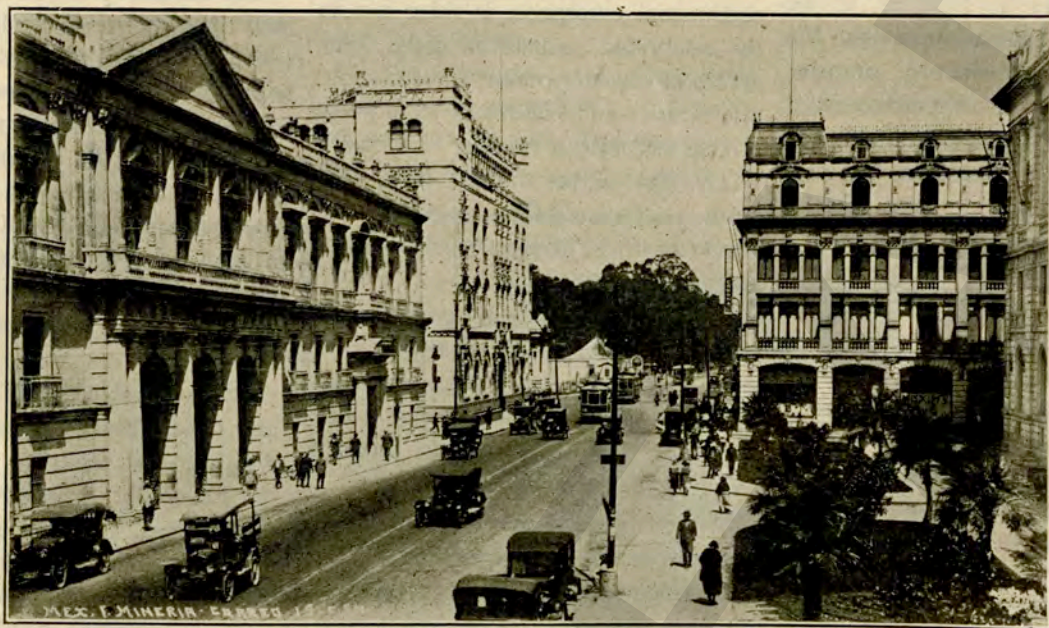
The disgraceful success does not only affect Mexico, but the whole Spanish Continent. For Europe there are two Americas: the white America and the colored America. When Mexico is mentioned here it means the same as Colombia, Chile or Peru. Such a conception is not worthy of a civilized Europe.

GABRIELA MISTRAL.

Spa, Belgium, 1926.

First Book Printed in America

The first book published in America was "Christian Doctrine in the Mexican Tongue," by the Spanish Franciscan, Toribio de Motolinia, printed in Mexico in 1539. Unfortunately, there is no copy of this book in existence.



Tacuba Street, Mexico City.

MEXICO, A LAND...

(Continued from page 15)

the jungle forest for centuries, the temples, palaces and monuments remain to twist legend into fact.

It was Votan who was credited with teaching his people the art of masonry, and although we may question whether or not it was truly a god who instructed them, the fact remains that their palaces of stone and stucco, wondrously carved, beautifully painted and covered with elaborate inscriptions, rival anything of the age anywhere in the world. Today, for all the ruins known to the archeologists, as many more lay buried undreamed of in the dense tropical forests. Trees of gigantic size have been grown up; strangling vegetation of centuries has done its work, but enough remains to indicate the scope and beauty of their effort.

Writing of the structures of Mitla, one of the exploring archeologists said, "They were erected with lavish magnificence; they combine the solidity of the works of Egypt with the elegance of those of Greece. But what is most remarkable, interesting and striking in these monuments, and which alone would be sufficient to give them first rank among the known orders of architecture, is the execution of their mosaic."

This mosaic consists of thousands of pieces of small stone, cut with perfect nicety and not inlaid but placed on the smooth surface of the wall to form a design in bas-relief. They are fitted together with such an exquisite knowledge of balance that no cement is required to hold them in position. In only a few cases mortar has been used. "All who have seen them speak of the perfection of the masonry, the admirable design and finish of the work, and the beauty of the decorations." The subterranean chambers, laid out in the form of a cross, with symmetric exactness, have their walls decorated with the same artistic reliefs. In the Hall of Monoliths there are six massive columns, about twenty feet high, sculptured from a solid block of porphyry and having neither base nor capital. That these and the huge stone door lintels of the palaces could have been raised into position shows the engineering skill of this ancient race.

No less remarkable were the scientifically planned fortifications built by these early Zapotecs.

When the first Spaniards reached Mexico in the early sixteenth century, they found no coined money of any kind in use. There were dishes and ornaments of gold, often used in barter, and by 1523 efforts were being made to teach the natives to use Spanish coins in buying and selling. But up to that time, history says, the only established medium of exchange in Mexico, Yucatan and Guatemala was made from various beans of the cacao family. Columbus, on his fourth voyage in 1502, met large trading canoes off the coast of Honduras, which offered to pay him "in the almonds that pass as money in New Spain."

But even in that early day, the Aztecs, groping to find the thing we now call money, had hit on certain fundamental principles. To control the number of beans in circulation, and thus stabilize their buying power, the law was that only tribal chiefs might own these bean-growing trees. To make change, they even used beans of four different sizes. From time immemorial, the Spanish writers say, all the business of the vast semi-civilized Aztec Empire had been transacted chiefly by the use of these beans.

It was a perishable currency, of course. Men had to boil and drink it before it moulded and decayed. But as one old padre wrote, it at least kept the country free of hoarding misers! Counterfeiters there were, however, even in those easy days of simple life—counterfeiters who fooled the natives by filling old means with clay!

Tiny copper hatchets, bits of tin, small balls, colored shells strung like beads on a rosary, woven feather work and goose quill filled with gold dust were long in use, here and there in Middle America. But only these beans passed current everywhere; they were even taken by the Spaniards, at the rate of 200 beans to the *real*.

Badly as the Spaniards needed a metallic currency, it wasn't till 1535 that the Viceroy, D. Antonio de Mendoza, set up the first mint in the Western Hemisphere and started coining silver and copper. And then their troubles began. We are told by Torquemada, in his Mexican narrative

called "The Indian Monarchy," that the new copper coins were so distasteful to the natives that they wilfully threw this money into the lakes about Mexico City. In one year, he says, they threw away 200,000 pesos' worth.

The silver coins they despised too, for in those days silver was so plentiful and cheap that the Indians often used it as soles for their sandals. It was not until the Spaniards began making and circulating a larger coin, the peso, worth eight *reales*, that the Indians gradually grew accustomed to metallic currency. For long decades, however, especially in the provinces, the cacao beans—genuine and counterfeit—continued to circulate and payments were often made partly in beans and coins.

From a land which had as its chief medium of exchange a most perishable currency and one unknown outside the country, Mexico under Spanish rule suddenly became known around the world because of the Mexican peso. It is typical of that romantic land.

When the picturesque, high-popped old galleons, with their snub-nosed brass cannon and red-sashed, saber rattling crews went sailing off to Manila and Singapore to barter and sell or just as blithely to cross swords with Sir Francis Drake and other pirates—they first took these pesos to the East. In time they became the one standard unit of exchange from Japan clear around to the coasts of Africa.

It is even said that coins marked "Republica Mexicana" and stamped with the cactus and the snake—and of the requisite fineness—exact duplicates in fact of the Mexican money, were privately minted here and there in the East, to meet the requirements of commerce. "Mex" is still a common word in the bazaars of the East, being the general term used to discriminate fifty-cent dollars and the so-called "gold" or American dollar. In all the banks, from Shanghai down around the equatorial regions of the East, the merchants keep their accounts at the banks not only in "gold," in pounds sterling, in Chinese and British "dollars," in francs or what not, but also in "Mex."

Such is a leaf from the story of Mexico, a story which bridges the centuries in the telling, with every page vivid in the color of its romance.

The Mexican Chamber of Commerce of the U. S., Inc.

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SECTION III OF ARTICLE I OF THE BY-LAWS:

- The purposes of the Chamber shall be as follows:
- (1)—To foster trade and commerce between the United States and the Republic of Mexico, and between individuals and firms of these two countries.
 - (2)—To procure uniformity and certainty in the customs and usages of trade and commerce and of those pursuing a common trade, business, financial or any other enterprise.
 - (3)—To settle differences and prevent or adjust controversies.
 - (4)—To promote integrity and good faith and just and equitable principles in business.
 - (5)—To acquire, preserve and distribute industrial, financial and commercial statistics and information of value.
 - (6)—To promote a more enlarged and friendly intercourse between business men of the United States and the Republic of Mexico.
 - (7)—To do everything necessary, suitable and proper for the accom-

plishment of any of the purposes or the furtherance of any of the powers hereinbefore set forth; and to do any other act or acts incidental or pertinent to, or connected with, the aforesaid purposes or powers, or any other part or parts thereof, provided the same be not inconsistent with the laws under which this organization is incorporated.

ARTICLE II

Functions:—The Mexican Chamber of Commerce, for the purpose of realizing the objects above set forth, shall operate to secure laws and legal ruling equitable and favorable to the proper development of trade and trade relations between the two countries aforesaid, the abolition of restrictions that may be prejudicial thereto, uniformity in commercial usages, etc., and when necessary take the initiative to accomplish these ends; it shall make known, through special bulletins or otherwise, facts of interest and importance affecting trade or trade relations between the two countries; it will serve to bring together the manufacturers, producers, importers and business men of both countries; and will favor arbitration for the settlement of questions of dispute between the merchants of the two countries.

ACTIVE MEMBERSHIP FEE \$50.00 PER ANNUM

NEW MEMBERS

Since the reorganization of this Chamber last May, its activities have been favorably conspicuous. In addition to direct communications to the members, the press of the United States and Mexico has been publishing information furnished by the Chamber and also special articles prepared by it.

The luncheon given by the Chamber last month, to meet Mr. Juan D. Noriega, Traffic Manager of the National Railways of Mexico who spent a few days in New York, was an interesting and pleasant affair, and an account of same was published in several newspapers of New York and Mexico City.

We have the pleasure in introducing as new members: Hon. Arturo M. Elias, Consul General and Financial Agent of the Mexican Government in New York.

Hon. Manuel G. Prieto, Consul of Mexico in New York.

Mr. Horacio Rodriguez, Secretary, Mexican Financial Agency in New York.

Mr. L. S. Hungerford, Vice-President, The Pullman Company, Chicago, Ill.

Mr. Charles A. Frueauff, of Frueauff, Robinson and Sloan, New York.

Mr. Peter J. Brady, President, The Federation Bank, New York.

Mr. George Foster Peabody, Banker and Financier, New York.

Continental Freight Service Company, Tribune Bldg., New York.

Mr. Angel Lopez Negrete, Legal Advisor, Mexican Treasury Department, New York.

Dalkowitz Bros., Exporters, New York and Mexico City.

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The Foundation Company, Contractors, New York and Mexico City.

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L. Lazarus and Sons, Metal Merchants, New York.

Fox Brothers, Railway Equipment, New York.

J. E. Bleekman, Construction Engineer, New York.

Alberto Vales Co., Ship Brokers, New Orleans.

In addition to the above new members since the reorganization of the Chamber in the middle of May last, there have been thirty membership renewals.

Social influence of the National University of Mexico

THE old question whether universities have ever succeeded in any epoch in becoming an exact reflex of the society in which they function and answering to its needs, or in being a preponderant factor of dynamic social activity in their respective fields, has always presented itself to the conscience of thinkers and statesmen, both in Europe and America; and a New York cable gives us the words pronounced at the "National Republican Club" by an ex-president of Carnegie Institute, now president of the "Research Corporation," who, referring to the necessity prevailing in the United States for "true leaders," pointed out "the urgent need for new educational experiments," by asking "Where are the great teachers who have come out of the universities? Why are there so few artists, writers, musicians?" Although these skeptical words regarding the excellence and efficiency of the American colleges and universities, the richest ones in the world today, were contradicted by the asseverations of other prominent men, such as the President of Hamilton College and William Green, President of the "American Federation of Labor," both of whom expressed "complete satisfaction with the present status of education in the United States," perhaps a just measure of the worth of those universities and their results may be found in the phrases of a prominent industrialist, Cheney, who declared that although he has great faith in the men who are graduated from the colleges, nevertheless he believes that "the most propitious field for studying, for learning and succeeding, is that of work, of every kind of human activity."

In these words of the American industrialist, which, at bottom, demand what we have always demanded: an intimate contact of the student with real life and with all the pulsations and activities of the medium in which he must live and work; in these words of a modern captain of industry is found perhaps the secret of success for



Dr. J. M. Puig Casauranc
 Mexican Secretary of Education.

universities, and especially that of a university such as ours.

Really, if in a country of enormous dynamic force, of extreme economic and productive potentiality in every sphere; if in such countries in which the impulse of the social groups, strongly and wisely organized, is sufficient to give life to a nation, it might be lamentable were the universities unable to produce men sufficiently prepared for the struggle for life and for co-operation in life, and possibly necessary to wait until life itself, with its brutal and fatal teachings, should finish modeling the hazy spirits formed in the school, and definitely temper the bodies and souls in order to convert the graduates into directing and impelling forces of society; if in those countries one might wait with relative tranquillity, this second apprenticeship of life itself, without this waiting resulting in real backwardness for the collectivity, by reason of the thousands of social groups and the millions of productive units, fully productive, freely fulfilling their economic and social function; in a country like ours, obviously in a formative period, where it cannot be expected that the influence of external society will flow into the univer-

sities impelling life and action, because society itself, in reality, has scarcely begun to get in motion and because it does not contain within itself the forces, the energies, nor the surplus generosity disponible for injection into the institutions where its future citizens are formed in a country such as ours, it is indispensable, it is redemptory for all of future society to make not apprentices of men as is done in most universities, but real and complete men, who upon leaving school will not have to lose years in life's apprenticeship, in conforming in molding, in tempering their souls for the struggle and for social co-operation, but that they may already be fully productive entities.

This can only be achieved, we repeat and shall continue to repeat, by bringing the university and the professional and vocational schools in general closer to real life, that is to say, nearer to the people.

The incessant evolution, the uncontrollable eagerness for social and collective improvement that has already crystallized out in every phase of our public life; the anxiety in these days that fly by with a velocity progressively accelerated, the risk that those students who shut themselves in the ivory tower of the university cloisters without looking out upon the seething national life will seem, when they come out of school, like the inhabitants of another world or men of other times, all this demands that our university be a replica of the life we live.

In our day and age, only in the pages of Musset or of Muerger or in the movies should we, or can we afford to, see those picturesque types of students, certainly more happy than ourselves, who could live their life in the realm of the unreal.

Within the university and without, all has changed: It has been necessary to give up the wide-brimmed hat and the butterfly carelessly made; the student's soul is no longer that unintel-

ligible mixture of versatility, of passive anxiety for uncertain glory, of easy adventures and light emotions that converted the inhabitants of the Latin quarters into queer and curious types, seeking, like true students, ideal Mismis, occasionally with empty stomachs, but in every case their minds satiated with dreams of glory and triumph that were seldom sought after, because they ingeniously and sincerely imagined that all would come to them from the gods.

True, most true, that that Bohemia, splendid product of their time and its literature, gave magnificent results in all branches of human culture: philosophers, savants, poets, artists and theologians, filling universities and academies and enriching museums and bookstores, leaving to future generations an enviable work of science and art; but, on the other hand, for every victor, how many hundreds and thousands of failures, how many hundreds and thousands swept into the turmoil of Bohemian life who lost their latent eagerness for glory and their faith in a triumph inaccessible to them and went to hide their failure in the low taverns or sought forgetfulness in the withered lips of a resigned Mimí!

The present times are deeply and imperatively in need of leaders in every phase of our national life, of trained conductors, of technicians, of experts in all the branches of life and industry, and science and art; these are the times now, when Mexico needs the energies of every individual who has passed through her schools, these are not the times when we can look with tranquillity upon students who have failed, unadapted to our environment, pale leaves swept by the winds over dusty roads, until, abandoned at the end of some path, they are trodden upon by the bourgeoisie, by the very bourgeoisie upon which the Bohemians always looked upon with a faint smile of superiority and contempt, but without knowing how to transform their latent intellectual potentiality into a generous force that would produce personal happiness or add to the collective welfare.

Work, then, work resolutely, methodically and steadily; eyes wide open, Studious Youth, to observe and fix in your retina the vast and complicated

national panorama; hearts sensitive and palpitating in unison with the hearts of the great collectivities of Mexico, in order to feel their desires and guide their longings; and enthusiasm and faith in the teachers of this youth; such, in our opinion, is what Mexico needs to be what it already might have been but for our collective and individual selfishness.

With a vision of the Mexican Youth, resolutely determined to follow these paths, the cruellest and most inveterate skepticisms can be cured.

Thinking of Youth that would thus feel its duties and thus understand its destinies, I understand the conversion and the return to love and faith of that old hermit in that well-known story of Selma Lagerloff.

The old hermit, skeptical, suffering, weary, despairing of humanity on account of its inherent cruelty and selfishness, one day lifted up his emaciated and gnarled arms to implore God to destroy the world and its creatures.

While in this position, arms, uplifted and motionless, in an Aeschylan invocation of destruction and death, a pair of wagtails placed between the fingers of the old man some bits of straw for building their nest, mistaking the black and emaciated body of the ascetic for a tree rising up in the desolation of the desert. And the skeptic, he who clamors for destruction, little by little lets himself be influenced by the tenderness in the movements of the wagtails, and not wishing to frighten the little birds, he, the destructor and the implacable one, keeps his arms rigid

and erect for days and days, in a miracle of sacrifice and will-power, and the nest takes form between the hermit's fingers, and the wagtail hatches, and the little birds begin to chirp. And when in the poem of attempting the first flight, the little birds become frightened and do not dare to fly, the skeptical hermit, he who was disenchanted with the world and all its creatures, he who desired their destruction, lovingly tries to give a gentle shove to the nest so that the wagtails will dare to fly, thus completing an admirable work of love towards the humblest creatures of the world which he wished to destroy.

And I understand the hermit of the story of Selma Lagerloff, imagining have even greater and deeper reasons for disillusion in her sons that had the ascetic of our story) may, sad and weary, lift up her arms to deliver us definitely to destruction or oblivion in just punishment for our faults and our centuries upon centuries of individual and collective degradation, and she may come to feel in her hands the announcement and the fluttering of a new breed, of a Mexican Youth which it is to be hoped will understand its duties and its destinies; and that the Patria may thereupon forget her skepticism and grief, and lovingly guard among its prodigious valleys, and jealously enclose in the hollows of its mountains this, her Youth, giving it, with her volcanoes, an example of elevation and purity, so that it may realize some day that which we ourselves did not know how or else did not wish to realize.

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Mexican Laws and Regulations

New Mining Law

It Defines Which is Private Property and Which is National Property

The first Chapter of the Law contains the general points of same and for this reason it is given here complete. It reads as follows:

CHAPTER I

Article I.—All mineral substances, whether on the surface or in the sub-soil, or contained in the soil, with the exception of those specified in the following Article, are under direct control of the Nation.

Art. II.—The owner of the land will own: First, the lands for agricultural and forestal purposes; second, the underground water with the exception of those which gush out or may appear in the workings of mines or proceed from the drainage of same; third, the superficial currents not included in the description given in Paragraph 5, or Article 27 of the Constitution; fourth, all the rock, whatever may be their origin and coherence, providing they cannot be used in the oil or mining industry; fifth, the products derived from the decomposition of the aforesaid rocks as long as the exploitation of same shall not need subterranean workings, as per the regulation of this law; sixth, all the materials used in building or ornamental work; seventh, all the salt pits which have not been formed directly by the sea-water, the sesqui-carbonate of sodium and saltwort.

Art. III.—The direct control of the Nation, mentioned in Article I, is inalienable and imprescriptible and the necessary work required by the mining industry may only be carried out with the concession from the executive power, granted by the Department of Industry, Commerce and Labor for the express purposes and under the terms of the present law and its regulations, except the dispositions contained in Article V.

Art. IV.—The concessions referred to in the preceding Article are consid-

ered to be divided in the branches of mines, oil and diverse mineral industries.

Art. V.—The petroleum industry shall be ruled by its especial laws and regulations.

Art. VI.—It is of exclusive Federal jurisdiction to legislate in all matters pertaining to the mineral industries concerning substances corresponding to the direct control of the Nation.

Art. VII.—The industries referred to in this law are of public utility and shall have the preference over any other utility of the surface of the land with the previous corresponding utility.

The articles that follow are very important, but the essence of the law is contained in the foregoing articles. The Second Chapter refers to the mineral industries and classifies same, expressing the rights of the proprietor of the land and those of the Nation; Chapter Three refers to the concession and the manner in which they are granted, to protect the guarantees that the State shall require in each case and the next Chapter deals with the concession of exploration. The rest is not so important as the above mentioned.

The Mining Law also states the form in which the inspection shall be made so that the terms of each and everyone of the concessions shall be respected and also so that the concessionaries may fulfill the obligations they have contracted with the State.

Petroleum Production for April, 1926.

Heavy oil	5,333,134 bbls.
Light oil	3,388,939 bbls.

Total production..... 8,722,073 bbls.

Petroleum Exports for April, 1926:

From: Tampico	7,291,125 bbls.
Tuxpam	22,355 bbls.
Pto. Mexico	18,959 bbls.
Other ports	24,582 bbls.

Total exports.....7,357,130 bbls.

Destination:

North America	74.2%
Central America	3.2%
South America	1.7%
Europe	7.8%
Antilles	13.1%
	100.0%

Petroleum Royalties

Circular 12-41, issued by the Department of Treasury and Public Credit, May 27th, 1926.

Circular Number 12-41

In accordance with the provisions of Article 11 of the Decree of July 31st, 1926, and for the purpose of collecting the royalties to which Articles 3, 4 and 5 of said Law and 27 and 3 of the Decrees of August 8 and 12 of the said year 1926 refer, this Department has fixed the following prices for crude petroleum, light and heavy, at the ports of shipment, which will obtain during the bi-monthly period of May-June current.

REGULATIONS FOR THE FREE IMPORTATION OF BUILDING MATERIALS IN THE NORTHERN BOUNDARY OF MEXICO.

Article 1.—Persons wishing to avail themselves of the franchise granted by Article 1 of the Decree of June 16th of the present year, will present to the Custom House previous to the importation which he intends to make, the following documents:

- A request that shall contain:—
 - His name and domicile.
 - The specification of the place upon which he intends to build.
 - The declaration that the materials he desires to import will be used for the purpose mentioned.
 - The time he thinks necessary to do the building.

B.—The consular invoice of the materials that he intends to import.

C.—A certificate from the president of the City Council in which said functionary shall state that the interested party has been granted the building permit by said city council to build at the place specified in the request. The preceding documents must be presented in triplicate and the second and third copies, duly compared with the original, must be simple.

The certification of the consular invoice will not cause any fees.

Art. 2.—The Customs Collectors, upon receipt of the above mentioned documents must:

I—Appoint an inspector to clear the materials, as set forth in the Customs Regulations.

II—Authorize the importations after the requirements specified in the preceding Article have been complied with.

III—Fix a term of one year, to be counted from the date on which the importation has been authorized, so that the interested parties may justify within said term that the materials were used for the purpose stated in the request.

IV—Notify the President of the City Council of the place where the building is to be erected, on the importation of the materials, enclosing a copy of the consular invoice for the clearing of the materials.

V—Watch, with the co-operation of the President of the City Council, that the imported materials be used for the purpose for which the free importation was requested.

Art. 3.—The Collectors of Customs have authority to extend for a period not to exceed six months, and only for once, the term specified in Fraction III of the preceding article, at the request of the interested party, when the latter proves that the building was not finished by causes over which he had no control.

Art. 4.—Should the materials be used for a different purpose than that specified in the request mentioned in

Fraction A, Article 1, this shall constitute smuggling and will be cause for the Administrative Proceedings to be taken for the collection of the corresponding import tax upon the importation and twice this amount as additional penalty for said delinquency.

Art. 5.—Customs Collectors who do not comply with the dispositions of Fraction V of Article 2, will be liable to the sanction mentioned in Article 4 of the Decree herein regulated.

Art. 5.—The General Customs Collecting and Comptrolling Office will pass definitely on those cases in which there should be any controversy between the Customs Collectors at the port of entry and the interested parties.

Regulations issued March 27th, 1925, relative to the Decree of July 5th, 1924, are hereby repealed.

Art. 7.—These regulations are effective commencing July 1st, 1926.

(Signed) A. J. PANI,

Secretary of the Treasury and Public Credit.

THE ALIEN LAND LAW

Form to be Filled Out by Foreigners Owning Property in Mexico and Filed in the Department of Foreign Relations in the City of Mexico, or in the Mayor's Office of Towns Outside the City of Mexico.

To the Secretary of Foreign Relations:—

M
 name in full
 of nationality, with
 domicile at before you,
 city and street address
 respectfully declare that, by public instrument made on before
 full date
 notary Public of
 name of city
 and registered in the records of the property
 at on
 city date
 register number
 number here
 page of book number
 No. of page No. of book
 volume number I acquired
 No.

(Full description of property acquired stating
 location, boundaries, size of same or of rights
 acquired on same, as the case may be)

And request of you, Mr. Secretary, to consider the obligation which Article 7 of the Organic Law, Fraction 1 of Article 27 of the General Constitution of the Republic of De-

cember 31st, 1925, imposes upon me as a foreigner, as fulfilled.

I protest, as per the requirements.

Place and date where this request is entered.

(Signature)

DEPARTMENT OF COMMERCE

(Continued from page 10)

will facilitate matters to Importers and exporters and expedite the initiation of commercial relations between them. For this purpose, offers from Mexican producers and exporters are translated into English and presented to American importers, with the understanding that their answers can also be translated into Spanish and transcribed to the exporters.

In other cases, inquiries from Mexican importers are translated into English and transcribed to American exporters or manufacturers whose answers, no matter how lengthy they may be, are also translated into Spanish and transcribed to the importers. In some cases this entails the translation of elaborate reports on machinery or equipment, but in spite of the time this work represents, it is frequently done in order to facilitate matters to all concerned.

While the above services are not required where American manufacturers or exporters conduct a Latin-American department equipped to handle Spanish correspondence, very often such assistance becomes essential, as otherwise the interested parties would be corresponding in languages unknown to both, and no interest can be awakened in matters not fully understood by the party addressed. However, once the possibilities are seen, the importer or exporter devises ways and means to conduct further correspondence intelligently, until the initial transaction is closed and relations firmly established.

It has been the privilege of this office to taken an active part in numerous large and satisfactory transactions between business firms in both countries, and many a purchase of Mexican products or sale of American machinery and manufactures has been effected through its friendly intervention. It is to be hoped that a larger use will be made of these facilities, thus eliminating all obstacles to a steady growth in the trade between the two republics.

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A Spanish Monthly Magazine

To foster cultural and commercial relations between the United States of America and all the Spanish-speaking countries

EDITORIAL SCHEDULE:

General Information. — Editorials. — Economics and Finance. — Commerce and Agriculture. — Automobile Section. — Industrial Section. — For The Home. — Queries and Answers.

Dr. L. S. Rowe, Director General of the Pan American Union, in a letter dated March 10, wrote to us: "I have your letter of March 6th and note that you have decided to publish a new magazine to be named NORTE AMERICA, to be devoted exclusively to interpret the United States to the Spanish speaking countries. You are thereby doing an international service of which you may well be proud for I know of none of greater importance at the present moment when the peace, progress and prosperity of this Continent will depend to an increasing extent on a clearer appreciation by the Nations of this Continent of their essential community of interest and purpose. A publication such as this one which you are planning, will contribute materially toward this end and I wish to congratulate you on the excellent plan which you have outlined. I am, yours very sincerely, (signed) L. S. Rowe. — Mr. R. Martinez Perdomo, President, The Mexico Publishing Company, Inc., 225 West 34th St., N. Y."

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BUILDING OF THE BANK OF MEXICO

ALBERTO MASCAREÑAS, Managing Director

PAN PACIFIC PROGRESS

A Magazine of International Commerce and Service

VOL. V

LOS ANGELES, CALIF., U. S. A., SEPTEMBER, 1926

No.

Mexican Official Explains New Religious Ruling

By HON. AARON SAENZ

Secretary of Foreign Affairs for Mexico

I CAME to this country with no aim in view other than to enjoy a vacation. I can hardly turn a deaf ear, though, to the courteous but persistent demands of newspaper men, who have been asking me for a statement in connection with the affairs of Mexico.

Right after I crossed the frontier I learned with wonder that great importance has been here conceded to the so-called "religious problem" of Mexico, and my surprise increased on ascertaining that a great interest is actually taken here in this matter. The subject has been dwelt upon by every journalist that has approached me in Laredo and San Antonio, as well as in Los Angeles. Furthermore, I have had occasion to read frequent press reports bearing thereon.

All this has surprised me, because there is no religious problem in Mexico. And it is worth remarking that this matter is appealing to the public of foreign countries more than to that of Mexico, whose residents, almost as a whole, think of everything but a religious problem. The latter exists only for a scanty group, who wish to take a chance at developing political activities, using the Church as a means thereto, and who aim at the revival of the struggle for the supremacy of the Church over the State, or else, want to place the case of Mexico in the hands of Rome, to be there used as a banner for religious propaganda or proselytism.

The Mexican government not only tolerates, but respects all creeds; not one has been closed among the thousands of churches existing in the country, and the assertion is false that the government hinders in any way the freedom of conscience and religious beliefs. This can be verified by fairly looking at the question from every angle; not by hearing those alone who, serving their own private ends, make use of this situation to hide reality under a false impression.

Facts Summarized

I shall endeavor to give an accurate, if summarized account of what actually exists in Mexico in regard to this matter:

(I) Mexican history shows that all

That the so-called religious controversy in Mexico has been greatly misinterpreted; that the Calles government is not opposing Catholicism as a religion but is merely resisting the efforts of the Church to attain temporal supremacy in Mexico; that the civil authorities are now seeking to do no more than enforce existing statutes calculated to separate Church and State and thereby to maintain the integrity of Mexico's educational system and other institutions and that the Church itself is responsible for the erroneous impression that the government is persecuting exponents of religion—these are some of the main points made in an official statement by Hon. Aaron Saenz, Mexican Secretary of Foreign Affairs, in a special interview given the Daily Times, while in Los Angeles recently with his family on a vacation.

through the times of the Spanish colony, the Church was the vice-royal government's ally in the work of controlling the Mexican people, not only politically, but likewise spiritually and materially, by adhering to a policy of temporal domination.

(II) When the Independence War broke out, the lower clergy, who were the true friends of the downtrodden people, actively worked for the freedom and independence of New Spain, and this brought at once a reaction in the upper clergy, who, not only secured the excommunication of such clergymen as favored the independence, but became their worst persecutors, demanding the sacrifice of the warrior-priests, and bringing religion into play against the struggle for liberty in America. It was then that the first actual estrangement came about of the people from the Church, and when national independence was achieved, the influence and ascendancy of the Church had considerably dwindled.

(III) After the Independence the Church kept up steady political activities in Mexico, organizing as a militant group, going to the extreme of asking for and obtaining foreign intervention in Mexico, and even to that of pretending to establish there an empire under its protection. The wretched monarchical government of Maximilian was organized with the open support of the Church, whose plans were to implant such a form of government in America, extraneous though it was to the medium, and who was further suspected of having in view the extension of the same regime to the other American countries. The empire was likewise supported by the European powers, which were try-

ing at the time to gain political dominion in America, and thereby further their own aims of exploitation.

(IV) There developed a civil strife in Mexico, known as the "War of Reform," which was brilliantly headed by President Benito Jaurez, and the outcome thereof was that the Liberals succeeded in accomplishing once for all the severance between the State and the church. At that time a number of laws, known as "Reform Laws," were enacted, which provided for said separation, regulated all matters connected with worship, nationalized the property of the church, who had accumulated a great amount of wealth, established laic on nonsectarian education, and dealt generally with everything touching external cult. But the mentioned laws could in no way affect religion itself.

Church in Politics

(V) At the outbreak of the latter revolution, and during the struggle carried on to found a democratic government in Mexico based on the will of the Mexican people, and not on that of a clique of politicians, the church attempted to exert anew its political influence. Foreign priests in particular, foremost among them the Spaniards, who are of our own race and language, were stubborn opposers to the revolution, it having been positively ascertained that on several occasions ordained priests took up arms against the insurgents. The clergy, moreover, have economically and materially aided and upheld government like that of Vistoriano Huerta, which was one of the vilest affronts ever inflicted, not only on Mexico, but on the continent.

(VI) After the triumph of the revolution and the establishment of constitutional governments, the revolutionary program was condensed in our political Constitution of 1917, wherein the fundamental enactments were inscribed, which bear on the different Mexican problems, among them the law dealing with religious questions, which merely consecrated the reform laws promulgated during President Jaurez's administration, adding two or three rulings thereto, which I shall hereinafter mention.

(VII) The church, through its high dignitaries, then started a campaign of opposition to the Mexican Constitution, and political organization. Said campaign was invariably tolerated by all revolutionary governments, including that of President Calles, as long as it showed respect to the government and did not encroach upon the latter's authority; but in February of this year, the church, represented by its chief prelates in Mexico addressed a proclamation to the Mexican people, published in the Mexican papers of that day, whereby it disavowed the Constitution, protested against the politi-

cal organization of the country, and urged the citizens to rise up in arms against a Constitution which the church disowned. To the stand taken by the church the government responded by simply enforcing the provisions of the Mexican laws with regard to churches. Said provisions have been in our legislation, not only since 1917, but since 1867, at the time of Jaurez.

What Laws Provide

Such are in a nutshell the historical antecedents of this question. Now I shall refer concretely to the present state of affairs.

The Mexican laws provide:

(a) The complete separation between church and state.

(b) That none but Mexicans may be ministers of a cult in Mexico.

(c) That elementary, primary education must be laic in Mexico, which does not preclude the existence of high schools where religion may be taught, or professional schools, like seminaries, etc., for the exclusive teaching of religion.

(d) That neither convents nor any of the other religious organizations forbidden in Mexico since the time of President Jaurez shall be permitted.

(e) That only elementary primary schools shall not be in charge of priests, but of professional teachers.

It is the enforcement of such laws that has caused religious discussion in Mexico. As anybody can see, the foregoing rulings do not carry with them any persecution of the church, unless the exception against foreign priests be construed as such. On the other hand, there is nothing new in the Mexican laws on that subject, save the provision that education must be laic or nonsectarian in primary schools. The state does not wish to hamper religious liberty, and forbids religious teaching only in primary schools. In high schools, though, it is permitted, and there remains, moreover, the home and the church to impart as much religious learning as they see fit.

In the campaign which the Catholic church in Mexico has been carrying on against my country in foreign lands, we can see but the reiteration of its traditional policy to fight for the recovery of temporal supremacy in Mexico; to stir political activities at home and to sue for support from abroad, regardless of hurting the patriotic feelings of the Mexican people, who are more zealous about their political duties than about their religion. Catholic though most of the Mexican people are, they have condemned all through their history, at the time of their independence, as well as during the reform and at this epoch, every maneuver tending to curtail their sovereignty or change their political organization, which they have always defended with hard and untiring efforts.

Government Defied

In closing I wish to point out a concrete fact: The Bishop of Huejutla (Hidalgo, Mex.) issued a proclamation by which he denounced the President of the Republic as a murderer and a bandit, and the Mexican official as false and arbitrary. He defies the government and urges the people to rebel in force against the authorities and the Constitution, the disavowal of which he therein prompts. The bishop ends his manifesto saying that he is willing to sacrifice himself for religion and all he asks the authorities is that they do not murder him from behind. This occurred over five months ago, the most reverend bishop has not been murdered, only arraigned before the authorities, charged with defamation and slan-

Epitome of Mexican Turmoil

A dispatch sent out by the Associated Press July 31, gave the following summary of the causes and highlights in the religious situation in Mexico:

Causes

Laws effective today enforcing the Constitution of 1857, reaffirmed by the Constitution of 1917. These regulations provide:

No foreign clergyman may function in Mexico.

Church ownership of property is forbidden and all church property reverts to the state.

Religious instruction in schools, convents and monasteries is forbidden.

It is illegal for clergy or religious periodicals to criticize the government.

Effects

Mexican episcopate ordered as a protest discontinuance of all services in which 25,000 priests function, beginning today.

Some 10,000,000 Catholics will be unable to hear mass or receive penitence, communion or other sacraments, except baptism and matrimony, which will be given by laymen.

The church planned to have lay committees conduct some 12,000 churches for worship, but the government ordered that they be taken over by committees named by the Mayors. Ecclesiastical property, other than churches, is closed under seal.

An economic boycott has been ordered by organized Catholic laymen.

Purchases will be limited to necessities.

Troops have been called out at various places to maintain order.

Government's Attitude

Church and state must be separated, and the church must eschew politics.

President Calles regards it as "a final struggle" between "light and darkness."

Church's Attitude

Persecution is threatening religious freedom. The church denies it has meddled in politics.

Pope Pius does not desire to interdict Mexico unless absolutely necessary. He has requested the faithful throughout the world to pray tomorrow for their Mexican co-religionists.

The Living Church, national organ of the Episcopalian church, asks all Protestants in the United States to pray with Catholics for "The persecuted church in Mexico."

Bishop George Miller, resident bishop of the Methodist Episcopal Church in Mexico, says there is no religious persecution and that Mexico was forced to use severe measures because "The Roman Catholic priests in Mexico refused to comply with the law of the land and persistently have meddled in politics."

der, and submitted to a judicial investigation.

How is the attitude of that Minister of Christ to be reconciled with Christian tenets, with a religion preaching love and concord among men, and with the mission of a shepherd of souls?

The people of the United States, who are in a position to weigh these things in all fairness, are now qualified to tell who is right in the only case that has been so far brought before the judicial authorities; whether it is the Mexican government, or the impulsive Minister of Christ, whose behavior bespeaks the idea he has of his mission.

In these questions, as in all those connected with its public affairs, Mexico would be satisfied if only public opinion abroad were willing to study with calm and deliberation all the circumstances affecting its problems, and to give due consideration to the views and allegations of each side.

MOTION PICTURES BEING PRODUCED IN CHINA

LOS ANGELES, Cal. — William H. Jansen, manager and director for the Red Seal Film Company, Ltd., of Shanghai, China, accompanied by C. S. Lu, leading man in "Filial Piety," the company's latest seven-reel feature, stopped at the De Mille studios in Culver City for a short inspection tour on their way to New York.

Jansen, formerly a film man of Hollywood, but who has confined his interest to the promulgation of motion pictures in China for the last decade, marveled at the progress producers of America have made since 1914.

Mr. Jansen reports that there are now 85 producing film companies in China.

JAPAN'S COURAGE

Japan, in the midst of another disaster of food and earthquake, must sometimes feel like crying "How long, oh Lord, how long?"

She has received little credit among Western nations; but modern times have witnessed no more heroic example of courage and "guts" than has been shown by Japan.

If France or Italy or Belgium had suffered one-half the poverty, the grinding misfortunes, or had to face the bleak hopeless outlook of Japan, the world would have been filled with their howls.

The old Samurai—the old hereditary aristocrat who died with a placid face—still holds influence in Japan.—Harry Carr in Los Angeles Times.

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LINKING THE AMERICAS BY AIR

By
Colonel Juan F. Azcárate

Mexican Air Service

IN the Department of Commerce report on trade with Latin America, it is surprising to learn the increase for the present year to the astonishing figure of \$2,000,000,000. This is three times as much as in pre-war years, and is fully 18 per cent of the total foreign trade of the United States. Here is food for thought.

Of all the weapons of war and instruments of peace, aeronautics and radio rank the highest. These elements are rapidly shrinking the world and bringing more understanding, sincerity and solidarity to our continent.

Latin Americans differ from the North Americans in commercial traits, ethics, religion and psychology. But to think of each other as bandits or "Shylocks" is a wrong which interchange of intelligence through radio and air transportation will quickly correct.

Disregarding the conventional geographic division of the earth into five continents, we see at first glance on a map of the world that Europe, Asia and Africa form one solid mass of land and America forms another. The commercial aircraft problems of the two hemispheres are decidedly dissimilar. There, five powerful nations and two smaller ones are desperately fighting for air supremacy—England, France, Germany, Italy, Russia and Belgium and Holland. The problems, therefore, are multiplied. Here there are no rivalries and no conflicting interests. Latin America is engaged in the production of raw materials, for her best customer, the United States. At the same time she is the best customer of the manufactured products of the United States.

No other part of the world has the advantages for air transportation as our continent. We have an immense area which is sparsely populated. Natural barriers for surface transportation, such as mountains, deserts and jungles, abound in Latin America. The heat of the tropical low lands has confined the bulk of our population to high plateaus where the climate is healthy. Our economic centers are therefore separated by long distances with natural barriers for railroads and highways. Consequently air transportation will have no inland competition. Moreover, land is so cheap that practically free emergency landing fields could be obtained every 10 or 20 miles along the routes, thus increasing the safety factor.

In America are a

group of friendly countries very large in area, speaking practically two languages. In Europe several languages are spoken in a small area, and the short distances between in-

ternational frontiers, combined with the sharp competition of express trains are the main handicaps to air transportation.

South of the Rio Grande, from 32°35' latitude North to the southernmost part of the American continent, including the West Indies, twenty republics are steadily rising to wealth and power. That is Latin America—immense, fantastic. It has three things in common with the United States—republican government, social equality and political separation from European affairs. Yet through our peculiar topography, presenting barriers to surface transportation, the density of population has been held down to 4.4 to the square kilometer.

Slow communication accounts for the slow formation of public opinion, thus giving place to conflicts between old and new ideas. The officials of far districts of central governments cannot be supervised and directed easily. Revolutions spread before they can be opposed because information is sent to the central governments by slow, defective means. Fighting this evil will be another benefit of commercial air lines.

Due to the dependence of man on transportation, most of the economic centers are located along the coast. The development of our natural inland resources therefore had to be postponed for a future era of better transportation than railways and motor highways—the air era.

Taking as a criterion the volume of commerce between the different points, the location of the main international air lines on the American continent may be predicted. (See the accompanying map.)

It is obvious that this line will form a loop around South America so as to touch the capitals and large economic centers of all the countries—except the rather unimportant capitals, La Paz in Bolivia, and Asunción in Paraguay. These are inland but may be connected to the main line by feeder lines.

For economic reasons the line will split in northern South America, so as to touch those important commercial zones of the Caribbean Sea—the Republics of the West Indies, and those

(Concluded on p. 267)



COL. JUAN F. AZCARATE

"HELL'S BELLS" O'NEIL*(Continued from page 194)*

fourflushing misnomer. I don't know whether I am going to break your neck first or your ankle. I've been shot down and taken prisoner. I've been six months in a Hun strafe camp. I've escaped. I got out of Holland before I was listed and reverted to a non-combatant category. I'm here without a cent or a uniform. I got a squadron in France I want to go back to. That's my story—you yellow-streaked, golf-playing strand galloper!"

"You're under arrest!" says the Colonel. Jack turns on him. 'I'll see you in hell first, you damned slacker. You can fork over with transportation and a clothing allowance now, or I'll knock your heads together and spill the story to Horatio Bottomley with both your names on the front page! I don't want any leave—I'm not asking for a damned thing but money that's due me—'

"Get out!" yells the Major.

"Jack jumps at him and grabs the golf club. 'Now listen,' he says, 'I've killed a few men in my life, and so help me God, I'll smash this through your rotten skull if you don't sit down at that desk and write me out the necessary forms. You can stand over at the window while he's doing it,' he says to the Colonel.

"Well, they see a sort of red look in his eye, so they move and move fast. Fifteen minutes later everything is ready for him. The Major glares at him and starts to speak, but before he can say anything, Jack says, 'And now forget it. You won't make fools of yourselves before your own sergeant, I'm sure.' And he opens the door as sweet as you please, and so that the sergeant outside can hear him, he clicks his heels, salutes and says, 'Thank you, sir, for your courtesy in this matter. I'm very much obliged to you both.' And he goes—leaving them speechless with their mouths hanging open a foot.

"Oh, dear," says "Hell's Bells." "it was an annoying war—which reminds me of Cadet Smith, V. C."

*(In October.)***LINKING THE AMERICAS BY AIR***(Concluded from page 188)*

of Central America. The branch airline of the West Indies will connect through Porto Rico, Santo Domingo, Haiti and Cuba to Florida.

The Central American line will split twice in Mexico so as to connect with the United States air line systems of the East, the Middle West and the West.

These Latin American air lines will not conflict with the steamer transportation in any way. On the contrary, they will supply a fast complement to this service.

At present all mails and valuables are tied up for several days, and if we remember that the commerce is \$2,000,000,000 we can see that this delay means the loss of a large sum of interest. This is without considering the international and internal commerce among the Latin American countries themselves.

Our plan is to run our air lines up to the borders of the United States and have contracts similar to those of our postal exchange.

We are aware of our difficulties—crossing deserts, mountains, and zones of cloudiness, also of night flying—but we know that even the hardest conditions are only matters of higher costs. We are confident that we can carry out our plans. The desire of all classes of our population for air lines, and the help promised from all quarters is in our favor. Only the technical details remain.

Rehabilitation of Mexico's Finances

By L. F. HERBERT

Address Delivered Before the Foreign Trade Club of Southern California

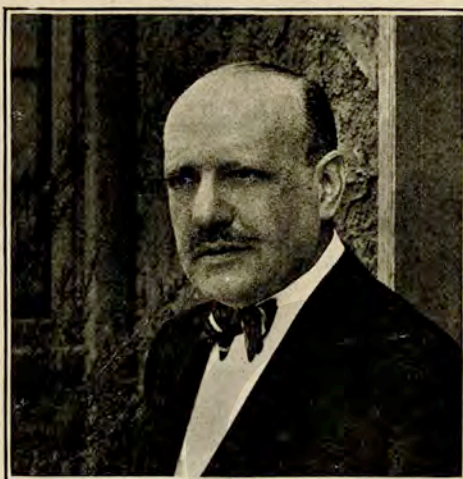
REVOLUTION and Mexico have become synonymous expressions, and whenever you suggest anything favorable regarding that country the next question infallibly is—when is there going to be the next revolution? On this matter I would like to say the following: Most revolutions in Mexico have been purely financial propositions, with ample foreign capital behind them. It was also firmly accepted that every revolution would be a success, with the result that the populace, whenever a strong revolutionary showed himself, immediately sided with him, knowing that the rebel of today was likely to become—no, surely to become—the government of tomorrow. This was the case right up to the last revolution engineered by Mr. De la Huerta, who, as you know, was temporarily President of Mexico previous to Mr. Obregon. Then the unexpected happened—the United States Government sided with the constitutional government of General Obregon by supplying him with arms and ammunition, and a fallacy was smashed. Mr. De la Huerta was beaten, and had to flee the country. The first revolution since the days of Porfirio Diaz had become a failure, and therefor did not pay its financial sponsors. There is little chance nowadays of finding anybody who is prepared to finance a revolution, as it practically means fighting the unlimited resources of the United States.

But revolution is still rampant in Mexico, but of an entirely different kind. It is the most complete economic, social, industrial and financial revolution the country has experienced, and the regime of President Calles is the cause of it. President Calles is doing nothing else but to live up to the constitution he has sworn to observe, and on which he has been elected. He is the first President under the 1917 constitution who is successfully enforcing its provisions. The 1917 constitution was the result of revolutions, and its revolutionary character becomes more apparent in its strict application.

The only thing concerning us is the question—has it done Mexico any good, and has it hurt anybody outside the country? Personally, although I am afraid not everybody will agree with me, my answer is emphatically Yes to the first question, and even more emphatically No to the second.

Mexico is working out its own salvation against untold odds, and with remarkable results, not watched entirely without grudge on the part of her enemies.

For the last five years Mexico has



L. F. HERBERT

Mr. Herbert was born in Vienna, Austria, completed his studies in that city and emigrated to England at the age of seventeen. He has been engaged in financial and mining business for the best part of twenty-five years. He has devoted himself to the foreign securities business in this country since November, 1915. Mr. Herbert's connection with Mexico was not accidental but was made after deliberate investigations, his opinion being that Mexico is offering greater opportunities for the foresighted investor than any other country in the world.

made strenuous efforts to emerge from her financial plight, and without a helping hand being extended to her she is now once more to be classed among the solvent nations of the world.

Let it be remembered at this juncture that Mexico has not increased her indebtedness by one cent for the last thirteen years which, it is true, was not for the lack of desire to do so. Constant revolutions prevented her from concluding such a loan, because any attempt on her part to do so has, in the past and would probably be now, turned down. Nevertheless, the fact remains that where every other country on the globe has increased its indebtedness from three to six times its pre-war figures, Mexico remains with an insignificant small debt of approximately \$267,000,000, on which the full amount of interest payable after 1928 will amount to only \$12,250,000. In 1913 the revenue of the Mexican Government was about 60,000,000 pesos. In 1926 it will amount to approximately six times as much, and is steadily growing. Economies in running the Government have been enacted, without regard to individuals who held highly paid positions for political services. President Calles has ruthlessly thrust these parasites from office, and has only allowed those to remain whose services were adequate to the pay received.

Graft, which was rampant all over Mexico, has been eliminated completely and although President Calles has earned the enmity of those hit by his determined policies he is gaining in popularity daily, as the Mexican people are waking up to the fact that Mexico has, for the first

time in her history, a President who is working exclusively for their benefit.

When in 1923, previous to his inauguration, President-Elect Calles was received at a banquet at the American Chamber of Commerce, at which I had the honor of acting as one of the reception committee, he expressed himself to the effect as having as his goal in office to make out of 12,000,000 Mexicans who were at present living on the fringe of civilization, 12,000,000 consumers, and consequently producers. His utterances were received with the usual incredulity attached to all newcomers' prophecies, and most of us present on that occasion were inclined to accept his statements with a large dose—not grain—of salt. President Calles has proved an exception to the rule, as his deeds have, so far, been even better than his words.

To achieve his object he was determined to enforce the provisions of the constitution, and we, in this country, surely uphold any government which is sincerely trying to carry out the laws, as by oath and duty it is bound to do.

That by so doing he is offending the feelings of the predominant church to which he and his followers belong, only show his determination and remarkable pluck to do what he considers his duty, irrespective of the consequences.

It is a most ungrateful and delicate task to talk publicly on religious matters, and I will therefore refrain from doing so, but I strongly recommend those who are interested in this question to procure for themselves the July, 1926, issue of the Current History Magazine, in which the subject is elaborated from every point of view. Mr. Constantine E. McGuire, Secretary of the High Commission of Ministers of Finance of the American Republic, represents the Roman-Catholic view. Mr. James Cannon, Jr., Bishop of the Methodist-Episcopal Church, South, represents the American Protestant view. Mr. Manuel E. Tellez, the Mexican Ambassador to the United States, represents the Mexican official view. Mr. Charles A. Frueauff, Attorney for the Mexican Consulate in New York, represents the legal point of view. Mr. Jose Miguel Bejarano, formerly an officer of the Mexican Education Department, represents a Mexican Educator's view, and finally the rest of the religious clauses of the Mexican constitution are set out in full.

After carefully perusing these pages the fair-minded man will arrive at the conclusion that "to understand everything is to forgive everything." The present attitude of the Mexican Government on religious matters is the natural reaction of 350 years' domination by the Church. Although the Roman-Catholic Church is principally involved it affects all denominations equally. Whatever the claims of the Church in respect to the education given to the people may be, the fact remains that after nearly four centuries of control 90% of the Mexican population can neither read nor write, and President Calles' boast of bringing every child within reach of school during his term of office has actually been achieved in the state of Yucatan, and bids fair to be accomplished

in the remaining parts of the country. It is proposed to establish 3000 new schools during the Calles' administration, of which 962 are already functioning.

When President Calles took office he found an empty treasury. Government employees had not been paid for years, and the Government was owing money to every contractor for supplies.

The only currency in the country was gold and silver, and serious doubts were expressed that notes of a contemplated bank of issue would find favor with the population. The railways of the National Railways system of Mexico, managed by the Government, showed an operating loss of many million pesos a month. Far from earning interest on their bonded indebtedness, the Government had to use other revenues to keep the railways running. Graft in its most hideous and shameless shape was the order of the day. Passengers were better off to ride without paying their fare at the ticket office, but paying the conductor instead, who calmly pocketed the money. Freight could only be moved by bribing the station master. Strikes were prevalent, and to travel in Mexico for many years previous to the present Administration tackling this thorny subject, was a torture. The staff of the railways was packed by favorites of the Government, who thus recompensed political services, and one of the largest railway systems on this continent went from bad to worse. On the top of that the government had guaranteed in the 1922 agreement interest on all outstanding bonds of the National Railways system, which thus became an additional burden to the Mexican Treasury.

Foreign capital was scared to enter the country under the shadow of the much maligned Article 27 of the Constitution, and the largest source of revenue of the country, the oil industry experienced curtailment in production, a policy carefully devised by the oil interests to achieve their object.

What has happened under President Calles? The finances of the country have been placed on a stable basis. Interest payments on the country's debt has been resumed. On July 1st \$6,000,000 were distributed to holders of Mexican bonds. The budget shows a large surplus. Salaries to government employees have been paid. A Bank of Issue has been established, whose notes are not only willingly accepted by the public, but are changing hands, at a premium, against gold and silver. The Bank is under the able management of my friend, Mr. Mascarenes, formerly Consul-General of Mexico in New York, who to start with made it a point not to issue notes in excess of actual gold kept in the coffers of the Bank. The public gradually took to the notes, and today they form the main currency of the country. The capital for the bank was provided to the extent of 51% by the Mexican Government, whereas the balance was subscribed in the country without any foreign help. It is therefore a truly national institution, and will go far to re-establish Mexico's credit abroad. The railways, as previously said, a serious burden to the government, are now a prosperous concern, under the excellent management of Mr. Bertram Holloway, an Englishman, who successfully managed a Mexican railway company, an English concern, all through the revolutions.

The bonds of the National Railways are today a far better security without the guarantee of the Government than with this guarantee, as provided for in the 1922 agreement. The value of these bonds



The establishment of the Bank of Mexico during September 1925, is perhaps one of the greatest achievements of President Calles. Present plans call for the eventual establishment of branches throughout the republic.



MINING INDUSTRY

The fabled mineral wealth of Mexico has been recognized the world over since the time of Cortez and the Conquest.

Today, among the nations, Mexico stands first in the production of silver, second in copper, third in lead and zinc, and is fourth among the nations in the production of gold. It is small wonder that Baron Von Humboldt called Mexico the "Treasure House of the World."

—Photos Courtesy Moffett & White, Specialists in Mexican Securities

was based entirely on the Government guarantee, as the railway itself was running at a stupendous loss. In the modified agreement of 1925 this guarantee was rescinded, but the government has to all intents and purposes guaranteed the earnings of the railway for the next two years, and has taken the most drastic steps to insure these earnings by giving the concern the best management to be obtained, comprising complete elimination of graft, and by regulating tariffs and wages so as to achieve its object. The result of these drastic measures is that the former insolvent concern, which could not earn its operating expenses, is remitting today at the rate of \$30,000 to the international bankers to meet interest,

AGRICULTURE

Mexico is essentially an agricultural and industrial country. It is estimated that of Mexico's 490,000,000 acres of land approximately 354,000,000 acres represent pasture, grazing, timber and lands that are suitable for cultivation or come under the head of agricultural lands. Of this acreage, 354,000,000 acres, only about 18,000,000 acres are now under cultivation. It is evident, therefore, that so far as agricultural development is concerned, Mexico is almost a virgin field and offers unlimited possibilities.

PETROLEUM INDUSTRY

Second only to the United States in oil production, Mexico up to and including the first six months of 1925 produced 1,260,342,108 barrels of oil, with an estimated value of \$2,108,644,085 (Mexican currency). Oil exports for 1924 totaled 129,699,788 barrels. Geologists estimate Mexico's oil reserves at 5,750,000,000 barrels.



and is understood to be earning considerably more than the aforementioned sum.

A prominent Mexican banker, whom I had occasion to meet just previous to my departure from New York, and who had for years been very pessimistic on the political and financial outlook of his country, told me that it seems unbelievable that such a complete change could have been accomplished in so short a time. He told me that in the purchasing department of the National Railways alone, a saving of well over \$10,000,000 was being effected, or more than the total amount needed to pay interest on the bonded indebtedness.

The market valuation of the bonded in-

Continued on Page 85)

REHABILITATION OF MEXICO'S FINANCES

(Continued from Page 75)

debt of the National Railways of Mexico system is today below \$5000 a mile. The average bonded indebtedness per mile in the United States is approximately \$61,000, and still more interesting is the fact that the Southern Pacific is actually building railways today in Mexico at an expense of from \$60,000 to \$75,000 a mile.

The greatest opportunity which America ever had is offered in the purchase of Mexican Government and Mexican Railway Bonds, and I am very much afraid that by the time this country will wake up to this fact Europe, which during the stress of war was compelled to dispose of its Mexican holdings in this country when no interest was paid, is now accumulating the securities once more at lower prices than previously sold, and at a time when they once more have been placed on an interest bearing basis.

The dreaded Article 27 of the Mexican constitution is no longer a barrier to foreign capital. The points in question have been thoroughly threshed out between the two governments, and Mexico succeeded in convincing the American Administration, which was none too favorably inclined towards the Calles regime, that none of the provisions of Article 27 could possibly be interpreted as retro-active. Article 14 of the Mexican constitution clearly prevents such a possibility, as it distinctly says: "No law shall be retro-active to the detriment of anybody."

The road is free for profitable business in Mexico, and far-sighted investors are slowly but surely nibbling at Mexican enterprises, particularly mining and oil.

Special attention should be given to those Mexican States which are comparatively close at hand. The West Coast of Mexico comprises the States of Sonora, Sinaloa, Nayarit, and a small portion of Chihuahua and Durango. Its area is 250,000 square kilometers, with only 760,000 inhabitants. To the south and south-east there is a large commercial area, with 5,166,000 inhabitants. This section has an irrigable area of 5,250,000 acres and contains fabulous mineral wealth.

Let us bear in mind that Mexico is today, and always has been, the largest producer of silver of the world, and second largest producer of oil.

What irrigation can do, which is now vigorously pushed ahead by President Calles, is shown in the Yaqui Valley, where an increase of 112,000,000 pesos in property values has been actually established. Prosperity of the country can be gauged by the bank deposits, which have increased 23,000,000 pesos the first three months of the present year.

Mexico's production of silver last year constituted a record, being 91,000,000 ounces.

Mexico's import and export commerce last year was 1,073,000,000 pesos, and 90% of this trade was with the United States of America.

From November, 1925, to April, 1926. Mexico produced 53,000,000 barrels of oil.

In conclusion let me say that I have not become a booster for Mexico by accident. Looking around for a profitable field of operation I have finally decided that amongst all investments, there are none which offer the vast possibilities of Mexican securities.

FISHERIES COMMISSION OPENS OFFICES

LOS ANGELES, Cal.—The International Fisheries Commission has opened its offices at San Pedro despite advices that the two newly appointed commissioners from Mexico had been removed from office. Appointment of successors is expected promptly to permit continuation of work, following the commission's initial meeting and organization two months ago.

The Mexican shake-up removes J. R. Alcaraz, as chief of Mexican fisheries, and C. E. Bernstein, supervisor over Lower California fisheries from Los Angeles. No information has been received as to the cause of the shakeup, but it is understood the two officials are planning to go into business for themselves.

When questioned by a representative of Pan Pacific Progress, Mr. Bernstein stated that he had not received any official notice of his removal, to date, and that the commission would continue to function as planned.

MEXICAN BANK DEPOSITS INCREASE

MEXICO CITY.—Bank deposits in Mexico City increased by 23,000,000 pesos during the first three months of the year, according to the report of the National Banking Commission. Total deposits at the end of March were 133,000,000 pesos.

In the columns of the press on September 16th appeared a statement by the Catholic Bishops of the United States in which the Administration of President Calles was referred to as "a tyrannical government." The same article contained the statement that the Mexican Catholics are "the real champions in Mexico of religious and civil liberty."

In the interest of fair play I ask space in the press of the United States to place certain facts before its people.

The only possible basis upon which the Catholic Bishops of this country can charge the Mexican Government with being a tyrannical one is the insistence upon President Calles' part that the sovereign will of the Mexican people as expressed in its Constitution must be obeyed by everyone, irrespective of their position in society; that the Arch-bishops and Bishops of the Catholic Church in Mexico must obey the law just as the humblest citizen must obey it.

No statement has ever been made by the Catholic Hierarchy of Mexico that the laws which President Calles insists must be obeyed are in any way extra-legal. They have, however, arrogated to themselves the right to say that these laws should never have been placed in the Constitution; and not only have they refused to obey them, but some of the Bishops have issued statements saying that the laws of the Church are superior to the civil laws of the country. It was this attitude of the Catholic Hierarchy that brought about the present so-called "religious crisis."

The statement of the Catholic Bishops of the United States that the Catholic Hierarchy in Mexico is "fearlessly resisting armed force in defence of the inalienable rights of man," is not in consonance with the known facts. Not one priest in Mexico was driven out of a single place of public worship. Not an attempt was made by the Government to interfere with the spiritual functions of the Church. Upon President Calles' refusal to abrogate the provisions of the Constitution, which in his oath of office he had sworn to obey, the Catholic Hierarchy of Mexico left the churches and refused to administer in public places of worship the consolations of religion to the people.

As to the assertion that the Catholic Hierarchy of Mexico are "the real champions of religious and civil liberty," I beg leave to submit the following facts, all of which can be verified in histories of Mexico, written, not by Mexicans, but by well known writers of the United States, such as the historian, Bancroft.

A quarter of a century after the people of the United States had achieved their independence and founded a government in which Church and State were absolutely divorced, the Bishops of Mexico were still conducting the Inquisition.

A half-century after independence had come to the United States, the Bishops of Mexico were supporting the forces of reaction in that country which guaranteed to the Church special privileges, including responsibility only to ecclesiastical courts and recognition of the Catholic as the only religion allowed to be taught in Mexico.

Nearly a century and a half after the United States had become a free nation, the Mexican Bishops were supporting the militarist, Victoriano Huerta, and their spokesman in the United States, Bishop Francis C. Kelley, was publicly denouncing the presence of the Protestant ministers in Mexico as an insult to its people and charging them with making atheists and infidels of those influenced by their teachings.

These facts disprove absolutely the claims in the statement of the American Catholic Bishops that the Catholic Bishops in Mexico are "the real champions of religion liberty."

As to the record of the Mexican Bishops on Civil Liberty, the following incontrovertible facts are submitted:

On the 16th of September, 1810, a humble Catholic priest raised the banner of revolt against the Spanish tyrants. His name was Father Hidalgo. For this offense he was excommunicated by the Catholic Bishops, and suffered a most cruel death at the hands of the Spanish rulers. Another Catholic priest, Father Morelos, who took his place, was in turn excommunicated and killed.

When the Spanish power fell, the Catholic Bishops of Mexico backed the usurper, Iturbide, who proclaimed himself Emperor and continued the special privileges of the Church. For the next forty years the Mexican Church Hierarchy, as a matter of absolute record, supported every reactionary government and attacked every liberal one.

When, in spite of all they could do, it seemed that the liberal elements in Mexico were to triumph under Juarez, the Archbishop of Mexico went to Europe, intrigued with Napoleon Bonaparte III, brought a French army to Mexican soil, and placed Maximilian, Archduke of Austria, on the throne of Mexico as Emperor, supported by the bayonets of an alien army. For years the soil of Mexico was drenched with the blood of its people by this French army, whose presence there would have been impossible without the influence of the Catholic Hierarchy.

Always their record has been one of opposition to all enlightenment that the statesmen of Mexico struggled to bring to its people. Always has the Catholic Hierarchy been arrayed on the side of the huge land owners, who kept the peons in a state of virtual slavery. Every liberal principle has been anathema to them. The enlightened social legislation which the Obregon and Calles Administrations have sought to put into operation has found in the Mexican Hierarchy the most bitter of opponents. Being themselves seekers of special privileges for the Church, they have championed the special privileges of the great land owners, the financial interests, and what large industrialists there are in Mexico.

How little care they have for the physical interests of a people impoverished by ten long years of revolutionary struggle is shown by their deliberate backing of what they term a "boycott." The announced intention of this plan was to create financial and industrial chaos in Mexico. They hoped thus to compel the Government to continue the special privileges which the Hierarchy has never ceased to struggle for.

Yours very truly,

Mig Prieto

Acting Consul General

HER./

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MEXICO TODAY

AND BORDER BULLETINS

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President Calles Religious Belief

PEACE, POWER AND PLENTY

Peace, Power and Plenty,
Words that are heaven-born.
Say them, ye hearts that are weary
Till hope in your soul is born.

For words are things that will lift our wings
The one who believes them true,
And whatever you will when the mind is still,
You may call to the soul of you.

To all who have attained to Spiritual illumination it seems strange that men should remain in discord, sickness and poverty, when by the right use of Words they might have Peace, Power and Plenty.

There is a Secret Place of the Most High known to the illumined, wherein man may work as God and through the power of the Spoken Word call into manifestation any condition of circumstance or environment that is in accord with the Law of the Universal. A simple statement from Whitman will make clear what the Law of the Universal is:

"I speak the password primeval. I give the sign of democracy: By God, I will accept nothing which all cannot have their counterpart of on the same terms."

When the simple conditions of this strong statement are complied with, we cannot ask too much. Jesus, perceiving the effulgent glory of this highest law, said, "Hitherto ye have asked nothing. Ask that your joy may be full."

Are you surrounded by discord and in-harmony?

If so, do not say: "It is my Karma," but resolutely determine to change the vibration by using the words of power. The condition will then change by the Law of inhibition. It is folly to accept any condition as inevitable, or as belonging to the nature of things. Man is lord of nature when he comes to himself, or rather to the God within himself. Nature is the obedient servant to man when he becomes conscious of his divinity. Jesus spoke to wind and wave, saying: "Peace, be still," and the wind and wave obeyed him.

Bishop Sabin tells of such an incident in his own life. He was out in a boat when a gale arose that apparently made it impossible for him to reach land. He had an appointment to preach and felt it was necessary for him to be there. Instead of raving against luck or submitting to the inevitable, he went into the quiet place within, where man is at one with God, and prayed for the wind to cease, and it was so.

He who has no insight into spiritual things will deny this statement with fury. Many there are who believe it might have taken place in the time of the Apostles, but then and now miracles have ceased to be. But Truth does not change.

Man was born to have dominion and Jesus was the great Wayshower of what spiritual man can do and be.

Peace must be established within. You must be rooted and grounded in the thought of God's Peace before you can have power over surrounding conditions. But when you have the Peace of God in your consciousness, you may say:

"Be Still, to all the winds that blow—
And in your deepest being know
The mighty God stands pledged to make
it so."

The influence emanating from the man who has found the Peace of God is beautifully illustrated in the New Thought drama, "The Passing of the Third Floor Back." The household is full of pettiness and discord, when the Stranger appears. Significant is it that when the Stranger approaches the door a light streams in ahead of him.

Whitman says that such a man does not convince by argument. By his very presence he fills every room with an armed force. Noise and discord must cease in the presence of a great, quiet soul-consciousness, without the speaking of a word. Like calls to like and in the pettiest human soul there are great unexplored regions of silence and wisdom that will answer to the depths in the soul of you.

Emerson says that we all become wise in the presence of a wise soul. All the changes in character shown in "The Passing of the Third Floor Back" will follow

THE PRAYER OF FAITH

God is my help in every need;
God does my every hunger feed;
God walks beside me, guides my way
Through every moment of the day.

I now am wise, I now am true,
Patient, kind and loving, too.
All things I am, can do and be,
Through Christ, the Truth, that is
in me.

God is my health, I can't be sick;
God is my strength, unailing,
quick;
God is my ALL, I know no fear,
Since God and Love and Truth are
here.

—Irma.

in any community from the influence of an awakened God-conscious man of woman.

But someone will say: I believe all these things are possible when one has found the Peace of God, but how am I to attain this Peace?

The very fact that you desire any soul-quality shows that it belongs to you. John Burrough's poem, "Waiting," shows a profound insight into the laws of the kingdom of the Spirit. "The things I seek are seeking me" should never be forgotten by the seeker for Spiritual realization. We do not have to create out of the "formless" the thing we desire. No, the thing we desire exists in the "formless" and is calling to us. Realize that whatsoever you desire already exists and is calling to you and that by repeating its name you draw it to you.

Phillips Brooks says: "There is one magic word somewhere, if we can find it, with which we can tame these truths as the old magicians subdued the spirits to their will. Called by that word they come

to our confessional and tell their secrets. The power that was in them passes into us and we become their masters as they once were ours. They go to do our bidding in humility and own our sovereignty now by that magic word."

Ella Wheeler Wilcox tells us that the things we desire love to hear their names called. Certain it is that in the name of everything there is a vibrating power of infinite possibility.

In the trinity of words used for the title of this lesson Peace has purposely been placed first. It is the divine order. To have power without peace is possible and also undesirable. Psychic power without the Peace of God will tear you to pieces. Our insane asylums are filled with men and women driven to distraction by a power they have invoked but cannot control.

There is a Hindu fable of a man who went to a magician and demanded a Spirit who should accompany him and do whatsoever he commanded. The magician granted his request on condition that the man should agree to keep the Spirit busy; but if he did not the spirit would devour him. The man was delighted and accepted the condition. First, he ordered the Spirit to fell a huge forest. Instantly this was done. Then he demanded that a great city be built. This also appeared on the instant. Soon there was nothing more to be asked for, and in terror the man fled from the Spirit he had invoked. This fable illustrates the futility of invoking power that we cannot control.

The magic word Peace starts a vibration that leads to a state of mind that can make use of limitless power. The man who knows God is never a weakling. He is unafraid for the Peace of God has surrounded him with an aura of protection that wards off disease or danger.

The 91st Psalm perfectly describes the man who knows the Peace of God and through that knowledge has attained the secret of power. The Peace of God is the assurance of strength that rests on Omnipotence. The conviction that his work is dear to the heart of Being and cannot be spared protects him. He becomes conscious of an Infinite Presence. When the Syrian king sent out an army to take the Prophet of Israel, the youth who was with the Prophet was frightened, although the Prophet himself was undismayed. The young man could not understand; but Elisha prayed and said: "Lord, I pray thee, open his eyes that he may see," and the Lord opened the eyes of the young man and he saw, and behold, the mountain was full of horses and chariots of fire round about Elisha. This passage is full of significance to the student of the esoteric. It rests exactly on the same basis as Emerson's saying that when a man feels that his work is dear to the Heart of Being his task becomes his life preserver.

Marie Corelli's writings often show an understanding of this occult law. When one of her characters is held up by a robber, without moving a muscle he speaks the Word and the gun drops from the hand of the thief. This is what Jesus meant when he said: Ye shall have power. It is the Christ way of attainment that leads to mastery. It is the soul message

of Idealism that now goes under the name New Thought. The person who believes that this power exists, and speaks the word that calls it to him, passes from weakness to strength, from poverty to power, for weakness and poverty are both conditions that have been attracted to us by negative states of consciousness.

The Christian world has not known the secret of the Indwelling Christ. If it did every church would become a school of the Christ life where the laws of the Spirit would be taught. The sick would be healed, the lame would walk and the poor would have the gospel of self-respect taught them in such a manner that poverty would be abolished.

I close this lesson with the thought of Plenty—the heaven-born child of Peace and Power. I would that all eyes were opened to see that Plenty is the Law of God; that every man is entitled to and should have all his needs supplied; that giving does not impoverish nor withhold enrich.

The world of Reality has no poverty. My spiritual understanding was opened to this great Truth by hearing a minister explain the cause of hard times during a period when thousands of men were out of work and women and children starving. He said: "The cause of hard times is overproduction." It seemed strange that the reason men should starve was because there was too much to eat, and it came to me then that there was no poverty in Reality and that all we need to know is how to distribute God's abundance.

There is an abundance of all good things for all men, just as there is an abundance of air for all lungs. You may claim Plenty for yourself without mental reservation, and not only that, but you can preach it in the silence to all men, knowing that when they see as God sees, their limitations will vanish as mist before the sun.

Peace, Power, Plenty! Fill your mind with these words. Meditate upon them until they yield to you their secret! Then will you become a radiating power whose very presence will make men aware of larger possibilities, and the Peace of God which passeth understanding will be to you an abiding Reality.

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President Lincoln said at the time of the Civil War: "We owe it to Popery that we now see our land reddened with the blood of her noblest sons." Words of Warning, by the Rev. H. H. Bourne.

Lord William Russell said: "I am of the opinion that the life of our Sovereign, the safety of our country and the Protestant religion, are in danger from Popery; and that either this Parliament must suppress the growth and power of Popery, or else that Popery will soon destroy not only Parliament, but all that is near and dear to us."—Life of Lord William Russell, by Lord John Russell, page 124, London, 1819.

Lord Macaulay said of the Papacy: "The loveliest and most fertile provinces of Europe have, under her rule, been sunk in poverty, in political servitude and in intellectual torpor, whilst Protestant countries, once proverbial for sterility and barbarism, have been turned by skill and industry into gardens, and can boast a long list of heroes and statesmen, philosophers and poets."—History of England, Vol. I, page 47.

Napoleon, the Great said of the Jesuits: "A very dangerous society, and one which should never have been on the soil of the Empire. Its doctrines are subversive of all monarchical principles. It is by nature dictatorial and, therefore, it is the irreconcilable enemy of all constituted authority. Every act, every crime, however atrocious, is a meritorious work if it is committed for the interest of the society."—Rect. de la Captivité de l'Empereur Napoleon at St. Helene, by General Montholon, Vol. II, page 62, Paris, 1847.

Thomas Carlyle said of the Papacy: "By the rule of veracity the so-called throne of St. Peter was openly declared, above 300 years ago, to be a falsity, a huge mistake, a pestilent dead carcass, which this Sun was weary of. More than 300 years ago the throne of St. Peter received peremptory judicial notice to quit; authentic order registered in Heavenly Chancery and since legible in the hearts of all brave men, to take itself away—to begone, and let us have no more to do with it and its delusions and impious deliriums."

Adam Smith said of the Papacy: "The most formidable combination that ever was formed against the authority and security of civil government, as well as against the liberty, reason and happiness of mankind."—Wealth of Nations, Vol. III, page 217, London, 1794.

Lord Bacon said of the controversy between Protestant and Romanism: "The greatest duel which is in the Christian world, the duel between the lawful authority of sovereigns kings and rulers, which is God's ordinance for the comfort of human society, and the swelling pride and usurpation of the See of Rome, tending altogether to anarchy and confusion."

—Works of Francis Bacon, Vol. VI, p. 452, London, 1826.

James Anthony Froude: "Catholicism is tolerant now because its strength is broken. It has been fighting for bare existence and its demands at present are satisfied with fair play. But let it once have a numerical majority behind it and it will reclaim its old authority. It will again insist on controlling all departments of knowledge. The principles upon which it persecuted it still possess, and persecution will grow again as naturally and necessarily as a seed in congenial soil."—Short Studies, Second Series, page 146, London, 1871.

Dr. Wylie (1808-1890): "Wherever we meet Popery there we meet moral degradation, mental imbecility, indolence, unskillfulness, improvidence, rags and beggary. No ameliorations of government, no genius or peculiarities of race—no fertility of soil—no advantages of climate—seem able to withstand the baleful influence of this destructive superstition; it is the same amid the grandeur of Switzerland and the historic glories of Italy, as among the bogs of Connaught and the wilds of the Hebrides."—The Papacy: Its History, Dogmas, Genius and Prospects, page 475, Edinburgh, 1851.

Dean Alford (1810-1870): "Inquire where one will in Rome and of whom one will, the same account is always given by one in whom there is any truth at all. And the account is that all is as bad as possible—no public faith, no desire for the good of the people; government servants miserably paid, and abandoned after long service, while peculation and corruption unblushingly practiced in the highest places . . . and beneath a fair semblance of religion and purity, a reeking mass of falsehood, oppression, impurity and selfishness."—Letters from Dean Alford, page 133, London, 1866.

Lord Acton: "Soon after 1850 several of the most intelligent men of France, struck by the arrested increase of their own population and by the telling statistics from further, Britain, foretold the coming preponderance of the English race. They did not foretell, what none could then foresee, the still more sudden growth of Prussia, or that the three most important countries of the whole globe would, by the end of the century, be those that chiefly belonged to the conquests of the Reformation. So that in religion, as in many things, the product of these centuries has favored the new elements; and the center of gravity, moving from the Mediterranean nations to the Oceanic, from the Latin to the Teuton, has also passed from the Catholic to the Protestant."—Lecture on the Study of History, delivered at Cambridge, June 11, 1895, pages 13-14. Lord Acton was a Roman Catholic and Regius Professor of Modern History at Cambridge.

Isaac Taylor (1787-1865): "If the history of the Romish Church were to descend to distant times, and the theory

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of the system be forgotten, or more, of its unbroken power, a license extraordinary had been granted to infernal malignants to using human forms and to invade earth with the practices of hell; or that the world, from the seventh to the seventeenth century, had suffered a dark millennium of diabolic possessions."—History of Fanaticism, page 210, London, 1833.

Lord Robert Montague said of the Papacy: "I found the Church of Rome to be full of abject meanness, falsehood, injuries, robberies, swindlers and prolonged injustice. This absence of holiness gave me a hatred and abhorrence of the seducing church."—Reasons for Leaving the Church of Rome.

Hugh Miller (1802-1856): "If it be the sure destiny of man to rise, it must be the inevitable fate of Popery to sink. The excesses of fifteen hundred years have vitiated and undermined its constitution, intellectually and morally; its abhorred beliefs have become incompatible with advanced knowledge—its more desecrated assumptions with rational freedom."—First Impressions of England, page 42, London, 1847.

Robert Southey (1774-1843): "Every Roman Catholic proclaims in his creed that none can be saved out of the Roman Catholic Church, and vows in that creed that he will, by all means in his power, bring those over whom he has any influence to believe in it. This is the religious and sworn duty of every Roman Catholic; and this principle it was which rendered the Revolution of 1688 necessary for the reservation of our civil religious liberty."—Letters to Charles Butler, page 15, London, 1826.

Garibaldi (1807-1882): "The Papacy is the most horrible plague that my country is afflicted with. Eighteen centuries of falsehood, persecution and burning at the stake, in complicity with the tyrants of Italy, rendered the plague incurable. At present, as heretofore, the vampire of the land of the Scipios supports its body, which is corrupted and eaten up by gangrene, by means of discord, reaction, pillage and civil war."

Lord Beaconsfield (1805-1881): "We are sinking beneath a power before which the proudest conquerors have grown pale and by which the nations most devoted to freedom have become enslaved—the power of a foreign priesthood. Your empire and your liberties are more in danger at this moment than when the army of invasion was encamped at Boulogne."—Speech at Glasgow, 1873.

Canon Melville (1798-1871): "Make peace, if you will, with Popery; receive it into your Senate; shrine it in your churches; plant it in your hearts. But be certain, as there is a heaven above you, and a God over you, that the Popery thus honored and embraced is the very Popery that was loathed and degraded by the holiest of your fathers; the same haughtiness, the same intolerance, which lorded over kings, assumed the prerogative of the Deity, crushed human liberty and slew the Saints of God."—Lectures delivered at St. Margaret's, Lothbury, England.

William Ewart Gladstone (1809-1898): "All other Christian bodies are content with freedom in their own religious domain. Orientals, Lutherans, Calvinists, Presbyterians, Episcopalians, Nonconformists, one and all, in the present day, contentedly and thankfully accept the benefits of civil order. . . . The Rome of the Middle Ages claimed universal monarchy. The modern Church of Rome has aban-

doned nothing, retracted nothing."—Vatican Decrees in their Bearing on Civil Allegiance, page 180-11, London, 1874.

General Sir Robert Phayre, K. C. B. (1820-1897): "There is not a Roman Catholic country in Europe that has not been compelled either to expel them (the Jesuits) or to enact laws for the control of their colleges and monastic institutions, which, so far as this country is concerned, are centers where political plots and intrigues of all kinds are hatched and the grossest violations of British law perpetrated."—The Present Conflict, Hutchings & Co., Uxbridge, England.

Mexico found it necessary to abolish convents and monastic orders for the same reasons.—Editor's note.

James A. Garfield: "It is my belief that our next civil war will be caused by the aggressions and intrigues of Rome and the teachings and practices of the Jesuits in this country."—1880.

William McKinley: "The morality of the friars left much to be desired; it was a cause for scandal among their parishioners—the way in which they broke their vows of chastity and poverty. . . . They compelled all the spinsters to go up into the convent on Sunday and feast days, and there they exhorted them regarding matters that were not advisable; and, not satisfied with this, they advised them to confess frequently, and they relied on this means to profane the house of God, and if they did not secure their disordered ends they sought means, even though it were calumny, to secure the deportation of the fathers of families, and if the women were married their husbands . . . To show how far their astuteness went, there still exists in the convent of this pueblo two secret stairways, the door being in the form of a wardrobe, which, when opened, formed means of escape. . . . This was the idea of a friar to carry out his impure and disordered passions. . . . They abused all kinds of females without distinction of class or age, and when some of them became with child gave them medicine to kill the Foetus."—President McKinley's Message to the Senate of the United States, Senate Document No. 190, page 200. Ordered printed by the Senate February 25, 1901.

From Presbyterian Survey: "A recrudescence of activity of the Roman Catholic Church against Protestantism is very noticeable, particularly in Mexico and Peru. In the former country this went so far as to destroy in some places Protestant property, to kill one of their workers and wound several others. The renewal of the old hostilities seems to coincide with the development of the Knights of Columbus in Mexico. In contrast several prominent officials have expressed openly their sympathies for religious liberty and advancement of evangelical work. That is especially true of President Obregon of Mexico, Allesandri of Chile and Orellando of Guatemala."—Great Spiritual Awakening in Latin America, Presbyterian Survey, page 464, July, 1924.

The Editor of this magazine is a member of the Mexican Chamber of Commerce U.S.A., Inc., and among the members note list of officers recently elected. E. H. Gary, Samuel Vuclain, Frank D. Waterman and many other leading Americans are members. The Editor belongs to the greatest organization on this earth with agencies on a thousand hills and in every clime and country.

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NOGALES, SON., AND TEPIC, NAYARIT

Southbound (Read Down) No. 12	Northbound (Read Up) No. 11
Daily, Except Sundays	Daily, Except Mondays
3:00 PM Lv	Nogales Ar 8:00 AM
10:27 PM Lv	Hermosillo Ar 11:55 PM
2:15 AM Ar	Guaymas Lv 7:30 PM
Daily, Except Mondays	Daily, Except Sundays

Sun.-Tue.-Thu.	Guaymas	Mon.-Thu.-Sat.
3:15 AM Lv	Corral	Lv 2:27 PM
7:30 AM Lv	Navajoa	Lv 11:25 AM
10:45 AM Lv	Culiacan	Lv 9:20 PM
11:00 PM Lv	Mazatlan	Lv 1:15 PM
6:00 AM Ar		Sun.-Wed.-Fri.
Wed.-Fri.-Mon.		

Daily, 2:30 PM Lv	Mazatlan	Daily, Ar 10:45 AM
7:15 PM Ar	Acaponeta	Lv 6:40 AM
Daily		Day 1

Mon.-Wed.-Fri.	Acaponeta	Wed.-Fri.-Sun.
7:45 PM Lv	Tepic	Ar 5:40 AM
3:30 AM Ar		Lv 10:30 PM
Tue.-Thu.-Sat.		Tue.-Thu.-Sat.

GUADALAJARA DIVISION

No. 102	No. 101
Mon.-Wed.-Fri.-Sun.	Mon.-Wed.-Fri.-Sun.
11:30 AM Lv	La Quemada Ar 6:30 PM
4:15 PM Lv	Guadalajara Ar 6:15 AM
Mon.-Wed.-Fri.-Sun.	Mon.-Wed.-Fri.-Sun.
NOTE: Auto stage service in connection with mule packs now operated by a private concern. Tepic to La Quemada, autos leaving each terminal after arrival of our trains.	

TONICHI BRANCH

Northbound No. 17	Southbound No. 18
Thursdays	Thursdays
3:00 PM Lv	Corral Ar 6:15 AM
9:30 PM Ar	Tonichi Lv 12:01 AM
Thursdays	Thursdays

CANANEA BRANCH

No. 14	No. 13
Sun.-Tue.-Fri.	Mon.-Wed.-Sat.
9:30 AM Lv	Nogales Ar 2:00 PM
3:20 PM Lv	Cananea Ar 9:20 AM
5:20 PM Ar	Naco Lv 6:00 AM
Sun.-Tue.-Fri.	Mon.-Wed.-Sat.
No. 15	No. 16

ALAMOS BRANCH

No. 19	No. 20
Thur. and Sun.	Thur. and Sun.
12:30 PM Lv	Navajoa Ar 8:40 PM
3:20 PM Ar	Alamos Lv 6:00 PM
Thur. and Sun.	Thur. and Sun.

EL DORADO BRANCH (Service Through From Culiacan)

No. 18	No. 17
Mon. and Fri.	Mon. and Fri.
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9:45 AM Ar	El Dorado Lv 10:45 AM
Mon. and Fri.	Mon. and Fri.

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SAN ANTONIO, TEX., SEPTEMBER, 1926

"Ye shall know the Truth and the Truth
shall make you free."—John 8-32.

New Albany, Indiana—The people in this part of the country refuse to get excited over the Mexican situation as they feel that the President of Mexico, Plutarco Elias Calles, knows his business and is looking after Mexican interests and not after the interests of the United States or Italy.—George D. Todd, President National Home and Chain Company.

The Society for the Protection of American Rights (?) in Mexico, 17 Battery Place, New York, N. Y., is again active and sends out daily bulletins. Why such a Society? Isn't our Government competent to look after American rights anywhere? Why not call them in and get an explanation of their purposes.

The late Senator Edwin F. Ladd, of North Dakota, in the greatest speech ever delivered in the United States on Mexico, said, "In view of the admitted facts that American oil interests paid stipulated sums to bandits operating in the Tampico region and that Thomas F. Lee, Secretary of the National Association for the Protection of American Rights in Mexico, endeavored to foment a revolution in Mexico only a year ago, it is safe to assume that former President Obregon was right when he characterized the re-

cent Tampico "kidnapping" as the inspiration of "influences of work to disturb public opinion in the United States and to create controversies between the two peoples for no other purpose than the satisfaction of personal egotism." One Thomas F. Lee recently published an article in the Mentor, very scurrilous in nature in its mention of President Calles, endeavoring to reflect on the legitimacy of his birth and declaring that little or no morality existed amongst the Mexican people.

"Can such things be and overcome us like summer's cloud without our special wonder?"—Lewis O'Donnell, Owner-Editor.

THE CHARM OF MEXICO

By Irma Allen Strong.

There is charm irresistible about Mexico.

Its richness drew the conquistadors across the seas and for centuries it was exploited for the benefit of the Spanish Crown that exacted as tribute one-fifth of all the gold and silver produced in return for its protection. Throughout the entire Mineralized sections the Royal Spanish Crown extended the most complete and perfect protection. Presidios (military posts), were scattered through the land, and all the highways and avenues of trade were constantly patrolled by force. Everywhere were peace and prosperity—prosperity for the proud priest and haughty hidalgo, but toil and poverty for the masses. The conquerors displayed the entire population; their labor was ill requited and wrung from them by cruelty and contumely, or tricked from them with the consolation of an alien religion teaching a belief to which they and their fathers before them were converted by a liberal application of the sword and fagot. These exploiters used crude and primitive processes that with free labor could not have been profitably employed save in the reduction of the richest ores, and this continued over a period of two centuries or more.

And since these olden days Mexico has always been the Mecca for the soldier of fortune as well as for the seeker of health and lover of the beautiful.

Its sunny skies and great variety of climate attract those who would avoid the rigors of the North and the heat of hot lands, and the countless number and the mystery of its legends and ruins fascinate and draw to her the most profound students of the history and origin of the human race.

The grandeur of the great mountain peaks appeal to and satisfy the whims of the world's greatest travelers and lovers of nature's wonders; the lure of its great volcanoes is proverbial with all civilized peoples; Daughters of Nature in her fiercest moods, veritable enchantresses, attracting admirers from every clime and country and recalling them again and again to bask in beauties and scenic wonders unsurpassed elsewhere in this world.

The mountain vastnesses calls are heard in the furthest corners of the earth by those who seek wealth in precious metals and, in recent years, the stores of petroleum—precious fluid governing all industrial activities—has drawn a new horde, to whose untiring energies Mexico has responded not only with rich rewards, but by a lavishness of gifts unparalleled in modern records.

The European cathedral, the Egyptian

Pyramids, the Swiss lakes and the skyscrapers all have their counterparts in Mexico, and her beautiful monuments, ruins, superb climate and innumerable scenic wonders are on the itinerary of world travelers.

The courtesy shown the visitor is verbal and has come down through centuries, improving with age; words, kind deeds bred from thoughts have become habits with the people.

It is not necessary to have a knowledge of Spanish in order to enjoy a pleasurable trip through Mexico; in every city can be found persons who speak English, French as well as Spanish, and citizens can be secured to explain the Mexican viewpoint and give historical facts. The traveler to Mexico prior to the revolution which began in 1910, was estimated many transportation officials at that time to be greater than the tourist traveler in Europe, and at the present time the operations of the great trunk lines of the United States having direct connections to and beyond the Mexican border indicate that a resumption of this traffic is being anticipated and that an enormous number of tourists are expected to visit Mexico during the year 1926-27, beginning with the first months of the year when the changes in schedule will occur.

THE MEXICAN CHAMBER OF COMMERCE OF THE UNITED STATES INCORPORATED

New York

At an annual meeting held on the 1st of May, 1926, at the offices of the Chamber the following directors were elected: ARTURO M. ELIAS, Mexican Consul, New York.

JAMES W. GERARD, ex-Ambassador to Germany and to Mexico.

ALFREDO J. MIRANDA, Mott Works.

CHAS. A. FRUEAUFF, Frueauff, Ross & Sloan.

MANUEL G. PRIETO, Mexican Consul in New York.

GRAFTON GREENOUGH, Baldwin Locomotive Works.

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ANGEL LOPEZ NEGRETTE, New York City.

JEROME S. HESS, Hardin & Hess.

JOSE JUAN TABLADA, New York City.

CHARLES B. WILLIAMS, Underwood Typewriting Co.

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JOSE MIGUEL BEJARANO, Secretary and Treasurer.

PETER J. BRADY, Federation Bank Trust Co.

L. G. BRITTINGHAM, Bowery and River National Bank.

W. G. MOLER, Monterrey Iron Works.

At a meeting of the Board of Directors held on the same day the following officers were elected:

Honorary President: ARTURO ELIAS.

President: ALFREDO J. MIRANDA.

Vice Presidents: GRAFTON GREENOUGH, JEROME S. HESS, CHARLES B. WILLIAMS.

Secretary and Treasurer: JOSE MIGUEL BEJARANO.

Laredo Texas "Gateway to Mexico"

By Charles Mumm
Secy., Chamber of Commerce

Providence has endowed Laredo and her territory so lavishly with gifts of nature and good fortune that one cannot but regard her as one of the most privileged cities in Texas. Her climate, unequalled anywhere, is conducive to exceptionally favorable conditions and permits the cultivation of every agricultural and horticultural product adapted to these latitudes.

The following figures give some idea of Laredo's development in the last few years:

Agriculture

During the last four years 9767 carloads of truck were shipped from Laredo to northern markets, among these 5268 carloads of Bermuda onions. Citrus fruit, Bermuda onions, dates, and grapes are of finer quality in the Laredo district than any other part of the state.

Coal

Twenty-eight miles northwest of Laredo, on the banks of the Rio Grande, is the largest coal deposit in the country, if not in the world. This is a low moisture coal of bituminous rank and has been extensively mined for years. It is now being used by eight railroads and increasing consumption in manufacturing plants.

Oil

Webb County oil fields have attracted nation-wide attention. Geologists state that in spite of the intensive development, in the last three years, only the surface has been scratched and most oil men believe the Laredo fields will eventually become the largest in the country. Since 1922 the development shows the following figures:

22 production	765,790 barrels
23 production	1,952,745 barrels
24 production	1,960,215 barrels
25 production	3,467,618 barrels
Up to June 30, 1926, over 8,900,000 barrels had been produced for the entire period. At present there are some 400 producing wells in operation.	

Gas

The average daily production of the

eighty gas wells is around two billion cubic feet, the wells producing from ten million to ninety million cubic feet each daily. The pipe lines supply this fuel to Laredo, San Antonio, and Houston, and another line is being built to the latter city. The Lower Rio Grande Valley will also, in the near future, get its natural gas supply from the Laredo field, a pipe line being contemplated. Two trunk line pipe lines from the vicinity of Oilton, one the Magnolia running to Luling and thence to Port Arthur, the other the Humble line running to Corpus Christi, gives this Webb County oil district of which the heart is at Oilton, direct connection to tide water.

Irma Allen Strong is secretary of this thriving oil city, Oilton, and many of the citizens there deal largely in Laredo.

Laredo is the most important and most favorably situated city on the Mexican border. From any point east of the Rocky Mountains the Laredo route is the quickest and safest for freight and passenger traffic to all the large cities in Mexico. Within a distance of 150 miles from the new port of Corpus Christi, Laredo already handling 75 per cent of the export and import business of the entire Twenty-third Customs District, will eventually grow into a veritable metropolis on the Rio Grande. The great Meridian Highway from Winnipeg, Canada, to the City of Mexico has its connecting link in Laredo. The Mexican extension from Laredo to Mexico City is now under construction and it is understood that the stretch to Monterrey will be open for traffic by September 15, in time for the great fair to be held at Monterrey. Already thousands of tourists are pouring into Laredo and with the new Mexican highway open for traffic, in the near future, it is fully expected that a great part of the California and Florida tourist traffic will be diverted to Laredo from where, within a couple of hours, Mexico's wonderful mountain scenery can be easily reached. Already Laredo hotels are filled to capacity and there are plans for the construction of a twelve-story tourist hotel.

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Views of General for Mexico at San Antonio, Texas

Among the many tasks assigned to the Consulates, I believe that the principal one is to strive to see that Mexico and its people may be better known in this country.

It is an indisputable truth that there can never be good understanding nor appreciation between two individuals or between two countries that do not know each other. For this reason, in order to stimulate and strengthen the friendship between Mexico and this country and to develop a closer sentiment of real friendship which must unite our two peoples, it is indispensable that both countries may mutually understand each other with reference to their customs, tendencies and ideals.

During the past few years there have been published numberless stories regarding Mexico, not only in this country but in many other countries. These stories have not only lacked the truth in reference to the conditions existing in Mexico, but they have willfully and possibly maliciously, in many instances, invented imaginary tragedies and revolutions so that the people abroad may engender ill feeling against my country. Mexico, like any other country in the world, has the earnest desire to grow and prosper, to be great and respected and to have its own independent life.

The struggles which unfortunately have caused bloodshed in my country, have been made necessary to attain such ideals. While it is true that its political independence was gained in 1821, when the Spanish conquerors were definitely vanquished, the economical independence was never never obtained. It was not until during the past few years that the Governments emanating from the revolution and as true representatives of the masses, gave the lower classes an opportunity to raise their standard of life, made possible by the education which is fast spreading among them.

If the Spanish dictators left Mexico in 1821, there were left in their stead others not less cruel and merciless, represented by their big capitalists and landlords, among which the Catholic Clergy were to be found. The condition thus created through centuries compelled the Mexican people to enter into a bloody struggle in order to obtain that freedom which rightfully belonged to them. The press has taken advantage of our internal troubles and have pictured us to suit their fancy, regardless of the manner in which our national interests may be injured.

However, right will always triumph and the truth will find its way. It does not matter how black the clouds may appear and how furious the tempest may rage, the sun is bound to come out; even slowly. The world is beginning to realize that Mexico's fight is for a noble cause and it does not matter how dreadful may her adversaries be, nor how terrible or low their aims may be; at the end, the people's voice shall be heard and my people's will shall be imposed.

JOSE A. VALENZUELA,

Mexican Consul.

San Antonio, Texas, August, 1926.

NOTES OF THE HIGHWAYS OF MEXICO

Editor's Note—The news items under this heading are from the reports of American Consuls in Mexico.

The Governor of Vera Cruz has let contract for road construction to a German engineer.

The American Construction Company which has the contract for building the Mexico City-Laredo highway has offices at Calle San Diego 9, where all administrative work is handled.

The Governor of Guerrero has received 100,000 pesos from the Central Government to be spent on the construction of certain branch roads leading from various points to the Acapulco-Mexico City highway.

Work has been delayed on the highway Elsalto to Mazatlan for which the States of Durango-Sinaloa are levying taxes. A local concern reports to be backed by American capital is endeavoring to secure a concession to build a road from Tepic, Durango, to Culiacan, Sonora West Coast.

Work is progressing on three roads. Five camps have been established—two between Mexico City and Puebla, two between Mexico City and Pachuca and one on the Avapulco road.

Mexican highway building and irrigation projects have favorable prospects, public finances continue to improve. Comm. Att. A. V. Dye, Mexico, April 23, 1926, by cable.)

Laredo-Mexico City Road is Progressing. The route for more than 30 miles southwest of Nuevo Laredo has been staked out, grubbed and cleared, and half this distance has already been plowed preparatory to grading, spreading, leveling and rolling. The road starts at the Mexican end of the international foot-bridge between Laredo, Texas, and Nuevo Laredo, Texas, and Nuevo Laredo, Mexico, proceeds 3 kilometers south, then veers off slightly to the southwest and proceeds in a straight line to the Rio Salado, 50 kilometers (31 miles) from Nuevo Laredo. The road will be 36 feet wide, and has substantial ditch grading, with a slight crown at the road center for drainage. All road machinery is American.

Construction of a road between Arriaga, Chiapas, and Tuxtla Gutierrez, the capital of the State, and thence to a point near the Guatemalan border, is well advanced according to unconfirmed press reports. Beginning January 1, 1926, the State of Chiapas levied a road tax of 2 per cent on all real property. It is understood that all work is being done under the immediate supervision of the government of the State of Chiapas, Tuxtla Gutierrez, Chiapas. (Note—This is part of the work included in the contract for the Laredo-Mexico City road.)

Federal Activities—Owing to shortage of funds, the National Highway Commission has reduced its activities, and is now concerting its forces on the roads from Mexico City to Puebla and Pachuca. On July 1 there was a new adjustment of personnel and salaries of the American Construction company. The beginning of the rainy season also has slowed down construction work, and has caused some damage to uncompleted stretches of road. Little new work is being done on the Acapulco highway, the force there being sufficient only to make necessary repairs after rains.

Veracruz—The Governor of the State signed a contract on June 30 with a German citizen, Sr. Eugenio Alexander, for the construction of 700 kilometers of road in that State. The first road to be built will be from Veracruz to the State capital at Palapa. Sr. Alexander also has the contract for paving in Jalapa, which is now in progress, and for the erection of a State university. It is understood that part of the State revenues derived from petroleum taxes will be devoted to highway construction.

Oaxaca—The States of Oaxaca has begun work on the road from the State capital to Salina Cruz, a port on the Pacific Ocean and terminus of the Isthmus of Tehuantepec Railway. Road building machinery to a value of \$35,000 U. S. currency, has been ordered from the United States.

Tamaulipas—In the State of Tamaulipas, 20 per cent of the revenue derived from a newly established state lottery will be devoted to the construction of a road from Tampico to Arbol Grande, Dona Cecilia and the beach on the Gulf. The

American Chamber of Commerce of Tampico is keenly interested in the construction of a road from Tampico to the border, and is in touch with several construction companies.

Construction of a road from San Cruz, Mexico, to Tehauntepec, 12 miles, following the old road will begin according to reports. The new road is to be ditched and graded and made able for automobile travel. Soldiers is to be used the local merchants in San Cruz and Tehuantepec to supply subscription, the funds necessary to the troops on this work. The work is charge of the Salina Cruz Chamber of Commerce.

Construction of a Road from Tehuantepec to Oaxaca, 200 miles, will soon be started by the Federal Government. Part of the general plan of road construction, it is reported. Old roads will be utilized and connected. The work will be under the charge of the Department of Communications and Public Works, Mexico City. When constructed it will open some very rich country, both cultural and mineral.

Contract for constructing 130 kilometers of automobile road in Mexico from the terminus of the road from Mexico City to Veracruz via Jalapa, has been made between the State Government and American engineers according to reports. Work will begin about May 1. The press reports that the Federal Government has granted the State Government permission to sell lands near water front in this port, deeded recently to the State, the receipts from which will be used to construct the road and an up-to-date sewerage system in the port. The completion of this road will make a highway from Mexico City to Veracruz of 375 miles; from Perote, last city in the State of Veracruz, Veracruz, the distance is 130 miles. The opening of this road will be of great advantage to agricultural interests, it will pass through a vast and rich district in the State of Veracruz that is practically undeveloped. The completion will mean a greatly increased demand for trucks and passenger cars.

Construction of a highway from Luis Potosi to Cerritos, 20 miles

is planned on the railway to Tampico, is planned, according to press reports. The road will link San Luis Potosi with the Laredo-Mexico road now under construction. General Saturnino Cedillo, commander of the Federal troops in the State, has purchased machinery and offered to furnish troops for the project. The mayors of Cerritos and Iturbide have stated that their towns will bear a part of the expense, and land owners along the proposed route will help. It is reported that work will begin not later than the middle of March.

Reports indicate that the State of Vera Cruz is securing a loan of \$3,000,000 U. S. Currency from American financiers for the construction of a system of highways in that state. The principal highway will connect the city of Vera Cruz with Jalapa. It is understood that the above loans will bear 13 per cent interest annually and will be secured by receipts of the Public Hacienda of Vera Cruz.

Americans plan an automobile road from Matamoros to Tampico, Mexico. One report states that the road will be extended to connect the Laredo-Mexico City road. The road will be financed by a bond issue. The Governor of Tamaulipas has promised to aid to the extent of \$250,000. The Tampico Chamber of Commerce has appointed a committee to solicit signatures pledging the purchase of a certain amount of bonds, and has obtained pledges of \$75,000 although the campaign has not fully begun. Reports indicate that it will be a toll road, and that if the financing arrangements are successful work will begin about June 1. No plans have been made public as to how the work will be carried on nor to whom the contract will be awarded.

Contract for construction of the International Steel Bridge, Piedras Negras to Eagle Pass, Texas, was let by the Eagle Pass and Piedras Negras Bridge Co., to an American firm. The contract price is about \$200,000. Work is to begin not later than March 1 and is to be completed within two years. Specifications call for an 1800-foot roadway and a 5-foot sidewalk, the base to be of concrete with asphalt topping. All frame work is to be of steel.

Mexico City-Puebla Highway is to be improved and rerouted. Three thousand laborers have been sent to the road site and the survey of the proposed highway has been started. This road will serve as an extension of the projected Mexico-

Guatemala highway, for which the contract has already been awarded.

American Asphalt mixer for paving the streets of Manzanillo will soon be put in operation. Streets are being leveled and sewerage lines laid throughout the town. Fifteen thousand dollars worth of American pipe has been bought for the sewers. American materials valued at several thousand dollars have been imported for use on the port improvements of which the street and sewer construction is a part.

Roads from Durango to San Juan del Rio and to Mesquital will be rebuilt by General Domingo Arrieta, of Durango,

Durango, Mexico, who has received a concession for bus lines to the towns named. Either or both of two roads to San Juan del Rio may be improved. One runs through Canatlan and the other through Villa Madero. The concessionaire may rebuild the roads or construct new stretches as necessary, and must maintain them. Grades may not exceed 6 per cent. The roads will be open for use by vehicles of all classes, and the concessionaire may collect tolls only from automobiles and trucks operated by companies organized for the purpose of carrying passengers or freight. Work on the roads must begin immediately and be completed within one year.

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Several of the larger Public Libraries, including New York City, are in need of certain back numbers of this magazine to complete their files.

The Numbers wanted are No. 1, Vol. 1, July, 1923; No. 3, Vol. 2, January 1924; No. 6, Vol. 3, May, 1925.

Any one having copies of the numbers mentioned kindly communicate with us by mail, stating if they will dispose of them.

LEWIS O'DONNELL, Owner-Editor

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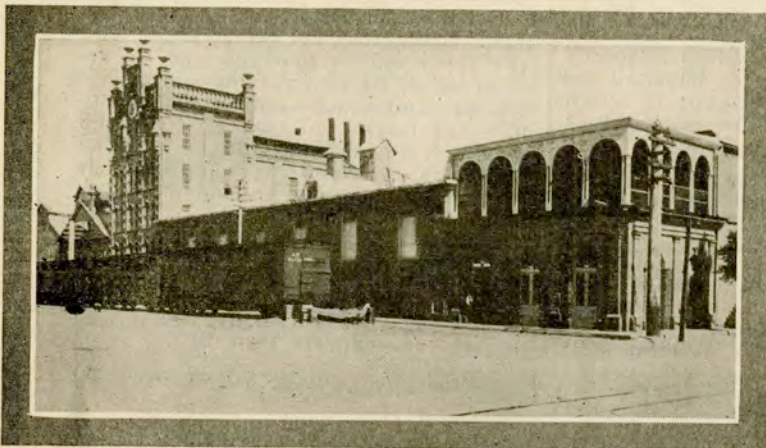
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ANOTHER BARRIER OF PROGRESS CONQUERED.

THE WEST COAST OF MEXICO—AN ECONOMIC EL DORADO

By H. B. Titcomb, President Southern Pacific Railroad of Mexico



Flour Mill at Hermosillo, Sonora, Mexico. Population 19,250. 175 miles south of Nogales

Mexico is again the scene of another link in the chain of modern progress being forged. Nearly three years ago the Southern Railroad Company of Mexico assaulted the ramparts and castellated walls of the Sierra Madres between Tepic and Guadalajara with its army of engineers and over 6,000 workers, supported from the rear by the great resources of the Southern Pacific Company; and the last stage of this great battle to provide a new highway in the famous Barranca region of swift mountain streams and tremendous canyons lying between Nayarit and Jalisco; where tunnels of nearly a kilometer in length, and great bridges and viaducts are being rushed to completion to span the gap which has for so long formed a natural barrier between the great West Coast territory, rich in natural resources of productive lands and water and minerals, and the thickly populated central part of the country where 70 per cent of the people of the Republic are concentrated.

One hundred and three miles of railroad construction through a most difficult mountainous terrain; 33 tunnels totalling over six miles in combined length; with an equal number of bridges and viaducts; necessitating millions of feet of construction timber and lumber, thousands of tons of steel for girders, structures and reinforcing, proportionate quantities of cement and masonry—these, and the army of men commanded by the chiefs of the organization which has identified itself with the progress of transportation service on the West Coast since 1907; are the principal elements in this story of the greatest epic in railroad building anywhere in the Americas for the past 20 years.

In order to realize the true significance of what this new link between the cen-

tral part of our Sister Republic and West Coast region means to both Mexico and to the United States, it is necessary to give due consideration to the statement that Mexico last year shipped products to the United States valued at \$30,000,000, and that our trade with Mexico amounts to roughly \$1,000,000 per day counting every day of the year. Furthermore, Mexico had in excess of 50,000 acres planted to winter production for export to the United States last season, of which the intensified agricultural production of her West Coast territory accounted for no less than 43,000 acres and shipped nearly 4,500 carloads of winter tomatoes, melons and vegetables of the total export of approximately 5,000 carloads, bringing into that territory of the Republic many millions



Sinaloa Bananas. Here also are to be found the Papaya, Aguacates and Chirimoyas

dollars of new money and increased purchasing power; and, at the same time, serving as a great example and demonstration of application of modern agricultural methods.

The progress being consummated in transportation provision is being emulated in other lines of endeavor. The progressive planters and growers of the West Coast are to be credited with being pioneers in the use of the aeroplane for plant insect pest and disease control, something not as yet attempted in the most productive regions of the United States, and still in the experimental stage in the Cotton Belt of the South.

The great West Coast territory, reaching from the border at Nogales south for a distance of 1,200 miles, contains no less than seventeen major river valleys, possessing in their combined area a total of 5,250,000 acres of rich alluvial irrigable lands, and constituting one of the greatest resources of the country. Agriculturally speaking, the territory combines every natural advantage for intensive production, from the inland alluvial areas of Sonora where the cotton boll weevil is unknown, to the picturesque and beautiful interior highland valleys of the Tepic and Compostela regions of Nayarit where climatic conditions are ideal and where irrigation is not necessary for field crops.

Mexico is also keeping pace in preparation for the stimulus of production induced by this additional route of access and export. The new Federal Colonization Law of May, 1926, is an invitation to the competent tillers of the soil at home and abroad for co-operation in the new era of intensive production and economic progress and prosperity. While the railroad is engaged in overcoming the obstacles of the mountain ranges, swift mountain streams and great canyons, the Administration has raised the barrier of previous prohibitions against foreign agriculturists and capital from joining the people of Mexico in the development of her great potential wealth of rich lands and waters, by providing a practical medium for such development and co-operation through a system of authorized agricultural colonies. However, it is mandatory that colonists must become Mexican citizens within six years.

Given the features outlined above, it takes no great stretch of the imagination to predict a much more rapid development and progress for Mexico and the West Coast during the next decade.

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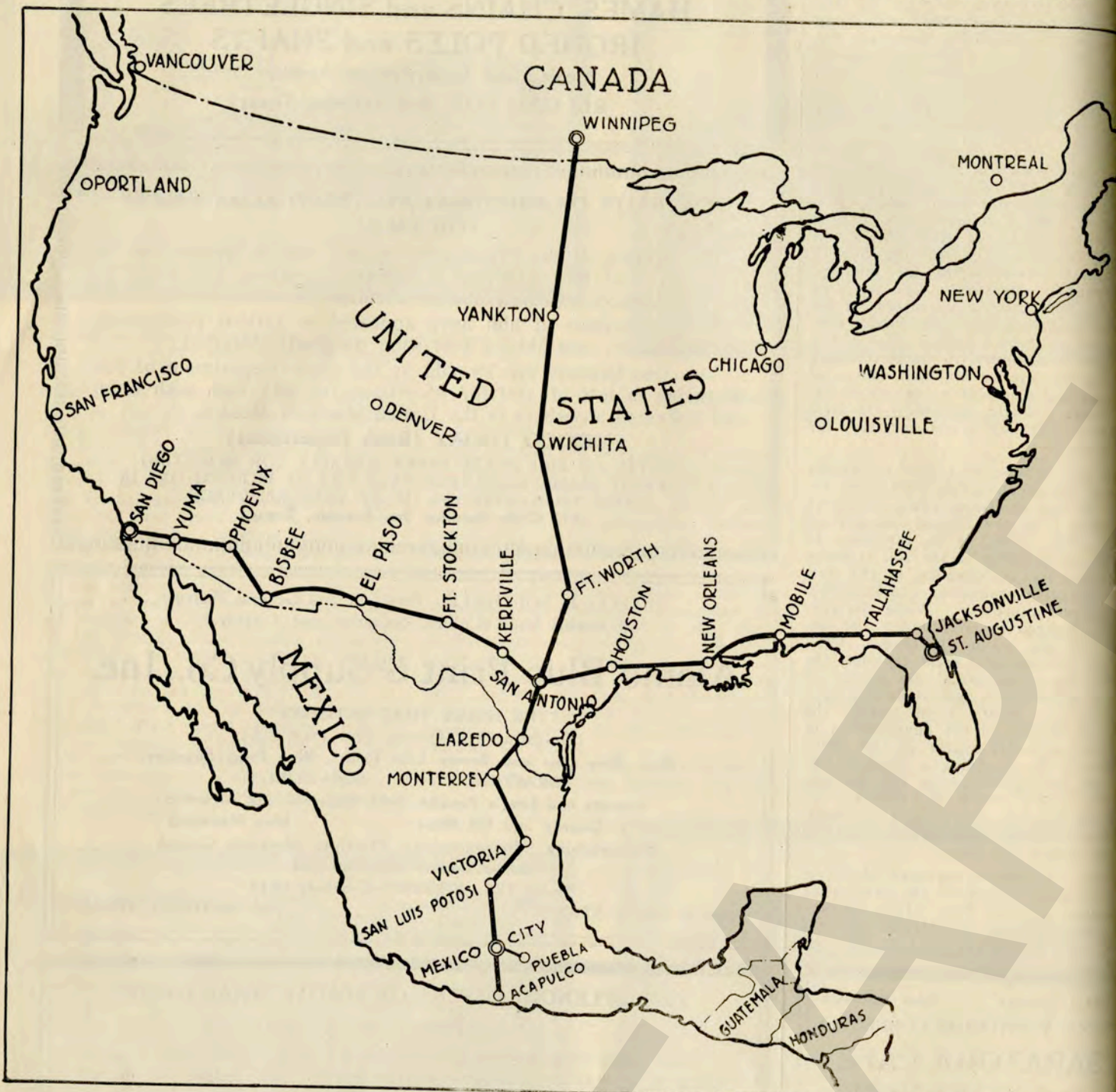
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TO SAN DIEGO, CALIFORNIA.....1515 Miles
TO ST. AUGUSTINE, FLORIDA.....1301 Miles
MERIDIAN HIGHWAY From San Antonio
TO WINNIPEG, CANADA.....1738 Miles
TO MEXICO CITY..... 933
AND ACAPULCO 285 1218 Miles

The old Spanish Trail, St. Augustine to San Diego, and the Meridian Highway Winnipeg to Mexico, are United States and Federal Highways, the Arterial Trunklines nationally selected for super-development and representing about 3% of the total mileage.

September, 1926

TO SAN DIEGO the Old Spanish Trail is now a Federal Standard gravel and paved highway travelable all the year; cost to date \$15,000,000; ultimate cost \$50,000,000.

TO ST. AUGUSTINE the Old Spanish Trail by the Spring of 1927 will be a Federal Standard gravel and paved highway travelable all the year; cost to date \$47,000,000; ultimate cost \$63,000,000. Two-thirds of this mileage is financed for concrete and asphalt paving with construction actively proceeding. The great handicap of this eastern section has been its need for bridge and causeway construction over the coastal waterways and drainage basins totaling \$17,000,000, not including the Mississippi river. Most of this bridging is now nearing completion.

TO WINNIPEG, CANADA, the Meridian is now extensively paved, graveled and bridged and a Federal and State highway of first importance; cost to date \$12,000,000; ultimate cost \$60,000,000.

TO MEXICO CITY and on to Acapulco on the coast is the Federal highway now under construction for which the Mexican government has provided \$6,000,000 per year and has created a Federal highway commission to complete the highway without delay. The work was begun in 1925.

The Old Spanish Trail and the Meridian Highway have been selected as United States Highways, the super-highways that embrace but 3 per cent of the total mileage in the United States. Selecting and weaving together roads through counties and States to constitute a single connected continental route, promoting the surveying, re-locating, financing and construction, and developing it to standards required for permanent overland travel, has cost ten years of labor by groups of men who understood the forces at work in readjusting the nations to the new demands of the automobile.

SAN ANTONIO INTERNATIONAL TRAVEL CENTER

This page will be edited by Mr. Harold B. Ayers, managing director of the Old Spanish Trail, and the sketch map will be carried in each number of this magazine.

This is an age when motor vehicles outclass railroads in annual maintenance expense, in annual road building costs and in investment in rolling stock and equipment. For ten years the United States has been readjusting itself to the transportation needs that have suddenly arisen with the development in ownership of some 20,000,000 motor vehicles.

In the development of this national system of highways a little group of San Antonians recognized the value of laying down the main transcontinental trunk line from Florida to California through San Antonio. Other groups visioned the value of a central trunk line from Winnipeg, Canada to Mexico City. Today these two trunk lines are nationally selected United States and Federal highways of first importance and designated for construction as national transportation arteries.

San Antonio is destined to become the international automobile cross roads as in centuries past it was the international pack train cross roads of the restless pioneers who laid the foundations for the development of the southern part of the continent including Mexico.

Ten years ago national trunk lines were a dream without form or national understanding; today national highways have developed into a four-part system rated as United States Highways, Federal Highways, State Highways and county roads. So carefully have the interests of the Old Spanish Trail from Florida to California, and the interests of the Meridian Highway from Winnipeg to Mexico, been guarded and developed during the past ten years they are today officially rated in the highest order as United States Highways, the arterial trunk lines embracing but three per cent of the total road mileage of the Nation.

Other borderland cities have dreamed of becoming the automobile gateway of Mexico; other southern cities dreamed of being the midland gateway between Florida and California. Today San Antonio's position as the international cross roads is fixed. Now her development as an international railroad center is beginning; but this is a story that must unfold during the ensuing years.

A report to Old Spanish Trail members just being printed gives the following information respecting the remarkable progress of that trunk line:

The Triumph of Ten Years Labor

Not only is the complete construction of the Old Spanish Trail now assured and some \$26,000,000 already spent or available for the whole project from St. Augustine, Florida to San Diego, California, but its constant improvement and paving are now on the program. The establishment of the highway as the basic trunk line across the Southern Borderlands is completely effected; the triumph of ten years labor. Recognition of the traffic it must carry is evidenced by the millions now being spent and the development of the great trunklines designated to feed into it. In this motor vehicle age the promotion and prompt construction of this travel artery has been of more value to the territory than a new railroad. Its advertisement to the people of the continent, the development of travel, the encouragement of settlement and investment, are now questions to be decided.

This is the summary of costs:
Eastern section, spent or available.....\$46,968,350.00
Eastern section, still needed 16,605,000.00
Western section, spent or available..... 15,000,00.00
Western section, still needed, paving, etc..... 35,000,000.00

Total estimated costs, whole project.....\$112,573,350.00

The Birth of the Project

The Old Spanish Trail was organized at Mobile in 1915 by delegations from

New Orleans, the Mississippi Coast, Mobile and Florida as an eastern route from New Orleans to the Florida East Coast. They gave it the name that is so interesting to everyone everywhere and that is so true to its historical background from St. Augustine to San Diego.

Various efforts were made in 1916-17-18-19 to find a route through to California while the East stood still because no solution appeared for crossing the great waterways. In August, 1919, at a conference in Houston the East asked San Antonio to assume the leadership. November, 1919, a convention was held at San Antonio at which 150 West Texans attended and they pledged to open a road across the vast West Texas ranch country. From El Paso to San Diego those people were then working to break a road across those interesting deserts and mountains. Since 1919 a group of San Antonians have been true to the stewardship imposed upon them and today the Old Spanish Trail is the nationally recognized arterial trunk line across the Southern borderlands. The groups from the Atlantic to the Pacific that have been conquering their local difficulties and opening roads and building bridges can today look across the continent and see the culmination of their dreams.

Difficulties and Achievements

Continuous paving from St. Augustine to San Antonio, and some miles westward, is now well under way. Two-thirds of the mileage of this eastern section is now paved or being paved or financed and authorized for paving. This is the astonishing record of the Old Spanish Trail development eastward. For ten and a half years men have wrestled with fearful barrier sections that have often stopped travel completely and for years kept it restricted to small volume.

The records gathered for the eastern section show the total cost of completed roads and bridges including construction now authorized or in progress from St. Augustine to San Antonio, as \$46,968,350. The above includes the new and modern bridges but not old bridges that are to be replaced although still serving traffic. It includes the asphalt and concrete paving and the improved gravel or sand clay roads but not the unimproved roads of which about 100 miles are still unfinaanced, with another 100 miles financed to be completed this year. \$16,605,000 more will be needed in this eastern section to complete the paving and the bridges not now financed.

An Unexpected Revelation

To most people this report is an unexpected revelation. This total ultimate cost of over \$63,000,000 for this eastern section discloses how great are the financial and engineering difficulties that are being conquered. The prospect of a paved highway from St. Augustine across West Florida, Southern Alabama, Mississippi, Louisiana and Texas to San Antonio and westward is an achievement no one dared even dream of a few years ago. Moreover a highway like this leading into the heart of the West Texas Hill Country means the development of a new national playground with San Antonio its gateway.

The New Travel Movement

All students of the travel tendencies have realized for some years that the concentration of travel to South Florida or to Southern California was a passing condition. All the states are building important trunk lines due southward to the Old Spanish Trail and the new travel movement will flow down into all the

Old Spanish Trail territory as the various areas attract the travelers. The great concentration of public funds in the construction of modern bridges and paved roads along this highway shows how clearly the highway leaders recognize the trend of this new travel movement.

The Flood Water Crossings

East of San Antonio are 31 rivers and bays that carry the flood waters from half of the North American continent into the Gulf of Mexico. At Old Spanish Trail crossing many of these rivers suddenly flood sometimes as much as 50 feet high or spread out miles wide. The bridge construction, and the road construction over wet or delta sections, have entailed engineering and financial problems without parallel on any other highway. Financing has cost many years of sustained struggle, then when work started incompleted construction has been swept away, wet periods have stopped the work months at a time, contractors have failed and costs have mounted beyond all estimates, but of late years the determination to build has not faltered. So rapidly are the highway departments pushing this project the bridges and paved roads now under construction east of San Antonio to be completed this summer, fall and winter added to the roads, bridges and paving that are completed will give a well opened highway from Florida to Texas for the first time in history. The West has been open for some years but the construction record has not been computed recently.

Western Conditions and Costs

Westward, San Antonio to San Diego, is a dry country. It has been less difficult to open; good traveling has been maintained. Financing has been difficult because it is a sparsely settled country. The story of the western section will be told when the record can be gathered. It is also a story of dauntless achievement and a tribute to the western people as these eastern achievements are tributes to the eastern people and all of it a tribute to southern capacity for construction development.

About \$15,000,000 have been spent westward from San Antonio to San Diego. Fast, good driving prevails. Grades, curves and road-widths have been brought to Federal standards and the roads are well maintained. Future improvements are now largely a matter of paving the surfaces and this will require another \$35,000,000.

Total Costs, Heavy Traffic Now Apparent

The total cost of the highway from St. Augustine to San Diego will reach \$113,000,000 with \$62,000,000 spent or in process of construction. Increased travel or great rains may break down sections now quite satisfactory but not permanently built, nevertheless it is expected the construction to be completed this year will close all gaps and open the Old Spanish Trail from coast to coast after ten and a half years of the most devoted co-operation of any great project in the history of the United States.

All south bound highways feed into the Old Spanish Trail and this trunkline must develop as the receiving and distributing system for this accumulation of traffic. As the connecting trunk line of Florida and California, with its new resort development along the Gulf eastward and in the hill country of West Texas and the mountain country westward, and its agricultural and industrial development all across the continent, this highway is destined to a traffic demand undoubtedly be-

yond even the dreams of the most farsighted leaders. A mere drive over the highway today tells only a part of the story. Trips through the tributary territory bring the real revelation.

Something of the difficulties conquered may be judged by the report that it is costing \$44,750 per mile, including bridges, to carry this trunk line across Florida as now authorized.

The costs across Alabama, including the ten-mile Mobile Bay bridge to be completed this year, are averaging \$90,000 per mile as now authorized.

The average costs across Mississippi are \$62,500 per mile; not only are three great bridges necessary but a 25-mile sea wall is being built to protect the paved highway.

Louisiana costs will average high but as yet Louisiana's great bridges are not completed or authorized and Louisiana is still maintaining her gravel roads.

Across East Texas from the Louisiana line to Richmond, Texas, are only 140 miles but five great flood-water river basins are crossed. Bridges have been built and concrete roads are under construction. The average cost per mile exceeds \$50,000.

From Central Texas westward to California a drier climate and a better road-building soil have made costs lower and the highway easier to open but the ultimate costs for the paved roads now necessary will increase the western expenses.

In the east asphalt or concrete paving and these great bridges have been necessary costs before the highway could be opened and kept open.

In all the Old Spanish Trail territory settlers and capitalists are now coming in and reports from all sections show developments that indicate that another great national migration is gathering headway. In the next decade, thanks to this trunkline highway development, hundreds of millions in new values will be added to the Southern Borderland country.

Eastward and westward, northward and southward, San Antonio is geographically centered and she becomes the transportation center thanks to the farsighted highway development that has been in progress.

The Old Spanish Trail has never been considered merely a highway but as a trunk line to receive and distribute all south bound people and build up this South country. Official field trips extend into all the OST territory. The development in progress is already millions of dollars ahead of all prophecies. Road and bridge construction in the East is \$5,000,000 ahead of the 1926 expectation; the paving program from St. Augustine to San Antonio is several years ahead of expectation. People no longer buy a railroad ticket to some advertised or noted city and spend the season at a hotel; they get in the car and "take a trip;" the territory attractive to investment or settlement wins them. Cities that have subscribed big advertising funds are now learning this. The great private development projects eastward are healthiest where identified with the Old Spanish Trail or down the Florida East Coast with the Dixie Highway. These highways are constantly emphasized in the advertising, and now are being adopted by literary writers in national publications.

A railroad is financed by stockholders; the promoters are sustained by the prospect of dividends from freight and pas-

senger travel. A highway project like the Old Spanish Trail succeeds, if at all, by the energy of a voluntary organization sustained by faith and by the helpfulness of State and Federal highway officials. There is no passenger and freight income to pay dividends to the promoters, the people ride and soon forget the toil that linked the great trunkline across the continent.

A new railroad project quickly touches the imagination of the people. A trunkline highway does not catch the imagination quickly yet investment today in motor rolling stock exceeds the investment in railroad rolling stock. For highway construction and maintenance the Federal Road Bureau estimates are \$1,030,286,948 for 1926. The 20,000,000 auto owners have ten billions of dollars invested in equipment.

Old Spanish Trail territory has had trunk line railroads for generations yet the development of the territory is now beginning with the building of improved roads.

Protestants Wake Up!

Letters addressed by this Magazine and bearing its return card mailed here all over the United States addressed as follows:

Secretary Ministerial Association:
New York City.
Chicago, Ill.
El Paso, Texas
Houston, Texas
Madison, Wis.

and other points were returned to us with the information that partys were not contained in City Directories.

Only a few months ago some misguided post office employees who it appears tried to bribe one of the Senate Doorkeepers to handle their petition for increased pay were reduced in rank.

How about those great men who recently tried the same thing in Pennsylvania primaries?

LEWIS O'DONNELL,
Editor-Owner

Mexico Financially Today

By Alberto Mascarenas, Managing Director Banco de Mexico

It pleases me particularly to be able to tell Americans as simply and briefly as I can what we are accomplishing in Mexico—what already has been accomplished—toward rehabilitation of the Republic and the permanent stabilization of its financial and economic life.

It is a peculiarity of all peoples that, as a rule, human nature inclines them in their outlook upon the affairs and the events of the world, to manifest a more intense degree of interest in the abnormal than in the normal, in the unusual, rather than in the usual.

Mexico for a long time has been in this position. Public interest outside of the Republic—I do not say this in criticism, but offer it merely as a statement of fact, for human nature is much alike the world over, the subject to the same weakness and mass impulses—concerns itself to a vastly greater degree with information emanating from my country of a destructive, rather than of a constructive character.

There is little in the placid, uneventful sweep of the ordinary day's work of nations or individuals—regardless of how important, creative or purposeful it may be—that appeals to the imagination either of editors or of the millions who read their publications. For instance, a banker—as he constantly does—may quietly assume the financing or the reorganization of a distressed industry in his own town, avert its collapse, prevent loss of employment to the employee and preserve their purchasing power for the benefit of the commercial interests in the town. When a banker does this he not alone fulfills his mission as a banker, which is to be expected, but he renders a distinct public service to the community. He does it as a matter of course, as part of the day's work. There is nothing spectacular about it. It is wholly a matter of business routine. That is the banker's job. It is not what is called "news," and instances of this nature are seldom given newspaper publicity.

But let the same banker, perhaps in the preoccupation of throwing financial lifebelts to the industry floundering amid the waves of threatened bankruptcy, drop a lighted cigarette in his waste basket and set the contents ablaze, when he picks up his newspaper the next morning he is apt—unless, possibly, he holds a mortgage upon the plant of the newspaper—to be confronted with these headlines: "Fire and Panic Stampede Bank's Patrons!"

So, as I say, it is especially pleasing for me to be provided with this opportunity to tell Americans something of the constructive activities which are engrossing the present government of Mexico, as a possible—and I hope effective—offset to much of the intelligence of a less favorable, encouraging character which finds its outlet and audiences in other directions.

Dislocation and often complete collapse of financial and economic processes are the invariable accompaniment of political and social upheavals in all countries. Mexico could not expect to be exempted from the operation and the consequences of this rule. You are all more or less fa-

miliar, I assume, with the causes and the progress of the political regeneration which has been in course of development in Mexico, and I will not weary you with more than a passing allusion to Mexico's recent political past.

I would, however, cause you to see plainly that the revolution was both necessary and inevitable. It was bound to come. If the revolution had not transpired when it did, it would only have been delayed, not averted. Reforms in our social and political organization had been crying out for expression for a generation. They were unattainable excepting through revolution, and in time the demands of the people for their rights and for a proper and democratic participation in the affairs of government and in their heritage as free men would have irresistibly broken through all repressive bounds, regardless of their strength and of their duration.

All that is now over. The revolution has triumphed, in so far as to permanently supplant with its authority and with its forward-looking, humanitarian principles the autocracy which formerly held Mexico in domination. The old order in Mexico has gone forever. It never can, or will return. God forbid that it should.

What are we doing in Mexico to revive and encourage its financial and economic life and development? I will tell you our program. In the first place, you must appreciate that when the government of President Calles took effect a year ago last December, it was confronted with all of the appalling economic, financial and social wreckage which nearly fifteen years of revolution had strewn in its wake. The revolution, the fighting, was over, but among other damage the financial and credit structure of the country had been

razed to its foundations, and of the stones of the foundation there remained not many that were suitable for use.

We had to rebuild, from the ground up. Few of the banks had survived the storm and of those which remained in operation a negligible influence in ministering to the legitimate ends of commerce and industry.

If you will permit me I will digress for a moment to inject a word of explanation—of explanation, not of exculpation, bear in mind—for the attitude assumed toward the old banks of issue and the traditional banking system in Mexico by the revolutionary government. The statement has been widely circulated and, I suppose, received with some credence, that the old banks were put out of business because the revolutionary authorities illegally confiscated their metallic reserves and forced them to close their doors. That is not true. What actually happened was this: Under the Diaz regime, the issuing of bank bills in Mexico was highly profitable to the banks which enjoyed a monopoly of the right. Unfortunately, this feature tempted many of the banks to inflate their issues and devote the proceeds to speculative and hazardous transactions.

Examination of their books revealed that with but few exceptions all of the old banks of issue had, during General Huerta's administration, exceeded the legal limit in issuing notes, or had in other manners flagrantly disregarded the provisions of the banking laws and of their charters. You know what happens in the United States when a bank is found guilty of such practices.

When General Carranza, in the name of the government, took over the banks of issue, he acted strictly in accordance with the laws which then existed, in response

Banco de Mexico, S. A.

Authorized Capital: \$100,000,000 Mex. Gold

Paid Up Capital, \$60,000,000 Mex. Gold

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TORREON, COAH.
VERACRUZ, VER.
VILLAHERMOSA, TAB.

ALBERTO MASCARENAS
Managing Director

needed propulsive factor in the economic life of Mexico.

I doubt if there is any enterprise in his program of national reconstruction that is closer to the heart of President Calles than the Popular Bank, for this institution is designed to encourage habits of thrift and saving among the working classes and to assist the small industrial in financing and expanding his business.

Hitherto there has been no incentive for the Mexican wage earner to save, at least not through the existence of soundly organized and managed savings banks, such as those which flourish so numerous in the United States. There has been no place for him to deposit his money, even if thrift and the acquisitive instinct led him to lay aside a trifle for a rainy day. The result has been that he has either not saved at all or been compelled to bury his money in the ground or secret it about his dwelling, where it is unproductive, or exposed to the risk of being stolen. Frugality, I regret to say, has been enforced upon our wage earners by the meagerness of their earnings, and one feels certain that, with a savings bank and its conveniently situated branches available in which to deposit the few pesos that remain in their purse after the living necessities of their families are provided for, they will be encouraged to systematic and purposeful saving.

Mexico has thousands of small industrials, makers of hats, shoes, furniture, blankets, candles, pottery, baskets, carts, harness, tinware and so forth, who, in the aggregate, employ many workmen and no inconsiderable volume of wares. These small industrials have always been hampered by lack of capital or the means of obtaining it, excepting with extreme difficulty at exorbitant rates of interest from the village or the neighborhood money lender. Hence, he has been unable to advantage himself of opportunities for expanding his operations modestly or for purchasing stock and raw materials in quantities and at favorable prices.

Tied up with these four banks and organizations for the stimulation of commerce, agriculture and industry are the government's road building and its irrigation and agricultural development enterprises. From the proceeds of a special tax upon gasoline and tobacco, which now produces in the neighborhood of a million pesos a month, the federal government is constructing the first stretches of automobile roads, one of which, as our Laredo friends know, will soon afford direct, speedy and comfortable communication by motor between this border point and the City of Mexico.

Others of the surveyed routes will extend into the most populous and fertile sections of the Republic, linking them up with the railroads and the principal inland and port cities and place at the disposition of hundreds of hitherto isolated towns, villages, haciendas and mines transportation facilities which will augment the ease and cheapness with which crops, are, supplies, merchandise and passengers can be moved.

These roads may be expected confidently not only to bestir agriculture, mining and small manufacturing, but also to exert an important influence in providing occupation for the workers and in decreasing the cost of living.

The existence of this network of automobile highways, notably those which touch the border, will serve another vital purpose which I am certain will commend

THE OLD SPANISH TRAIL

STILL LEADS TO ROMANCE, ADVENTURE AND FORTUNE.
FABULOUS TREASURES

in Gold, Silver, Copper, Lead and Zinc are waiting in the mountain vaults. It is no crime, but a virtue, to enter with drill, pick and shovel and to break the secret lock. Phenomenal wealth lays in those Granite Vaults throughout the mountains where in ages gone God filled them with glittering metals and minerals. Let's get them.

Southwestern New Mexico is one of the richest Mining fields in the world, and still virgin. The little Hatchet Mountains are said to have the largest and richest undeveloped Ore bodies in the entire Southwest. Immensely valuable and tremendous deposits.

This Sensational District is now developing incomparable possibilities which can not be equalled or surpassed anywhere. Wonderful fortune producing Mines in the making.

THE TRAIL-BLAZER AND PIONEER, the men and the organization who are making Mining history in New Mexico today are the LITTLE HATCHET MINING COMPANY, whose SIX MINES, covering over 600 acres, are located in the Little Hatchet Mountains, situated in Hidalgo County, State of New Mexico, distant about Eleven Miles from the Southern Pacific Railroad, and 100 miles by rail from El Paso, Texas, and Douglas, Arizona, where the largest Smelters in the Southwest are operating.

INVESTIGATE RIGHT NOW. IF YOU CAN'T COME NOW THEN WRITE FOR
OFFICIAL INFORMATION

FILL OUT THE BLANK BELOW AND MAIL TODAY

Mr. Albert E. Bader, Treasurer,
LITTLE HATCHET MINING COMPANY, INC.

Dear Sir: An interested in your proposition and would like to get all information so that I may consider same at once. I believe in the development of the tremendous and rich resources of the Southwest, and would like to financially participate in your glorious enterprise.

Name.....

Address.....

P. O. HACHITA, New Mexico.

A CHANCE TO TURN CENTS INTO DOLLARS—The LITTLE HATCHET MINING COMPANY now desires to obtain adequate funds to fully develop and operate those great Copper, Gold, Silver Mines and Lead-Silver Mines, and wants to raise those funds without paying the exorbitant charges of slick promoters and so-called brokers, so that every dollar received will be immediately available in the treasury for equipment, so that every dollar.... for equipment and development purposes and operating expenses.

It is not a wildcatting proposition, and not a dubious promotion scheme, but a going and operating mining enterprise, a sane and safe engineering project, with a phenomenal future.

LITTLE HATCHET is the most remarkable opportunity. We consider it a money-making proposition of unlimited possibilities. It is probably the cleanest, most amazing and most wonderful chance from every angle that you ever had. A 100 per cent Square Deal is guaranteed to you.

HIT THE OLD SPANISH TRAIL AND COME ON OUT TO THE MINES. Visit this Sensational new Mining District where Millions will be made, where fortune awaits you, where Lady Luck will welcome you, and where Dame Opportunity is at home.

itself to both Americans and Mexicans—that of rendering possible an interchange of automobile tourist traffic between your country and mine, thus binding us more closely and intimately together in those ties of neighborliness and understanding which, in reality, are the true bases of substantial, lasting international friendship. If the result of this interchange be the holding of our next automobile convention in Mexico City, we shall have accomplished a great deal. Be assured of a warm welcome and of every opportunity to familiarizing yourselves with our purposes and condition.

Lastly, I have reserved for special emphasis—although its significance and potential force in the government's program of development justifies one in according it first position—the steps which are under way to bring under cultivation, by means of irrigation, millions of inherently fertile acres of land.

All told, the contracts for this work include thirty-five separate units, in as many diversified parts of the Republic, where for centuries some of the richest soil in Mexico has been lying fallow, or only sparsely tilled, for lack of dams, reservoirs and ditches with which to utilize the abundant existing supplies of water, without which the soil cannot be quickened into fruitful life.

These irrigation works will not only tremendously increase agricultural production, but will be the means of providing farms and employment for thousands of industrious, ambitious men who look to the government, and rightfully so, to supply them with means for purchasing a few acres of arable land upon which they may place their foot and say: "This is mine. It is my home. My labor has developed it, and the rewards of my toil belong to me, not to my master!"

This question doubtless has occurred to you: From whence does the money come with which to capitalize and finance these enterprises?

They are all being financed wholly from the income of the government, from the proceeds of the drastic economies in the administration which have been effected by President Calles. The productive vitality of the country is sufficiently potent and assured to justify a firm conviction that, with a continuance of the careful and rigidly economical management of the federal revenues which is being insisted upon and personally overseen by the President, it will be well within the power of the government to cover the financing of these institutions and projects in cash from its savings, without being compelled to accept the loan of a pesos from any source.

We are paying as we go, and we are saving to the last possible centavo to meet our bills when they fall due.

I have painted my picture with a free, although hurried, brush and in broad outlines. I hope it means something to you. It should, for there is a direct reciprocal connection, and no inconsiderable one, between your prosperity, as Americans, your national comfort and peace of mind and the national well being, happiness, tranquility and progress, both material and spiritual, which the present government of Mexico is earnestly and successfully striving to create and stabilize in my country.

There is nothing fanciful or visionary in my picture, for I have dipped my brush in the pigment of fact, of accomplishment, of deeds, not dreams. I speak to you truly of a new Mexico which is steadily and persistently arising, under the incen-

MODERN LAWS OF MEXICO TODAY

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MEXICAN GENERAL CLAIMS CONVENTION

Signed at Washington, D. C., September 8, 1923.
Ratified by the United States Senate, January 23, 1924.

SPECIAL MEXICAN CLAIMS CONVENTION

Concluded between Mexico and the United States, September 10, 1923.
Ratified by the United States Senate, January 23, 1924.

APPLICATION OF THE ALIEN LAND LAWS AND THE PETROLEUM LAWS

Contains the correspondence between the Government of Mexico and the United States, regulating Section 1 of Article 27 of the Mexico Constitution of 1917.

HIGHWAY, COLONIZATION AND OTHER RECENTLY ENACTED LAWS

Fundamental knowledge of the Mexico Constitution, together with the interpretations put upon disputed points, such as Article 27, cannot be had without an accurate translation of the Mexico Constitution of 1857 and 1917, compared article by article in parallel columns, for convenience, together with correct translations of the Amity Treaties negotiated by Charles Beeche Warren, ex-Ambassador to Mexico, and his associate, John Barton Payne, in 1923, and now in force between Mexico and the United States.

Attorneys having claims against the Mexico Government or that of the United States will find this book of exceptional value.

Bankers, Manufacturers, Financiers, Investors, Students, Teachers, Editors and Writers should have the book—it is invaluable to a correct understanding of the so-called "Mexico Problem."

The translations are accurate, informative, authentic in the highest degree and have been approved by leading members of the Mexican, American and British bars, as well as expert linguists, translators and others of standing in similar walks.

VALUABLE FOR COLLEGES, UNIVERSITIES, BUSINESS TRAINING, LIBRARIES AND ESPECIALLY FOR THOSE HAVING DEALINGS WITH MEXICO IN LAND, TIMBER, MINES OR OTHER NATURAL RESOURCES. ALL WRITERS OF POLITICAL ECONOMY SHOULD HAVE THIS BOOK.

The form used is the last word in simplicity, leading to an accurate and correct understanding of the subjects treated.

FRIENDS OF MEXICO SHOULD USE THE BOOK TO INFORM THEMSELVES REGARDING DISPUTED POINTS THAT ARE YET THE SUBJECT OF CONTROVERSY BETWEEN INDIVIDUALS IN BOTH COUNTRIES, ALTHOUGH SETTLED BY THE AMITY TREATIES AND THE CHANCELLERIES OF MEXICO AND THE UNITED STATES.

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Gentlemen:

Herewith hand you my subscription for.....copies of the book "MODERN LAWS OF MEXICO TODAY" to be issued by you January 1, 1927, same to be sent to me when and if issued, collect on delivery, \$5 single copy, three copies \$10.

It is agreed and understood that the book is as above described, bound in flexible cloth binding, to be printed upon good plate paper, in 10-point type (size larger than shown in this subscription blank.)

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tive of patriotic, practical and wisely directed effort, from the ashes of a bitter and destructive, but inescapable, civil war.

We are progressing, building, working. We are traveling the upward path. The summit of our ambitions is still far ahead, and the way is a difficult and stony one. While it may be that our feet are still bruising themselves among the rocks of inexperience, of opposition, of misunderstanding, our eyes and our aspirations are immovably fixed upon the star of purposeful hope, which beckons us and heartens us with promise of high reward to those who press on unfalteringly, in faith and courage.

We are tying, and honestly trying, to travel towards the light—the light of liberty, of justice, of equal opportunity, of freedom from oppression—toward the same beacon that cheered on your own forebears in the dark days of the American revolution when they were fighting to throw off the despotism and to establish and perpetuate for the benefit the glorious and humanitarian principle that, in the words of your revered Lincoln, "Government of the people, by the people, for the people shall not perish from the earth."

One of the most interesting facts about the State Highway Commissions announcement that from January 1 to June 30 it entered into contracts for the construction of enough roadway to consume almost \$10,000,000, is that not a dollar will go into State Highway No. 2—the great North-and-South trunk running from Red River to the Rio Grande. San Antonio will receive help on its main East-and West road, but nothing is promised for a highway even more important.

It is true that all of the No. 2 where local aid has been received is supposed to have been constructed. The biggest gap in the entire mileage is in LaSalle County and—as THINK often has observed—a community that will not help itself is counting chickens before they are hatched in expecting the State to do all of it. But there are Hays and part of Travis and Comal, too, all requiring engineering attention. Maintenance in Hays alone will, in the end, cost more than the rebuilding of the highway throughout that division.

—"Think" San Antonio Express, Aug. 3.

Cities in Texas that expect to benefit from the immense trade that will go into Mexico via Highway No. 2 or the Meridian Highway as it is known Internationally, should see to it that the portion of the highway in Texas is as good as that in Mexico.

U. S. War Colleges Maps of Mexico

A railroad map of issue of 1918. Practically up to date. Paper mounted, \$1.00. Limited number only — first come, first served. 34x36. If oversubscribed money refunded.

MEXICO TODAY
(BOOK DEPARTMENT)
613 Gibbs Building
SAN ANTONIO, TEXAS

MEXICO TODAY AND BORDER BULLETINS

"THE BIG BERTHA"

Medium for Advertisers of

Mexico, South Texas and Border Cities

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LEE'S NEWS STAND, Broadway and Houston.....	San Antonio, Texas
WAGNER & JONES, 418 Main St.....	Houston, Texas
GEO. WALLACE, 105 Royal St.....	New Orleans, La.
BENJAMIN CARDENAS.....	Laredo, Texas
AM. BOOK AND PRINTING CO., Av. F. I. Madero 25.....	Mexico City
MONTERREY NOVELTY CO.....	Monterrey, N. L.
LA SONORA NEWS.....	Monterrey, N. L.
DROGUERIA LA HUASTECA.....	Panuco, Ver.
STAR NEWS COMPANY.....	Los Angeles, Calif.
EMPIRE NEWS AGENCY, 449 So. Hill St.....	Los Angeles, Calif.
WESTERN NEWS STAND.....	Los Angeles, Calif.
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WORLD NEWS COMPANY, 541 So. Main Street.....	Los Angeles, Calif.
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MINNEAPOLIS, MINN.....	2234 Second Ave., South
MONTREAL, CANADA—Postoffice news stand; John O'Connor, Transporta- tion Building.	
NEW YORK CITY—42nd St. and 6th Ave.; 47th St. and Broadway; 42nd St. opp. Grand Central depot; 32nd St. and 6th Ave.	
OAKLAND, CALIF.—14th St. and San Pabo Ave.; 12th and Broadway; 11th and Broadway; 7th and Washington.	
OMAHA, NEB.....	103 No. 16th St.
PHILADELPHIA, PA.—9th and Market Sts.; 26 So. 15th St.; 13th and Mar- ket Sts.	
SAN FRANCISCO, CALIF.....	8 Third St.; Fourth and Market Sts.
SEATTLE, WASH.—1528 Westlake Ave.; 2nd at Union; 5th at Pike; Sec- ond at Cherry.	
TACOMA, WASH.....	12th and Pacific Ave.
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TONOPAH, NEV.....	Polin Bros.

In addition the following National and International Subscription Agencies are pushing it for circulation.

American News Company.	
Crowley, The Magazine Man, Inc., 511-513 E. 164th St., New York City	
The Turner Subscription Agency, 30 Irving Place.....	New York, N. Y.
Moore-Cottrell Subscription Agency.....	North Cohocton, New York
F. W. Faxon Company, 83 Francis Back Bay.....	Boston, Mass.
J. M. Hanson-Bennett Co., 529 South Franklin St.....	Chicago, Ill.

CATHOLICS ORDERED TO BOYCOTT MEXICO

The newly recognized Mexican government has started its course under Uncle Sam's eyes by refusing permission to the bishop of Leon to erect a church dedicated to the "Christ-King." The members of President Obregon's cabinet think such church unnecessary, that its name might stir up disorder, and that the people should spend their money on other things. The first and third reasons are simply none of the Government's business and the second acknowledges that anti-clericals do not hate Christ, but would willingly follow it by rioting. They number about 80 per cent of Mexico's population, but 80 per cent of the talking and 98 per cent of the ruling. American Catholics will help them if the buy Mexican bonds when the New York bankers begin to flood the market with the worthless stuff. We advise our readers to cancel their accounts with any bank that tries to load this form of encouragement to persecutors. When Mexico gives proper assurance of stability in the shape of a guarantee of religious liberty we shall willingly say that confidence in her is being restored. It will take more than recognition to unload the coming bond issue on some 25,000,000 of our population, that is if the 25,000,000 keep their sanity. The American who encourages the atheist intolerance of the Mexican government by believing its promise to pay, deserves exactly what he will receive—the promises.—Extension Magazine, November, 1923.

FINANCIAL AGENT OF THE GOVERN- MENT OF MEXICO, ARURO M. ELIAS, MAKES ANNOUNCEMENT.

Arturo M. Elias, financial agent of the government of Mexico, announced August 6th that the committee of bankers entrusted with the payment of interest on the bonds of Mexico has had funds placed at its disposal by the Mexican Government to apply to the second half-yearly payment of interest. He continues as follows:

"This committee has already paid the half yearly interest from the funds which were placed in their hands from January 1, 1926, to June 30, 1926. This latest payment—that for July—is the first payment for the second six months, which is due January 1, 1927, as per arrangement made by my government with the committee of bondholders. These sums for the payment of interest twice a year are placed monthly at the disposal of the committee.

"In spite of all the attempts to injure the credit of the Mexican Government by the report of an economic boycott carried on by a small disaffected group of people, the economic conditions of Mexico have not been injured in the least. Mexico's revenue does not come through the spendings of a few rich people on luxuries. As a matter of fact, these people who have gained their wealth through the toil of the Mexican masses spend it mostly in foreign countries.

"Our national debt has been put by the present Government of Mexico on an interest paying basis and will be kept on this basis in spite of the very foolish and futile efforts to injure its credit."

THE ECONOMIC ELDORADO OF SOUTH TEXAS OILTON

"Heart of the Great Webb County Oil Fields"

On Tex-Mex. Division of the National Railways of Mexico which carry the through traffic out of Mexico via Laredo to Corpus Christi and points north and east in the United States.

ON MAIN HIGHWAY LAREDO TO CORPUS CHRISTI.
IN HEART OF THE GREAT OIL FIELDS OF WEBB,
DUVAL, JIM HOGG, ZAPATA and STARR COUNTIES,
TEXAS.

HIGHEST POINT ON THE HIGHWAY AND RAILROAD
LEADING FROM LAREDO TO CORPUS CHRISTI.

Surrounded by fertile farms—cotton, corn and vegetables—
some citrus fruit already planted and growing finely.

Cotton Gin that will handle 2,000 bales this year and
more could easily be raised with more farmers—Reasonably
priced Lands and Town Lots.

Mirando City to West of Oilton 3 miles—has refineries,
pipe lines and tank farms of the Magnolia and other oil
concerns—Bruni 3 miles east of OILTON has tank farm and
pipe line of the Humble Oil Company.

Magnolia Pipe line runs to Luling and thence to Port Ar-
thur—Humble Pipe line runs direct to deep water at Cor-
pus Christi—both lines under way and nearing completion.

OILTON, HIGH AND COOL, PROMISES TO BECOME
THE TULSA OF SOUTH TEXAS.

The extension of the Missouri-Kansas-Texas Lines to con-
nect with those of the Mexican National Lines will likely be
made at OILTON because of the Natural Advantages we
possess over any other locality.

Fine water, delightful climate, townsite level and easily
drained, because of its height above surrounding country.

Now is time to buy your business site, factory site, small
farms and home sites.

Many desirable openings for small businesses and country
developing rapidly.

For detailed information address:

IRMA ALLEN STRONG, Secretary
Oilton Commercial Club
OILTON, Webb County, Texas
"Heart of the Great Webb County Oil Fields"

"GREAT SCOTT! CRIED THE WOODCOCK, AND AWAY HE FLEW!"

"A Mexican of gentle birth and breeding spoke to me in a very discouraged way about some evidence of corruption, which, in a part of Mexico far distant from the City of Mexico, had troubled and alarmed him. He said he felt very apprehensive in view of the lack of honesty in the public service in his neighborhood. It is a singular thing that the last triumph of the public conscience under free government is the purging of the public service of dishonesty and graft. Do not, there in Mexico, idealize other nations. There are men now living who were born before the corrupt practices act was passed in England, born while yet English elections were a farce and registered the will of the boss instead of the people."

"The history of graft in what is now the United States began with the first Dutch Governor was a monster corruption. When the British took the city and gave it its present name they continued the Dutch reign of graft and corruption. (If you wish details, consult an article in the Century Magazine about 25 years ago and titled "Blackmail as an Heritage.") Graft and corruption went on. In 1873, the chief engineer of the park service in New York, whom I knew and from whom I got the facts, took up and laid down again one walk in Battery Park seven different times to keep the Tammany ward heelers, who were sent to him for work, employed. We are now clean of these gross scandals."

Upon reading this article the Mexican woodcock flew straight and took refuge on a British rum runner lying off Sandy Hook.

LEWIS O'DONNELL.

EXPORTS OF AUTOMOBILES TO MEXICO INCREASING

Approximately 588 American-made automobiles of all makes and models were exported to Mexico through the port of Laredo during the month of July, according to the monthly report issued by Brennan & Corrigan, brokers of this city, covering automobile exportations.

A total of ninety-eight carloads of automobiles were handled into Mexico through the port of Laredo. In each of these cars were from six to seven automobiles, and at six automobiles to the car the total of eighty-four carloads were presented. The exports for July showed an increase of fourteen carloads of automobiles over the preceding month of June, when a total of eighty-four carloads were exported to Mexico, or about 504 automobiles were exported.

The summary of shipments of automobiles into Mexico during the first seven months of the year 1926 shows that a total of 817 carloads, or about 5,202 American-made automobiles to date. And this is the dull season of the year for automobile shipments of American-made automobiles into Mexico will show a big increase, and from that time on until the beginning of next summer a gradual increase in monthly shipments will be shown. It is expected that more than 10,000 American-made automobiles will go into Mexico through the port of Laredo alone during the year 1926, the halfway mark in this aggregate having already been passed in the first seven months.

"MEXICO TODAY" AND BORDER BULLETINS

"This publication is not identified with any special interest, in either Mexico or the United States. We have only one slogan—AMITY—between the two countries and our policy will be to secure the wholehearted support of the BEST BUSINESS INTERESTS of the two nations as far as that lies with us to do. At no time will we meddle in politics or other matters that are subject to partisan controversy.

Amity is the best policy to govern all matters that may arise between the United States and Mexico and should be practiced on both sides of the Rio Grande.

Amity will bring huge benefits to both the United States and Mexico.

This magazine was established July, 1923, by Lewis O'Donnell, Editor and owner and will be printed by the Globe Printing Company, 634 Main Ave., San Antonio, Texas.

It is favorably known in all the principal cities of the United States, Mexico and Canada and while printed exclusively in the English language, it has been sent in quantities to many countries in Europe, Asia, and South America by friends of Mexico.

"The Mexico Today has friends on a thousand hills and in every clime and country."

It is liberally endorsed, because of the accurate informative and authentic nature of its contents, by leaders of thought, education, officials and citizens, ministers and laymen on both sides of the Rio Grande.

"San Antonio is the key to the Heart of Mexico" in many senses and here will be our permanent house. Advertising rates on application.

MEXICO TODAY

AND BORDER BULLETINS

Box 1344 San Antonio, Texas

The magazine "Mexico of Today and Border Bulletin" is the official exponent of the International Meridian Highway. Winnipeg, Canada to Mexico City via San Antonio. This is the only through paved highway, Canada to Mexico west of the Mississippi river and east of the Rocky Mountains.

It is crossed by all the east and west bound Transcontinental Highways.

Hence its worth to San Antonio and Mexico.

DO YOUR DOLLARS WORK FOR YOU?

Go-Getters Are Putting Atkinson's Resilient Wheels on Their Dollars To Make Them Work Fast

ATKINSON'S RESILIENT AUTOMOBILE WHEEL ASSOCIATION OF TEXAS

Offers 500 Automobile Owners of Texas the Opportunity to Put Under Their Cars Wheels That Work For You While You Are Driving

My plan is so simple that you don't have to employ a Philadelphia lawyer to explain it and the economies brought out by the use of my wheels and the profits to be made selling them are apparent at a glance at this prospectus.

DEMONSTRATION DAILY

Come and you will be convinced and come an Associate Owner. Participate with me in the profits to be made here in Texas where there are more than 10,000 Ford Cars in use daily and any thousands more of other makes.

No stock for sale but you can become Associate Owner in Texas. The opportunity knocks at your door!

For appointment to see the automobile equipped with my Wheels and witness practical demonstration, call, write or wire

ATKINSON'S RESILIENT AUTOMOBILE WHEEL ASSOCIATION OF TEXAS
613 Gibbs Bldg., San Antonio, Texas

Wheels are adaptable to every make of car and Truck.

On the basis of 20,000 sets of Wheels sold in this State annually at \$5 net profit per set, our profit-sharing certificates will earn \$980 cash each year and expect our sales to go far above this figure. Will save \$1,000,000 annually in replacements alone in Texas. Ford's profits from 1917 to 1924 were \$26,441,951. Gross receipts before taking out income taxes, etc., were over \$80,000,000.

MY PLAN OF ACTION

I, George C. Atkinson, of Georgetown, Texas, deed to the Atkinson Resilient Automobile Wheel Association of Texas, 51 per cent of the net profits made in Texas by the Association, and I retain 51 per cent for my sole reward. I will sell Go-Getters 500 sets of these wheels \$100 per set, tires included. I require \$50 cash when the subscription blank is signed and this amount is deposited in the City National Bank of San Antonio, Texas. Organization expenses will be borne by the Association.

To each of the five hundred subscribers to this agreement I give a Certificate which entitles the holder thereof to one hundredth part of the 49 per cent of the net profits made in Texas. These

Certificates may be sold or transferred by the original purchaser if he so desires.

I offer this plan in the State of Texas first and will adopt the same plan in all other States. The Texas Association will be the first organized in the United States for the sale of my Wheels, and other States will be opened at a later date.

I am the inventor, sole owner and marketer of these wheels and I have adopted this plan to gather around me in the organization 500 of the best salesmen in Texas and I know I can do this under my plan for co-operative marketing. And I know too, that with 500 of such salesmen from this State, who own their own wheels, attached to their own cars and who have a share in the profits to be made here in Texas, with me, that I can not only cover Texas rapidly and effectively, but I also know that these same salesmen will become the sales force for the balance of the United States. And I will organize their territory on similar lines to those used in Texas. They will receive preferential treatment in the allotment of other territory because of their associate ownership with me and because I know they are interested and will make this great success.

Why Atkinson's Resilient Automobile Wheels Will Be Used

Using solid tires they ride every type of road, rough or paved, without the jolt common to pneumatic tires and do away entirely with inner tubes, punctures or blow-outs. Does away entirely with the investments now made in extra tires and rims. Saves time now used for repairs, air, etc.

Will save more than \$1,000,000 annually in replacements alone. The economies in time and investment are so obvious that one demonstration convinces the most skeptical. Look like best Disc Wheels. Arrangements are being perfected to manufacture the Wheels in quantity lots and we will go to quantity production as soon as the first 500 sets are placed and our sales force organized for other states.

For appointment Call, Write or Wire 613 Gibbs Bldg., San Antonio, Texas.

Opportunity Knocking at Your Door!

Are you a salesman of ability? Have

you confidence in yourself? If so I want you! Sign up with me today for a lifetime. Become an associate owner.

The Atkinson Resilient Automobile Wheel Association will take your application for territory outside, name your second, third and fourth choices of territory.

GEORGE C. ATKINSON, Sole Trustee

References: City National Bank, San Antonio, Texas; First National Bank, Georgetown, Texas; Farmers' State Bank, Georgetown, Texas.

Application for Associate Ownership in Atkinson's Automobile Wheel Association of Texas.

Guarantee—Satisfaction Guaranteed or money refunded.

Mr. George C. Atkinson, Sole-Trustee, 613 Gibbs Bldg., San Antonio, Texas.

Dear Sir: I have read the attached prospectus, inspected your exhibition automobile, equipped with Atkinson's Resilient Wheels, and desire to become an Associate owner in the Texas Association, upon the terms and conditions specified herein and in the prospectus. In case this application is accepted, I agree to exhibit the wheels upon my own car and further the operations of the Association at every opportunity. I will join with you in making a tour of the State of Texas, at the time named by you, upon ten days advance notice, in a Squad of Ten or more automobiles, equipped with your wheels. This to be done in order to cover the entire State in shorter time, more thorough manner, and with greater certainty of getting results, than can be done under any other sales plan. The tour to be for the express purpose of securing local representatives in every important town in Texas within a period of two weeks at most. Advise me ten days in advance of the meeting place for the Squad that I am to work in. I agree to co-operate with you in making this whirlwind tour of the State preparatory to introducing the wheels throughout the United States with the understanding that the 500 owners of certificates of membership in the Texas Association will be given preferential consideration in the assignment of territory outside Texas.

Herewith is my payment of \$100.

Name

Street No.

City

State

Make all checks, drafts, etc., payable to the Association. Otherwise I am not responsible for your money. Delivery to be made within three months. After that time, without delay.

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Lewis O'Donnel, Owner-Editor

MEXICO TODAY—AND—
BORDER BULLETINS

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Preston Lodge, F. & A. M., 281, (Life), Louisville, Ky.

The Editor publishes his portrait to prevent impersonation by unscrupulous persons as has been done in the past.

The articles that appear in this number "Peace, Power and Plenty", and the "Prayer of Faith" are reproduced with full permission of the Unity School of Christianity, 17 Tracy Street, Kansas City, Mo. President Fillmore says "That you may be prospered in your efforts to better the condition of the people of Mexico, is the wish of Unity School of Christianity."

The three events that affected the destinies of the human race most were the coming of Christ, the Reformation and the gaining of independence by the American Colonies.

Americans will not surrender any of the ground gained through these great occurrences.

What is an American? A brave man with the peace of God in his bosom and love of country, sweetheart, wife and children in his heart.

Persons who characterize the Mexico government as the "Western Bolsheviks" are suffering with "Bolshephobia." Inquire what their religious affiliations are and also their financial connections.

SAN ANTONIO-MEXICO FREIGHT SERVICE IMPROVED

Through Bills of Lading Will Make San Antonio Traffic Center.

Application for through bill-of-lading shipments from the United States to Mexico, which will mean a saving of hundreds of thousands of dollars to American merchants, and which will stimulate freight traffic between the two countries to such an extent that San Antonio will be the premier shipping center to Mexico, has been made before the Interstate Commerce Commission.

Such was the announcement that J. D. Noriega, chief traffic manager for the Na-

tional Lines of Mexico, made August 13 in San Antonio.

Cut Freight Time.

As soon as the Interstate Commerce Commission passes on the application, new freight schedules which will probably cut off at least five hours in direct freight shipments from St. Louis to Mexico City, will be made, he said.

The application asks that all shipments originating in the United States have through bills-of-lading into Mexico, so that it will not be necessary to re-route the bills at Laredo, and the merchandise will not be stopped at either of the border towns.

The immense increase of through traffic, saving American merchants thousands of dollars, will result in greater business to San Antonio, Mr. Noriega said. This city, with all other cities of Texas, is under its own rail regulation, so that it has not been necessary for local merchants shipping to Mexico to change at the border. San Antonio still retains the advantage, he said.

S. A. Key City

Mr. Noriega foresees tremendous shipments of through freight, and that, with the Katy extension connecting with Tex-Mex, will make of San Antonio the key city to Mexican business, he said.

SPEED UP THE POSTOFFICE DEPARTMENT

Announcement is made that Mexico City mails will likely be advanced by sending them out of New York via Chicago Transcontinental Air Mail.

The Postoffice Department makes similar announcement from time to time with utmost seriousness much to the amusement of the well informed business men of the United States and Mexico.

There is no good reason on earth why the Air Mail stamps of the government should not be sold through European agencies, affixed there to letters and then placed in AIR MAIL packages by the postal clerks on Transatlantic steamers.

And then transferred direct to Airplanes leaving New York for the Pacific Coast and Southwestern points including Mexico.

The effect of the Civil Service and life pensions in the Postoffice Department is exactly the same as the "uniform scale of pay" which John Mitchell opposed during the great strike of the Anthracite Coal miners a few years ago. It places a premium on mediocrity and serves as a check to the men and women of superior ability.

We hear every now and then that some milk man, blacksmith, former preacher, a poor lawyer or doctor has "passed" the civil service examination for the position of postmaster in some first class city from 100,000 to 1,000,000 inhabitants. No one ever heard of a poor carrier or clerk rising from the ranks to fill such positions. WHY?

MISSOURI, KANSAS AND TEXAS R. R. TO CONNECT NATIONAL RAILWAYS OF MEXICO NEAR OILTON.

The rapidly frowning business between Mexico and the United States justifies the extension of the Missouri-Kansas, Texas lines south from San Antonio to connect the National Railways of Mexico near the border according to Mr. J. D. Noriega, Chief of the Traffic Department of the Mexican National Railways in, in interview at Dallas, Texas, August 12th.

This connection with National Railways

of Mexico will likely be made thriving town of OILTON in the great oil and gas fields of County, Texas.

Such an extension would open new territory in Texas and the States of Mexico that is not now able.

Traffic Manager Noriega waspanied by General Agent George mand, St. Louis, Mo., and M. S. traffic expert. The party left for ton, San Antonio, en route for Mexico on night of August 13.

San Antonio should have a office of Commerce Department. ton, Houston, El Paso and Dallas branch offices now. Perhaps Commerce to secure these facilities our importers, exporters, manufacturers and others who are interested. splendid advertisement for any city one of these branch offices.

CLASSIFIED ADVERTISEMENTS

Advertisements under this section cents per word. Minimum 20 Copy must be in by the 15th for tion in the following number.

Have good mining proposition want partner. Its now on paying and will bear strictest kind of gation. Responsible persons write Pena, Box 203, Laredo, Texas.

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704

PAN PACIFIC PROGRESS

A Magazine of International Commerce and Service

Vol V

SEATTLE — PORTLAND — SAN FRANCISCO — LOS ANGELES

No. 3



—Courtesy American Chamber of Commerce of Mexico.
THE AMBASSADOR AND THE STAFF OF THE AMERICAN EMBASSY IN THE CITY OF MEXICO
Reading from left to right—First Line: Colonel Edward Davis, Military Attache, H. F. Arthur Schoenfeld, Counselor, the Honorable James R. Sheffield, Ambassador, Arthur Bliss Lane, First Secretary, Alexander V. Dye, Commercial Attache
Second Line: Stuart E. Grummon, Third Secretary, George Wythe, Assistant Commercial Attache, Colonel George Moore Russell, ex-Military Attache, H. Dorsey Newson, Second Secretary, Major E. L. N. Glass, ex-Assistant Military Attache
Third Line: Belden S. Howell, clerk, Mrs. Fayma W. Wood, clerk, Miss Gillie Howell, clerk, Miss Louise Carnes

A PAN PACIFIC ESSAY CONTEST FOR 1927

Under the Auspices of PAN PACIFIC PROGRESS,
601 Lissner Bldg., Los Angeles, U. S. A.

IT HAS been suggested that PAN PACIFIC PROGRESS sponsor an international essay contest.

Each student must choose for his or her subject, a noted character, event or topic connected with some country other than their own.

A few suggested topics are as follows:

AMERICA—Washington, Lincoln, Roosevelt, Franklin, The American Constitution.

LATIN AMERICAS—Columbus, Cortez, Pizarro, Bolivar, Juarez.

JAPAN—Iyeyasu, Kano, Hokusai, Yoshihito, Yashistune, Bushido.

CHINA—Lao-Tse, Mencius, Confucius, Kublai Khan, Li Hung Chang, Yuan Shih-kai, Marco Polo, Chinese Classics.

RUSSIA—Pushkin, Gorki, Peter the Great, Tolstoy.

STRAITS SETTLEMENTS—Sir Thomas Stamford Raffles.

PHILIPPINES—Jose Rizal, America's Responsibility in the Philippines.

These are only a few of the topics to be submitted to students, which should create great interest in the study of Pan Pacific countries and result in a more intelligent understanding of our Pacific neighbors.

In order to make this contest worth while it is proposed to offer prizes of a year's scholarship at some of the leading universities in different countries.

This will necessitate the raising of a fund sufficient to cover the students traveling and living expenses for a nine or twelve months period according to the country visited.

The students winning these scholarships should become ambassadors for peace, a power for civic advancement. The hundreds of contestants will absorb a spirit of tolerance for other nationals and with a broader vision become leaders in their respective communities.

To all those who believe that education is the best promoter of peace we solicit suggestions and support.

Universities should offer a free scholarship. Steamship lines should offer free transportation. Manufacturers, clubs, and individuals should contribute to our "Pan Pacific Essay Contest Fund," to enable us to broadcast this plan and carry it out to a successful conclusion.

Suggestions and contributions will be duly credited under this heading.

Sign blank below and send your suggestion or check to PAN PACIFIC PROGRESS, 601 Lissner Building, Los Angeles, California, U. S. A.

Name _____
Street _____ City _____
Suggested Topic _____
Amount of Check \$ _____

APPLICATION FOR ENTRY IN ESSAY CONTEST

Students desiring to enter this contest should fill out blank below and send as promptly as possible to "Essay Contest Committee," care of Pan Pacific Progress, 601 Lissner Bldg., 524 S. Spring St., Los Angeles, Cal., U. S. A.

Name _____
Address _____
Country _____
Student of (Name Educational Institution) _____
Subject Selected _____

September, Nineteen Hundred and Twenty-six

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Our Platform: The Open Door; A Square Deal and the Use of the Golden Rule in All Our Foreign Relations.

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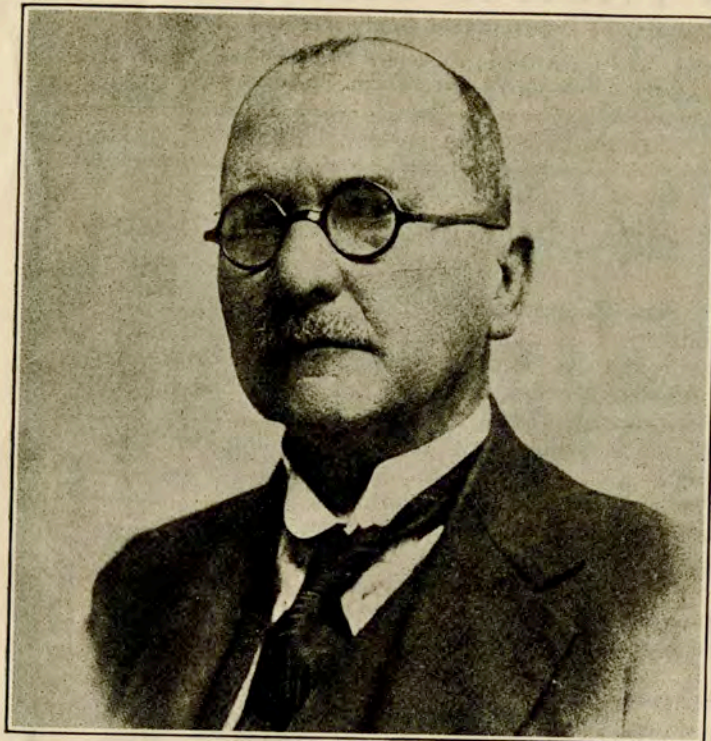
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DR. MIGUEL ABADIA MENDEZ



President Don Miguel Abadia Mendez
President of Colombia

JAPANESE PRINCES OF WORLD TRADE

Probably the greatest and most romantic story of world trade is found in the history of the Mitsui Gomei Kaisha of Japan.

This firm was founded in 1694 by Hachirobei I and has grown to be the largest and strongest corporation in the Orient. The parent company is centered in an ordinary partnership capitalized at \$100,000,000. This company controls 21 other organizations, with an aggregate paidup capital of about \$250,000,000. Their activities include banking, real estate, trust business, warehousing, mining, manufacturing and transportation.

The Mitsui Company founded and successfully ran the first department store two hundred years before Wanamaker's or Marshall Field's were opened in America.

The Mitsuiikoshi Department stores in Tokyo and Osaka are now the leading exponents of modern merchandising in Japan. The large concrete building is one of the few that withstood the great earthquake and fire in Tokyo in 1924.

The ramifications of this famous firm are such that even policies of the government are influenced. Branch offices or agencies are maintained in every important port in the world, reached by their own line of steamers.

The great success of this remarkable firm, or family, is undoubtedly due to the "code of ethics" laid down in the eighteenth century by Sojika Koji, (Hachirobei II), one of the leaders in the development of the family. This code of ethics could well be adopted by any business firm and if followed would bring success as it exalts the highest ideals, service to humanity, unity, fidelity and standardization.

Dr. Miguel Abadia Mendez took the presidency of the Republic on the seventh of August, for the term of 1926-1930. He was elected by popular vote, the only candidate for the office.

Dr. Abadia Mendez has had a most comprehensive administrative career, having occupied high positions such as Secretary of State under various governments; and several times has been elected member of the Parliament as Representative and Senator. He also has occupied very high judicial positions.

When he was still quite young, he became professor of Civil Law at the National University, and has since, devoted much time and energy to these teachings, and is a famous authority on difficult matters of jurisprudence.

The President is recognized, even by his opponents, as a man of impeccable integrity, and that strict legality will govern the performance of his duties during his administration.

Throughout his long public life he has distinguished himself by devoting his energies untiringly to the political strife between the two political parties.

American capital, which has done so much for the development of Colombia, may well feel secure in the protection of this honest and lawful government.



—Courtesy, The Far Eastern Review, Shanghai.
Baron Hachiroemon Mitsui, Head of the Eleven Mitsui Families whose Centuries-old Code of Business Honor has carried them to the Highest Pinnacle of Commercial Prosperity.

I came to this country with no aim in view other than to enjoy my vacation. I can hardly turn a deaf ear, though, to the courteous but persistent demands of newspaper men, who have been asking me for a statement in connection with the affairs of Mexico. Right after I crossed the frontier I learned with wonder that great importance has been here conceded to the so-called "religious problem" in Mexico, and my surprise increased in ascertaining that a great interest actually taken here in this matter. The subject has been dwelt upon by every journalist that has approached me in Laredo and San Antonio, as well as in Los Angeles. Furthermore, I have had occasion to read frequent press reports bearing thereon.

All this has surprised me, because there is no religious problem in Mexico. And it is worth remarking that this matter is appealing to the public of foreign countries more than to that of Mexico, whose residents, almost as a whole, think of everything but a religious problem. The latter exists only for a scanty group, who wish to take a chance at developing political activities, using the Church as a means thereto, and who aim at the revival of the struggle for the supremacy of the Church over the State, or else, want to place the case of Mexico in the hands of Rome, to be there used as a banner for religious propaganda or proselytism.

The Mexican government not only tolerates, but respects all creeds; not one has been closed among the thousands of churches existing in the country, and the assertion is false that the government hinders in any way the freedom of conscience and religious beliefs. This can be verified by fairly looking at the question from every angle; not by hearing those alone who, serving their own private ends, make use of this situation to hide reality under a false impression.

Facts Summarized

I shall endeavor to give an accurate, if summarized account of what actually exists in Mexico in regard to this matter:

(I) Mexican history shows that all

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LOS ANGELES, CALIF., U. S. A., SEPTEMBER, 1926

No. 3

Vol. V

Mexican Official Explains New Religious Ruling

By HON. AARON SAENZ

Secretary of Foreign Affairs for Mexico

That the so-called religious controversy in Mexico has been greatly misinterpreted; that the Calles government is not opposing Catholicism as a religion but is merely resisting the efforts of the Church to attain temporal supremacy in Mexico; that the civil authorities are now seeking to do no more than enforce existing statutes calculated to separate Church and State and thereby to maintain the integrity of Mexico's educational system and other institutions and that the Church itself is responsible for the erroneous impression that the government is persecuting exponents of religion—these are some of the main points made in an official statement by Hon. Aaron Saenz, Mexican Secretary of Foreign Affairs, in a special interview given the Daily Times, while in Los Angeles recently with his family on a vacation.

ing at the time to gain political dominion in America, and thereby further their own aims of exploitation.

(IV) There developed a civil strife in Mexico, known as the "War of Reform," which was brilliantly headed by President Benito Juarez, and the outcome thereof was that the Liberals succeeded in accomplishing once for all the severance between the State and the church. At that time a number of laws, known as "Reform Laws," were enacted, which provided for said separation, regulated all matters connected with worship, nationalized the property of the church, who had accumulated a great amount of wealth, established laic on nonsectarian education, and dealt generally with everything touching external cult. But the mentioned laws could in no way affect religion itself.

Church in Politics

(V) At the outbreak of the latter revolution, and during the struggle carried on to found a democratic government in Mexico based on the will of the Mexican people, and not on that of a clique of politicians, the church attempted to exert anew its political influence. Foreign priests in particular, foremost among them the Spaniards, who are of our own race and language, were stubborn opposers to the revolution, it having been positively ascertained that on several occasions ordained priests took up arms against the insurgents. The clergy, moreover, have economically and materially aided and upheld government like that of Vistoriano Huerta, which was one of the vilest affronts ever inflicted, not only on Mexico, but on the continent.

(VI) After the triumph of the revolution and the establishment of constitutional governments, the revolutionary program was condensed in our political Constitution of 1917, wherein the fundamental enactments were inscribed, which bear on the different Mexican problems, among them the law dealing with religious questions, which merely consecrated the reform laws promulgated during President Juarez's administration, adding two or three rulings thereto, which I shall hereinafter mention.

(VII) The church, through its high dignitaries, then started a campaign of opposition to the Mexican Constitution, and political organization. Said campaign was invariably tolerated by all revolutionary governments, including that of President Calles, as long as it showed respect to the government and did not encroach upon the latter's authority; but in February of this year, the church, represented by its chief prelates in Mexico addressed a proclamation to the Mexican people, published in the Mexican papers of that day, whereby it disavowed the Constitution, protested against the politi-

through the times of the Spanish colony, the Church was the vice-royal government's ally in the work of controlling the Mexican people, not only politically, but likewise spiritually and materially, by adhering to a policy of temporal domination.

(II) When the Independence War broke out, the lower clergy, who were the true friends of the downtrodden people, actively worked for the freedom and independence of New Spain, and this brought at once a reaction in the upper clergy, who, not only secured the excommunication of such clergymen as favored the independence, but became their worst persecutors, demanding the sacrifice of the warrior-priests, and bringing religion into play against the struggle for liberty in America. It was then that the first actual estrangement came about of the people from the Church, and when national independence was achieved, the influence and ascendancy of the Church had considerably dwindled.

(III) After the Independence the Church kept up steady political activities in Mexico, organizing as a militant group, going to the extreme of asking for and obtaining foreign intervention in Mexico, and even to that of pretending to establish there an empire under its protection. The wretched monarchical government of Maximilian was organized with the open support of the Church, whose plans were to implant such a form of government in America, extraneous though it was to the medium, and who was further suspected of having in view the extension of the same regime to the other American countries. The empire was likewise supported by the European powers, which were try-

cal organization of the country, and urged the citizens to rise up in arms against a Constitution which the church disowned. To the stand taken by the church the government responded by simply enforcing the provisions of the Mexican laws with regard to churches. Said provisions have been in our legislation, not only since 1917, but since 1864, at the time of Juarez.

What Laws Provide

Such are in a nutshell the historical antecedents of this question. Now I shall refer concretely to the present state of affairs.

The Mexican laws provide:

(a) The complete separation between church and state.

(b) That none but Mexicans may be ministers of a cult in Mexico.

(c) That elementary, primary education must be laic in Mexico, which does not preclude the existence of high schools where religion may be taught, or professional schools, like seminaries, etc., for the exclusive teaching of religion.

(d) That neither convents nor any of the other religious organizations forbidden in Mexico since the time of President Juarez shall be permitted.

(e) That only elementary primary schools shall not be in charge of priests, but of professional teachers.

It is the enforcement of such laws that has caused religious discussion in Mexico. As anybody can see, the foregoing rulings do not carry with them any persecution of the church, unless the exception against foreign priests be construed as such. On the other hand, there is nothing new in the Mexican laws on that subject, save the provision that education must be laic or nonsectarian in primary schools. The state does not wish to hamper religious liberty, and forbids religious teaching only in primary schools. In high schools, though, it is permitted, and there remains, moreover, the home and the church to impart as much religious learning as they see fit.

In the campaign which the Catholic church in Mexico has been carrying on against my country in foreign lands, we can see but the reiteration of its traditional policy to fight for the recovery of temporal supremacy in Mexico; to stir political activities at home and to sue for support from abroad, regardless of hurting the patriotic feelings of the Mexican people, who are more zealous about their political duties than about their religion. Catholic though most of the Mexican people are, they have condemned all through their history, at the time of their independence, as well as during the reform and at this epoch, every maneuver tending to curtail their sovereignty or change their political organization, which they have always defended with hard and untiring efforts.

Government Defied

In closing I wish to point out a concrete fact: The Bishop of Huejutla (Hidalgo, Mex.) issued a proclamation by which he denounced the President of the Republic as a murderer and a bandit, and the Mexican official as false and arbitrary. He defies the government and urges the people to rebel in force against the authorities and the Constitution, the disavowal of which he therein prompts. The bishop ends his manifesto saying that he is willing to sacrifice himself for religion and all he asks the authorities is that they do not murder him from behind. This occurred over five months ago, the most reverend bishop has not been murdered, only arraigned before the authorities, charged with defamation and slan-

Epitome of Mexican Turmoil

A dispatch sent out by the Associated Press July 31, gave the following summary of the causes and highlights in the religious situation in Mexico:

Causes

Laws effective today enforcing the Constitution of 1857, reaffirmed by the Constitution of 1917. These regulations provide:

No foreign clergyman may function in Mexico.

Church ownership of property is forbidden and all church property reverts to the state.

Religious instruction in schools, convents and monasteries is forbidden.

It is illegal for clergy or religious periodicals to criticize the government.

Effects

Mexican episcopate ordered as a protest discontinuance of all services in which 25,000 priests function, beginning today.

Some 10,000,000 Catholics will be unable to hear mass or receive penitence, communion or other sacraments, except baptism and matrimony, which will be given by laymen.

The church planned to have lay committees conduct some 12,000 churches for worship, but the government ordered that they be taken over by committees named by the Mayors. Ecclesiastical property, other than churches, is closed under seal.

An economic boycott has been ordered by organized Catholic laymen.

Purchases will be limited to necessities.

Troops have been called out at various places to maintain order.

Government's Attitude

Church and state must be separated, and the church must eschew politics.

President Calles regards it as a final struggle between "light and darkness."

Church's Attitude

Persecution is threatening religious freedom. The church denies it has meddled in politics.

Pope Pius does not desire to interdict Mexico unless absolutely necessary. He has requested faithful throughout the world to pray tomorrow for their Mexican co-religionists.

The Living Church, national organ of the Episcopalian church, and all Protestants in the United States to pray with Catholics for "the persecuted church in Mexico."

Bishop George Miller, resident bishop of the Methodist Episcopal Church in Mexico, says there is no religious persecution and that Mexico was forced to use severe measures because "The Roman Catholic priests in Mexico refused to comply with the law of the land and persistently have meddled in politics."

JAPAN'S COURAGE

Japan, in the midst of another disaster of food and earthquake must sometimes feel like crying "How long, oh Lord, how long!"

She has received little credit among Western nations; but modern times have witnessed no more heroic example of courage "guts" than has been shown in Japan.

If France or Italy or Belgium had suffered one-half the poverty and grinding misfortunes, or had to face the bleak hopeless outlook of Japan, the world would have been filled with their howls.

The old Samurai—the old hereditary aristocrat who died with placid face—still holds influence in Japan.—Harry Carr in Los Angeles Times.

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Financing Foreign Trade

By R. E. DORTON

Assistant Manager Foreign Department, Bank of Italy

Address Delivered Before the Foreign Trade Club of Southern California



R. E. Dorton

THE growth of our harbor during the past few years has definitely given Los Angeles a permanent place in the sun. We have grown in the past decade from a port of no commercial consequence to one of the outstanding ports of the world. There are now one hundred and fifty-three steamship lines, passing through our harbor, carry the name of Los Angeles throughout the commercial world.

In 1910 the value of our exports slightly exceeded \$1,000,000.00. This year the value of our exports will exceed \$100,000,000.00. In 1919 the United States Customs collected \$34,857.00 on imports, while last year, 1925, the customs collected \$2,260,485.00. During 1919 our harbor handled 9683 tons with a value of \$874,779.00, while last year imports and exports in amount of 17,551 tons with a value of \$34,402,46.00 passed through the Los Angeles Harbor. During 1925 all cargo, including intercostal, handled by our harbor amounted to 22,000,000 tons, with a value of \$700,000,000.00, an amount ten times greater than the cargo handled during 1919.

This phenomenal development of foreign commerce has imposed a grave responsibility on the great banking institutions of this city.

Without the active interest and co-operation of our banks the commerce of Los Angeles would be greatly restricted and the destiny of our harbor doomed. In a former meeting of this club a pessimistic statement was made that the banks are not co-operating to the fullest extent in developing our overseas commerce. This erroneous impression may be definitely corrected by referring to the statements of the Los Angeles banks, where you will find that they are carrying millions of dollars on their books under the caption Customers' Liability under Letters of Credit and Acceptances. This is definite proof of the co-operation that international merchants of this city are receiving from the banks. Another token of good will for our foreign traders may be seen in the recent action of the Los Angeles Banks Credit Men's Association of this city when an entire evening was devoted to the discussion of Commercial Letters of Credit and their relation to direct loans. The banks are putting forth every effort to place our foreign trade on a sound basis and to render to the importer the maximum of financial aid consistent with sound banking practice.

The exchange of commodities may be viewed from two aspects—the commercial and financial. The commercial part of the transaction pertains to the fulfillment of the contract entered into between the buyer and seller and has to do mainly

with the shipment and delivery of the goods. This phase of international trading requires specialists in each field of endeavor and as a result we have this distinguished group of "World Traders" meeting for the purpose of discussing those problems of foreign trade common to each one of us. The financing of all commodities follows the same general principles so I shall confine my remarks to the second aspect of the transaction.

The payment for merchandise may be accomplished in one of the three following ways: first, on open book account, second by the seller drawing on the buyer with documents attached and third under Bankers Commercial Sight or Acceptance Credits. International sales on open account are very infrequent for the exporter can sell only to firms of the highest credit standing and then only when he is capable of financing himself for long periods of time. The second method is somewhat more satisfactory for here the seller controls the merchandise until the draft is paid or accepted. If the draft is accepted the seller has definite acknowledgement of the indebtedness and in the event of litigation it is more satisfactory than the open book account. The third method of financing by Bankers' Commercial Credits is the most satisfactory and economical to both buyer and seller. The seller receives his money at the time of shipment and is, therefore, in a position to quote more attractive prices. The buyer's capital is not tied up in merchandise in transit for he has employed the bank's credit to the full extent of his obligation. He is thus able to increase his volume of business to an extent which would not otherwise be possible.

The Commercial Letter of Credit is of recent origin in this country and may be dated from 1914, which year gave us our first real introduction to foreign trade. The Federal Reserve Act of 1913 gives

the National Banks the ability to finance this commerce with dollar Acceptance Credits thru the acceptance of bills for rediscount with the Federal Reserve Bank.

During the next few years much confusion resulted through a lack of uniform standards of practice between the banks in this country as well as the banks abroad. The terminology of the credits and the liability of the interested parties were not understood or clearly defined, which resulted in endless conflict. In order to remedy this chaotic condition the New York banks in 1920 named a committee to study the situation. Standard forms were drafted and terms were defined thus bringing about a more uniform understanding of the function and legal status of the bank credit.

The fundamental purpose of a Commercial Letter of Credit is to facilitate the marketing of merchandise. It may be defined as a formal instrument which sets forth the conditions under which the seller may secure payment for his goods. It performs a threefold function; first it authorizes the seller to draw on the issuing bank or its correspondent, second, it enumerates the conditions of drawing, and third it contains the bank's promise to honor the drafts if the conditions are fulfilled.

The Bankers' Committee of 1920, after defining the regulations regarding commercial credits, classified and drafted credit forms for the fulfillment of the functions they were intended to perform. The credits were classified as either circular or specially advised according to method of transmission. Circular credits are addressed to the beneficiary and are available at any bank willing to negotiate the draft. These credits may be mailed by the issuing bank to the beneficiary or may be given to the importer for mailing abroad. Specially advised credits are advised direct by the issuing bank to its correspondent abroad for advice to the beneficiary. Cable credits must necessarily fall under this classification, although mail credits are sometimes specially advised and negotiated thru one correspondent. Credits are classified as to duration either revocable or irrevocable. A revocable credit may be revoked without the consent of the beneficiary by the issuing bank. This type of credit is not satisfactory to the seller especially where the goods must be manufactured or where considerable time may be consumed in the preparation for shipment. Irrevocable credits are, as their name implies, not subject to revocation as long as the terms of the credit are complied with.

Credits are classified also as to obligation either confirmed or unconfirmed. This terminology, accepted in the United States, does not agree with the British usage. The British classify a confirmed credit as irrevocable and, by the same token, an unconfirmed credit is revocable. Our usage of the two terms is entirely different. A credit may be both irrevocable and confirmed, irrevocable from the standpoint of the issuing bank and con-

(Continued on Page 87)

MOTION PICTURES BEING PRODUCED IN CHINA

LOS ANGELES, Cal.—William H. Jansen, manager and director for the Red Seal Film Company, Ltd., of Shanghai, China, accompanied by C. S. Lu, leading man in "Filial Piety," the company's latest seven-reel feature, stopped at the De Mille studios in Culver City for a short inspection tour on their way to New York.

Jansen, formerly a film man of Hollywood, but who has confined his interest to the promulgation of motion pictures in China for the last decade, marveled at the progress producers of America have made since 1914.

Mr. Jansen reports that there are now 85 producing film companies in China.

Complications in Chinese Customs Conference

AN Associated Press dispatch from Tokyo, Japan, on Aug. 3rd states that the China Customs Conference has been definitely adjourned. The real circumstances or reasons have not been yet revealed by any of the participating powers. Official communiques, issued simultaneously by all, have merely stated that the adjournment is due to the unsettled conditions in China.

The conference got to work when considerable unrest was prevailing. It was in session when civil war was raging outside the gates of Peking and the noise of firing could be distinctly heard in China's capital. Even when the Forbidden City was bombed by Mukden planes the sessions were not discontinued. There is more order today in Peking than there has been since the convening of the conference. Why then was the conference adjourned?

Clash of Interests

In short, there has been a clash of interests. It is an open secret that, for some time past, the powers assembled at Peking, more particularly Great Britain and Japan, have been following the moves of each other with lynx-eyed zeal. Japan is suspected of having tried to bring Chinese animosity against Great Britain to a head and Japanese actions anyway have tended toward telling the Chinese that Codlin's the friend, not Short; or to get away from Dickens, that Japan and not Great Britain is China's friend. Japan has recently set herself up on a pedestal, by the way, that Russia also tries to stand upon. Japanese controlled organs, throughout the length and breadth of China, have incessantly dinned into Chinese ears the generous suggestions that Japan was making for and on behalf of the Chinese at the Peking conference. There has been practically no space devoted in these journals to what the British and American representatives at the parley have said or suggested on behalf of China.

The curtain has risen on a new and important drama in the Far East and five of the world's biggest nations—even of some of these are not among the most powerful—are playing important roles. It is not an exaggeration to say that an important phase of human industry is gradually unfolding in Peking.

Japan has lost no opportunity of declaring her friendship for China. At times, this has been done with such fiery zeal that it leaves no doubt about Japan's intention to ingratiate herself with China and the Chinese. No opportunity was allowed to escape whereby the Island Empire of the Far East could tell the Chinese that it was the dearest wish of Japan to see China free and unfettered. When Japan dramatically espoused the cause of China officially, people here opened their eyes wide with astonishment. Japan had two major motives in so

doing. The first and most important was to get into the good graces of the Chinese and keep her extensive markets there; the second, which is corollary to this, was to capitalize the troubles Britain is having in China at present and, by undermining British prestige and power, for generations, has had in China.

Attitude of Powers

All the powers signatory to the Washington Treaties relative to China have expressed sympathy with the Asiatic republic. The attitude of these powers, however, has been tempered by a calm consideration of facts, by the cold logic of things as they are and not by things as they seem. Japan, however, although just as practical as anyone else, suddenly became convulsed with a wave of emotion and sentiment, and suddenly expressed a pious wish that China be released of extraterritoriality and be given full customs autonomy. This sudden over-night conversion has naturally astonished the Chinese who, however—this is Chinese psychology—not only refuse to look the gift horse in the mouth, but also are very suspicious of what the Japanese statesmen are really aiming at. China's treatment at the hands of Japan for the past decade or more jars on Chinese susceptibilities, and this sudden ebullition of affection has had the natural reaction on the Chinese mind—namely that there is a nigger in the woodpile. "Timeo Danaos et dona ferentes" has been a guiding beacon of Chinese policy and psychology—individual and national—for generations. Accordingly, the shy maiden Japan is so fervently courting is hesitant, is suspicious, impaled on doubt.

Great Britain is easily the most powerful foreign power in China today. She undoubtedly has the largest interests at stake, interests that have been built up laboriously through the years. She is the virtual ruler of the International Settlement in Shanghai and she holds numerous other footholds in other parts of China where, by virtue of treaty, she exercises a form of jurisdiction. Here, it is as well to bear in mind that consular jurisdiction was not wrested from China. In the old days, China did not know what to do with the penetrating foreigner and, in order to make the foreigner disgusted and clear out, the Mandarins of the then Celestial Empire decreed that China could not protect them, that the foreigners would have to look after themselves. Thus came extraterritoriality into existence. It is obvious that the abolition of extraterritoriality would harm Great Britain most; Japan's sacrifice in this respect would certainly not be in proportion to that of Great Britain.

Handled Customs

As the trade and influence of Great Britain grew—and this synchronized with the period during which Britain was practically the world's sea carrier—signs of disintegration began to appear in China. At the request of the Chinese government, Great Britain undertook to administer the Maritime Customs. The task has been so well done that China has always had a tidy surplus, whereas in former years hardly anything reached the central coffers at Peking, due to the depredations of rebel tuchuns and bandit barons. Control of the Chinese Maritime Customs naturally increased British power in China and

its skillful and honest administration the logical fruit in that Great Britain's prestige was enormously advanced.

In the meantime, and especially the beginning of this century, important changes were occurring in Eastern America had become an Asiatic power by virtue of her occupation of the pines; Japan had become great over so to say, through the defeat she won on Russia; Russian capitalism eliminated from the Far East; the diery on the Asiatic continent had significance; it was regarded as a stration signifying the humiliation merely of Russia, but of the Western anese capital had organized itself in central lines and proceeded to so fields of development in Manchuria, Mongolia.

Aided by fortuitous circumstances the least of which was the stupidity Great War—Japan forged ahead and soon became to realize that her est competitor in China was Great ain. Taking advantage of the war, tried to make Peking a vassal of for the notorious Twenty-one Demands if successful, would have bound hand and foot. The war over, it increasingly evident to Great Britain China meant much to her trade. The ter of political gravity had shifted Pacific and the scramble for the markets of China was soon on.

There has since been severe competition, between Great Britain and Japan, particular, for the China trade and fact must be borne in mind when aging the China Customs Conference Japan was fast growing industrial and had to have markets. Great Britain, although handicapped by the war, coming back, and attention became cussed principally on China.

Soon after the customs conference manouevers and counter-manouevers came the order of the day. Comparatively little is known of what actually transpired, but piecing facts and ments together and drawing from logical deductions, it is obvious that an's chief aim was to win China and Chinese over. The old policy of down on the Chinese as "an inferior" was temporarily forgotten, and Japanese statesmen, in season and out of it, speeches praising China and the Chinese, and lost no opportunity of declaring Japan had repented of her past and would no more harass her friend. That has been a change of Japan's policy toward China since the days of Terakawa and Okuma—whose energies were directed toward carving a protectorate out of China—is undoubtedly true. The thing that matters today is whether change of heart is temporary or otherwise, that, time alone can tell.

DESTITUTE JAPANESE IN BRAZIL GET

TOKYO.—The Japanese government has forwarded 850,000 yen (\$406,775) to its consuls in Brazil to relieve 2000 Japanese families made destitute through droughts of the last two years. It is believed here that this evidence of government's desire to help will encourage the movement to emigrate to South America.

Beautiful Bogota

By F. O. MARTIN

The city of Bogota, of which Mr. Martin so interestingly writes in the accompanying article, is the capital of Colombia, a country rich in mineral wealth.

The production of petroleum in Colombia has increased greatly in the last few years, and with promising oil deposits being explored and developed, the petroleum future of Colombia is bright.

Union Oil Company of California owns in fee, large acreage in Colombia, and Mr. Martin has been engaged for some time in reconnaissance work on the property.—Ed.



Church in Bogota

and business life, not only because they are more numerous, but because their residence is more permanent. Americans come and go continuously, while English and German business interests have men who specialize in foreign work and therefore very commonly devote their entire life to it, and in many cases marry into prominent families. This applies particularly to the German, and on this account it is easily seen that they acquire quite an influential posi-

tion socially and in business affairs. Also quite a number of Bogota families have English names.

The population of Bogota is estimated to be about 150,000 inhabitants. How many of this number are pure whites is difficult to say; some estimate it at 50 per cent of the total, and some at much less. However, the entire population speaks Spanish. The original Chibcha language of the Indians has long since disappeared. Only the Indians who live entirely separate from the whites in the llanos and adjoining jungles still have languages of their own, and some of them cannot speak Spanish at all. In Bogota itself the negro is a curiosity, while in the western part of Colombia along the Pacific littoral, and to some extent also on the Caribbean littoral, the negro race predominates in numbers.

The appearance of Bogota reminds one of any other Spanish or South American city. The architecture is the same. The houses do not differ much in their arrangement of rooms and patios from the houses in the hot climates. So in order to keep out the cold and rain, some of the better houses have covered their patios with glass roofs, changing them by this arrangement into conservatories. Very few houses have any heating arrangements, in fact, I only know of one fireplace in Bogota, which the present American Minister has put into the house used for many years as the American Legation. Those who can afford it use either electric heaters or portable petroleum stoves to keep the rooms warm.

Many people do not realize that in a city lying less than 5° north of the equator one very often freezes. This of course is accounted for by the altitude of Bogota which is 2640 meters above the sea level. The annual middle temperature of Bogota is around 15° C. The lowest monthly middle temperature is about 13½° C., and the highest monthly middle temperature is about 16° C. So it can be seen that there are but small differences in monthly middle temperatures. The greatest changes in temperatures are daily ones, amounting sometimes to 8° C. Extreme temperatures are

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Steamer on Magdalena River Linking Bogota With the Ocean

Rehabilitation of Mexico's Finances

By L. F. HERBERT

Address Delivered Before the Foreign Trade Club of Southern California

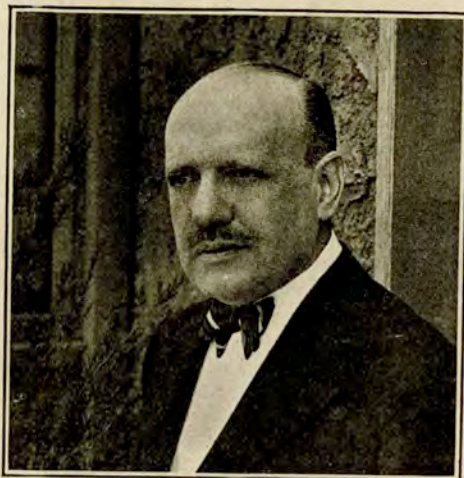
REVOLUTION and Mexico have become synonymous expressions, and whenever you suggest anything favorable regarding that country the next question infallibly is—when is there going to be the next revolution? On this matter I would like to say the following: Most revolutions in Mexico have been purely financial propositions, with ample foreign capital behind them. It was also firmly accepted that every revolution would be a success, with the result that the populace, whenever a strong revolutionary showed himself, immediately sided with him, knowing that the rebel of today was likely to become—no, surely to become—the government of tomorrow. This was the case right up to the last revolution engineered by Mr. De la Huerta, who, as you know, was temporarily President of Mexico previous to Mr. Obregon. Then the unexpected happened—the United States Government sided with the constitutional government of General Obregon by supplying him with arms and ammunition, and a fallacy was smashed. Mr. De la Huerta was beaten, and had to flee the country. The first revolution since the days of Porfirio Diaz had become a failure, and therefor did not pay its financial sponsors. There is little chance nowadays of finding anybody who is prepared to finance a revolution, as it practically means fighting the unlimited resources of the United States.

But revolution is still rampant in Mexico, but of an entirely different kind. It is the most complete economic, social, industrial and financial revolution the country has experienced, and the regime of President Calles is the cause of it. President Calles is doing nothing else but to live up to the constitution he has sworn to observe, and on which he has been elected. He is the first President under the 1917 constitution who is successfully enforcing its provisions. The 1917 constitution was the result of revolutions, and its revolutionary character becomes more apparent in its strict application.

The only thing concerning us is the question—has it done Mexico any good, and has it hurt anybody outside the country? Personally, although I am afraid not everybody will agree with me, my answer is emphatically Yes to the first question, and even more emphatically No to the second.

Mexico is working out its own salvation against untold odds, and with remarkable results, not watched entirely without grudge on the part of her enemies.

For the last five years Mexico has



L. F. HERBERT

Mr. Herbert was born in Vienna, Austria, completed his studies in that city and emigrated to England at the age of seventeen. He has been engaged in financial and mining business for the best part of twenty-five years. He has devoted himself to the foreign securities business in this country since November, 1915. Mr. Herbert's connection with Mexico was not accidental but was made after deliberate investigations, his opinion being that Mexico is offering greater opportunities for the foresighted investor than any other country in the world.

made strenuous efforts to emerge from her financial plight, and without a helping hand being extended to her she is now once more to be classed among the solvent nations of the world.

Let it be remembered at this juncture that Mexico has not increased her indebtedness by one cent for the last thirteen years which, it is true, was not for the lack of desire to do so. Constant revolutions prevented her from concluding such a loan, because any attempt on her part to do so has, in the past and would probably be now, turned down. Nevertheless, the fact remains that where every other country on the globe has increased its indebtedness from three to six times its pre-war figures, Mexico remains with an insignificant small debt of approximately \$267,000,000, on which the full amount of interest payable after 1928 will amount to only \$12,250,000. In 1913 the revenue of the Mexican Government was about 60,000,000 pesos. In 1926 it will amount to approximately six times as much, and is steadily growing. Economies in running the Government have been enacted, without regard to individuals who held highly paid positions for political services. President Calles has ruthlessly thrust these parasites from office, and has only allowed those to remain whose services were adequate to the pay received.

Graft, which was rampant all over Mexico, has been eliminated completely and although President Calles has earned the enmity of those hit by his determined policies he is gaining in popularity daily, as the Mexican people are waking up to the fact that Mexico has, for the first

time in her history, a President working exclusively for their benefit.

When in 1923, previous to his election, President-Elect Calles was received at a banquet at the Chamber of Commerce, at which the honor of acting as one of the tition committee, he expressed himself the effect as having as his goal in life to make out of 12,000,000 Mexicans a civilized, 12,000,000 consumers, consequently producers. His utterance was received with the usual increase attached to all newcomers' prophecies. Most of us present on that occasion inclined to accept his statements with a large dose—not grain—of salt. President Calles has proved an exception to the rule, as his deeds have, so far, been better than his words.

To achieve his object he was determined to enforce the provisions of the constitution, and we, in this country, uphold any government which is sincerely trying to carry out the law by oath and duty it is bound to do.

That by so doing he is offending the feelings of the predominant church which he and his followers belong to, show his determination and remarkable pluck to do what he considers his duty irrespective of the consequences.

It is a most ungrateful and dangerous task to talk publicly on religious matters, and I will therefore refrain from doing so, but I strongly recommend those who are interested in this question to prepare for themselves the July, 1926, issue of Current History Magazine, in which subject is elaborated from every point of view. Mr. Constantine E. McGowan, Secretary of the High Commission of Ministers of Finance of the American Republic, represents the Roman-Catholic view. Mr. James Cannon, Jr., Bishop of the Methodist-Episcopal Church, represents the American Protestant view. Mr. Manuel E. Tellez, the Mexican ambassador to the United States, represents the Mexican official view. Mr. Charles A. Frueauff, Attorney for the Mexican Consulate in New York, represents the legal point of view. Mr. Jose Miguel Jaramo, formerly an officer of the Mexican Education Department, represents the Mexican Educator's view, and finally the constitution of the religious clauses of the Mexican constitution are set out in full.

After carefully perusing these pages the fair-minded man will arrive at the conclusion that "to understand everything is to forgive everything." The present attitude of the Mexican Government on religious matters is the natural result of 350 years' domination by the Church. Although the Roman-Catholic Church is principally involved it affects all denominations equally. Whatever the claims of the Church in respect to the education given to the people may be, the fact remains that after nearly four centuries control 90% of the Mexican population can neither read nor write, and President Calles' boast of bringing every child within reach of school during his term of office has actually been achieved in the state of Yucatan, and bids fair to be accomplished

September, Nineteen Hundred and Twenty-six

the remaining parts of the country. It is proposed to establish 3000 new schools during the Calles' administration, of which 962 are already functioning. When President Calles took office he found an empty treasury. Government employees had not been paid for years, and the Government was owing money to every contractor for supplies.

The only currency in the country was gold and silver, and serious doubts were expressed that notes of a contemplated bank of issue would find favor with the population. The railways of the National Railways system of Mexico, managed by the Government, showed an operating loss of many million pesos a month. Far from earning interest on their bonded indebtedness, the Government had to use its revenues to keep the railways running. Graft in its most hideous and nameless shape was the order of the day. Passengers were better off to ride without paying their fare at the ticket office, but they were better off to travel without paying the conductor instead, who calmly pocketed the money. Freight could only be moved by bribing the station master. Strikes were prevalent, and to travel in Mexico for many years previous to the present Administration tackling this sorry subject, was a torture. The staff of the railways was packed by favorites of the Government, who thus recompensed political services, and one of the largest railway systems on this continent went from bad to worse. On the top of that the government had guaranteed in the 1922 agreement interest on all outstanding bonds of the National Railways system, which thus became an additional burden to the Mexican Treasury.

Foreign capital was scared to enter the country under the shadow of the much maligned Article 27 of the Constitution, and the largest source of revenue of the country, the oil industry experienced curtailment in production, a policy carefully devised by the oil interests to achieve their object.

What has happened under President Calles? The finances of the country have been placed on a stable basis. Interest payments on the country's debt has been resumed. On July 1st \$6,000,000 were distributed to holders of Mexican bonds. The budget shows a large surplus. Salaries to government employees have been paid. A Bank of Issue has been established, whose notes are not only willingly accepted by the public, but are changing hands, at a premium, against gold and silver. The Bank is under the able management of my friend, Mr. Mascareñas, formerly Consul-General of Mexico in New York, who to start with made a point not to issue notes in excess of actual gold kept in the coffers of the Bank. The public gradually took to the notes, and today they form the main currency of the country. The capital for the bank was provided to the extent of 1% by the Mexican Government, whereas the balance was subscribed in the country without any foreign help. It is therefore a truly national institution, and will go far to re-establish Mexico's credit abroad. The railways, as previously said, a serious burden to the government, are now a prosperous concern, under the excellent management of Mr. Bertram Holman, an Englishman, who successfully managed a Mexican railway company, an English concern, all through the revolution.

The bonds of the National Railways are today a far better security without the guarantee of the Government than with this guarantee, as provided for in the 1922 agreement. The value of these bonds

AGRICULTURE

Mexico is essentially an agricultural and industrial country. It is estimated that of Mexico's 490,000,000 acres of land approximately 354,000,000 acres represent pasture, grazing, timber and lands that are suitable for cultivation or come under the head of agricultural lands. Of this acreage, 354,000,000 acres, only about 18,000,000 acres are now under cultivation. It is evident, therefore, that so far as agricultural development is concerned, Mexico is almost a virgin field and offers unlimited possibilities.

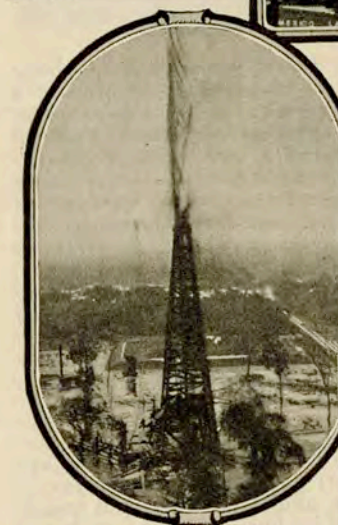


The establishment of the Bank of Mexico during September 1925, is perhaps one of the greatest achievements of President Calles. Present plans call for the eventual establishment of branches throughout the republic.



PETROLEUM INDUSTRY

Second only to the United States in oil production, Mexico up to and including the first six months of 1925 produced 1,260,342,108 barrels of oil, with an estimated value of \$2,108,644,085 (Mexican currency). Oil exports for 1924 totaled 129,699,788 barrels. Geologists estimate Mexico's oil reserves at 5,750,000,000 barrels.



MINING INDUSTRY

The fabled mineral wealth of Mexico has been recognized the world over since the time of Cortez and the Conquest.

Today, among the nations, Mexico stands first in the production of silver, second in copper, third in lead and zinc, and is fourth among the nations in the production of gold. It is small wonder that Baron Von Humboldt called Mexico the "Treasure House of the World."

—Photos Courtesy Moffett & White, Specialists in Mexican Securities



was based entirely on the Government guarantee, as the railway itself was running at a stupendous loss. In the modified agreement of 1925 this guarantee was rescinded, but the government has to all intents and purposes guaranteed the earnings of the railway for the next two years, and has taken the most drastic steps to insure these earnings by giving the concern the best management to be obtained, comprising complete elimination of graft, and by regulating tariffs and wages so as to achieve its object. The result of these drastic measures is that the former insolvent concern, which could not earn its operating expenses, is remitting today at the rate of \$30,000 to the international bankers to meet interest,

and is understood to be earning considerably more than the aforementioned sum.

A prominent Mexican banker, whom I had occasion to meet just previous to my departure from New York, and who had for years been very pessimistic on the political and financial outlook of his country, told me that it seems unbelievable that such a complete change could have been accomplished in so short a time. He told me that in the purchasing department of the National Railways alone, a saving of well over \$10,000,000 was being effected, or more than the total amount needed to pay interest on the bonded indebtedness.

The market valuation of the bonded indebtedness.

Continued on Page 85

A Wonderful Financial Achievement

By ENRIQUE M. SOBRAL

SPEAKING about the financial situation of Mexico under the present administration, I do not hesitate in stating I consider the financial achievements of Alberto J. Pani, Secretary of the Treasury, under the Obregon's and the Elias-Calles' administrations, as a wonderful piece of statesmanship. I have been, during the last five months studying the financial situation of Mexico, and feel authorized to say that said work is as remarkable—if not more remarkable—as that done by Jose Ives Limantour under the Porfirio Diaz' administration.

Summarizing the labor of Presidents Obregon and Elias-Calles and of their able Secretary of the Treasury, I will mention the following main financial features of same:

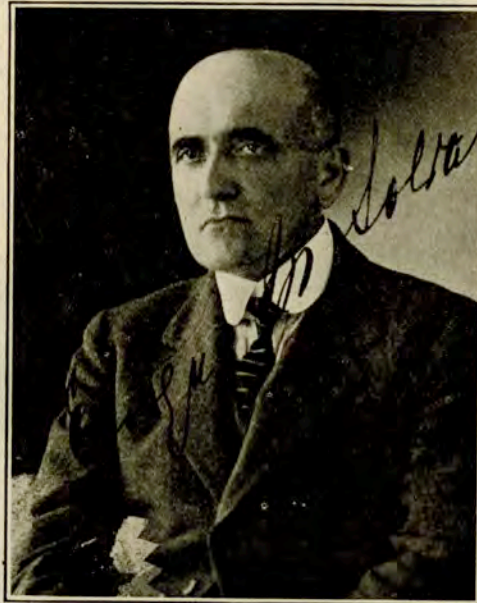
- I. The Stabilization and equilibration of the budget;
- II. The definite solution of the banking problems of the country;
- III. The settlement of the external debts; and
- IV. The creation of a scientific system of taxation.

Two years and a half ago, the situation of the Mexican treasury was one of the most difficult that Mexico has ever faced through its history. When Mr. Pani was appointed Secretary, the deficit amounted, in rough figures to sixty million pesos, equivalent to thirty million dollars. This situation was made even more difficult on account and as a result of the revolt headed by the former Secretary of the Treasury Sr. D. Odolfo de la Huerta. It is calculated that the suppressing of this revolt cost the federal Government around sixty million pesos.

During the years of 1924 and 1925 the Government applied a system of strong energy towards the establishment of economies in the expenditures and towards the efficient collection of the federal revenue. The result of this policy was that, in two years, the deficit plus the expenses originated by the revolt were paid to the last cent; the budget was balanced, and a considerable surplus was obtained in 1925. Said surplus, amounting to more than fifty million pesos, was invested by the Government in the capital stock of the National Single Bank of Issue, named the "Banco de Mexico," mention of which is made herein after.

The normal income of the Federal Government during the year 1923 amounted to some two hundred and sixty million pesos, while the same income, during the year 1925 reached the figure of three hundred and thirty-six millions, thus making an increase of more than seventy-five millions.

The banking problem of Mexico was solved through the creation of the National Single Bank of Issue, a Mexican corporation named "Banco de Mexico, S. A.," with a capital of one hundred million pesos, out of which the Government underwrote 51%, and the rest is being underwritten by private individuals. The single Bank of Issue is developing func-



Enrique M. Sobral

Enrique M. Sobral, formerly a counsellor to the Treasury Department of Mexico, a teacher of Economics in the University of Mexico, a director of the Banco Nacional de Credito Agrícola, and financial counsellor of the Guatemala Government, in whose behalf he directed the currency reformation of that country, and now agent for the Mexican Government before the General Claims Commission sitting in Washington, was in Los Angeles recently. Before going to the National capital, Mr. Sobral kindly wrote this article for PAN PACIFIC PROGRESS, so that our readers would have the latest and most reliable information regarding the financial situation in Mexico.

tions similar to those of the Federal Reserve Board of the United States. It has made no effort to force the public to accept its notes, and it is slowly but steadily developing its business. The motto of this bank can be compared to the Rotarian one of "service before self," as its main purpose is not only to do business and earn dividends, but, also, and most prominently that of helping the development of the country.

The Federal Government created also, the National Agricultural Bank, with capital stock of twenty million pesos, subscribed by said Government, by the local governments and by private individuals. The purpose of this bank is that of helping the solution of the agricultural problem of the country. It has to operate not only by direct loans, but mainly through the sectional and local Societies of Rural Credit, that have begun to be created, more or less, on the co-operative basis similar to the "Raffeißen" system of worldly reputation.

The former banks of issue, the mortgage banks, the trust companies, the branches of foreign banks, the promotion banks, etc., have been reorganized by the new banking law, prepared by the National Banking Convention, a gathering of the most prominent and representative bankers of Mexico.

The whole system is under the supervision of the National Banking Commission, a body of experts that, though subject to the Treasury Department, enjoys

a considerable independence, and exercises the functions of the American controller of the Currency.

The external debt was the matter arranged, entered upon, in 1924, by former Secretary de la Huerta and T. W. Lamont, as representative of the Committee of Foreign bond holders. The agreement had to be suspended in 1924, on account of the difficult situation created by the deficit and the revolt. Secretary Pani exhausted all human effort to carry the agreement on, but the necessities of the country were the most urgent, and the adjournment was decreed. The principal that a country cannot pay to his creditors, except by taking the elementary steps required by its life.

The primitive agreement was substituted by a new one, celebrated by Secretary Pani and Mr. Lamont in the year 1925. This new agreement provides for the settlement of the Mexican debt and the Mexican Government religiously complying its stipulations. The advantages were obtained by the Government through this new agreement. The important one was the separation of the federal indebtedness from the Republic's debts, which, logically, led to the creation of the Railways to their legal owner, the Compania de los Ferrocarriles Nacionales de Mexico.

As a result of the Pani-Lamont agreement, Mexico is again on a paying basis and its external credit is being definitely restored.

The federal income of Mexico was entirely based upon indirect taxation, specially the custom house dues. Mr. Pani has taken the necessary steps to the reformation of this situation, and a system in which direct taxation is contemplated. The main feature in this purpose, is the establishment of the income tax. The Mexican Government had to show a tremendous courage and power of will, in order to have income tax accepted by the public, Mexico—as well as in any other country—this tax faced at the beginning with strenuous opposition. The Government succeeded, and the new tax began to yield clear returns; in the year 1924 returns amounting in that year to twelve million pesos. In the following year, 1925, the income tax yielded more than twenty million pesos, which is a wonderful result, considering the population of Mexico and the lack of education of the majority of its inhabitants, especially financial matters.

The situation of the country at present seems promising to me. Mexico is solving its problems and reaching an organized status, after more than fifteen years of internal strife. A stable situation has been obtained, and I dare to believe peace and order will reign in that country during many years.

HOSE FACTORY TO BE ESTABLISHED AT MIAOLUCHEN, CHEKIANG

Pan Chi-chao, a merchant of Miaoluchen, in the district of Yuyao in Chekiang province, is planning the establishment of a hose factory in his native town. Forty machines have been ordered and the factory will be in operation as soon as the necessary preparations have been completed.

The Chinese Eastern Railway

By DR. C. C. WANG

President and Director General of the Chinese Eastern Railway. Written for the Far Eastern Review of Shanghai. See Map on Page 81



The Chinese Eastern Railway is the big bone of contention in China. It was built by Russians on Chinese territory and financed by the Russo-Asiatic Bank. The headquarters of this bank is in France and the majority of the stock is held by the French. Hence there is a triple partnership in this railway, creating a situation as complex and dangerous as the usual eternal triangle in civil life. The three interests are strongly entrenched and backed by determined officials. The French withheld ratification of the "Washington Nine Power Pact" for nearly four years, demanding their "pound of flesh" from China, in a settlement of their interest in the Chinese Eastern Railway. They refused to accept China's offer in francs, because of their depreciation, demanding payment in U. S. Gold. And yet the French accuse Americans of being "Shylocks!" The editor of PAN PACIFIC PROGRESS, who served nearly a year with the A. E. F. in Siberia during 1919, suggested over four years ago, that the French make a payment on their war debts to the United States by turning over their interest in the Chinese Eastern Railway. It might prove a complicated process but the assets are there, held by our debtor, and this transfer would remove one of the greatest sources of friction in China. The Chinese know that America is their friend and we would give them a square deal.—Editor

churia) until 1924, when Russia's extraterritorial rights were cancelled.

The second reason seems to be geographical. A glance at any map will show that China, like her homes and her cities, is "walled in" on all sides by immense barriers. On the east and south is the China Sea; on the west and southwest we have the Yunnan and Tibet mountains; on the north we have the Mongolia deserts; while the Three Eastern Provinces with their deserts and mountain ranges serve as a "helmet" to China's capital. Thus "walled in" and protected from her neighbors, China's political and economic systems have been ac-

cordingly developed through the past centuries. Once the Chinese Eastern Railway was built, it immediately broke the barrier between China and the West. Her "helmet" was pierced. Europe was brought to Peking within seven days. Such a penetration as that made by the Chinese Eastern must have had an effect upon China no less immediate and far-reaching than the penetration made by the steamship through the seas, as shown by the fact that, following the construction of the Chinese Eastern, China's foreign relations became far more important and complicated in the northeast, where there had never been much difficulty, than in other directions. A cursory review of China's foreign relations since 1896 will at once bear this out.

The Three Eastern Provinces, through which the Chinese Eastern runs, have an area equal to that of Germany and France combined, rich in forests, mines and fertile land, with a population of over fifteen millions. So long as they were left alone, Peking felt safe. Potentially and strategically, the Three Eastern Provinces are so situated that any predominating foreign influence there would have an immediate repercussion upon Peking, because they are so vast, so rich, and so near. The seizure by a foreign power of such an important province as Canton or Fukien would perhaps have less effect upon Peking than a similar catastrophe in the Three Eastern Provinces. Therefore, what happens there not only constantly causes alarm in all China, but also creates uneasiness among those powers whose belief and interest it is to preserve China's integrity.

Russia's Breach of Faith

Construction of the Chinese Eastern was begun in 1897 and was pushed with unusual speed. In the meantime a new phase of Russia's scheme was introduced. In March, 1898, that is about one year and a half after the signing of the original agreement, Russia secured under duress from China the lease of Liaotung Peninsula for thirty-six years, as well as the right to construct a branch line from Harbin, a central point on the Chinese Eastern, directly southward to Ta-Lien-Wan (Dairen), with the proviso that the agreement of 1896 between China and the Russo-Chinese Bank should apply with equal force to this branch line. This step, as was acknowledged by Count Witte, who originally negotiated the Chinese Eastern Agreement, was diametrically contrary to the understanding given in 1896, when Russia definitely assured Li that the Chinese Eastern would not go southward from a straight line connecting Chita and Vladivostok. It was understood that there was much opposition in Russia to this breach of good faith with China. But the jingoistic elements had their way. The Russians themselves, to use Count Witte's words, "broke the agreement and brought about the situation from which they suffered humiliation and disgrace." The original agreement of 1896, one-sided as it was, was not bad enough to expose Russia's naked designs in the Far East, had she made any attempt to honor it. It was the

(Continued on Page 89)

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PAN PACIFIC PROGRESS aims faithfully to chronicle the main events of Pan Pacific countries. It is the open forum for a candid expression of opinion of contributors on all subjects pertaining to Pan Pacific affairs but the editor is not responsible for the opinions expressed by the individual writers.

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Vol. V SEPTEMBER, 1926 No. 3

CRITICISM OF AMERICA UNJUST

European critics of the foreign policies of the United States were reminded recently by Chairman Borah of the Senate Foreign Relations Committee that people who live in glass houses should not throw stones.

The declaration of the foreign relations chairman, made in a formal statement, was the first official notice to be taken here of the recent anti-American agitation which has expressed itself in attacks on American sightseers in Paris, vitriolic denunciations of the American policies by a section of the Italian press, and other scattered outchoppings throughout most of Europe.

"What has happened since the war that we should have forfeited our high standing and now be denounced as 'Uncle Shylock'?" he continued. "We attended the Versailles conference, where, among other things to be done, the world was to be partitioned. There were about 4,207,392 square miles of territory to be divided among the victors. Of this amount Great Britain obtained 3,805,000; France 402,392 square miles. It would seem that Great Britain's quarrel is not with the United States, but with France. It was France that got 402,392 square miles."

"Mr. Wilson, speaking for the United States, said: 'We want no territory. It is not in accordance with our ideals; that is not the purpose for which we went to war.' 'Very well,' said Great Britain, 'We will take it.' Both were true to their ideals in this instance. Certainly there are no reasons here for calling the United States 'Uncle Shylock,' whatever reason Great Britain had for complaining against France."

"What has happened since the treaty that would impeach our ideals? We had the note of Great Britain drawing 5 per cent interest and due. We cancelled the debt to the extent of about thirty cents on the dollar, and gave her sixty-two years in which to pay."

"Our settlements with Great Britain, Italy, Belgium and the proposed settlement with France represent a cancellation of seven billion dollars."

"It would seem that under all the circumstances, there is no occasion for charging the United States with being a 'Shylock.'"

"But, I do not wish to have it inferred that I am charging that Great Britain has been false to her ideals."



MR. PAUL RESTREPO

Mr. Paul Restrepo is a native of Colombia and is making a three months' trip through Colombia and Ecuador, representing Pan Pacific Progress, and a few other special lines.

Mr. Restrepo has been quite successful in a number of business ventures. He recently secured a concession in behalf of the Leonard Exploration Co., of 25,000 square Kilo. in two different parts of Ecuador, S. A., during the time that Dr. Jose Luis Tamayo was President of Ecuador.

Mr. Restrepo will return from Ecuador and Colombia in about three months and he will establish himself permanently in Los Angeles and will be engaged in the importation of Colombian coffee.

OUR NEW PATRONS

It affords us considerable pleasure to introduce to our readers some of the recent additions to our list of "Patrons."

This list is gradually increasing and extending. It will soon embrace the entire Pacific area.

To be connected in any great educational movement is an honor and should be coveted.

Suggestions from our readers of additional names to be nominated for this position will be welcomed.

Among the new "Patrons" are the following:

Silas Evans—Dr. Evans is president of Ripon College, of Ripon, Wisconsin; a noted educator, lecturer and keenly interested in the study of international affairs. We hope to have a special article from Dr. Evans in the near future.

Dr. James W. Garner—Dr. Garner is professor of political science at the University of Illinois, Chicago. He has traveled extensively, teaching and lecturing for a number of years in the leading universities in India and China.

Mrs. Oliver P. Clark—Mrs. Clark has for years taken a very active interest in civic and club affairs. She is the past president of the Friday Morning Club of Los Angeles and also a member of the

National Committee of the Republican party.

Rev. John F. B. Carruthers—Dr. Carruthers is Dean of the Collegiate of Religious Education and Social at Los Angeles. He is now traveling Europe and Asia Minor making a study of social and economic conditions. We hope to have some special from the Dean in some of our future issues.

Lincoln Wirt—Mr. Wirt is Secretary for the National Council of Prevention of War, a lecturer of reputation and keenly interested in educational work.

ARE WE BAITING JAPAN

A recent visitor to Japan has something to tell him who thinks. He reports that fear of the aggression of America was expressed by fully half of the prominent Japanese with whom he talked. As he left it was the dominating impression he carried away.

Here are the questions they asked:

"Why does the United States give military training in their schools? Is back of her recent immense naval appropriation? Why does she need a huge air force? For what useful purpose is she creating a fortress in the middle of the Pacific? Why does she mobilize fleet in mid-Pacific and send it to Australia and New Zealand? Why has she developed her transcontinental air so hurriedly? What is the meaning of America's Defense Day? are questions peatedly asked by intelligent leaders of public opinion in Japan. They are questions on which the daily press is w editorial and about which the common people are talking."

The editor of one of Japan's great dailies said to me on this subject: "I meet this changed spirit of America since the late war, is rapidly coming into power. It has successfully demonstrated compulsory military training in our universities, something we have never before. If American youth are trained to fight, Japanese youth are be unprepared. The demand for a army and stronger navy is again increasing. Our country, for years, has been developing its mind as well as its forces, but is going back to the old of view, and it is going back to America is forcing us to go back to new militaristic attitude. No Japanese dreams that we could conquer America. You have twice our man power and times our financial and economic resources. Besides all this you have kinship with England. You are, nevertheless, the side that is forcing this and we frankly ask, 'for what purpose?'"

GEORGE GLEASON

A HIGH COMPLIMENT

Our readers will recall a series of articles entitled "Mexico and the Foreign Prepared especially for this magazine. Frederick F. Barker, of the Los Angeles bar. These articles, with some additions made by the author in view of later information, have been reprinted for gratuitous distribution by the United States Department of Commerce, under the title of Alienship Legislation in Mexico. Copies may be obtained by addressing the Bureau of Foreign and Domestic Commerce, Washington, D. C., and asking for June issue of the Comparative Law Review.

September, Nineteen Hundred and Twenty-six

Pan Pacific Association For Mutual Understanding

Object—To help spread among peoples bordering the Pacific a wider and more sympathetic knowledge of each other, that the cause of peace be served and those manifold interests common to all mankind be increasingly recognized and extended.

ES. CABRERA RULED BY FORCE

G. Williamson graphically portrays the life of the late Manuel Estrada Cabrera, who ruled Guatemala with an iron hand for 20 years. He managed it, personally pointing every official, even to the office boys, and employed many other wily methods. From his "White House" to the Government offices he had an underground network. He had several homes and no one knew in which house or on what bed he would sleep any night. Mr. Williamson described three of the attempts on his life.

A flag was to be presented to some of the guests. A small charge of picric acid was placed in the middle of the block and a trigger one at the end with a lookout at a window facing, with the manipulator back of him. It failed through their unfamiliarity with the fact that electricity travels 3,000 miles a second. The horses and never were blown to pieces, leaving the President untouched. The larger charge at the corner would have blown up several city blocks.

Another time a shot went between two of the fingers, taking with it a tiny bit of flesh.

Highly dramatic was the third. The President was to drive the golden spike to celebrate the completion of a railroad crossing his country. The President of the United States had sent an army officer, Major Davis, to represent our Government. President Cabrera walked out of the door, Major Davis followed, and third was the builder before. If American youth are trained to fight, Japanese youth are unprepared. The demand for a army and stronger navy is again increasing. Our country, for years, has been developing its mind as well as its forces, but is going back to the old of view, and it is going back to America is forcing us to go back to new militaristic attitude. No Japanese dreams that we could conquer America. You have twice our man power and times our financial and economic resources. Besides all this you have kinship with England. You are, nevertheless, the side that is forcing this and we frankly ask, 'for what purpose?'"

Matters became unbearable, during an inspection when President Cabrera was put in jail where over two years later he died. The present President is Senor J. M. Orellana, who is very popular.

VICE-CONSUL FOR PERU

LOS ANGELES, Cal.—L. S. De Besa, active in banking and commercial circles, has been appointed Peruvian vice-consul in Los Angeles. Mr. De Besa is now working with the Peruvian consul, Manuel Ayulo, for the establishment of direct express steamship connections between this city and Peru.

Los Angeles, according to Mr. De Besa, the natural port for Peru.

Mr. De Besa has offices at 205 National City Bank Building.

LOS ANGELES, Cal.—F. Espinosa, Nicaraguan consul in Los Angeles, has been appointed acting consul for Honduras and has established new offices at 929 California Building, Second and Broadway. The Nicaraguan consulate also has been moved to that address.

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ASSOCIATION NOTES

E. D. Briggs, one of our active members, has been elected President of the Los Angeles Transportation Club.

Scott Bone, Governor of Alaska 1921-1925, is one of our new directors.

B. F. Haile, who has held many important posts in the Orient, and Garner Curran, editor and publisher of the Pan Pacific Progress, are among the new vice-presidents.

Our Pan Pacific Year Book, announced last month for publication late in the fall, is making good progress under the direction of Frank Jenness.

Through the kindness of Phillip Norton we received ten courtesy memberships for distribution in India, where Mr. Norton had large business interests.

BALBOA DINNER IN OCTOBER

Also announced last month was our Balboa dinner planned as an appropriate opening date for the coming year's travel dinners. It will be early in October—exact date yet unset. The committee in charge being Alice Stebbins Wells, chairman; Arthur S. Bent, Paul Lupo, Florence Dodson Schoneman, Esperanza Carrillo.

Later we found the Chamber of Commerce had also arranged for a Balboa dinner, having given several in previous years. The only appropriate action seemed to be for us to swing in behind the Chamber of Commerce and help make their dinner the biggest possible success.

ANNUAL OUTING

On August 15th the International Artists Club and the Sunset Country Club hold their third annual outing together at the Sunset Club, Burbank. This season it will be called the Fiesta of Nations. Members and friends of the Artland Club, our Pan Pacific Association, the Los Angeles Opera and Fine Arts Club, and the Council of International Relations are invited. The Club House will be open for breakfast, or groups can bring lunches to eat under the trees.

DISTINGUISHED VISITORS

Distinguished visitors passing through from the Orient and welcomed by the Association were:

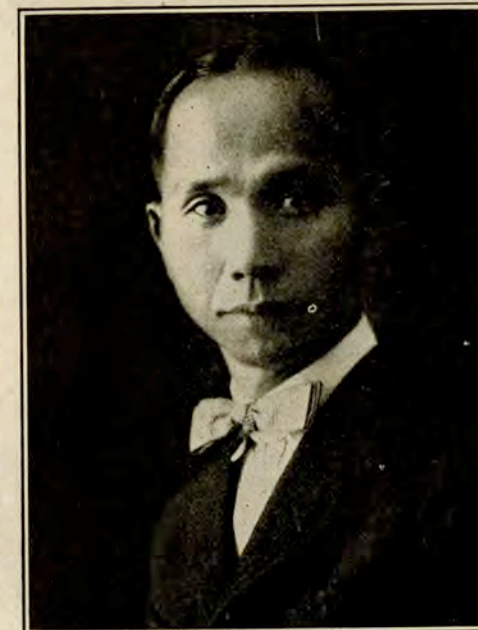
W. F. Burridge, District Commissioner of Java, with his bride, en route to Holland for his sabbatical year.

Mr. and Mrs. McPherson Robertson on the first American lap of their world tour to Great Britain and around the world.

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Send us your subscription TODAY



Colbert N. Kurokawa
Educational Director of the Pan Pacific
Union of Honolulu

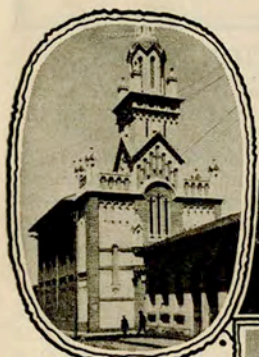
Director Kurokawa not only will report the activities and accomplishments of the union since its organization nineteen years ago, but will outline the projects of the future and if possible feel the reaction of the Coast organizations toward the Union's activities, during his tour.

While in Los Angeles, Mr. Kurokawa was the guest of Mr. Lorin Andrews, president of the local branch of the Pan Pacific Union. He will visit other California, Oregon, Washington and Canadian cities before returning to Honolulu.

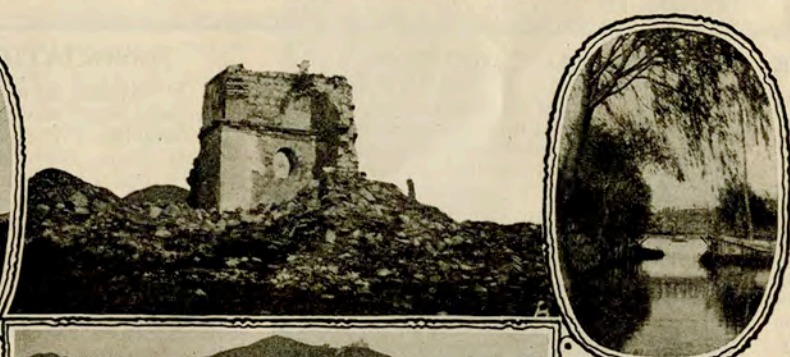
When, after a hundred centuries, posterity shall search for the origin of our public law, and shall remember the compacts that solidified its destiny, they will find the plan of the first alliances that shall sketch the mark of our relations with the universe. What, then, shall be the Isthmus of Corinth compared with that of Panama?—Simon Bolivar, December 7, 1824.

Pictorial Review of Pan People and Current Events

Colombia, South America, Scenes

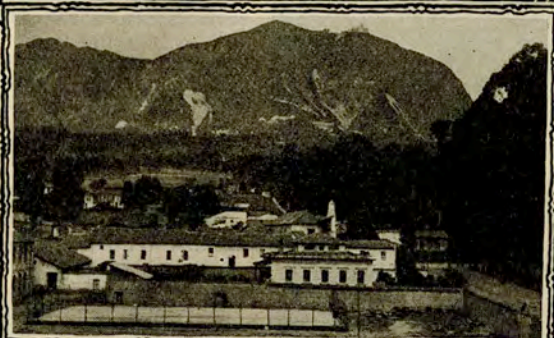


Typical
Architecture,
Bogota

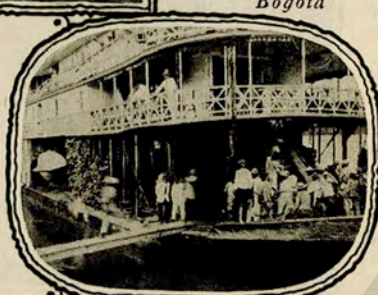


Luna Park,
Bogota

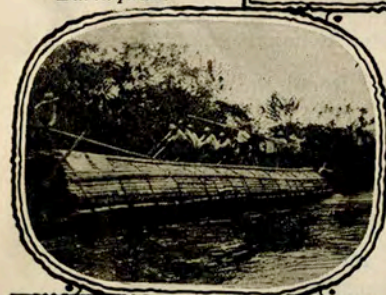
Top Center:
Guadalupe
Church After
Earthquake



Left: Military
Academy,
Bogota



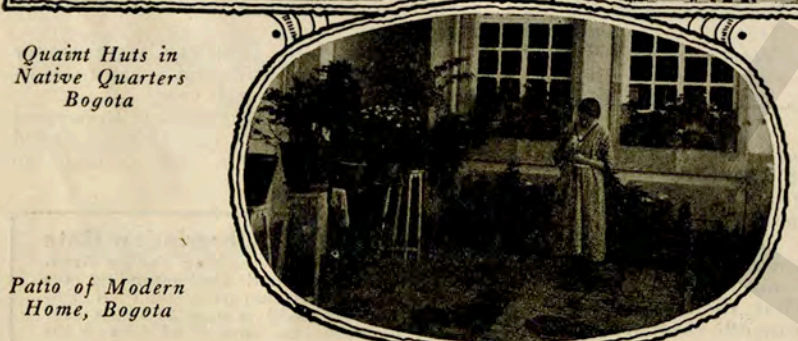
Two Modes of
River Travel



Quaint Huts in
Native Quarters
Bogota



Procession of
Bogota Soldiers



Patio of Modern
Home, Bogota

—Courtesy Union
Oil Co.

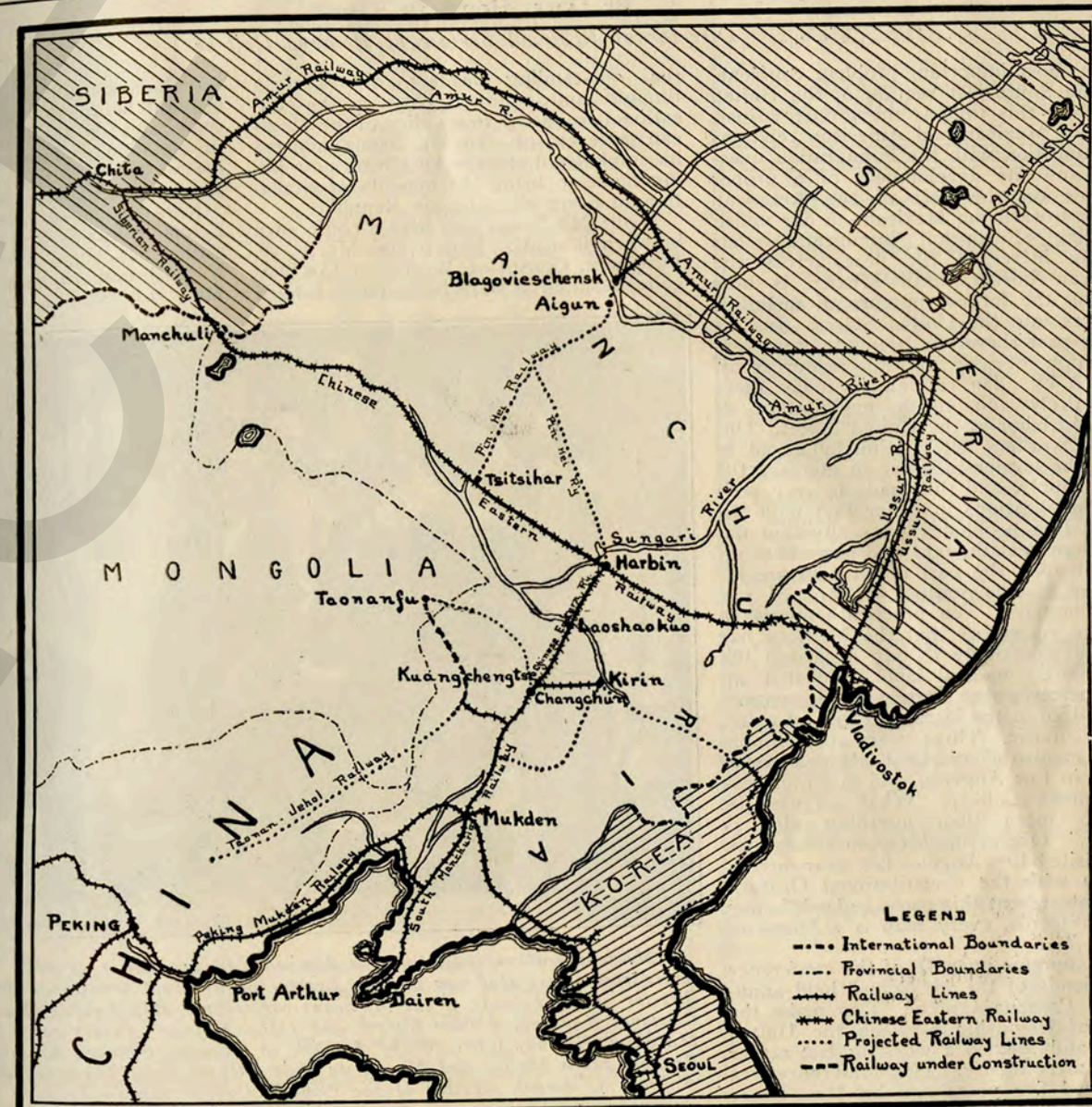
Note—See Article on Beautiful Bogota, by F. O. Martin, on Page 73 of This Issue



Thousand Character
Poster, China
by Missionary Herald

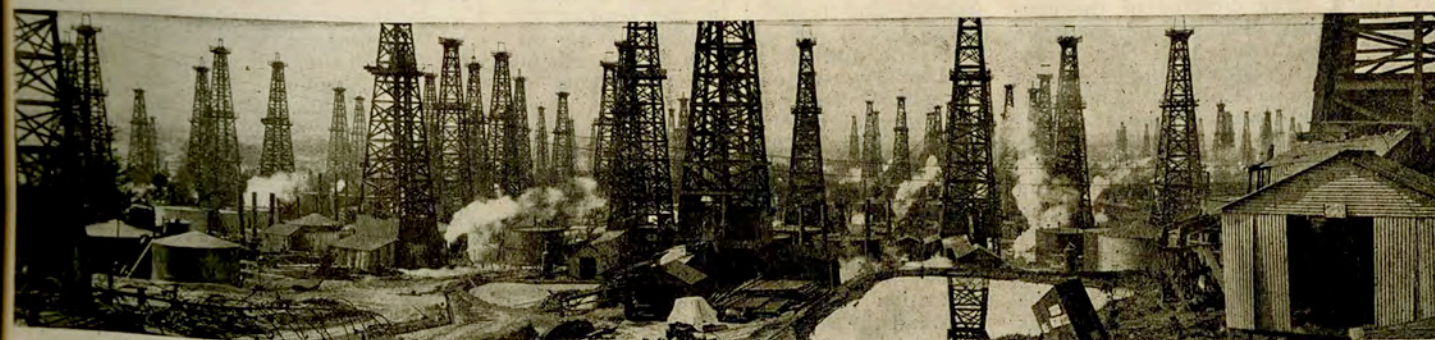


Left—Miss Marjorie
of Santa Monica,
California, who recently
round-trip to New
York on the Columbia
—Courtesy Grace Log



—Courtesy Foreign Policy Association of New York
Map of Mongolia, Showing Chinese Eastern Railway

See article on page 77 of this issue, by C. C. Wang, Director General of the Chinese Eastern Railway



The Forest of Derricks in the Oil Field at Long Beach, California

Educational Notes

Mexican Students at Pomona College

By JAMES HOFFMAN BATTEN

Director of Regional Service of Pomona College

The most important problem confronting the Southwest section of the United States at this time is the proper adjustment of Mexican and American relations in connection with the immigration question, and the development of a proper attitude on the part of the American people toward the Mexicans in our midst. Limiting European immigration has greatly increased the flow across the Mexican border, until Mexico is now sending the largest number of unskilled workers into the United States. Just as in the past there has been too much exploitation of the natural resources of Mexico by alien capital, so today there is entirely too much exploitation of Mexican labor in the United States. Unskilled workers are continually urged to cross the border in order to increase the labor supply, and this leads to very serious complications in connection with the deportation problem. This situation demands earnest thought and immediate attention upon the part of all who are interested in the mutual welfare of our two countries. We practical Americans need to remember that the Mexican has more to contribute to our American life than merely manual labor, and that we need to recognize their aesthetic natures symbolized in the Mexican's love of color, art and music. Three years ago, Honorable Leandro Garza-Leal, then Mexican consul in Los Angeles, said in an address at Pomona College, "What we need in Mexico more than anything else is friends." One of the Mexican young men who visited Los Angeles last year in connection with the Constitutional Oratorical Contest, sent this message back home: "In California, every man is a friend of Mexico."

The supreme purpose of the conference of "Friends of the Mexicans" held annually at Pomona College, is to make the spirit of friendship between the United States and Mexico a working fact rather than a mere theory. This conference was organized five years ago by Mrs. Grace E. Stanley, then Commissioner of Elementary Education under the State Department of Public Instruction, in cooperation with Pomona College, where its annual sessions are held. Miss Ethel Richardson, Assistant Superintendent of Public Instruction in charge of adult work, is the present chairman of the advisory board. The director of the conference, who has planned and managed the sessions for three years is Mr. James Hoffman Batten, Director of Regional Service of Pomona College. This conference is largely attended by the Americanization teachers of the public schools of California, and by others who are interested in the social, economic and religious problems of Spanish-speaking work in America. The principle speaker of the conference last December was the Honorable Moises Saenz, Sub-Secretary of the Department of Education of the Mexican government. Mr. Saenz was educated in the United States, is one of

the outstanding leaders of Mexican thought, and in direct charge of the educational reconstruction policy of the Mexican government. In Mr. Saenz' address he emphasized the special efforts now being made to bring the benefits of education to every class in the Republic.

While Mr. Saenz was here a conference between him, Mr. Batten and Mr. F. A. Pesquiera, Consul of Mexico in Los Angeles, resulted in steps being taken toward

the Pomona College Summer School brought before the officials of the northern states of Mexico. This resulted in the sending to Pomona of the following list of teachers from the two states: Baja California and Sonora:

Rosa Aguirre, grade teacher in Leona Vicario School, Mexicali, California; Angel Arriola, Director of Normal and Preparatory School of State of Sonora, Hermosillo, Mexico.



Mexican teachers attending the Pomona College summer session. From left to right lower row: James Hoffman Batten, director of Regional Service at Pomona College and director of the Friends of the Mexicans conference; Mrs. Luz de Alvarado; Rosa Aguirre; Cristobal Aguillon; Amalia Burgos and Isabel Oviedo. Center row: Jose Amador, Mr. Margaret Husson, instructor of Spanish at Pomona College; Enrique Carrillo, Jose Rendon, Flora Muller and Margarita Ruiz. Upper row: Ida Appendini, director of the Pomona College summer session; and Andres Silva. Maria Luisa Chagoyan was absent when the photograph was taken.

an exchange of students between Pomona College and the National University of Mexico. This was followed up by Mr. Pesquiera and Mr. Batten in cooperation with Mr. W. S. Ament, Director of the Pomona College Summer School, and resulted in the sending to Mexico City of Mr. Clifton Winn of Redlands, and Miss Helen Jo Broadbent of Lindsey, two outstanding students of Pomona College, who are now pursuing their studies there. The representatives of the National University of Mexico, now in residence at Pomona College are Miss Maria Luisa Chagoyan, Directress of Number 14 School, Mexico City, and Miss Ida Appendini, assistant in the same school. The expenses of these two students are borne by the Department of Education of the Mexican government. Through the active efforts of Mr. Pesquiera, the matter of sending teachers to

Luzsiglo Figueroa, Director of the Official School of Cerro Prieto, Baja California; Josefina Rendon, Elementary Group Assistant, M. J. Martinez School, Zaragoza, (Tia Juana), Baja California; Amalia Burgos, Directress of the Leona Vicario School of Cananea, Sonora, Mexico; Jose Amador, Professor in the Normal School of Guadalajara, Mexico; Cristobal Aguillon, Professor of Primary Instruction, Cuauhtemoc School, Mexicali, Baja California; Luz Anda de Alfara, Grande Principal, Alamo, Ensenada, Baja California; Concepcion Oviedo, Elementary teacher, Zaragoza School, Baja California; Andres Silva, Director of the High School, Ensenada, Baja California; Enrique Carrillo, Principal of the M. J. Martinez School, Zaragoza (Tia Juana), Baja California; Margarita de Ruiz, Elementary teacher, Hermosillo, Sonora, Mexico (just graduated

and entering teaching profession); Flora C. Muller, Elementary teacher, Hermosillo, Sonora, Mexico.

The bringing of this group of teachers has been jointly financed by the governments of the two states and friends of Pomona College interested in bringing about a better understanding between the two peoples. The women students have been housed in Kenyon Hall and the men in Smiley Hall. They have met with a most cordial reception and mingled freely with our American people, who have endeavored in every way to make their stay pleasant. Believing that the bringing about of permanently friendly relations between Mexico and the United States is largely dependent upon a better understanding of each other by the nationals of both countries, and that this will largely be the result of educational processes, steps are being taken to largely increase the exchange of students between the two countries, and to bring a large number of teachers from a larger group of Mexican states next summer. Mr. Pesquiera has expressed his belief that in a very few years, as many Mexican students will be attending the Summer Schools in California as are now in attendance upon the National University at Mexico City. About four hundred American students are registered there this year. The annual conference of "Friends of the Mexicans" which meets at Pomona College, November 12th and 13th, will undoubtedly take action endorsing the plan of student exchange and pledging their cooperation in the bringing of teachers from Mexican states to the Pomona College Summer School.

OUR RELATIONS WITH SOUTH AMERICA

Dr. Samuel Guy Inman, noted author and lecturer on international law, addressed the Los Angeles City Club recently. He declared that the United States "is falling back in international relations because the people are putting material interests above spiritual values."

"It is time to return to the declaration and practice of those ideals which distinguished this nation at the beginning of the world war," said Dr. Inman. "Spiritual forces are the greatest forces in the world, and if we forget that fact and fall at the feet of Mammon we shall go down as did Rome and all other nations that forgot God."

"Isolation is impossible for America, as for any other country," continued the speaker. "There is no more reason for accepting George Washington's advice about isolation than there would be to accept his advice (if we could get it) about the kind of automobile we should buy."

Pointing to the fact that the United States owns half the wealth of the world and to the further fact that practically all the rest of the world is indebted to America, Dr. Inman said, that it behooves the money lending nation to walk softly among nations, lest fear and jealousy assert themselves to America's undoing.

Referring to this country's relations with South America, the speaker said that if this relationship is to be happy and successful, the people of the United States must develop a proper appreciation of the intellectual, cultural and spiritual riches of the Latin American peoples.

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Mexican Notes

NEW BANK FOR MEXICALI

MEXICALI, B. Cfa.—Gov. Abelardo Rodriguez has subscribed 100,000 pesos from the territorial treasury here for the purpose of bringing a branch of the Mexican National Bank for agricultural credit to this district to aid Mexican farmers, acting on information confirmed by Secretary of State Murua Martinez.

Gov. Rodriguez is now in Mexico City, where he is completing arrangements for the establishment of farm credit in the district. The Governor is quoted as stating that he will also contribute \$100,000 for the erection of a building in Mexicali to provide quarters for the new bank if necessary.

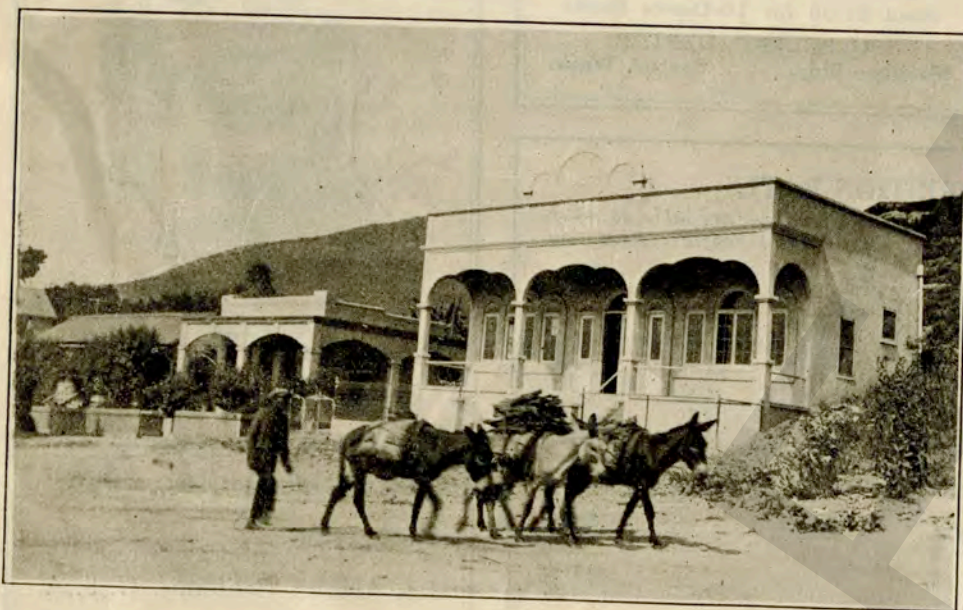
Arrangements with the national institution are understood to have been made in order to secure credit for ranchers who will take up land on the proposed irrigation project at San Quintin, south of Ensenada, on the West Coast. Reports from Mexico City indicate that President Calles is greatly pleased with the colonization work already carried out by Gov. Rodriguez in the Imperial Valley of Mexico and has given assurance of Federal aid in developing new lands at San Quintin.

DECREASE INDICATED

BY MEXICAN IMPORTS

MEXICO CITY.—Official government figures show total imports into Mexico for the first three months of the present year as compared with the corresponding period of 1925 as 92,217,000 pesos against 99,114,000 pesos in 1925. Imports from the United States amounted to 63,110,000 pesos against 75,506,000 pesos in 1925. Exports from the United States amounted to 133,466,000 pesos against 143,314,000 pesos for the preceding year. Imports from England amounted to 6,600,000 pesos as against 7,400,000 pesos for 1925.

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—Photo by Garner Curran
Public Museum, Ensenada, Baja California, Mexico, Built by Governor Abelardo Rodriguez to House the Fine Collection of Minerals and Curios of Mr. D. Goldbaum

MEXICO'S IMMIGRATION LAW

A late issue of the Weekly News Bulletin of the American Chamber of Commerce in Mexico contains the following: "The new law of Mexico, restricting immigration and emigration, went into effect on June 1st.

"The law was made after examination of the immigration and emigration laws of other countries, and while it seems formidable upon first reading, it is really not going to be more troublesome than are the present restrictions, to persons coming into the country. It will be annoying to those leaving the country.

"The main point of the new law is that hereafter those entering Mexico and leaving it, Mexicans as well as foreigners, must have identification cards. Foreigners coming to Mexico must get these cards from the Mexican Consul in the city nearest to the town where they live. That has to be done now, according to the law, although sometimes immigration officers at the border do not insist upon the traveler showing the card. In the future this requirement will be rigid. In the United States, the traveler, to get this card, presents an affidavit to the Mexican Consul, sworn to before a notary public. Women, in addition to this, have to get a certificate of good moral character from the United States District Attorney.

"The Mexican, leaving Mexico for any purpose, must go to the office of the Interior Department in the City of Mexico or to one of the agents of the department if living outside of this city, and get a certificate of identification. The foreigner must do the same thing. The regulations, when issued, will tell how the applicants must identify themselves to the Interior Department. Probably, foreigners will have to be introduced by their consuls."

Tokio, Japan, has more buildings under construction than at any time since the earthquake, permits for 8,000 being taken out in a recent month.

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REHABILITATION OF MEXICO'S FINANCES

(Continued from Page 75)

debt of the National Railways of Mexico system is today below \$5000 a mile. The average bonded indebtedness per mile in the United States is approximately \$61,000, and still more interesting is the fact that the Southern Pacific is actually building railways today in Mexico at an expense of from \$60,000 to \$75,000 a mile.

The greatest opportunity which America ever had is offered in the purchase of Mexican Government and Mexican Railway Bonds, and I am very much afraid that by the time this country will wake up to this fact Europe, which during the stress of war was compelled to dispose of its Mexican holdings in this country when no interest was paid, is now accumulating the securities once more at lower prices than previously sold, and at a time when they once more have been placed on an interest bearing basis.

The dreaded Article 27 of the Mexican constitution is no longer a barrier to foreign capital. The points in question have been thoroughly threshed out between the two governments, and Mexico succeeded in convincing the American Administration, which was none too favorably inclined towards the Calles regime, that none of the provisions of Article 27 could possibly be interpreted as retro-active. Article 14 of the Mexican constitution clearly prevents such a possibility, as it distinctly says: "No law shall be retro-active to the detriment of anybody."

The road is free for profitable business in Mexico, and far-sighted investors are slowly but surely nibbling at Mexican enterprises, particularly mining and oil.

Special attention should be given to those Mexican States which are comparatively close at hand. The West Coast of Mexico comprises the States of Sonora, Sinaloa, Nayarit, and a small portion of Chihuahua and Durango. Its area is 250,000 square kilometers, with only 760,000 inhabitants. To the south and south-east there is a large commercial area, with 5,166,000 inhabitants. This section has an irrigable area of 5,250,000 acres and contains fabulous mineral wealth.

Let us bear in mind that Mexico is today, and always has been, the largest producer of silver of the world, and second largest producer of oil.

What irrigation can do, which is now vigorously pushed ahead by President Calles, is shown in the Yaqui Valley, where an increase of 112,000,000 pesos in property values has been actually established. Prosperity of the country can be gauged by the bank deposits, which have increased 23,000,000 pesos the first three months of the present year.

Mexico's production of silver last year constituted a record, being 91,000,000 ounces.

Mexico's import and export commerce last year was 1,073,000,000 pesos, and 90% of this trade was with the United States of America.

From November, 1925, to April, 1926, Mexico produced 53,000,000 barrels of oil.

In conclusion let me say that I have not become a booster for Mexico by accident. Looking around for a profitable field of operation I have finally decided that amongst all investments, there are none which offer the vast possibilities of Mexican securities.

Students can make good money soliciting subscriptions for PAN PACIFIC PROGRESS. Write for supplies.

FISHERIES COMMISSION OPENS OFFICES

LOS ANGELES, Cal.—The International Fisheries Commission has opened its offices at San Pedro despite advices that the two newly appointed commissioners from Mexico had been removed from office. Appointment of successors is expected promptly to permit continuation of work, following the commission's initial meeting and organization two months ago.

The Mexican shake-up removes J. R. Alcaez, as chief of Mexican fisheries, and C. E. Bernstein, supervisor over Lower California fisheries from Los Angeles. No information has been received as to the cause of the shakeup, but it is understood the two officials are planning to go into business for themselves.

When questioned by a representative of Pan Pacific Progress, Mr. Bernstein stated that he had not received any official notice of his removal, to date, and that the commission would continue to function as planned.

MEXICAN BANK DEPOSITS INCREASE

MEXICO CITY.—Bank deposits in Mexico City increased by 23,000,000 pesos during the first three months of the year, according to the report of the National Banking Commission. Total deposits at the end of March were 133,000,000 pesos.

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PINGTICHUAN-PANG-KIANG RAILWAY

A survey of the proposed railway from Pingtichuan to Pangkiang has been completed by the special survey corps of the Peking-Suiyuan Railway. When constructed, the line will be a branch of the Peking-Suiyuan Railway, the junction being Pingtichuan station. It will also serve as the beginning of a line to Urga. The whole distance, as surveyed, is 242 kilometres, and is in two sections, one from Pingtichuan to Tumutai, of 114 kilometres, and the second from Tumutai to Pangkiang, of 128 kilometres. The first section will involve the construction of bridges at Pawangho, Kweilamaho, and Alashankow and includes very steep grading along the hill slopes near Taliuhaochun, where the road bed can be laid only by excavating 10 centimetres into the stony hills. After that, the line traverses flat country around Taolinhsien, where land is being reclaimed for cultivation. The second section has practically no steep slopes to climb, the steepest grade being 1/100. At Hungshan it cuts across the motor road from Kalgan to Urga. The total cost of construction is estimated at \$11,000,000.

UNION TO DRILL IN VENZUELA

LOS ANGELES, Cal.—To obtain additional supplies of crude oil, the Union Oil Company of California has entered into a drilling contract with the Maxudian Petroleum Corporation of New York, under which it will develop on a 50-10 basis 25,000 acres of proven land on the latter's concession in the district of Paez, Venezuela, according to a statement made recently by Roderick Burnham, manager of lands for Union Oil.

Entrance of Union Oil of California into the prolific Venezuela petroleum field marks the second South American country in which the California organization has huge interests. The company now owns in fee a total of 425,000 acres in Colombia.

SODA POWDER FACTORY IN KWANTUNG

The Industrial Company, a Japanese concern, is planning the establishment of a big soda powder factory at Pulantien, in the Kwantung Leased Territory, with a capital of \$6,000,000, \$4,200,000 for purchasing the necessary machinery, and \$1,800,000 for constructing buildings, it is reported. It is estimated that the factory will produce 40,000 tons of soda powder every year. The scheme is said to be supported by the South Manchuria Railway Co. and the authorities of the Leased Territory.

ARTIFICIAL SILK FACTORY IN MANCHURIA

In view of the popularity of imported artificial silk goods in Manchuria, the Japanese are contemplating the establishment of a big artificial silk factory of Tiehsi, Mukden, with a capital of \$2,000,000. Raw materials for manufacturing artificial silk are procurable in Fengtien province.

TURKEY ORDERS AMERICAN CHAMBER CLOSED

CONSTANTINOPLE.—The American Chamber of Commerce here has been ordered closed by the government at Angora.

PHILIPPINES SUITED FOR RUBBER PLANTATIONS

PAUL SMITH'S (N. Y.)—Enough waste land is available in the Philippines for rubber production to take care of all future needs of this country, President Coolidge was told by Harvey S. Firestone, Jr., son of the Akron (O.) rubber manufacturer.

In fact, Mr. Firestone said, in Mindanao and adjacent lands of the southern islands of the Philippine group there are 25,000,000 acres excellently suited to rubber production, and one-tenth of that acreage would provide for all the needs of the United States.

A measure to permit of large developments in this field in the Philippines is now before the native Legislature. Its principal point is described as authorizing American corporations to lease more than 2500 acres, the present legal limit, for rubber-growing purposes under proper safeguards.

BIG RAYON PLANTS

TOKYO.—The Teikoku Artificial Silk Company, a subsidiary of Suzuki Shoten, Kobe, is planning to embark upon the production of rayon on a much larger scale than in the past, hoping to enter the export market. This firm, which is the largest of its kind in Japan, is reported to be contemplating the establishment of five large plants, each capable of producing 40,000 pounds of rayon a day. The plans call for capitalization of \$50,000,000. According to plans, these plants are to be erected one by one and when completed will have an annual capacity of 70,000,000 pounds, which can be increased to 200,000,000 pounds if the demand justifies it.

The present output of the Teikoku Artificial Silk Company is about 10,000 pounds a day.

The 1926 Japanese consumption of rayon is estimated at 7,000,000 pounds, of which 5,500,000 pounds are to be produced in this country and 1,500,000 pounds imported. It is believed that imports will cease with the completion of the Iwakuni factory. The firm is planning to enter the markets at Canton, Shanghai, Hankow and other parts of China.

LENINGRAD TO HOLD FAIR

MOSCOW.—Sergei Malishev, the man chiefly responsible for Russia's annual Nizhni-Novgorod fair, is now turning his attention to the organization of a similar institution in Leningrad. The Leningrad Chamber of Commerce has indorsed the project.

The Nizhni-Novgorod fair aims only to attract merchants from the Eastern countries, such as Persia, Turkey, China and Afghanistan. A fair in Leningrad, in Malishev's opinion, would make for more equality in Russia's export and import relations and would contribute to the strengthening of economic ties with England and America.

CAPT. DOLLAR DECLINES BID

CANTON.—Capt. Robert Dollar, head of the Dollar Steamship Company, has declined an invitation to be the guest of the Canton government. His reason was not revealed.

PETROLEUM IMPORTS OF STRAITS SETTLEMENTS

SINGAPORE.—There was a large petroleum importation in the Straits Settlements during 1925, especially of kerosene, principal illuminant among the native population; of fuel oil, for the large shipping interests in the principal ports, and gasoline.

Imports of kerosene increased from 702 metric tons in 1924 to 110,024 in 1925, the share of the United States decreasing from 15,477 to 11,639 over the same period. The largest contributor to the 1925 importation was the Netherlands East Indies with 60,942 tons, followed by Sarawak with 349; a portion of the remainder came from Siam.

Fuel-oil imports increased from 28,000 tons in 1924 to 303,502 in 1925. The American share, however, dropped from 9,000 tons to 17,054.

Imports of gasoline, or motor fuel, amounted to 107,112 tons in 1924 and 831 in the following year. The United States contribution rose from 762 tons in 1924 to 770 in 1925, 161,711 tons in 1925 were brought from the Netherlands East Indies and 63,195 from Sarawak.

Imports of lubricating oils amounted to 4,681,522 gallons in 1924 (988,673 from America) and to 6,224,743 in 1925 (1,932 from America).

OUR FOREIGN INVESTMENT

WASHINGTON, D. C.—Foreign capital flotations publicly offered in this country during the first half of 1926 aggregated \$578,853,500, according to preliminary list of the Bureau of Foreign and Domestic Commerce. This is for all purposes, a net figure. Underwriting commissions reduced the actual amount available to foreign borrowers. Moreover, nearly 20 of the issues were devoted partially or wholly to the refinancing of previous dollar loans, the total proceeds thus used being estimated at \$149,195,300. The list arbitrarily classifies the six issues of Hawaii and the Philippines, totaling \$7,790,000, as foreign issues. A few of the corporate issues were floated by American corporations having plants abroad.

A BIG SALMON PACK

SEATTLE, Wn.—The first shipment of the new season's canned salmon has arrived in Seattle and it is expected that the total Alaska pack will be around 4,000,000 cases. Wealth poured into Seattle from the fishing industry of the North-Pacific and Alaska represents a turnover of \$60,000,000 a year. The Alaska and Puget Sound canned salmon pack in a normal year would fill 6500 rail cars. Seattle moves 56% of the entire canned salmon pack of the U. S. It would take a 13,000-ton steamer, with a capacity of 16,500,000 cans each trip, 8 voyages to move the pack by sea, and the same amount would require a train of box cars 15 miles long. Salmon goes all over the world, fresh, canned, frozen, mild cured, pickled and smoked.

The Netherlands East Indian floating dock on May 15 amounted to 29,851,000 florins (\$12,000,010), representing a further reduction.

FINANCING FOREIGN TRADE
(Continued from Page 71)

formed at the request of the issuing bank by the advising bank. The beneficiary may not know the issuing bank several thousand miles away, so he requests that the credit be "confirmed" or guaranteed by his banker. Unconfirmed credits are credits of which the notifying or negotiating bank does not assume liability for the instrument.

Again, credits are classified according to method of payment, either negotiating or straight. Negotiating credit is one which may be negotiated by any bank, while a straight credit is negotiated by the notifying bank.

Credits fall also under the classification of method of reimbursement either debit or credit. In the case of Foreign Currency Credits, credits issued in a currency other than the currency of the country of the issuing bank, such as for example, sterling, lire or francs, the negotiating bank secures reimbursement by debiting the issuing bank's account carried on the negotiating bank's books. When credits are issued in United States dollars, the negotiating bank secures reimbursement through having its dollar account credited in this country. The account may be carried on the books of the issuing bank, or the negotiating bank may request that their account be credited with whatever bank in this country happens to be their correspondent.

Another method of classification is the revolving credit; this may be either cumulative or non-cumulative. If cumulative, all unused amounts are allowed to accumulate and may be used at some future time. If non-cumulative, the unused portions are not available. Steamship companies find revolving credits of convenience in arranging for the payment of the bills of their ships in foreign ports. The amount which the agent can use revolves each month and is available for the payment of monthly bills or for disbursements for account of some specific ship. Again, if an importer contracts to purchase periodically a uniform quantity of goods the revolving credit simplifies the settlement by providing a certain amount to meet the payments in accordance with the contract of sale.

Closely associated with the Commercial Credit, but different insofar as liability of parties is concerned, is the Authority to Purchase. The Authority to Purchase is an invention of the Far East and takes the place of Letters of Credit. The buyer's bank in China authorizes the seller, thru its correspondent in the United States, to draw on the buyer. The seller, or drawer of the draft, negotiates his draft with the notifying bank under conditions as stipulated by the bank in China. The opening bank has full recourse on the drawer of the draft in the event that the drawee fails to honor the draft. This is the fundamental difference between a Bank Credit and an Authority to Purchase, and proves to be of grave concern to the seller when the buyer is unable to meet his obligation such as was the case in many instances during the deflation period following the war.

Altho the technical classification of Commercial Credits may, on first thought, appear academic and of no practical concern to the foreign trader, he should, for his own protection, be conversant with the mechanism of financing foreign trade. The innovations in these credits are designed to cover a very practical need and are intended to meet conditions of the

sales-contract insofar as the payment of the goods is concerned thru the evidence as supplied by the documents. In this connection it must be emphasized that your banker is not a merchant. He is not dealing in commodities. His chief concern is with the documents, and his only liability is to see that the documents agree with the terms set forth in the credit. It follows naturally that the International Banking Departments of the great banks in Los Angeles are equipped to give their clients advice as to the type of credit to use and to put contracts into bankable shape thus enabling the foreign trader to conduct his business under the most advantageous terms.

Credits may also be classed as Dollar Credits or Foreign Currency Credits, which in turn have a further classification of Sight Credits or Acceptance Credits. Dollar Credits are credits issued in U. S. dollars. The issuing bank may authorize drafts either on itself or on one of its correspondent banks in the United States. Foreign Currency Credits are credits issued in a foreign currency to the domicile of the bank issuing the credit. Foreign Currency Credits issued by a bank in the United States are, for example, in sterling, lire or francs. When the credits are available for drafts drawn longer than sight they are known as Acceptance Credits.

When Letters of Credit are required by the seller or exporter in a foreign currency, the importer arranges with his bank that they establish a credit available by drafts on a correspondent bank in one of the principal places of business, such as London, Paris, Berlin or Rome. This credit should provide that the exporter, upon presentation of his draft on the correspondent named, receive a specified amount in the currency of his country. Such draft or drafts must be accompanied by the necessary shipping documents which will enable the bank to obtain full title of the goods after surrender of the documents. Relative documents will then be mailed by the correspondent back to the bank which established the credit in question, in the United States. The latter will treat the documents in accordance with such arrangements as have been made between the purchaser and the bank at time of issue of the credit. In case of the credit calling for sight drafts on the foreign bank, payment in United States dollars will be demanded immediately after receipt of the documents here, at an agreed rate of exchange. Such rate of exchange should be agreed upon at the time the credit is required with the provision that it is only applicable on arrival of documents.

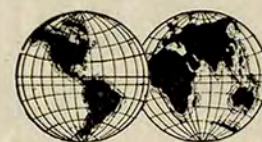
In other words, a purchase of the foreign currency for future delivery should be made to take care of the draft when it is presented for payment. In case it is desired by the importer that the drafts under the credit should be drawn for a

longer period, that is payable at thirty, sixty or ninety days after acceptance, the draft, after being presented and accepted by the foreign correspondent, will go to the discount market and the ruling rate of discount be exacted from the face amount of the draft. This discount question is a matter of settlement between the importer and exporter before the actual merchandise transaction is finally closed.

The payment on this side will be demanded, as already stated, in United States dollars, at an agreed rate for payment of the foreign currency. It can readily be seen that an exchange contract should be entered into at the time the credit is opened. Unless the importer contracts for his exchange the fluctuation in the market may not only wipe out his profit but in addition cause him a severe loss. For example, an importer buys in Italy lire 100,000.00 of olive oil. When the sales contract is entered into, the dollar equivalent of the lire is \$4,000.00, and the oil is sold in this country on that basis of cost. When the importer's draft becomes due lire has advanced so that \$5,000.00 is required to pay for the olive oil, or \$1,000.00 more than was anticipated. The value of the lire might have dropped, in which case the importer would have had an additional profit. But this brings a gambling feature into the transaction which the legitimate importer cannot afford to entertain.

Mr. Paul Dietrich, Assistant Vice President and Manager of our Foreign Department, was one of the first international bankers in this country to advocate the use of the exchange contract as used in the Far East. China, with its silver standard, has always been confronted with the problem of buying goods from gold standard countries, so the Chinese bankers devised the exchange contract to provide for the fluctuation in the value of their silver dollar. Since the war the exchange contract has become universal. Foreign traders are recognizing it as their protection against the fluctuation in the value of different currencies.

The necessity of the credit instrument is no longer questioned. Without it the foreign trader would have his capital tied up over long periods of time in goods in transit, thus limiting his operations and reducing his volume of business. The banks in extending their credit, in making available to the importer hundreds of correspondents throughout the world, are bringing about the unhampered exchange of commodities between nations. The financial institutions of this city are fostering foreign trade, thus thru the avenues of commerce contributing to the welfare of Southern California and to the peace and prosperity of the world.



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Club Internationale's Building Program Launched With Start of Pier

By J. Y. Johnston, Jr.

JULY 4th marked a transformation of the century-old quietude of Ensenada into a scene of bustling activity through commencement of the Club Internationale's immense building program which starts with the erection of a huge commercial pier for the port. This construction not only assures materialization of the club to its membership, but is concrete evidence of the new and better understanding coming into existence between Mexico and the United States.

Contract for building the pier was awarded to the W. M. Ledbetter Company of Los Angeles, the plans calling for location of the pier slightly south of Ensenada's present pier. It will be carried out to a distance of nearly half a mile and when completed will permit of deep sea going vessels making safe dockage for the loading and unloading of freight and passengers. The pier will be 25 feet wide throughout its length, widening at the seaward terminus to dimensions of 80 by

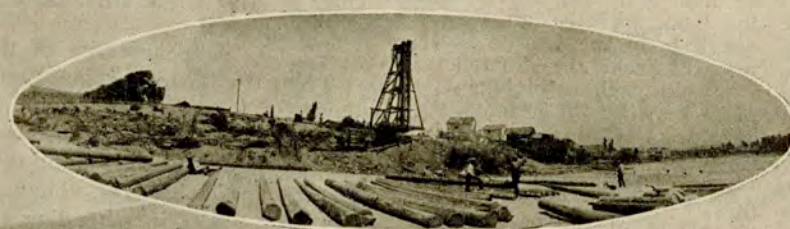
100 feet, and at the shore end will be by 200 feet.

The work will be brought to a realization so as to expedite commencement of the clubhouse, Embarcadero and other development work planned by club. It is of interest to know that practically all the materials used in building will be imported from Los Angeles; it is planned to ship these by boat.

Investigation of the club foundation planning proves it solid and reflects great credit on the business acumen of the men who conceived the project. Eighteen months of careful negotiation in Mexico City with the Government departments, and proceeding with full regard to requirements of Mexican civil law, resulted in the club having today the recognized and protected resort concession in the whole of Baja California. Contractual relations involving this development work and Mexico were ratified by President Calles after careful study of the immense reciprocal good they would bring to the Mexican Republic.



BY INTERNATIONAL AGREEMENT
Miss Virginia Nelson and Senorita Ester Garcia, who represented their respective Republics on the occasion of the Club's receipt of their Contract from the Mexican Federal Government



Glimpse of rapid progress in pier building at Ensenada, taken July 15th. Insert, commencement of pier snapped July 4th



CHINESE EASTERN RAILWAY (Continued from Page 77)

scrapping of that agreement, which was dictated on her own terms, that led to her expansion southward where she, within the period of five years, met her humiliation.

In 1900 the Boxer uprising gave a further excuse to Russia for extending her imperialistic design. Taking as a pretext the suppression of the Boxers, Russia sent a large army to occupy the Three Eastern Provinces. At the outset, the whole Chinese population of Blagovieshensk, a Chinese settlement on the right bank of the Amur, of about 5000 men, women and children, were driven into the Amur at the point of the bayonet. In consequence, the Three Eastern Provinces were soon over-run by Russian troops. Proclamations were posted by Russian commanders which amounted to declarations of conquest. As a Russian engineer of the Chinese Eastern then wrote: "Punitive expeditions were made with no other end in view than to furnish an excuse for new promotion and new looting." Peking being occupied by foreign troops, the Chinese Government was helpless.

I may be permitted to digress here by remarking that these brutalities have not been forgotten by the Chinese. When the Russian Government collapsed in 1918, and the Russians along the Chinese Eastern were helpless, there was considerable talk among certain quarters of the Chinese people to retaliate the Blagovieshensk atrocity by driving an equal number of Russians into the Amur. It was forgiveness and not forgetfulness that prevented such a retaliation. As a matter of fact, the leading authorities made it a special point to protect, with equal vigor, the Russians of all parties and all "colors," believing that two big neighbors like China and Russia, with a contiguous frontier of some four thousand miles, cannot live happily by returning a tooth for a tooth and an eye for an eye. In spite of the Chinese authorities' shortcomings, which were many, in their handling of the Russians during these trying years since 1918, one thing I can vouch for, and that is that generally speaking they tried to treat the Russians fairly and with sympathy during their days of distress. Relief measures were adopted by the authorities, in spite of their own financial and other difficulties; and the absence of any serious conflicts between the Chinese and Russians during these years constitutes some of the results.

Russia occupied the Three Eastern Provinces ostensibly for the purpose of helping Peking to quell the Boxers. The Boxer disturbance soon ended, but the Russian troops continued to remain. The result was widespread distrust on the part of China, jealousy and malevolence in Europe and alarm in Japan. The Chinese Eastern and its southern branch were pushed through just in time to witness the Russo-Japanese War, which was declared in 1903.

Japanese Activities in China

What happened afterwards must be fresh in the minds of all. Russia was defeated with no small credit due the local Chinese, who helped in numerous ways. By the terms of the Portsmouth Treaty it was arranged that, subject to China's consent, Japan should take over the southern branch of the Chinese Eastern Railway up to Chang-Chun, a point approximately half way between Mukden and Harbin, together with all right connected

therewith. In December of the same year, Japan secured China's consent to the Russo-Japanese arrangements, with the further right of construction a branch line from Mukden to Antung, a point near the western border of Korea. The Mukden-Antung line was to be operated by Japan for a period of eighteen years, beginning December 22, 1905, and on the expiration of this date China had the right to redeem it at a price to be settled by arbitration. By the famous twenty-one demands, which Japan made upon China in 1915, China has up to now been prevented from exercising this option, although she reminds Japan of it repeatedly.

Meanwhile the Allied Powers began their expedition into Siberia and eastern Russia. For the latter purpose and for the evacuation of the Czechoslovakian prisoners of war, the Inter-Allied Technical Board was organized, with its headquarters at Harbin, to supervise the technical and economic operation of the Siberia and the Chinese Eastern railways. The eminent American engineer and railroad administrator, John F. Stevens, was made the president of the Board, with a representative each from China, as members. Some two hundred American railroad men were distributed along the line from Vladivostok to the Ural Mountains, while about fifty Chinese railroad engineers and operating men were appointed by the Board to co-operate with the Americans to supervise the Chinese Eastern section. As the Board was not authorized to discipline the railway employees, and as its orders had to be executed through the old railway staff, naturally many difficulties arose. It was largely due to the ability and personality of Mr. Stevens and the co-operation of the other members of the Board that the duties of the said Board were carried out so well, as was generally recognized by the Allied Governments. About \$5,000,000 in gold was spent by the Board for the benefit of the Chinese Eastern and about the same amount was charged by the Chinese Eastern against the Allied Governments for the transportation of the Allied and Czechoslovakian troops. Every now and then, some of the Allied Governments would call the attention of the Chinese Eastern to the amount which the Technical Board was spending for its benefit; and periodically the Chinese Eastern would ask the Allied Governments, which were considered responsible for the handling of the Czechs, to settle the transportation account. And there the matter stands.

My five years' experience with the Chinese Eastern leads me to believe that among the Russians, with whom I had the opportunity to associate, there were a large number of level-headed and well-meaning men, who showed a high degree of tenacity for what they believed to be their principles. So far as my Russian colleagues and the railway staff are concerned, I found among them many able and well-informed gentlemen. There were indeed exceptions, but one finds exceptions everywhere. On the whole, I think the Russians are a great people with a large heart and a great future. If they will only devote their efforts to the development of their own immense land and to the advancement of their own enormous population, they are bound in progress in all directions.

During the Washington Conference on Disarmament, the Chinese Eastern Rail-

way received considerable attention. Various schemes were discussed. Finally it was agreed among all the participating powers at the Conference that it was to the advantage of all interested parties to have better protection given the railway and the persons engaged in its operation, and by a more careful selection of personnel to secure a more efficient service and more economic use of funds, in order to prevent waste of property. These provisions are definite and clear, in contrast to the negative wording so frequently used in resolutions of such a nature.

Another resolution regarding the Chinese Eastern adopted by the powers, exclusive of China, states these powers reserve the right to insist upon the responsibility of China for performance and non-performance of obligations towards the foreign shareholders, bondholders and creditors of the Chinese Eastern Railway Company, which obligations the powers deem to result from the contracts under which the railroad was built. This resolution is not so clear as the previous one. It is not definitely known by whom is meant the foreign stockholders and bondholders.* As Russia was not represented in the Conference, it may be inferred that these stockholders and bondholders had reference to foreigners other than Russians. But the very contract referred to in the resolution clearly stated that only Russians and Chinese could be stockholders and bondholders of the Chinese Eastern Railway Company. So far as is known, the Chinese Eastern Railway Company never issued any stocks or bonds in its name to any parties other than Chinese and Russians. So far as the foreign creditors of the railway are concerned, there are but few and the amounts due too insignificant to deserve the attention of such an important body as the Conference on Disarmament. Therefore it may be presumed that the real motive back of the Chinese Eastern Railway question at Washington was not stated in the resolutions, but was to be found in the fact that the railway had been, and was at that time an important factor affecting the peace of the Far East.

To have two Governments as partners in a railway business, on a half and half basis, is a new experiment. To date China has had enough trouble with the Chinese Eastern. Russia gained but little from her efforts in reading extraordinary meanings into the Chinese Eastern Railway Agreements in the past. It is to be hoped that in the future good faith on both sides will prove to the world that the experiment is a success, and that it will once for all put an end to the anxiety, suspicion and mischief which the Chinese Eastern has created in the past. If this new experiment should fail, it would seem that a totally different experiment will have to be tried, in order to prevent a repetition of what has happened in the last thirty years. At any rate and under all circumstances, all the extraordinary activities of the Chinese Eastern and other railways in the Three Eastern Provinces should be eliminated. All the railways in the Three Eastern Provinces should be managed entirely for commercial purposes and run as highways open to all foreign business on an equal basis. Otherwise China's integrity will remain violated and the open door meaningless.

*NOTE: Undoubtedly French through control of Russo-Asiatic Bank. See comment by editor on page 77.

Was American Delegate Hoodwinked?

The following article from the Far Eastern Review printed by an American in Shanghai, is presented to our readers so that they may realize the seriousness of the situation.—Editor.

When Mr. Silas Strawn came to China to represent the American Government on the Tariff Conference and Extraterritoriality Commissions, he was heralded as a very great man, who would turn out to be a second Dawes. In China, it was reported that he was a very great lawyer in Chicago and that he might even become Secretary of State after the tremendous work he would do to straighten out China's finances. Mr. Strawn, it was expected, would assume leadership in the Tariff Conference, he was elected Chairman of the Extraterritoriality Commission. As those things go, Mr. Strawn started with his right foot forward. But it was a "one step" affair. For Mr. Strawn could not forget Chicago, Chicago politics and Chicago methods. He tried them in Peking and had knots tied all about him by the more competent and experienced diplomats whom China had selected to represent her.

Mr. Strawn's major difficulty at the Tariff Conference was his inability to realize that he had been sent to China not to make a reputation for himself but to represent American interests. Mr. Strawn seems not to have realized that the Tariff Conference was called to revise various commercial treaties and that his major job was to prevent his nationals from being loaded down with the increased revenue. As a Chinese statesman said: "It was not our business to protect American interests. We were there to protect China. Mr. Strawn should have looked after the United States."

Mr. Strawn was apparently not interested in American trade in China, for the schedule of luxuries clearly was juggled under his very eyes to fix the major portion of the increased revenue on goods originating in the United States. Perhaps Mr. Strawn did not know what goods originated in the United States. Perhaps his great experts had no notion of the origin of the goods labelled luxuries. Or perhaps in the middle-western mind of Mr. Strawn there was a concept that a few dollars more on a case of American goods did not matter, as Americans could stand increased prices; he did not examine the relationship between the standard of living and the retail price of commodities. He seems to have wanted to be known in Peking as a good fellow—as the man who would help China get \$90,000,000 even at the expense of American commerce in China.

Now, no one can object to China's obtaining increased revenues from the Customs or other sources. But China presents a unique problem to the world in that there is no central government except as it is recognized by the foreign Powers. The Chinese people in no articulate manner recognize this so-called government. Very few of the provinces recognize it. It has no revenue except from the Customs as collected under foreign supervision. It has no way of originating revenues, except on foreign goods. In a word, China is bankrupt, insolvent and not a government, in the sense that any central authority has any power in the country. Real governmental authority is exercised by the provinces and by the feudal militarists who in some places maintain a fairly efficient administration.

The provinces are, on the whole, against the \$90,000,000 going to Peking because that means that the party which at the moment of agreement dominates Peking would have all the benefits. Therefore, the \$90,000,000 revenue increase is to be imposed on the consumers against their wishes and at the expense of foreign imports, principally American goods. Mr. Strawn should have understood this, but apparently he did not, for he not only agreed to the Chinese proposal, but he caved in completely on the question of tariff autonomy.

The Powers have no intention of granting China tariff autonomy in 1929 as promised. That promise was made by the delegates under the leadership of Mr. Silas Strawn, at the moment when they were swept off their feet by the brilliant diplomacy of Dr. C. T. Wang. It is generally reported that the Powers have something up their sleeves by which they hope to evade their promise in this respect. The fatuity of their belief startles foreigners in China. For whereas it is true that no treaty has been signed and that no concession in this direction has been made with any sense of legality, the fact nevertheless remains that the Chinese people believe that it has been made. During the year 1929, when the promise falls due, there will be the usual popular uprisings, strikes, boycotts and demonstrations, to demand that the promise lightly given and never ratified, be fulfilled to the limit. What will Mr. Strawn and his confreres say then? They will probably be in their own countries academically viewing from a safe distance the havoc they have wrought. And their nationals in China and the Chinese people will be holding the sack.

Russians are establishing gasoline depots in Spain and plan to distribute 15,000,000 gallons of the fluid there this year.

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CONDENSED COLOMBIAN NOTES

Colombia is nearer the United States than any other South American country. With an area of about 475,000 square miles, Colombia is larger than all the states on the Atlantic seaboard from Maine to Florida. It ranks fifth in area among South American countries.

Colombia has three ports on the Atlantic coast and two ports on the Pacific coast. Colombia is the third most populous South American republic, having an estimated population of over 6,300,000.

Colombia is the world's largest producer of platinum and emeralds and the world's second largest producer of coffee. Chief among agricultural products are coffee, bananas, tobacco, sugar, rice, cotton, wheat, barley, corn and rubber.

Minerals include gold, silver, platinum and emeralds. Nearly all the emeralds mined today come from Colombia. Several of the departments there are extensive deposits of coal.

Oil-bearing territory is estimated more than 100,000 square miles. The United States and foreign oil companies own oil-bearing lands. Important interests, such as Standard Oil Company, Texas Companies, Shell, Union and others have acquired large proven oil fields. A new 350-mile pipe line to be completed this year with an initial capacity of 10,000,000 barrels annually should greatly increase oil production in Colombia.

Salt deposits north of Bogota are considered sufficient to supply the country for hundreds of years. Salt is an important source of internal revenue, being a Government monopoly.

Revenues of Colombia from customs duties and other ordinary sources in 1925 were the largest in her history. Revenues have grown from \$13,898,143 in 1920 to \$41,365,250 in 1925, an increase of about 200%.

The per capita debt of Colombia is one of the lowest of South America countries (less than \$5).

External 5-year 6½% dollar loan Colombia (only American issue) now standing is selling to yield about 6½%. The sterling 6% bonds (1913 issue) selling in London to yield 7.05% to maturity in 1947.

In the past two years Colombia has paid over one-third of its total foreign debt without any increase in taxation.

Colombia has had a favorable balance of trade in 19 out of the past 20 years. The total excess of exports over imports for the 20-year period from 1905 to 1925 inclusive, amounted to \$14,630,038.

The total foreign trade of Colombia grew from \$23,939,906 in 1905 to \$119,680,589 in 1924, an increase of 400%. Approximately 65% of the total foreign trade of Colombia is with the United States.

Foreign investments in Colombia are estimated at \$150,000,000, the bulk of which are British and American investments.

Colombia plans to spend about \$100,000,000 for new railroad construction during the next ten years. This should result in more extensive and intensive cultivation of agricultural products and in development of, and increased production from natural resources generally.

The Colombian dollar, or gold peso which is equivalent to \$0.9733, United States money, has been one of the most stationary currencies in South America. Current quotation of 98 5/8 is above parity. The banking system of Colombia is modeled after the United States Federal Reserve System.

A Practical Plan to Aid Infant Industries

By W. CARLTON DAVIS

Public Relations Bureau Industrial Foundation of America

LOS ANGELES, the land of innovations, has just added another to the long list that has intrigued the interest of the industrial and financial world at home and abroad. This time it is a financing investment trust. Taking as a basis the investment trusts of Scotland and England, which have been successfully functioning for over half a century, Los Angeles capitalists and business men have created another form of investment vehicle in the Industrial Foundation of America, with a capital stock of \$12,000,000, designed to readily and at small cost, come to the aid of infant industries whose chief drawback to "sitting pretty" is a lack of working capital.

Southern California is a comparatively new industrial field. Many of its medium-sized manufacturing or commercial enterprises have entered this territory almost impulsively, to "get on the ground early". Some of them have been lured here by rosy, though far from unfounded, tales concerning our all-the-year-round working climate, wonderful markets and magnificent possibilities. But even with all these elements prevailing, it takes capital to operate any sort of an industry successfully.

Many of the medium-sized and infant industries in this empire of the Southland have been inadequately or improperly financed, and hence have little or no cash working capital. The consequences are that not a few of them are struggling along from season to season, lacking the wherewithal that would permit them to take advantage of rapidly expanding markets, work their plants to capacity or make contact with fortuitous factors that ready capital could turn into profits.

Capital-raising methods at present in vogue are slow and cumbersome, and nearly always costly, serving frequently to further involve an industry by hanging increased indebtedness about its already aching neck.

Possibly the sum required to make a medium-sized industry a big dividend payer is a relatively small amount, say \$100,000 more or less. It is too small an amount for a bond broker, as he cannot afford to make and maintain a market where so little is involved. He is attracted only by amounts beyond six figures.

The industry needing working capital with which to renew or increase its equipment to catch up with a market that is getting away from it, or to tide it over a slack season, or to make up large stocks of goods in preparation for the seasonal demand set for a few months ahead, turns to the financing investment trust.

Executives of the financing trust put their experts, industrial engineers, accountants and fiscal operatives on the job



A. F. Osterloh, Pres.
The Industrial Foundation of America

to diagnose the concern. They go over it in the same careful and thorough manner that is manifest by the examining physician of an insurance company to determine whether an applicant for a policy is a good risk. Industrial Foundation is no eleemosynary institution. The proposition has, in a word, got to be "right" before the organization will take up with it. The product must be good, the market established and the outlook for success definite—as definite, at least as prudence and business acumen can determine.

If it can be definitely shown that a certain amount of working capital is needed, under a re-financing program probably, to make the enterprise a big dividend-payer, the Foundation supplies it in the manner indicated as equitable and safe and to the advantage of both sides. It may be done by purchase of the firm's senior securities to the point of acquiring control, or affording the Foundation a place on the directorate, or putting in the organization's own directing head, under mutually satisfactory arrangements which take all the elements of success into consideration. In short, the financing body does the thing indicated as necessary to head the industry towards much greater prosperity. The cost to the applying enterprise for this service—for it is a service—is in no wise burdensome. Indeed, the increased profits operate to wipe out the cost entirely. The financing body (where it has acquired stock and thus a lively interest in the company's affairs) gets its cut from the dividends and accruing surpluses—for prosperous industries pay big profits—and everybody concerned is legitimately happy.

Southern California is a marvelous field for the operations of such an organization as the Industrial Foundation of America. It is practically a new manufacturing field, compared to the old established manufacturing centers of the Atlantic States. Many of the younger industries in this territory have jumped somewhat hastily into production, without giving

their financial structures adequate consideration. The result is that when opportunity offers in the shape of greatly expanding markets, opening up to them through our enormously increasing transportation facilities, rapidly augmented population and other fortuitous factors, they are illy prepared to rise to the occasion.

The reason for this inability to play up to the opportunities presented is lack of sufficient ready capital. Far from being to the discredit of an industry, that it needs working capital, it is rather to its credit. Working capital is capital that can be put to work and made to turn over. This can only be done by an enterprise that is turning out a product greatly in demand. If there is no demand for its product it doesn't need working capital; couldn't use it, in fact.

It should be stated here that it is not the province of the Foundation to take up with unsound ventures, or ventures which have no business in this field for any reason whatsoever. The Foundation proposes to eliminate speculation from its activities, functioning wholly as an investment concern, having in mind the safety of the funds intrusted to it by the many holders of its securities.

Conceivably there might develop situations when it would be good business and sound judgment to take up an enterprise that needs only a dose of capital and some expert advice to make it a dividend payer. Also, it is not unlikely that occasionally an enterprise needful to a chain of allied industries might be invited to accept the service and the financial aid of the Foundation, for the mutual interests of all concerned.

It may be said, too, that the organization would function to dissuade the starting of industries doomed in advance to failure. Anything short of success reverts against the good reputation of any territory.

In brief, the Industrial Foundation of America plans to go into business with already prosperous enterprises, for the purpose of enhancing that prosperity by making available the things that mean so much to any enterprise—capital, primarily, along with expert counsel and keen judgment. The Foundation literally becomes the business partner of such industries as it comes into contact with, and is thus as much interested in their success as the owners themselves.

Of especial interest to the small investor—the four or five figured class—is the plan of the Foundation to augment the finances of flourishing industries. It will afford him an opportunity of sharing in the profits of these industrial concerns. Under no other plan of finance now in vogue would opportunity knock so loudly at his door. As an individual, he wouldn't be able to get within hearing distance. As a stockholder in the Foundation he would be interested in a number of going concerns, his financial eggs in a number of baskets.

A. F. Osterloh, executive head of the Goodyear Tire and Rubber Company of California, is president of the Foundation, and associated with him on the directorate are such men as George L. Eastman, William Lacy, John W. Kemp, J. C. Specht, James F. Rothgeb, John C. Austin, J. W. Jameson, Arthur S. Bent, Carl C. Thomas, R. A. Gibbs, all prominently identified with the Los Angeles Chamber of Commerce.

Pacific Ports

FOREIGN TRADE FOR FISCAL YEAR

WASHINGTON.—Europe continued as America's best customer during the fiscal year ended June 30, as shown in Commerce Department figures on the foreign trade of the twelve months. Asia replaced Europe as the chief seller to the United States, due in a measure to the rubber trade.

For the month of June this year American exports increased approximately \$15,000,000 over June of last year, while imports increased approximately \$12,000,000.

Figures by grand divisions for the year ended June, 1926, compared with the previous year follow:

EXPORTS		
Grand Divisions—	1926	1925
Europe.....	\$2,333,660,248	\$2,659,713,390
North America.....	1,167,526,283	1,142,579,889
South America.....	420,176,101	360,409,788
Asia.....	537,553,261	457,609,080
Oceania.....	201,209,549	167,002,281
Africa.....	93,932,549	77,266,736

IMPORTS		
Grand Divisions—	1926	1925
Europe.....	\$1,274,895,938	\$1,170,519,083
North America.....	977,026,294	960,037,563
South America.....	555,964,996	495,576,449
Asia.....	1,448,654,729	1,048,115,330
Oceania.....	70,619,138	65,437,139
Africa.....	99,425,725	84,442,811

Exports for June were \$338,419,144 against \$323,349,775, while imports totaled \$336,980,282 against \$325,215,735.

SEATTLE LEADS IN FOREIGN TRADE

Seattle, Wash.—Seattle is waiting with interest the government figures on relative standings of American ports in foreign trade. The 1925 foreign trade figures were:

Customs District	Chief Port	Total
Washington.....	Seattle.....	\$362,096,000
Oregon.....	Portland.....	\$60,559,000
San Francisco.....	San Francisco.....	\$47,853,000
Los Angeles.....	Los Angeles.....	\$122,501,000

\$883,009,000

Year	Tonnage	Valuation
1915.....	3,330,000	\$257,000,000
1920.....	5,238,000	\$88,000,000
1925.....	7,900,000	\$735,000,000

DAIREN, THE SECOND PORT IN CHINA

Of the foreign trade of the 45 ports coming under the jurisdiction of the Chinese Maritime Customs, Shanghai, Hankow, Tientsin, Canton and Dairen monopolize from 80 to 90 per cent. With the exception of Dairen, they have progressed at a steadily increasing rate. But Dairen has forged ahead much above the general rate of advance, and has outstripped several of the other ports in the race for trade. In 1916, Shanghai, Hankow, Tientsin, Canton and Dairen occupied, in order of their importance, first, second, third, fourth and fifth places; but in 1917 (Dairen had displaced Canton for fourth place. In 1918, Tientsin was displaced, making Dairen's position third to Shanghai and Hankow. Then it overtook Hankow and is now second among China's foreign trade centers. In 1915, the total of imports and exports through this port amounted to 2,270,036 tons, but, in 1914, it rose to the figure of 5,562,941 tons, showing more than 100 per cent increase.

Spain is importing large quantities of gasoline from Russia.

IMPROVEMENT OF CANTON HARBOR

The scheme for the improvement of the Whampoa harbor, Canton, which has been under consideration by the Canton officials since the days of the Empire, is engaging the serious attention of the present authorities in Canton. The Canton authorities now consider that the execution of the scheme can no longer be delayed, as under present conditions no ocean-going steamers drawing more than 13 feet of water can come up and berth in Canton harbor. But in view of the big sums involved, (estimated at \$9,670,000), the Canton authorities for the present, will carry out only a part of the scheme, which is to be confined to improvements to the harbor at the Lion Hills. Part of the program outlined by the Canton authorities in this connection consists of the following works:

The construction of four wooden quays, each to be 30 feet wide and between 200 and 300 feet long, estimated at a total cost of \$110,000.

The provision of warehouse facilities by building eight godowns, each to be 100 by 60 feet and 30 feet high, estimated at a total cost of \$120,000.

The building of a concrete pier 1,200 feet long, estimated at \$140,000.

The dredging of the harbor near the pier to a depth of 30 feet, estimated at \$20,000.

The building of a light railway, two and a half miles long, from the quays to the Canton-Samshui railway station, to facilitate the handling of merchandise, estimated at \$120,000.

Purchase of dredging apparatus, estimated at \$100,000.

STEAMER FOR WEST COAST TRADE

LOS ANGELES, Cal.—The Mexican passenger and freight steamer Oaxaca has been purchased by G. Allan Hancock of Los Angeles. The vessel will be delivered shortly to the new owner's transportation interests and after changes in San Francisco will be used as a refrigerator ship to carry vegetables and other perishables from the Mexican Coast.

At San Francisco the vessel's boilers will be gone over when the Oaxaca will proceed to Los Angeles for her final completion.

She is 254 feet long, 896 tons net and was built in Glasgow in 1918, and the vessel will carry about 50 carloads.

The total number of Koreans in the Russian Far East (Siberia) is now estimated at 50,000.



SUNSET. "The West's Great National Magazine," for twenty-eight years has been the only general-literary monthly of the West.

Originally designed to carry out the publicity plans of the Southern Pacific Railroad, it has been in private ownership since 1914. About a year ago a new editorial management took charge.

SUNSET has consistently held to the policy of reflecting Western thought and opinion and it is distinctive among American periodicals, in that it is both sectional and national in its scope. It enjoys the unique reputation of being the most often-quoted monthly literary magazine in the country.

CANTON STRIKE

HELPING SHANGHAI

SHANGHAI.—The value of merchandise declared at the American consulate for shipment to the United States during the first four months of this year totaled \$21,479,047, against \$18,593,350 for the corresponding months of 1925, according to Consul General Edwin S. Cummings. Consul Douglas Jenkins, in Canton, on the other hand, reports that the United States from that port for the first quarter of this year amounted only \$2,903,209, compared with \$6,500,000 for the same months of 1925.

To a very large extent this increase in the case of Shanghai and decline for Canton are results of the shipping strike and disturbances in Canton which have delayed to Shanghai large quantities of Canton silk, formerly routed through Hong Kong and included in the consular returns for Canton.

GOLD

With the installation of machinery can be made to pay \$300 per day.

Five claims, with surface showing an average of \$25 per ton. Want one or more to join in developing same.

Box 20, Pan Pacific Progress

STANDARD PRODUCTS COMPANY

FEDERAL INC., U. S. A.

14 Canton Road
Shanghai, China

Asiatic Import and Export

Cable Address—"STANPROCO"

BEAUTIFUL BOGOTA

(Continued from Page 73)

34° C. and 6½° C. These extremes occur during the dry season from January to March, because then the sun's irradiation and nightly radiation are greatest. The annual rainfall averages between 100 and 200 centimeters, and the average amounts to perhaps 130 centimeters. It rains fairly steadily from March to June and from September to December. From June to August it happens quite often that the rain clouds from the west side of the Cordillera surmount the Andes and are precipitated as so-called paraitos, a very cold and disagreeable misty rain.

Bogota was founded on August 6, 1538, by Gonzalo Jimenez de Quesada. An old chronicle describes the founding as follows: On August 6, 1538, the day on which Catholics celebrate the feast of the transfiguration of the Redeemer, Quesada assembled together all his soldiers in the same place which is now the Plaza de Bolivar. There took place the formalities of the ceremony. Quesada dismounted his horse, pulled some blades of grass, and proclaimed in a loud voice that he was taking formal possession of these lands for the dominion of Emperor Carlos V. and in whose name he found the settlement of Santa Fe de Bogota. Right after, he unsheathed his sword, and struck the ground with it three times, mounted his horse and challenged any one who would oppose this act of founding the new settlement, which he would defend even with his life; he then ordered a public writ to be made before the Military Court."

Of the many conquistadores which Spain produced during the first hundred years after Columbus' discovery of the West Indies and Central and South America, Quesada was no doubt one of the most remarkable ones. He was not only an intrepid explorer and warrior, but also a great diplomat. Shortly after Quesada had reached the Bogota plateau he heard that the German explorer, Federman, had crossed the East Cordillera from the llanos somewhat south of Bogota, and that an officer of Pizarro, named Sebastian de Benalcazar, the conqueror of Quito, had penetrated from Ecuador into the Cauca valley towards Cartago. From there he had crossed the Central Cordillera, reached the Magdalena river and ascended from a place near Ambalean towards the Bogota plateau. Quesada had a meeting with Federman and Benalcazar and persuaded both of them to leave him in charge and Federman and Benalcazar returned the way they had come. It has always appeared most wonderful to me how these early explorers succeeded in penetrating into unknown lands, populated at that time with hostile tribes of Indians. Particularly the crossing of the East Cordillera by Federman has interested me, as he must have crossed somewhere near one of the places where I crossed, and can imagine how difficult it must have been for him with horses and a large crew of men. To keep horses and men supplied with food in the jungle is a more difficult problem than most people realize, and often results in hardships for both man and beast. In fact, the trip of Federman from Lake Maracaibo across the Cordillera of Merida and thence along the foot of the East Cordillera to the river Papamene has, I believe, never been repeated in its entirety. Accidentally, I found on one of my trips to the tirrups made entirely of copper bronze which were used by the Spaniards in the sixteenth century, and perhaps it is one used during said remarkable expedition.

It would lead too far to describe the many interesting historical occurrences of Bogota

during the Spanish regime, during the war of Independence, and since. Suffice it to say that Bogota has remained as the capital during all the political changes that the present Republic of Colombia has undergone.

Colombians as a rule are very hospitable and particularly so after they become closer acquainted with foreigners. The Colombian Clubs in Bogota which take the greater part in social activities are the Jockey Club, Gun Club, Polo Club and Country Club. The English and Americans congregate in the Anglo-American Club, and the Germans in the Club Aleman. Most of the large social affairs are held in said clubs, or in hotels, although the different legations also do much entertaining in their own houses, as well as some Colombian families who occupy large and splendidly furnished residences. There is no such club life for women in Bogota as exists in Los Angeles, and other American cities. The women of Bogota spend more time in church than any other place outside of their homes. At the dances one sees mostly only the younger unmarried element of the female sex dancing, while there exists no such restrictions for the male sex.

Nearly each year an Italian Grand Opera Company comes to Bogota to sing in the splendid opera house, which is owned by the Federal Government and supported to some extent, I believe \$15,000 per year, by it. In 1924 the Opera Company brought Titta Ruffo along, but I must say that the company went broke, although on Ruffo nights the seats in the pit were sold at \$10. However, perhaps the bankruptcy was caused on account of the (for Bogota) high charges. Bogota also supports a conservatory of music and a real good symphony orchestra. It is a pity that the latter only gives one concert a year for the public. However, at special religious occasions, such as a commemoration mass for a rich dead person, the symphony orchestra will play in the church. I remember one of the best concerts, instrumental and vocal, I ever heard was at one of such masses, for which the dead party had set aside \$3,000 to be spent one year after his death.

The Colombians are more formal in dress than Americans. In this matter, as well as in most other cases, they follow European customs. One often sees in Bogota high hats and afternoon coats, and Americans who have not been in Europe will also be astonished to see the Colombian wear formal full dress on formal state occasions, even during the forenoon and afternoon.

The band of the Republic, which is a very good one, plays Monday evening in the Capitol, and Friday evenings in Santander Park and Sunday forenoons in Independence Park. During two or more other nights during the week, either the Police band or a military band plays concerts in one of the plazas. It is curious that while the Colombians do not hold back at all with applause at the opera or theatre, they do not applaud at all, or at least very seldom at any of the concerts given in an outdoor place. The daylight concerts in the Independence Park are much spoiled by the eternal cries of "bolo" (shine) of the bootblacks and of candy sellers, and of crippled beggars. It is impossible to sit down and listen to the music, as the pestering of these urchins is continuous, even if one takes one shoe shine after the other.

In one way the living conditions in Bogota are better for families than in the United States, and that is the ease and small cost which a family can secure good and fairly efficient servants. A good cook can be had for \$5 to \$10 per month, and the house servants can be had for \$3 to \$6 per month. It is curious that there is no family in Bogota so poor that it cannot keep a still poorer

servant. Most of the servants come from outside of Bogota where living is still cheaper than the capital. However, even in Bogota living is much cheaper than in the United States, if one is satisfied with the products of the country. All imported products are about 100 per cent more costly than in the United States, but Colombia itself grows so much and in such a great variety, that an average man does not need importations.

There are not many rich people in Bogota, using the term rich in the American sense. One of the reasons is that the interest rate for mortgages has been 18 per cent annual, and the best government papers pay 10 per cent annual interest. The savings banks pay now 6 per cent annual, and paid 9 per cent only a few years back. I have been reliably informed that even now loans on private property are often made at 24 to 36 per cent annual interest. I do know that the latter rates prevail in small communities distant from Bogota. It can easily be seen that such high rates keep one part of the people forever paying interest, and many of those receiving interest lack the incentive to enlarge their business enterprises, because even a comparatively small capital brings in enough interest to comfortably support a family. These conditions have much improved during the last two years, after Congress had adopted the recommendations of an American expert finance commission, which has tended to reduce interest rates, as stated above.

ECUADOR FORMS CENTRAL BANK

QUITO, Ecuador.—A central bank of issue and amortization has been established by presidential decree.

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WING HING HONG General Import and Export

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Connections Desired throughout Canada, the United States and Latin Americas.

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50,000 Acres Banana Land

On Pacific Coast, six hours from Panama by launch. All virgin land, well timbered with Spanish cedar, mahogany and other hard woods. Bounded on three sides by river navigable by barges. Marketable timber alone will pay for property. Title absolutely guaranteed.

\$40.00 per Acre

For further particulars address
Box CZ, Pan Pacific Progress.

The Three Breakers Clubs

Breakers Beach Club

Breakers City & Athletic Club -- Breakers Country Club

One Membership!

NOW available—the Ultimate in Club Life—as a Life Member of the combined Breakers Clubs, for the one membership fee.

A magnificent Beach Club now nearing completion at Santa Monica; a height-limit Class-A metropolitan city club, ground for which is soon to be broken in downtown Los Angeles; a beautiful Country Club, to be located near to both the city and the beach club.

The magnificent Breakers Beach Club, located at Marine Terrace and Ocean Front, Santa Monica, offers the last word in luxury, social environment and outdoor recreation. Already the Beach Esplanade is thronged with many of the social elite of the Southland; the huge main club building is nearing completion.

There are no other charges—just the one membership fee, payable on deferred payments if you so desire, and the locker fee. There are no dues. All Life Memberships Are Non-Liable, Transferable and Non-Assessable.

Investigate this exceptional social and recreational opportunity at your very earliest convenience.

The membership committee will act promptly upon your application as they have done in the past. Membership restrictions will be carefully selected in order to insure members association and environment of the highest character.

Breakers Clubs

Beach-City & Athletic-Country

8th Floor Spring Arcade Bldg. - Los Angeles

Arthur Bard, one of America's foremost builders of clubs and theatres, has been commissioned to construct these three wonderful clubs. Mr. Bard is noted in Southern California for his eminent work in constructing such notable projects as the Club Casa Del Mar, Bard's Theatres and numerous clubs in Los Angeles and Pasadena.

Membership Committee,
Breakers Clubs,
8th Floor, Spring Arcade Bldg.

I would like to know more about how I may become a member of your Three Breakers Clubs, for the one membership fee. Kindly send me full particulars describing the Three Clubs and their privileges.

Name _____

Address _____

Telephone _____

Business Address _____

Business Telephone _____

Book Reviews

By Jeffrey R. Lunge, Review Editor

THE TRAVELS OF MARCO POLO (The Venetian). Edited by Manuel Komraff. Boni & Line, N. Y. Publishers. Price \$3.50.

This volume will be hailed with delight by all lovers of readers. For the first time since Marsden's famous edition (published in 1818), we find the writings of Polo presented entire, and treated as a classical narrative, complete in itself, and unhampered by the mass of substantiating material collected from later writers.

For this reason, the casual reader of travel works, as well as the student will find to his delight that he plunges into its pages and read first-hand, the amazing accounts of the old explorer. At the same time, the edition, while adhering closely to the most accurate translations, is done in fine style, free from any trace of stilted or archaic language.

Chapters, for the benefit of students, have been added to synchronize with the Yule edition, so that those famous notes may be easily referred to. Concise and colorful introduction, by the editor, makes this admirable literary work.

DRESSES, by Sao-ke Alfred Sze. The Johns Hopkins Press, Baltimore.

It is not always easy for the Western mind to quite admit what to an Oriental may appear to be inevitable logic.

Sze's collection of addresses form an extremely interesting study of China's present-day problems as seen by a noted Chinese diplomat.

These addresses, together with an introduction by W. W. Willoughby, of Johns Hopkins University, are in very readable style and leave no doubt as to Sze's attitude, as illustrated by Dr. Sze, on the problems discussed.

NATIONAL FOREIGN TRADE CONVENTION

PROCEEDINGS. The Proceedings of the Thirteenth National Foreign Trade Convention, which was held at Arlington, S. C., the last three days in April, have just been published. This is a cloth-bound book of 500 pages containing all of the papers presented at the Convention, together with much of the discussion. Among the addresses at the opening session of the Convention was one of The Foreign Trade Commission by James A. Farrell, President of the U. S. Commerce Department; another on The Commercial Position of the South Atlantic; and a third on The Position of Our Raw Material Supply by Dr. Julius F. D. Director of the Bureau of Foreign and Domestic Commerce. There are also five addresses on International Trade, and a group of sessions with three or four addresses each on Education for Foreign Trade, Policies, Foreign Credits, Export Problems of the Atlantic, and The Where and How of Exporting. Also there are papers dealing with the Far East, with South Africa; Foreign Imports, and other topics. Mr. Henry M. D. of Los Angeles gave an address on the Situation of 1926. This volume can be obtained from the National Foreign Trade Council, India Hanover Square, New York, for \$2.50.

TRADE INQUIRIES

For the direct trade inquiries coming into the Los Angeles, Cal., Trade Extension Department we mention the following:

2441—The American Chamber of Commerce of Chiapas writes that a member of that Chamber of Commerce controls property in the State of Chiapas, where there are between 800,000 and 1,000,000 trees ready to be tapped for the latex, but that they desire to lease the trees to someone in the States with capital to put in a rubber extraction plant. Further information may be obtained from Mr. Saunders, Secretary, American Chamber of Commerce of Mexico, Mexico, D. F.

2442—With further reference to Direct Trade Commission, appearing in Bulletin 97, with reference to a gentleman who is leaving soon to spend some time in the Near East with headquarters in Jerusalem, that he believes the following Los Angeles commodities could be marketed to good advantage for handling such items: Canned goods, both dry and vegetables; motion picture films, gasolene, kerosene, oil well tools and supplies, machinery; auto tires, tubes, accessories and parts.

MEXICAN INVESTMENTS
Information on Mexican Mines, Estate or Other Investments, Address
CARLOS B. CAROTHERS
Lissner Bldg. Los Angeles, Calif.

CLASSIFIED ADS

Advertisements under this head, 25 cents per line one time, 20 cents per line each insertion on time contracts.

ADVERTISING AGENCIES

CHINA—Carl Crow, Nanking Road, Shanghai, China. The Oriental Advertising Agency, Shanghai, China.

JAVA—"Preciosa" Advertising Bureau, Rijswijk 1, Weltevreden, Java, D. E. I.

EDUCATIONAL

LOUIS CASTO—Instructor of French, Spanish, Italian. Suite 431 Southwest Building, 130 South Broadway, Los Angeles, California.

Note. Educational institutions desiring to be listed under this heading are requested to correspond with the Educational Editor of PAN PACIFIC PROGRESS.

LOS ANGELES, CALIF.—University of Southern California. Special courses for those interested in foreign commerce, banking, law and various branches of business activity. Approved home study courses for out-of-town students. Write for particulars, 1306 Transportation Bldg., Los Angeles, Calif.

CHINA—Chih Tze University, Shanghai, China. Pres., Dr. S. C. Ho; Dean, Dr. S. M. Ho. Peking University, Peking, China. Taing Hua College, Peking, China.

HAWAII—University of Hawaii, Arthur L. Dean, Pres.

HOTELS

Hotels desiring to be listed under this heading should write to our Travel Service Bureau Manager and learn of a special offer that can be made to a few select hotels and resorts for a limited period which will enable them to place certain advertising on Trans-Pacific Steamers.

The following hotels are recommended to our readers as being the best in their respective cities:

JAPAN—Imperial, Tokyo. Occidental, Kobe.

CHINA—Astor House, Shanghai. Peking, Peking.

MANILA, P. I.—Manila, Manila.

JAVA—Hotel des Indes, Weltevreden.

STRAITS SETTLEMENTS—The Europe, Singapore.

AUSTRALIA—The Australia, Sydney.

INVESTMENTS

FOREIGN SECURITIES—Before investing in any foreign security consult Moffett & White, Inc., 710 Stock Exchange Bldg., Los Angeles, Calif. Security Specialists. Write for free circular on "Mexican Assented Bonds."

MISCELLANEOUS

PROMOTION

MEXICAN MINES. Parties interested in securing control of some good mines in Sonora, Mexico, are requested to write to Box 16, Pan Pacific Progress. Assays on one property shows 100 oz silver, 25% lead. Another 80 ozs. silver, \$6.00 in gold and 17% copper.

CONNECTIONS WANTED

AUTOMOBILE ACCESSORIES. Importer in Berlin is ready to represent American manufacturers of Automobile accessories. Address: Nr. 2692 c/o American Chamber of Commerce in Germany, 59-60 Friedrich Strasse, Berlin, W. 8., Germany.

Photos Wanted

Send us copies of your kodak prints of Current Events, Places of Interest or Prominent People in PAN PACIFIC countries.

One year's subscription FREE to PAN PACIFIC PROGRESS For Each Photograph Printed No prints returned 601 Lissner Bldg. Los Angeles, Calif.

EXPORT, IMPORT. Experienced agent wishes to connect with American firms who desire to be represented in Germany for export and import. Address: J. Hermann Müller, 136 Kaiserallee, Berlin-Friedenau, Germany.

SPECIAL OFFERINGS

Under this heading we will accept a limited number of bonafide special offerings from a few reliable firms. It is an excellent and economical way of reaching a very select clientele. Write and tell us about your offering and ask for our special rate.

CHINA TEA—5½ ozs. Excellent China Tea. Sent by parcel post anywhere west of the Rocky Mountains for 75c. Address Box 15, PAN PACIFIC PROGRESS.

JASMINE TEA—½ lb. delicious flavor. Very sweet. Sent anywhere west of the Rocky Mountains for 50c. Address Box 15, PAN PACIFIC PROGRESS.

CHINA GINGER—½ lb. Choy Fong Brand. Sent by parcel post anywhere west of the Rocky Mountains for 25c. Address Box 15, PAN PACIFIC PROGRESS.

MANILA CIGARS—A sample box of 10 choice Manila Cigars manufactured by La Insular Cigar and Cigarette Factory, Inc., sent by parcel post anywhere in the United States for 75c. Worth \$1.00. Address Box 16, PAN PACIFIC PROGRESS.

FOR SALE—Fine collection old Chinese, Korean and Japanese Coins. Some over 2000 years old. All neatly mounted on cards and in fine condition. Address Box 2, PAN PACIFIC PROGRESS.

POSITIONS WANTED

SECRETARIAL or executive position (male); five languages (incl. Portuguese); capable correspondent; hard worker; formerly Paris and Rio de Janeiro; expert stenographer, literary. Knows Brazil. Box 17, PAN PACIFIC PROGRESS.

CULTURED gentleman with thorough knowledge of all kinds of banking and commercial business wants permanent position. Private secretary preferred. Master of English, French, German and Russian languages. Super-traveler. Has own enclosed car. Box 12, PAN PACIFIC PROGRESS.

POSITION desired with large corporation in Orient or Europe. Young man, practicing law, with wide general business experience. Address Box 18, PAN PACIFIC PROGRESS.

PUBLICATIONS

NOTE. If interested in any of the publications listed below, write PAN PACIFIC PROGRESS for combination subscription or advertising rates. Our combined staffs are at your service.

JAVA—The Inter-Ocean. A beautifully illustrated monthly published by G. Kolff & Co., 72 Petjenongan, Weltevreden, Java, D. E. I.

JAPAN—The Japan Advertiser. The leading daily newspaper of Japan and the Far East. Published in Tokyo and printed in English. Joseph H. Barry, American representative, 110 East 42nd St., New York City, N. Y.

JAPAN—The Trans-Pacific. A weekly digest of the important political, sociological, financial and economic developments of Japan, China, the Philippines and Siberia. Printed in Tokyo in English by B. W. Fleisher. American representative, Joseph P. Barry, 110 East 42nd St., New York City, N. Y.

CHINA—The China Weekly Review. The leading weekly printed in English in Shanghai. J. B. Powell, Publisher.

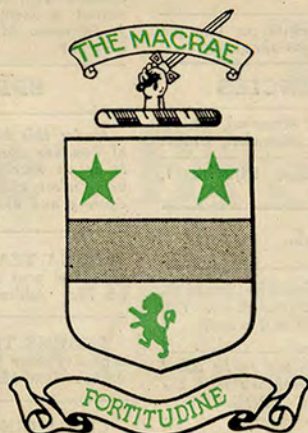
SHANGHAI—Far Eastern Capital and Trade. China's leading weekly financial, insurance, banking and shipping journal. 25 Jinkee Road, Shanghai, China.

STRAITS SETTLEMENTS—"Straits Produce"—The Punch of Malaya. Published Quarterly, Raffles Place, Singapore, S. S.

AMERICA—American Globe, Wm. J. Schaeffle, Publisher, Oldest Financial, Industrial Review Magazine on the Pacific Coast. Published monthly. Established 1903. Subscription \$2.00 per year. 201 American Bank Bldg., Los Angeles, Calif.

PROTECTION

The vital question of today. Oil companies, ship owners, and concrete builders freely admit the utter lack of a lasting preservative to protect steel and iron against the ravages of salt sea water and spray, water-proofing of concrete and wood. We have it after fifteen years of constant research, and present to you



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Protective coatings for the preservation of iron and steel against rust; concrete against dampness and alkali; wood against moisture and dry rot; steam pipes against rust and acids; ship bottoms and decks against salt water and sea air. Barnacles and sea growths do not adhere to it.

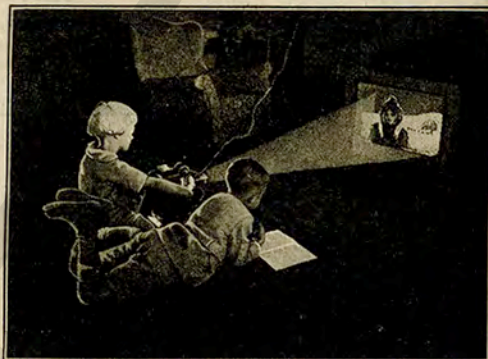
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Correspondence invited from reliable representatives

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Their lines extend throughout the entire Republic, serve more than three-fourths of its territory and reach all of its largest cities and most important points.

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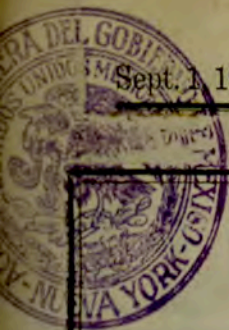
601 Lissner Building

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MEXICAN LABOR POSTER

BEARING THE SLOGAN—"WHO DOES NOT WORK DOES NOT EAT."



Why Mexico?

Everybody knows that Mexico is the largest producer of silver in the world. That it is second only to the United States in the production of petroleum—although of its one hundred and fifty million acres of oil lands only fifteen thousand acres have been scratched. That it sends more lead and copper to the United States than any other country. That its forests rank first in the production of precious woods, particularly mahogany—But:

Mexico is larger than Great Britain, Japan, France, Italy and Germany combined. It has an area of nearly eight hundred thousand square miles. Forty per cent of this is arable and pasture land although only 7% is under cultivation. Seventy per cent of the population of Mexico of over fifteen million people is rural and is now tilling the soil.

The Revolution gave to practically every Mexican a parcel of land. This was the first step in the rehabilitation of the peasants. But what would these destitute downtrodden victims of four centuries of slavery and nefarious exploitation do with a piece of land if, with an atavism of iron-branded beasts of burden, they did not know how to make use of it? What good would mean to them this generosity on the part of their liberators if they had no means to support themselves and their families until the soil began to yield; if they had no money to buy seed, nor cash or credit to acquire agricultural implements and machinery? Even if these two problems were solved, how could they insure or improve their crops without irrigation, relying only on the mercy of uncertain rains?

Four centuries of subjugation in Mexico produced a group of leaders fully aware of the needs of the country and of their responsibilities. The record of the accomplishments of the Revolutionary Government of Mexico since it came into power proves definitely that its steps are the results of carefully meditated plans and programs. It was first necessary to be. But as soon as the peace of the country was insured, nay, even under fire, the positions conquered were consolidated. No sooner was a reform accomplished than the following step was taken.

One of the most up-to-date agricultural institutes in the world was established near Mexico City, in Chapingo. Free education in all branches of agriculture and agricultural industries has been given there constantly to about six hundred young men every year. These boys have been coming from every State in Mexico. This school has been the hot bed where the nuclei for the schools subsequently established were prepared. The present Secretary of Agriculture in Mexico is a graduate from Chapingo.

When the material was available a dozen additional agricultural schools similar in organization to the original one in Chapingo were established in strategical points throughout Mexico and are already producing astonishing results.

Then came the rural schools of which the present Government of Mexico is opening three a day, and last but not least a legion of agricultural experts

employed by the Department of Agriculture who go from farm to farm to the remotest pueblos in the Sierras preaching the gospel of education.

This combined effort of the Departments of Agriculture and Education has resulted in an actual school population of one million five hundred thousand students throughout Mexico, but the number of people receiving the benefits of this campaign of Education comprises practically all the population of Mexico as by public lectures in theatres, public squares and abandoned churches; by the aid of the radio and the movies and by the enormous quantities of printed matter distributed free by every government department self-consciousness is awakening in every Mexican.

The Federal Government, the State Governments and the Municipalities have been in some cases selling but in most cases distributing free among the new farmers seed, implements and agricultural machinery. Cooperative societies have been established and are successfully functioning. This explains the large purchases that Mexico is making of agricultural machinery not only in the United States but in European countries. Mexico ranks among the most important purchasers of agricultural machinery in the United States along side with Canada and Argentina.

The most important step ever taken in Mexico for the rehabilitation of the rural classes has been the establishment of the National Bank of Agricultural Credit in Mexico City last February. The capital was subscribed by the Federal Government and by the Governments of all the different States. The inauguration of this Bank has been followed by the establishments of affiliated banks throughout the country. Five of these were opened in March in the States of Durango, Hidalgo Michoacan, and Guanajuato and in the Federal District, and new ones have been opened until now there is practically no State in the Union without its agricultural bank enabling the small farmers to finance their crops.

Last but not least the irrigation works now being undertaken throughout Mexico are a gigantic struggle on the part of the Government to encourage agriculture. The projects now being carried out are well known to everybody and it will not be long before the irrigation of Mexico is scientifically regulated.

With temperate tropical and sub-tropical lands, potentially and actually capable of producing every conceivable product. With more than five thousand miles of coast lines on the Atlantic and the Pacific. With nearly twenty thousand miles of rails crossing the country from one end to the other. With a soil that yields three crops a year without the aid of machinery or fertilizer. With a government of the people, by the people, for the people, with the most advanced legislation to protect life and freedom and insure social justice, Mexico is justly entitled to be called Homeseekers' Paradise.

MEXICO IS THE PLACE.

Financial Agency of the Government of Mexico
225-241 West 34th Street
New York

FOR RELEASE WEDNESDAY SEPTEMBER 1st.

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In making this announcement as the Financial Agent of the Mexican Government in the United States, I wish to call attention to the fact that the attempt to dislocate the financial and industrial life of Mexico through an economic boycott with the official backing of the Church Hierarchy has entirely failed of its expressed purpose. The Mexican Government is meeting all its obligations promptly and in reply to four questions addressed by myself to Mr. A. J. Pani, Secretary of the Treasury of Mexico, have received the following:

"In reply to your question as to 'what are the effects of the boycott up to the present time', I would state that while at the beginning some slight decrease was noted in commercial activities, at the present date, August 27, absolutely normal conditions are being re-established."

"In reply to your second question as to 'what have been the effects of the boycott on trade', I would say that the only trade which suffered somewhat from the boycott was that on articles of luxury. This was caused by the fact that the wealthy class, being most related to the Clergy on account of conservative ideas, was the only class which has in any way supported the boycott. The boycott movement has found absolutely no response from the middle and laboring classes who constitute the most important body of our population and who are the ones who give life to all trade in staple commodities, and it is these commodities which constitute the country's most important business activities."

"As to your third question regarding the 'effect of the boycott on the Government itself', I would say that the revenues have not suffered any noticeable change and that the accounts received up to now do not show any fluctuations on State taxes."

"To your question asking as to 'what the effect of the boycott has been on exports from the United States', my answer to this is that United States merchants continue to send to Mexico all articles constituting the base of our trade relations. As I have stated in answer to your previous question, the vast majority of our people have not responded to the boycott movement and therefore the consumption of

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necessary commodities continues to be absolutely normal."

From the foregoing statement of the Secretary of the Treasury it will be seen that the attempt to bring pressure on the Government to disobey plain mandates of the Mexican people as expressed in our Constitution has been an utter failure and the news from Mexico shows that the attempt to create hardships among them by such methods as the boycott is creating a rising tide of resentment throughout the Republic.

Arturo M. Elias.

FINANCIAL AGENT OF THE GOVERNMENT
OF MEXICO.

E/H.E.R.

K. OF C. IN PLEA TO PRESIDENT

By Universal Service.

PAUL SMITHS, Aug. 31.—Evidently dissatisfied with the Administration's policy of "hands off" in Mexico, Supreme Knight James A. Flaherty, of the Knights of Columbus, will come here tomorrow to protest the Mexican situation to President Coolidge.

The decision of the President to receive Mr. Flaherty was announced today without comment. But it is known that after the Knights of Columbus adopted the protest resolutions at their Philadelphia convention Flaherty was informed that he would be received by the President if his conference to be held with Secretary of State Kellogg prove unsatisfactory to him.

Flaherty laid the Mexican situation, as seen by the Knights, before the Secretary of State at Washington.

It is now believed to be his intention to plead with the President to lift the embargo against the shipping of arms into Mexico and to urge that drastic steps be taken for protection of American lives and property.

Mexico Congress Meets Today on Church Feud

By GEORGE W. HINMAN, JR.,

Universal Service Staff Correspondent.

MEXICO CITY, Aug. 31.—With houses completely under the control of the Calles regime, the Mexican Congress elected last Summer meets tomorrow for the carrying out of the programme of the President and his advisers.

President Calles and the cabinet ministers will address the legislators, outlining conditions as developed since the last Congress and making recommendations for future legislation.

The foremost question is the religious controversy involving interpretation of the religious articles of the Constitution along lines mapped out by the Government. Projected legislation is already prepared for submission to Congress for approval.



Mexico Forwards Monthly Payment

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A. M. Elias, Financial Agent of the Mexican Government in the United States, calls attention to the fact that the attempt "to dislocate the financial and industrial life of Mexico through an economic boycott with the official backing of the church hierarchy has entirely failed of its expressed purpose." The Mexican Government is meeting all its obligations promptly, he says.



MEXICAN INTEREST IS PAID FOR AUGUST

Agent Here Says Boycott Has
Failed, Unsupported by Bulk
of the Population.

TRADE IN LUXURIES HURT

No Falling Off in Government's
Revenues or Imports From
United States, He Asserts.

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In making the announcement Mr. Elias asserted that the economic boycott, with the backing of the Catholic Church, had failed of its purpose. In reply to four questions which he addressed to A. J. Pani, Secretary of the Treasury of Mexico, he received the following:

"In reply to your question as to 'what are the effects of the boycott up to the present time,' I would state that while at the beginning some slight decrease was noted in commercial activities, at the present date, Aug. 27, absolutely normal conditions are being re-established.

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ACTION NOW IS UNLIKELY

But President Is Ready to Learn of
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Special to The New York Times.

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The Knights' demand for action was made in a resolution passed by the Supreme Convention in Philadelphia, early this month and later presented to Secretary of State Kellogg. The Secretary conferred here with the President on our Mexican policy a few days afterward.

It was announced after the presentation of the petition that the organization had failed to produce evidence to justify action by this Government and it was reiterated that the United States would continue its "hands off" policy in the struggle between Church and State in Mexico, on the ground that it was a domestic question of the southern Republic.

Calles Held to Be Bolshevik.

Tomorrow's engagement was asked by Mr. Flaherty in a telegram in which he did not state the exact purpose of the conference. The Knights' request was granted, although it had been indicated that the Administration's policy in respect to the Church and State conflict would in no way be modified as the result of a renewal of the importunities of the Knights of Columbus.

The Knights' resolution asserted that "this system in Mexico has been created under American auspices" and "sustained by American executive authority, which has accepted Calles and Obregon, who are the enthusiastic supporters of the Bolshevik concept of government."

The resolution asserted that "representatives of Calles have insulted and degraded and expelled American citizens" and called upon the President and the State Department to "put an end to this ignominious contempt which has been shown by Calles for Americans' appeal and to resolutely demand protection for American citizens."

Statements issued by ranking officers of the Knights of Columbus since the convention have denied that the order wanted the United States to intervene by force.

Withdrawal of recognition of the Calles Government has been urged by prominent Catholic speakers since the conflict began.

Coolidge Studies Issue Closely.

While it was reasserted tonight in official circles that the President would not act upon the protest of the Knights, it became known that he is not unwilling to get all the information that they may have from private sources in Mexico in connection with his consideration of a stiffer Mexican policy.

The policy as to the Church dispute, which he regards as a purely internal question, will not figure in the President's present plans to revamp the Mexican policy if facts justify a more assertive attitude on the part of this Government.

Mr. Coolidge will see Ambassador Sheffield next week as part of his program to give serious thought to all things Mexican. He will determine after this conference and after further conferences with Secretary of State Kellogg whether more is likely to be accomplished by forcing a solution of the oil and land disputes respecting American ownership through a stronger Mexican policy or through the present patient policy.

The American Mexican policy may be modified within a reasonable time after the Church troubles subside, when this Government can act without its action being misinterpreted as due to an aroused public sentiment over the confiscation of Church property in Mexico, it is said here.

As his vacation approaches an end President Coolidge is devoting himself to the Mexican question to the exclusion of domestic and other foreign matters.

There are indications that before Congress convenes the Administration will take a more forceful position on the land and oil laws.

CHURCH SEES CALLES AS WORLD-WIDE PERIL

Catholicity Will Be in Danger
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vail, Bishop Diaz Says.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

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The Bishops will study the new project tomorrow at a special meeting in the palace of Archbishop Mora y del Rio.

All the Archbishops and Bishops have been invited to attend and to make suggestions for a future program in case Congress refuses to act on the Catholic protests against the religious laws which caused the present struggle between Church and State in Mexico.

Catholics realize that Congress may lay the petition on the table, and that there it may rest until a new Administration comes into power two years from now.

If Congress fails to do anything toward the relief which the Church seeks, the Episcopate, its members declared, will stand firm and not interfere with the economic boycott, although it takes months or years for the Church to get its demands.

Bishop Pasual Diaz, spokesman for the Episcopate, declared to THE NEW YORK TIMES correspondent today that the clergy was prepared to carry on the struggle for months or even years and would eventually win.

"This is not the fight of the Mexican Church alone," Bishop Diaz said. "It is a fight which affects the entire Catholic world, for if these strange ideas of the present Mexican Govern-

ment prevail the Catholic Church will be in danger in other countries where these ideas are rapidly spreading.

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The Government will make an inventory of all the property in the buildings connected with the cathedral here. The Government's decision to make the inventory is based on the clause in the Constitution vesting ownership of church property in the State. The inventory will start the first of next week. At present the buildings are sealed, having been closed by Government authorities on Aug. 1.

Dispatches from the United States saying that Ambassador Sheffield will confer with President Coolidge in September are arousing much interest here among both Americans and Mexicans who are speculating on the nature of the Ambassador's report.

His return to Mexico City is eagerly awaited by his American friends who make light of reports in circulation here that he will not come back to Mexico.

They say he will return, even if only for a few weeks, as it is known that he is anxious to remain at his post until certain suggestions that he has presented to the State Department are carried out.

MEXICO CITY, Aug. 31 (P).—Two hundred and three members of the Chamber of Deputies have taken the oath for the opening of the thirty-second Legislature of Mexico. The sessions will begin tomorrow.

The prospect, from the Catholic viewpoint, continued gloomy for any relief by the legislative body in the nature of repeal or amendment of the religious clauses of the Constitution or of the regulations giving effect to the clauses.

NOGALES, Ariz., Aug. 31 (P).—A dispatch to The Herald says that Manuel Nunez, a former Colonel in the revolutionary army of Adolfo de la Huerta and a General under General Enrique Estrada, recently implicated in a plot against the Government of Lower California, has been executed at Malaqui Hacienda, near Chamela, State of Jalisco, Mexico.

Nunez was held responsible for an attack on a train near Guadalajara last January and with having taken the lives of several of the passengers and the train crew.



THE WORLD: WEDNESDAY, SEPTEMBER 1, 1926.

MEXICO PAYS INTEREST; CALLS BOYCOTT FAILURE

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THE WORLD: WEDNESDAY, SEPTEMBER 1, 1926.

MEXICAN CONGRESS TO AIR CHURCH ROW

Calles's Message Opens Session
To-Day, With Religious
Measures Expected

CATHOLICS TO OFFER BILLS

Church-State Conflict Enters
New Phase After Month

By Arthur Constantine
Staff Correspondent of The World
Special Cable to The World

MEXICO CITY, Aug. 31.—Mexico's church-state conflict will enter the halls of Congress to-morrow when President Calles opens the new session with his formal message.

Besides a defense of his religious policy, it is expected he will ask Congress to stand pat on the alien land and petroleum laws and make numerous recommendations for the betterment of the working classes. The message also is expected to touch on his financial plans and foreign relations, particularly with the United States.

Before many days a resolution in support of the President's position in regard to the church probably will be passed. Congress is known to be overwhelmingly pro-Calles; even the church elements admit that.

However, within another week, Catholics will be ready to present their "reform" measure in the form of a petition to Congress from the Episcopal Committee. It will ask constitutional as well as legislative changes, including:

Complete separation of church and state; restoration of the civil rights



CATHOLIC KNIGHT TO VISIT COOLIDGE

Revival of Discussion of U. S.
Attitude Toward Mexico
Seen in Appointment

REITERATES DEBT VIEWS

Also Feels Confident Nation Fa-
vors World Court

From World Staff Correspondent
Special Despatch to The World
WHITE PINE CAMP, N. Y., Aug.

31.—Revival of discussion of the American policy on the conflict between church and state in Mexico was seen here to-day with announcement that President Coolidge has made an appointment to receive James A. Flaherty, Supreme Knight of the Knights of Columbus, at the summer executive offices to-morrow.

Mr. Flaherty's visit will add another phase to international questions suddenly laid before the President, which involve also the Administration's world court attitude and treatment of the debt issue raised by former Secretary of War Newton D. Baker in his statement urging the United States to wipe the slate clean of the war loans.

Apparently Mr. Flaherty was not satisfied with his call at the State Department about three weeks ago with the resolutions of his organization protesting against the treatment of Americans in Mexico. He went there at the President's direction, but was assured the President would be glad to see him later.

Views on Debt and Court

President Coolidge's views on the World Court situation and the plea for cancelation of the war debts were outlined to-day by the Official Spokesman.

The World Court reference was provoked by questions on the defection of Senators Gooding (R., Idaho), who is up for re-election, and Trammel (D., Fla.), who announced he would introduce a resolution of withdrawal from the court. According to the Spokesman, the President feels it will be better to wait until after the election to see the attitude of those in public life on the court.

This was said, the spokesman added, without any expectancy that the court situation will be changed, as the President feels the question is definitely settled.

President Coolidge is as confident the World Court will triumph in elections where it is an issue, as he is that the people want Europe to pay the war debts. In commenting on former Secretary of War Baker's statement, the Spokesman declared it is much easier for a person in private life who no longer is charged with responsibility over public affairs to make a large expenditure of the taxpayers' money than it is for those who have to see that the taxes are collected and who have the responsibility of determining what outlay shall be made of them.

No Reason to Alter Policy

Later the Spokesman expressed hope that nobody would make too much of this suggestion, because Mr. Baker is a very sincere man, one for whom the President has great respect and for whose judgment and patriotism he has high regard.

All the great powers except one have made final adjustments and it is apparent that every one expects France to make an adjustment in accordance with the duly negotiated settlement, the Spokesman explained, adding that so far as the President is informed he knows of no reason for changing the policy of adhering to the settlements.

Mr. Coolidge feels it has been pointed out time and time again that the money loaned the foreign Governments must be paid by American taxpayers unless it is paid by the borrowers. That is the controlling argument which persuades him against cancelation.

President Coolidge has been informed of the bill passed by the Philippine Legislature over the veto of Gov. Gen. Leonard Wood providing for a plebiscite on the question of Philippine independence. The bill now comes to the President, who is given six months under the law to determine his action. It was said Mr. Coolidge will give it careful consideration when it reaches him.

There seems little doubt that the President will uphold Gen. Wood's veto.

To Visit Veterans' Hospital

President Coolidge will visit the veterans' hospital and convalescence hospital near Tupper Lake some time this week, probably Saturday.

He received to-day a delegation of Franklin County officials, headed by Judge E. C. Lawrence, which also included District Attorney H. W. Main, Superintendent of the Poor J. Q. King, Court Clerk H. G. O'Neill, Deputy A. F. Morrison and Treasurer William Moore and their families.

Mrs. Almira Goodhue, Mrs. Coolidge's mother, reached here to-day for a visit at White Pine Camp. Mrs. Coolidge saw her last in Plymouth, when she motored up from Northampton, Mass., early this month. Mr. and Mrs. Frank W. Stearns, who have been guests at the camp for several weeks, departed to-day for Massachusetts. Senator Gillett (R., Mass.), passed through Paul Smith's to-day to visit at Mrs. Whitelaw Reid's camp. He is expected to call on the President shortly.



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His return to Mexico City is eagerly awaited by his American friends who make light of reports in circulation here that he will not come back to Mexico.

They say he will return, even if only for a few weeks, as it is known that he is anxious to remain at his post until certain suggestions that he has presented to the State Department are carried out.

MEXICO CITY, Aug. 31 (AP).—Two hundred and three members of the Chamber of Deputies have taken the oath for the opening of the thirty-second Legislature of Mexico. The sessions will begin tomorrow.

The prospect, from the Catholic viewpoint, continued gloomy for any relief by the legislative body in the nature of repeal or amendment of the religious clauses of the Constitution or of the regulations giving effect to the clauses.

NOGALES, Ariz., Aug. 31 (AP).—A dispatch to The Herald says that Manuel Nunez, a former Colonel in the revolutionary army of Adolfo de la Huerta and a General under General Enrique Estrada, recently implicated in a plot against the Government of Lower California, has been executed at Malaqui Hacienda, near Chamela, State of Jalisco, Mexico.

Nunez was held responsible for an attack on a train near Guadalajara last January and with having taken the lives of several of the passengers and the train crew.



MEXICAN INTEREST IS PAID FOR AUGUST

Agent Here Says Boycott Has
Failed, Unsupported by Bulk
of the Population.

TRADE IN LUXURIES HURT

No Falling Off in Government's
Revenues or Imports From
United States, He Asserts.

The Mexican Government has placed to the order of the International Committee of Bankers on Mexico the regular monthly payment covering August on account of the second half year's interest, due Jan. 1, 1927, on the bonds representing the public debt of Mexico, it was announced yesterday by Arturo M. Elias, financial agent in this city.

In making the announcement Mr. Elias asserted that the economic boycott, with the backing of the Catholic Church, had failed of its purpose. In reply to four questions which he addressed to A. J. Pani, Secretary of the Treasury of Mexico, he received the following:

"In reply to your question as to 'what are the effects of the boycott up to the present time,' I would state that while at the beginning some slight decrease was noted in commercial activities, at the present date, Aug. 27, absolutely normal conditions are being re-established.

"In reply to your second question as to 'what have been the effects of the boycott on trade,' I would say that the only trade which suffered somewhat from the boycott was that on articles of luxury. This was caused by the fact that the wealthy class, being most related to the clergy on account of conservative ideas, was the only class which has in any way supported the boycott. The boycott movement has found absolutely no response from the middle and laboring classes, who constitute the most important body of our population and who are the ones who give life to all trade in staple commodities, and it is these commodities which constitute the country's most important business activities.

"As to your third question regarding the 'effect of the boycott on the Government itself,' I would say that the revenues have not suffered any noticeable change and that the accounts received up to now do not show any fluctuations on State taxes.

"To your question asking to 'what the effect of the boycott has been on exports from the United States,' my answer to this is that United States merchants continue to send to Mexico all articles constituting the base of our trade relations. As I have stated in answer to your previous question, the vast majority of our people have not responded to the boycott movement and therefore the consumption of necessary commodities continues to be absolutely normal."

CATHOLIC KNIGHT TO VISIT COOLIDGE

Revival of Discussion of U. S.
Attitude Toward Mexico
Seen in Appointment

REITERATES DEBT VIEWS

Also Feels Confident Nation Fa-
vors World Court

From World Staff Correspondent

Special Despatch to The World

WHITE PINE CAMP, N. Y., Aug.

31.—Revival of discussion of the American policy on the conflict between church and state in Mexico was seen here to-day with announcement that President Coolidge has made an appointment to receive James A. Flaherty, Supreme Knight of the Knights of Columbus, at the summer executive offices to-morrow.

Mr. Flaherty's visit will add another phase to international questions suddenly laid before the President, which involve also the Administration's world court attitude and treatment of the debt issue raised by former Secretary of War Newton D. Baker in his statement urging the United States to wipe the slate clean of the war loans.

Apparently Mr. Flaherty was not satisfied with his call at the State Department about three weeks ago with the resolutions of his organization protesting against the treatment of Americans in Mexico. He went there at the President's direction, but was assured the President would be glad to see him later.

Views on Debt and Court

President Coolidge's views on the World Court situation and the plea for cancelation of the war debts were outlined to-day by the Official Spokesman.

The World Court reference was provoked by questions on the defection of Senators Gooding (R., Idaho), who is up for re-election, and Trammel (D., Fla.), who announced he would introduce a resolution of withdrawal from the court. According to the Spokesman, the President feels it will be better to wait until after the election to see the attitude of those in public life on the court.

This was said, the spokesman added, without any expectancy that the court situation will be changed, as the President feels the question is definitely settled.

President Coolidge is as confident the World Court will triumph in elections where it is an issue, as he is that the people want Europe to pay the war debts. In commenting on former Secretary of War Baker's statement, the Spokesman declared it is much easier for a person in private life who no longer is charged with responsibility over public affairs to make a large expenditure of the taxpayers' money than it is for those who have to see that the taxes are collected and who have the responsibility of determining what outlay shall be made of them.

No Reason to Alter Policy

Later the Spokesman expressed hope that nobody would make too much of this suggestion, because Mr. Baker is a very sincere man, one for whom the President has great respect and for whose judgment and patriotism he has high regard.

All the great powers except one have made final adjustments and it is apparent that every one expects France to make an adjustment in accordance with the duly negotiated settlement, the Spokesman explained, adding that so far as the President is informed he knows of no reason for changing the policy of adhering to the settlements.

Mr. Coolidge feels it has been pointed out time and time again that the money loaned the foreign Governments must be paid by American taxpayers unless it is paid by the borrowers. That is the controlling argument which persuades him against cancelation.

President Coolidge has been informed of the bill passed by the Philippine Legislature over the veto of Gov. Gen. Leonard Wood providing for a plebiscite on the question of Philippine independence. The bill now comes to the President, who is given six months under the law to determine his action. It was said Mr. Coolidge will give it careful consideration when it reaches him.

There seems little doubt that the President will uphold Gen. Wood's veto.

To Visit Veterans' Hospital

President Coolidge will visit the veterans' hospital and convalescence hospital near Tupper Lake some time this week, probably Saturday.

He received to-day a delegation of Franklin County officials, headed by Judge E. C. Lawrence, which also included District Attorney H. W. Main, Superintendent of the Poor J. Q. King, Court Clerk H. G. O'Neill, Deputy A. F. Morrison and Treasurer William Moore and their families.

Mrs. Almira Goodhue, Mrs. Coolidge's mother, reached here to-day for a visit at White Pine Camp. Mrs. Coolidge saw her last in Plymouth, when she motored up from Northampton, Mass., early this month. Mr. and Mrs. Frank W. Stearns, who have been guests at the camp for several weeks, departed to-day for Massachusetts. Senator Gillett (R., Mass.), passed through Paul Smith's to-day to visit at Mrs. Whitelaw Reid's camp. He is expected to call on the President shortly.





THE WORLD: WEDNESDAY, SEPTEMBER 1, 1926.

MEXICAN CONGRESS TO AIR CHURCH ROW

Calles's Message Opens Session
To-Day, With Religious
Measures Expected

CATHOLICS TO OFFER BILLS

Church-State Conflict Enters
New Phase After Month

By Arthur Constantine
Staff Correspondent of The World

Special Cable to The World
MEXICO CITY, Aug. 31.—Mexico's church-state conflict will enter the halls of Congress to-morrow when President Calles opens the new session with his formal message.

Besides a defense of his religious policy, it is expected he will ask Congress to stand pat on the alien land and petroleum laws and make numerous recommendations for the betterment of the working classes. The message also is expected to touch on his financial plans and foreign relations, particularly with the United States.

Before many days a resolution in support of the President's position in regard to the church probably will be passed. Congress is known to be overwhelmingly pro-Calles; even the church elements admit that.

However, within another week, Catholics will be ready to present their "reform" measure in the form of a petition to Congress from the Episcopal Committee. It will ask constitutional as well as legislative changes, including:

Complete separation of church and state; restoration of the civil rights

of the clergy, permission to give religious instruction in elementary schools, a guarantee of free speech, the right of the clergy to assemble where and when they please, repeal of the Presidential decree of July 2 requiring priests to register with the municipal authorities.

Once this petition is presented, Catholics all over the country will send in telegrams and letters to their representatives urging its adoption. Their leaders hope the pressure of public opinion will be so great that the church demands will feature the debates of the session.

To-day marked the beginning of the second month of the conflict. The chief feature of the occasion was a fiery appeal from the National League for the Defense of Religious Liberty for continuation of the economic boycott, which was again pronounced a huge success and sure to bring the Government to terms.

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THE WORLD: WEDNESDAY, SEPTEMBER 1, 1926.

MEXICO PAYS INTEREST; CALLS BOYCOTT FAILURE

The Mexican Government has placed to the order of the International Committee of Bankers of Mexico the regular monthly payment covering August on account of the second half year's interest due on Jan. 1, 1927, on the bonds representing the public debt of the Republic of Mexico. The first six months' interest on this debt was paid to the bondholders in July of this year.

Arturo M. Elias, financial agent of the Mexican Government in the United States, said yesterday the attempt to dislocate the financial and industrial life of Mexico through an economic boycott with the official backing of the church hierarchy has entirely failed of its expressed purpose.

League Protest Note Acknowledged by Calles 'With Thanks'

**Says, in Reply to Nicaragua
Charge, 'We Have No Re-
lations With Geneva, but
Thank You for Attention'**

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Aug. 31.—President Calles, in replying to the protest of the Nicaraguan government, transmitted through the League of Nations, that the Mexican government had rendered material aid to revolutionary forces in Nicaragua, to-day instructed Foreign Secretary Saenz to acknowledge receipt of the protest directly to Sir Eric Drummond, Secretary General of the League. Senor Saenz sent the following message to Sir Eric:

"I have the honor to refer to your telegram of August 27, and have to state that Mexico has no relations with the League of Nations, but thank you for your attention."

A flat denial that the Mexican government had in any way assisted with a warship the revolutionary movement against the de facto government of General Emiliano Chamorro in Nicaragua is contained in a message sent to the League of Nations by Dr. Juan C. Sacasa, leader of the movement against Chamorro, from his exile in Guatemala City, Guatemala.

Copies of Sacasa's cable, dated August 29, were handed to newspaper men at the Foreign Office here to-day. The message, addressed to the Secretary General of the League of Nations, was as follows:

"As the constitutional President of Nicaragua, now in forced exile, and in connection with the protest filed by the de facto government of General Emiliano Chamorro, I request that you transmit to the Council of the League the following information:

"It is notoriously and publicly known that, making use of violent means and without justified motive and influenced only by personal ambitions, Chamorro took possession of Nicaragua and disrupted the constitutional order in violation of the treaty of 1923 between Washington and the Central American countries, initiating in the country an inhuman rule of depredations. This was the opinion of neighboring nations, who refused to extend Chamorro recognition.

"The people of Nicaragua, exasperated, have risen in arms to reconquer their political liberties and to re-establish the constitutional order destroyed by Chamorro, which action, from a legal standpoint, cannot be considered as revolutionary.

"The assertion made by Chamorro that the Mexican government loaned the Constitutional party of Nicaragua a warship in actual service is notoriously inexact. The movement against Chamorro is exclusively a Nicaraguan affair."

MANAGUA, Nicaragua, Aug. 31 (AP).—The revolutionists captured Cape Gracias, on the east coast, to-day. The United States cruiser Rochester has arrived at Bragman's Bluff, where it was sent to protect foreign interests. The government reports that the revolutionists were defeated in a skirmish near the Gulf of Fonseca and driven into the mountains.



50 Known Dead in Flood In Two Mexican States

**Santiago and Lerma Rivers
Overflow Banks With Untold
Property Loss**

NOGALEZ, Ariz., Aug. 31 (AP).—Compilations of "The Herald" to-day placed the flood toll in the states of Nayarit and Jalisco, Mexico, at more than fifty known dead, untold property loss, with prospects of further inundations as the Santiago and Lerma Rivers overflow their banks.

A dispatch to "The Herald" to-day said the town of Santiago Ixcuintla, Nayarit, is now an island; Las Barcas, in Jalisco, is threatened with inundation and six small towns along the course of the Rio Lerma already have been inundated with considerable loss of life.

Mexico Red, Flaherty Will Tell President

**Catholic Knight to Give
Warning of Bolshevism,
but Is Not Expected to
Press Intervention Plea**

**Mr. Coolidge Insists
Flag Remain on Seas**

**Against Selling Ships Into
Foreign Registry; Un-
changed on Court, Debts**

By Carter Field

PAUL SMITH'S, N. Y., Aug. 31.—Five international problems were put up to President Coolidge to-day and his views were made clear on four of them. On the fifth, Mexico, it was announced that James A. Flaherty, Supreme Knight of the Knights of Columbus, was on his way now to the summer White House and would lay his demand for protection of Catholic Church interests below the Rio Grande before the President to-morrow morning.

Danger to the integrity of the American form of government as a result of infiltration of Bolshevistic ideas from Mexico will, it is understood here, constitute an important phase of the argument which will be made to the President by Mr. Flaherty.

Knights' Attitude Softens

Word has reached the President, since the resolutions of the Knights adopted a few weeks ago, that the organization has softened its position, and is not now insistent upon intervention, although the organization does think this government should take more vigorous steps than have been taken so far to protect American interests in that country.

Mr. Flaherty, it is learned here, will give the President some startling information as to the extent to which Soviet ideas have attained in Mexico, and at least some of the President's advisers have learned enough of this, it is said, to cause them considerable concern.

Expect to Reach Accord

It is believed here, however, that, following the conference to-morrow, an announcement will be made which will indicate an accord between those of the Catholic Church who have been advocating intervention and the position which has been taken by the President, which is that the present situation does not call for intervention.

Mr. Coolidge believes that each individual "outrage" should be taken up by this government on its own merits and handled through normal diplomatic channels. He does not believe that anything approaching a case requiring armed intervention has been demonstrated, and he believes further that the Knights of Columbus have so softened their original position that they are no longer contending for it.

Backs Large Merchant Marine

Flat determination to keep every ship possible flying the American flag was announced as Administration policy by the White House spokesman. This was in reply to the idea voiced yesterday by Matthew C. Brush, of the American International Corporation, that so far as national defense is concerned it would make no difference if war broke out what flag the ships in our ports might be flying, as we would seize them.

The extra cost of maintaining an American merchant marine, the President believes, and any inconvenience and trouble which it may throw upon the government are a charge which the American taxpayers should be and are, in Mr. Coolidge's opinion, willing to pay.

Leviathan to Continue Under Flag

This statement of the President's views ends all doubt that one of the conditions which will be attached to the sale of the Leviathan and other ships now being advertised by the Shipping Board will be that they must be kept under the American flag.

The difference in view thus demonstrated between the President and Mr. Brush indicates that the International Mercantile Marine will not be particularly anxious to make a high bid for the ships, as it is known that officials of that company were of the opinion that the Shipping Board vessels could

(Continued on page four)

Flaherty Tells Mr. Coolidge of Mexico To-day

(Continued from page one)

be bought profitably only if they could be removed from the restrictions of the La Follette seamen's act and other differentials which make the cost of operating them under the American flag greater than if they could be transferred.

President Coolidge's position is that if no satisfactory bids can be obtained for the ships unless permission is given to change their registry then the government should go on operating them and take the loss out of the Treasury.

Majority for Court Seen

No fear that the Senate's decision that this country should enter the World Court may be reversed, is felt by the President, it was also declared by the official spokesman. Discussion of this point, the President feels, should wait until after the election in November. It was announced that he does not expect any change, as he feels that there is no likelihood of the Senate recalling its approval of the country, given by such a large majority. When the election is over, the President feels, and there is a canvass of those elected, it will be found that a substantial majority still favors the court.

Mr. Coolidge has not yet read the magazine article by Newton D. Baker, Secretary of War in President Wilson's Cabinet and unsuccessful champion of the League of Nations plank at the Madison Square Garden convention two years ago, advocating cancellation of the foreign debts to this government.

Debt Policy Won't Be Changed

It is sometimes easier, the White House spokesman declared, in commenting on Mr. Baker's views, for men who have passed out of official life and have no responsibility, to make large expenditures of the taxpayers' money than it is for those who have the responsibility. It was stated that the President had a good deal of respect for Mr. Baker's judgment and a high regard for his patriotism, but that this question of the foreign debts had been discussed a great many times and the government had taken an attitude. This position, it was stated emphatically, would not be changed. The President regards it as final.

All of the powers, it was pointed out, with one exception, have made final adjustments and there is every expectation that France will ratify the proposed agreement. Therefore, the President is not able to see any reason for a change in the policy adopted. If the debts are not to be paid by foreign taxpayers whose government borrowed the money, the official spokesman pointed out, they will have to be paid by our own taxpayers.

Even motion pictures injected themselves into the international picture at the Summer White House to-day, Will H. Hays, "czar" of the film industry, telling the President that there was no greater or more effective method of bringing about international amity than by the showing of "movies" made in this country in other countries.

"If nations sympathetically understand each other," Mr. Hays told the President, "and the 'movies' will bring that about, there will be no hate. If peoples do not hate one another, they will not go to war."

President Coolidge has not received the official papers with respect to the proposed plebiscite on independence by the Philippines. He has read the press reports of this measure being passed by the Philippine Legislature, being vetoed by Governor General Wood and then being passed over General Wood's veto by the Legislature.

Has Six Months to Act

This brings it officially before the President, who understands that he has six months in which to act, though he is not sure whether this six months starts from the time of the action by the Legislature or from the time the official papers reach him, the official spokesman stated.

Conviction on the part of those close to the President is that he will sustain General Wood and veto the plebiscite proposal, though he will probably wait until after the return of Carmi Thompson before acting, as the special investigator for the President

will return to Washington early in November at the latest.

Mrs. Almira Goodhue, of Northampton, mother of Mrs. Coolidge, arrived at White Pine Camp early to-day, having been met at Plattsburg, sixty miles away by a White House car. This is the first visit of the President's mother-in-law to the summer White House, though she visited her daughter and son-in-law for a few hours on their trip to Plymouth.

Mr. and Mrs. Frank W. Stearns departed to-day for Boston.

Senator and Mrs. Frederick C. Gillett, of Massachusetts, arrived at Paul Smith's to-day by motor from the White Mountains, where they have been for the last few weeks. They will visit Mrs. Whitelaw Reid at her camp on Upper St. Regis Lake.

Senator Gillett said he would visit Mr. Coolidge at White Pine Camp before returning to Massachusetts, but that he was not in touch with the campaign for the re-election of Senator William M. Butler, having been out of the state since August 1.





Mexico Church Gives Congress Appeal To-day

**Bishops Rush Drafting of
Petition for Repeal of
Law and Insist They Will
Stand on No Surrender**

Calles Message Awaited

**Every Effort To Be Made to
Win Legislators; Report
Ex-Huerta Colonel Slain**

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Aug. 31.—Both sides to-night were awaiting developments either from government or ecclesiastical circles on the last day of the first month of the intensified religious controversy in Mexico, which reached its climax on August 1, when the new religious law went into effect.

Since that time priests have held no services in Roman Catholic churches and the sacraments have been suspended, while the League for the Defense of Religious Freedom has conducted an economic boycott which the clergy hope will eventually force a modification of the government's anti-religious policy.

Petition Presented To-Day

Bishop Pascual Diaz, spokesman for the Archbishop of Mexico, the Most Rev. Jose Maria Mora y del Rio, and secretary of the Mexican episcopate, announced to-night that the sessions the country's thirty-three archbishops and bishops terminated last night, but that several informal conferences of the central committee of the episcopate had been held to-day and would be resumed to-morrow to conclude the petition the Church will present to Congress soon after it convenes to-morrow.

This petition will pray for a repeal of the religious law and amendment of the anti-religious articles of the Constitution.

Church to Stand Pat

Bishop Diaz did not express optimism to The Herald Tribune when asked whether the clergy expected favorable action. He pointed out, however, that President Calles had indicated this method as a possible remedy and that every effort would be made to win over Congressmen.

The Bishop doubted whether any member of Congress felt strong enough to espouse the Church's cause on the floor, but added that the Church would stand pat on its original contention that government registration of priests must end before settlement could be reached

and reaffirmed, whether it took months or years, the Church would not alter its stand.

President Calles's message to congress to-morrow is awaited with interest, as it is expected that the President will deal at length with the religious problem.

Elaborate measures are being taken by the police and the military to guard the President when he appears in the Chamber of Deputies.

NOGALES, Ariz., Aug. 31 (AP).—A dispatch to "The Herald" says that Manuel Nunez, a former colonel in the Revolutionary army of Adolfo de la Huerta and a general under General Enrique Estrada, recently implicated in a plot against the government of Lower California, has been executed at Malaqui Hacienda, near Chamela, State of Jalisco, Mex.

Nunez was held responsible for an attack on a train near Guadalajara last January and with having taken the lives of several of the passengers and train crew.



NEW YORK HERALD TRIBUNE, WEDNESDAY, SEPTEMBER 1, 1926

Mexico's August Debt Interest Is Deposited Here

**Government's Fiscal Agent
Says Southern Republic
Is Sound Financially and
Church Boycott Is Failing**

The Mexican government has placed to the order of the International Committee of Bankers on Mexico the regular monthly payment covering August on account of the second half year's interest, due January 1, 1927, on the bonds representing the public debt of the Republic of Mexico. The first six months' interest was paid to bondholders in July.

This announcement was made yesterday by Arturo M. Elias, financial agent of the government of Mexico, who took the occasion to point out that "the attempt to dislocate the financial and industrial life of Mexico by an economic boycott with the official backing of the Church Hierarchy has entirely failed of its purpose. The Mexican government is meeting all of its obligations promptly."

Mr. Elias also calls attention to correspondence recently passing between himself and A. J. Pani, Secretary of the Treasury of Mexico, in which the latter discusses the results of the attempted boycott.

"In reply to your question as to what have been the effects of the boycott on trade," Mr. Pani is quoted as writing, "I would say that the only trade that suffered was that on articles of luxury. This was caused by the fact that the wealthy class, being mostly related to the clergy, was the only class which supported the boycott. The movement has found absolutely no response from the middle and laboring classes, who constitute the most important body of our population, and who are the ones who give life to all trade in staple commodities, and it is these commodities which constitute the country's most important business activities."

"As to the effect of the boycott on the government itself, I would say that the revenues have not suffered any noticeable change, and that the accounts received up to now do not show any fluctuations on state taxes."

"To your question regarding the effect on exports from the United States, I would say that the merchants of the United States continue to send to Mexico all articles constituting the base of our trade relations."



NEW YORK AMERICAN—*A Paper for People Who Think*—WEDNESDAY, SEPTEMBER 1, 1926

Italian Prince Fights Duel with Mexican

MEXICO CITY, Aug. 31 (AP).—Prince Valerio Pignatelli, of Italy, descendant of Cortes, *El Universal Grafico* declares, fought a pistol duel yesterday with Alberto Meade, member of a prominent Mexico City family.

The reasons for the quarrel were not revealed. Neither man was hurt. They fired one shot each, and both missed.



NEW YORK AMERICAN—*A Paper for People Who Think*—WEDNESDAY, SEPTEMBER 1, 1926

Mexico Forwards Monthly Payment

The Mexican Government has placed to the order of the International Committee of Bankers on Mexico the regular monthly payment covering August on account of the second half year's interest due on January 1, 1927, on the bonds representing the public debt of the Republic of Mexico. It will be remembered that the first six months interest on this debt was paid to the bondholders in July.

A. M. Elias, Financial Agent of the Mexican Government in the United States, calls attention to the fact that the attempt "to dislocate the financial and industrial life of Mexico through an economic boycott with the official backing of the church hierarchy has entirely failed of its expressed purpose." The Mexican Government is meeting all its obligations promptly, he says.



K. OF C. IN PLEA TO PRESIDENT

By Universal Service.

PAUL SMITHS, Aug. 31.—Evidently dissatisfied with the Administration's policy of "hands off" in Mexico, Supreme Knight James A. Flaherty, of the Knights of Columbus, will come here tomorrow to protest the Mexican situation to President Coolidge.

The decision of the President to receive Mr. Flaherty was announced today without comment. But it is known that after the Knights of Columbus adopted the protest resolutions at their Philadelphia convention Flaherty was informed that he would be received by the President if his conference to be held with Secretary of State Kellogg prove unsatisfactory to him.

Flaherty laid the Mexican situation, as seen by the Knights, before the Secretary of State at Washington.

It is now believed to be his intention to plead with the President to lift the embargo against the shipping of arms into Mexico and to urge that drastic steps be taken for protection of American lives and property.

Mexico Congress Meets Today on Church Feud

By GEORGE W. HINMAN, JR.,
Universal Service Staff Correspondent.

MEXICO CITY, Aug. 31.—With houses completely under the control of the Calles regime, the Mexican Congress elected last Summer meets tomorrow for the carrying out of the programme of the President and his advisers.

President Calles and the cabinet ministers will address the legislators, outlining conditions as developed since the last Congress and making recommendations for future legislation.

The foremost question is the religious controversy involving interpretation of the religious articles of the Constitution along lines mapped out by the Government. Projected legislation is already prepared for submission to Congress for approval.



MEXICO AWAITS CALLES' ADDRESS

Contest for Senate Seats Is First Business as Congress Assembles

MEXICO CITY, Sept. 1 (AP)—The rival factions in the Senate last night agreed to appoint a joint committee to represent the Senate at the opening session of Congress this afternoon and hear the address of President Calles. After the formal opening of Congress, the Senate will resume discussion of contests for seats in the Upper Chamber.

On the eve of the assembling of Congress President Calles issued 35 decrees, changing many details of the budgets of various government departments, increasing, decreasing or canceling numerous appropriations. This was possible under the "extraordinary power" vested in him by the last Congress.

Control of Budget

The new Congress theoretically will have this power itself, but it is expected, as is customary in Mexico, that before it adjourns again it will vote the President extraordinary powers on financial matters, leaving him, as heretofore, in reality dictator of the budget.

The Congress is expected to discuss the religious situation growing out of the refusal of the Roman Catholic Church to comply with the regulations of church affairs as provided for by the Constitution. Legislation requiring employers to give better conditions to Mexican workmen and a constitutional amendment to determine whether an ex-President may be re-elected to office—meaning whether General Obregon again can become Chief Executive—also will be brought up for discussion. The message of President Calles is expected to refer to the religious controversy and foreign affairs.

Considering Petition

The Roman Catholic episcopate is continuing consideration of how and when to petition Congress for repeal or amendment of the religious laws.

Some of the Roman Catholic archbishops and bishops are returning to their homes in various parts of the Republic after attending the conferences of the episcopate in Mexico City, at which were discussed details of the proposed petition to

Congress for amendment of the religious clauses of the Constitution.

An episcopate committee, headed by Archbishop Mora y del Rio, with Bishop Diaz as spokesman, will continue meeting as circumstances require.

No official decision has been taken as to when the petition will be presented to Congress, although there are indications that it may be within a week or a fortnight.

A decree has been issued by President Calles lifting the moratorium on real estate and house mortgages which has been in existence since former President Carranza promulgated his general moratorium in December, 1916, but which was modified in December, 1917, and April, 1918. Until now the moratorium prevented holders of mortgages on real estate and buildings from forcing payments. At present they can do so under the new decree.



THE CHRISTIAN SCIENCE MONITOR, BOSTON, WEDNESDAY, SEPTEMBER 1, 1926

EXPORTATION OF OIL FROM MEXICO GAINS

TAMPICO, Mex., Sept. 1—Exports of light and heavy crude oil topped crude and distillates from the Tampico district during July totaled 7,561,973 barrels, an increase of 39,817 from June.

Huasteca Petroleum Company (Pan American) continued as the greatest exporter with 3,165,558 barrels, a decrease of 266,386 from June. In addition to exports it sold 54,783 barrels of crude and 426,898 of fuel oil in the interior.

It distributed, principally from Mexico City, 2,075,486 liters of refined gasoline, 350,614 liters of crude kerosene, and 943,726 liters of refined kerosene. Of its total shipments, 2,529,802 barrels went to the United States and the balance to the United Kingdom, Spain, Brazil, and Mexico.

Transcontinental Company (Standard Oil of New Jersey) gave way as the second largest producer to Mexican Eagle. The latter company, Gulf, Sinclair, Royal Dutch, and Texas showed the only increases among the larger companies.



LA PRENSA, MIERCOLES 1 DE SEPTIEMBRE DE 1926.

Méjico pone a la orden de los tenedores el pago de intereses del mes de agosto

El agente financiero señor Elías, citando declaraciones del ministro de Hacienda, declara que la situación es normal en su país

La agencia financiera del gobierno de Méjico en esta ciudad, que dirige el señor Arturo M. Elías, situada en 225-241 oeste de la calle 34, nos participa que el gobierno mejicano ha puesto a la orden del comité internacional de banqueros en Méjico el pago regular mensual correspondiente al mes de agosto, a cuenta de los intereses del segundo semestre que se vence el primero de enero de 1927, sobre los bonos de la deuda pública de la República de Méjico. Se recordará que los intereses de esta deuda por los primeros seis meses se pagaron a los tenedores en julio de este año.

"Al hacer este anuncio—declara el señor Elías—como agente financiero del gobierno mejicano en los Estados Unidos, deseo llamar la atención hacia el hecho de que la tentativa para dislocar la vida financiera e industrial de Méjico por medio de un boycoteo económico con el respaldo oficial de la jerarquía eclesiástica, ha fracasado enteramente en el expresado propósito. El gobierno mejicano está haciendo frente a todas sus obligaciones prontamente y en réplica a cuatro cuestiones presentadas por mí al señor A. J. Pani, ministro de Hacienda de Méjico, he recibido las contestaciones siguientes:

"En réplica a su cuestión respecto de cuáles son los efectos del boycoteo hasta el presente, le contestaré que si bien al principio se notó una ligera disminución en las actividades comerciales, en la fecha actual, 27 de agosto, se está restableciendo absolutamente la normalidad en la situación.

"En réplica a su segunda cuestión respecto de cuáles son los efectos del boycoteo en el comercio, la diré que el único comercio que sufrió algo por el boycoteo fué el de los artículos de lujo. Esto provino del

hecho de que la clase pudiente, siendo la más relacionada con el clero a causa de las ideas conservadoras fué la clase única que en todo sentido apoyó el boycoteo. El boycoteo no obtuvo absolutamente respuesta en las clases medias ni en las trabajadoras, las que constituyen la masa más importante de nuestra población y quienes son los que dan vida a todo el comercio en los artículos principales del país, artículos que constituyen las actividades más importantes de los negocios en el país.

"En cuanto a su tercera cuestión respecto del efecto del boycoteo en el gobierno en sí, le diré que las rentas no han sufrido cambio visible y que las relaciones de cuentas recibidas hasta ahora no demuestran fluctuaciones en los impuestos del estado.

"Tocante a su cuestión preguntando el efecto del boycoteo en las exportaciones de los Estados Unidos, mi contestación es que los comerciantes de los Estados Unidos continúan enviando a Méjico todos los artículos que constituyen la base de nuestras relaciones comerciales. Como he declarado en contestación a su cuestión anterior, la vasta mayoría de nuestro pueblo no ha respondido al movimiento del boycoteo y, por lo tanto, el consumo de los artículos necesarios continúa siendo absolutamente normal."

"De la declaración anterior del ministro de Hacienda—concluye el señor Elías—se verá que la tentativa para hacer presión en el gobierno para desobedecer los mandatos terminantes del pueblo mejicano expresados en nuestra constitución, ha sido un completo fracaso y que las noticias de Méjico demuestran que la tentativa para crear dificultades entre ellos por métodos tales como el boycoteo, está aumentando el resentimiento en toda la república."



Hoy se reúne el congreso de Méjico ante la expectativa del episcopado católico

El gobierno de Méjico investiga, antes de permitir la exhibición de "Los Cuatro Jinetes del Apocalipsis", la queja de la legación alemana

ASSOCIATED PRESS

CIUDAD DE MEJICO, agosto 31.—El día antes de la reunión del congreso, la perspectiva desde el punto de vista católico continúa pesimista en cuanto a esperanza de alivio se refiere por parte de la legislatura respecto a derogación o enmienda de las cláusulas religiosas de la constitución o de los reglamentos que las ponen en ejecución.

Durante semanas, por orden del episcopado católico no ha habido servicios regulares presididos por sacerdotes en las iglesias católicas en toda la república. La orden se expidió en protesta contra la imposición de los reglamentos del presidente Calles, que la iglesia católica considera como infractores de sus derechos. El presidente Calles ha declarado durante la controversia que su propósito es que se cumpla la ley.

Como están las cosas, el congreso aparentemente apoya al presidente Calles. En la política mejicana, un presidente bastante poderoso para controlar el país, lo es también para hacer elegir el congreso que él desea. El episcopado no ha hecho ulterior anuncio oficial de sus planes, que hasta aquí es seguir adelante en el esfuerzo para que el congreso mejore la situación, por fútil que pueda ser.

La depresión de los negocios parece aumentar por razón del boicoteo económico convocado por la Liga para la defensa de la libertad religiosa, en protesta contra los reglamentos. Un gran establecimiento anuncia precios a un tipo excepcionalmente bajo y a pesar de esto atrae menos clientes de los que se había esperado. Mientras tanto, los establecimientos que no ofrecen sus artículos a precios reducidos, casi no tienen clientela.

Reunión de la cámara de diputados

CIUDAD DE MEJICO, agosto 31.—(AP).—Doscientos tres miembros de la cámara de diputados han prestado el juramento para la reunión del trigésimo segundo congreso de Méjico. Las sesiones comenzarán mañana.

carril entre Ciudad de Méjico y Guadalajara y en otras líneas. Continúan las fuertes lluvias.

Queja de la legación alemana

CIUDAD DE MEJICO, agosto 31.—(AP).—Como resultado de las representaciones de la legación alemana, la cancillería ordenó la investigación sobre la película de Blasco Ibáñez, "Los Cuatro Jinetes del Apocalipsis", la presentación de la cual ha precisamente comenzado para determinar si contiene pasajes ofensivos para Alemania.

La legación alemana pidió a la cancillería que no permitiera la representación, alegando que difamaba al pueblo alemán. El gobierno mejicano ordenará la suspensión en caso de que las autoridades se convenzan de que es ofensiva para los alemanes.

ACTITUD MEJICANA OPORTUNA

La prensa mejicana anuncia que el presidente Calles se propone enviar instrucciones a su embajador en Washington, para que proteste contra la campaña de insultos que hacen algunos diarios norteamericanos contra el ejecutivo de la vecina república y varios miembros de su gabinete. No puede alabarse bastante semejante actitud.

Para nada debe entrar al considerar este tema la personalidad del general Calles. Ni siquiera hay que pensar en que se trata de Méjico. Lo fundamental e importante de la protesta mejicana es que sienta un precedente que deberían seguir todos nuestros gobiernos y jefes de Estado.

LA PRENSA ha venido protestando repetidamente contra la desenfrenada, grosera y lamentable forma en que no pocos diarios de los Estados Unidos atacan o presentan a las personalidades más salientes de los países de habla española. Desde la crítica irrazonada e indocumentada de sus actos, hasta la franca difamación personal en la más desembozada manera, la prensa norteamericana ha incurrido en esa falta constantemente.

Contra lo que debería esperarse, nuestros gobiernos no han hecho nada, o no han sabido hacerlo con la eficacia necesaria, para atajar tal injustificada e intolerable violación de la cortesía y el respeto internacional. Podría formarse una lista interminable de esos desacatos periodísticos de aquí. Pero el pasado no importa. Lo útil es remediar esa situación en el porvenir.

Para ello no queda otro recurso que la intervención resuelta de los gobiernos. Agencias privadas, gestiones individuales de nada sirven. Ataques groseros, rufianescos, in calificables, contra el rey de España, por ejemplo, han sido cotidianos durante años enteros. ¿Qué intervención tuvo para detenerlos su representación aquí?.... Cualquiera que fuera resultó deplorablemente estéril.... Otros jefes de estado de la raza han sido igualmente insultados.

Y eso no debería consentirse. Los Estados Unidos son un país admirablemente organizado y ejercen, con justo derecho y loable celo, una supervisión estricta de cuanto se escribe y habla en el exterior de sus más elevadas personalidades. Lo menos que ellos concederían, si se les solicitara debidamente, sería una justa reciprocidad para las personalidades extranjeras.

Pero hay que gestionarlo de una vez para todas con mesura firme, con tenacidad resuelta. Y hay que hacerlo con política sostenida y no espasmódico esfuerzo personal de un presidente, un ministro o un embajador. La prensa norteamericana es una de las mejores disciplinadas del mundo. Obedece la voz de su gobierno ciegamente en materias internacionales y respeta al jefe del Estado con excelente buen gusto y patriotismo. De nosotros sólo depende que se respetara a los nuestros igualmente. Y el que no se haya conseguido ya no es ciertamente falta de los agresores inconsiderados de aquí: sino de la pasividad absurda y poco gallarda de los agredidos de nuestros países....





LA PRENSA, MIERCOLES 1 DE SEPTIEMBRE DE 1926.

PRESTIGIOSO PERIODISTA MEXICANO



En la lucha entablada en Méjico entre el gobierno y la iglesia católica, ha habido varios incidentes que dieron lugar a la encarcelación de personas de prominencia de la capital de aquella república. Una de éstas ha sido el señor Vicente Villasana, director del diario "El Mundo" y presidente de la Asociación de la Prensa en Méjico.



THE WALL STREET JOURNAL, WEDNESDAY MORNING, SEPTEMBER 1, 1926

Mexican Income Tax

MONTEREY, Mex.—For the six months' period, ending June 30, the receipts of the Mexican government for income tax approximated 8,000,000 pesos, equivalent to \$4,000,000 United States money. It is estimated that an additional 10,000,000 pesos will be paid during the last half of the year, and that the revenue from this source in 1927 will be in excess of 25,000,000 pesos.



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PAYS INTEREST ON MEXICAN BONDS

Regular Monthly Instalment Deposited With Committee—Mexican Affairs.

Arturo M. Elias, financial agent of the Government of Mexico, yesterday, issued the following statement with regard to the August interest payment on the bonds of the Republic of Mexico, and the effect of the present political situation, and the economic boycott on general conditions in Mexico:

"The Mexican Government has placed to the order of the International Committee of Bankers on Mexico the regular monthly payment covering August on account of the second half year's interest due on January 1, 1927, on the bonds representing the public debt of the Republic of Mexico. It will be remembered that the first six months interest on this debt was paid to the bondholders in July of this year.

"In making this announcement as the financial agent of the Mexican Government in the United States, I wish to call attention to the fact that the attempt to dislocate the financial and industrial life of Mexico through an economic boycott with the official backing of the Church Hierarchy has entirely failed of its expressed purpose. The Mexican Government is meeting all its obligations promptly and in reply to four questions addressed by myself to A. J. Pani, Secretary of the Treasury of Mexico, I have received the following:

"In reply to your question as to what are the effects of the boycott up to the present time, I would state that while at the beginning some slight decrease was noted in commercial activities, at the present date, August 27, absolutely normal conditions are being re-established.

"In reply to your second question as to what have been the effects of the boycott on trade, I would say that the only trade which suffered somewhat from the boycott was that on articles of luxury. This was caused by the fact that the wealthy class, being most related to the clergy on account of conservative ideas, was the only class which has in any way supported the boycott. The boycott movement has found absolutely no response from the middle and laboring classes, who constitute the most important body of our population and who are the ones who give life to all trade in staple commodities, and it is these commodities which constitute the country's most important business activities.

"As to your third question regarding the effect of the boycott on the Government itself, I would say that the revenues have not suffered any noticeable change and that the accounts received up to now do not show any fluctuations on State taxes.

"To your question asking as to what the effect of the boycott has been on exports from the United States, my answer to this is that United States merchants continue to send to Mexico all articles constituting the base of our trade relations. As I have stated in answer to your previous question, the vast majority of our people have not responded to the boycott movement and therefore the consumption of necessary commodities continues to be absolutely normal."

CALLES TO CHANGE OIL AND LAND LAWS IF FACTS JUSTIFY IT

At Opening of Mexican Congress
He Defends Them, but Says
Revision May Be Needed.

BELITTLES CHURCH STRIFE

President Holds Clergy Caused
Conflict and Declares He
Will Continue Regulations.

IMPORTANT ISSUES UP

Legislators Will Have to Deal With
Bishops' Petition, Labor Demands
and Eligibility for Presidency.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 1.—In his message, read at the opening of Congress today, President Calles declared Mexico would stand on its present interpretation of the constitutional laws, as the policy of his Government had been carefully based on the Constitution, and would be carried out without the necessity of any foreign suggestions.

The Government, he said, was only continuing the policy of its predecessors, and it had been precise in defining in an unequivocal manner Mexico's right to legislate to safeguard all Mexican interests.

Señor Calles stated that the American Government had exchanged correspondence with Mexico on the subject of the constitutional laws and that the principles had been clearly established.

He promised that if experience showed the application of these laws to run counter to his present policy or if experience showed the desirability of moderation of the laws, the Executive would be the first to suggest changes.

The religious question was unimportant, the President said. The interest which it had aroused in foreign countries was out of proportion to its importance, he declared.

The trouble had been caused by the Catholic clergy, the President asserted, for the Church had refused to obey the law and the Constitution. The Government, he declared, had made no changes which should alarm the churches.

Even though busy studying means to reconstruct the country, the Executive said, he could not fail in his duty of enforcing compliance with the religious laws. The clergy had refused to obey them.

Determined to Enforce Law.

In enforcing the religious regulations, the President said, no persecution of religious beliefs was intended. All that had been done was to repress the "anti-social, anti-judicial and uncalled-for acts of a group urged on by so-called spiritual leaders under the pretext that these laws were not molded to their strange conception of liberty and were not satisfactory to their particular interests."

"To tolerate this," said Señor Calles, "would have been for the Executive to accept responsibility for the future before the nation, before the revolution and before history."

"The bill drawn by the Minister of the Interior for the regulation of Article 130 of the Constitution will be presented to Congress. It will regulate the number of ministers of religions in the Federal District and territories."

"The Executive is firmly determined to follow the line of conduct already traced for the enforcement of the principles of the supreme law."

In doing this the Government is absolutely convinced that, in spite of the constant obstacles to its work, the great majority of the Mexican people will give it the support necessary to conclude it."

Text of President's Message.

The text of the President's message follows in part:

"It is a pleasure for me to appear a second time before you and before the Mexican people to render a general account of the administration of the country as provided in the Constitution."

"In this message, notwithstanding its necessary brevity and condensation, the Honorable Chamber will be able to appreciate the efforts that have been made during the period from the first of September, 1925, to date by the Executive to realize the aims of the program which from the beginning of his Administration he has sought and which are, fundamentally, to assure, within strict compliance with our Constitution and our laws, that the Mexican nation will have before the rest of the nations of the world the respect, credit and esteem to which it has the right, and at home, the welfare, peace and prosperity to which all its members have the right, as well as that of the foreigners who have come to live and work honorably by our side."

"How we are developing this program the public which you represent can see."

Says Budget Was Balanced.

"We have enacted laws which tend to assure and reaffirm the sovereignty of the nation, and we have not only conserved but have increased the goodwill of all the rest of the civilized nations for us."

"We have taken effective steps to rehabilitate the financial credit of Mexico through exact compliance with the obligations contracted by foreign debts."

"We have balanced the budgets of income and expenses of the Federation. The public treasury has been organized in such an efficient manner that it was able to meet not only ordi-

CALLES MAY CHANGE OIL AND LAND LAWS

Continued from Page 1, Column 1.

nary expenses but also some extraordinary ones and the obligation of the internal debt.

"As a consequence of the satisfactory state of our finances it has been possible to start irrigation works, highway construction, improvement of seaports and to found an agricultural bank to help both small and large agriculturists, which will contribute without doubt to the solution of our agrarian problems."

"The banking legislation has been reformed and in general the laws relating to the institutions of credit have been amended to give greater facilities and guarantees in such important matters."

"Education and instruction in all its phases has been developed with special attention to the establishment of agricultural and rural schools for the benefit of the Indians and farmers."

Reports Army Improved.

"The Federal Army in all its four arms has made rapid progress in organization, discipline and morale."

"Reform of the fiscal laws has been and is still being studied with a view to making them less onerous and more equitable. Similar work has also been started on the fiscal system of the States."

"Civil and penal laws will be reformed to adapt them to the modern principles of right and to obtain the most benefit for the community."

"Commerce, industry and agriculture and other sources of public wealth are recovering, although slowly, from the crisis which was a necessary consequence of the World War and our revolution."

"The government, through its branches, has encouraged these movements."

"It has also striven to prevent all internal political commotions and to preserve the best harmony between the Federal Government and the States and to find solutions for whatever conflicts arise by which neither society nor the productive working classes will suffer injury."

Declares Country Tranquil.

"It is a source of great satisfaction for the Executive to be able to inform you that peace has prevailed in the whole country except for small troubles which could be characterized as insignificant."

"There are well founded hopes that, through the giving of full guarantees, the strict application of the laws, the efficient administration of justice and the understanding of their duties by all the authorities, Federal as well as local, this peace will not be long in crystallizing, as it is the firm resolve of the Government to satisfy the just desires of all in the Mexican family."

"In consequence of the peace which we have been enjoying, there has been a rebirth of confidence in our institutions and there is no doubt that, as this confidence is reformed, new sources of riches will be exploited which will contribute to the economic revival of Mexico."

"Regarding Mexico's relations with foreign countries, the Presidential message said Congress had approved the organic law. Commenting on Article 27, which relates to the rights foreigners and companies may acquire in Mexico, the President said:

"The Executive has issued corresponding regulations, using the powers which the law provides. These regulations have been applied by the Executive of the union to resolve various cases which have been presented."

"I am pleased to inform this National Assembly that the application of these respective dispositions not only has resolved in a definite manner the distinct cases which have been presented, but that also the same application has not in any manner delayed the functioning of the companies, and, on the other hand, the Government has been able to regulate in a clear and appropriate manner its policy on these questions."

"The promulgation of the law and the regulations, as in the case of those concerning oil, has caused several diplomatic representations by the Government of the United States."

"A diplomatic controversy was started, in which the American Government cited various considerations which, in its opinion, violated the rights of American citizens in Mexico and urged that some of the clauses of this law should be modified."

"This disposition, however, serves only to confirm what our various laws and our Constitution have established on these points."

"The Government in my charge answered these representations, upholding our rights to enforce the law and the regulations referred to—not only because they were regulations which the Constitution ordered, but also because, fundamentally, the enforcement and observance of these laws did not affect legitimately acquired rights and because they are in harmony with the principles of right, justice and equity."

Says Predecessors Did Same.

"On the other hand, the Executive has been careful in forming his policy respecting all acquired rights guaranteed by our laws and has seen to it that all his acts are based upon that policy without any foreign suggestions being necessary."

"In these matters of policy my Government has done nothing but continue the policy of my predecessors."

"But at the same time it has been careful to define in an unequivocal manner our rights to legislate and to safeguard all the interests which concern this country, and in this sense the enforcement of these laws is not only necessary but our duty in order to establish clearly the conditions under which interests affected by the law may operate in our country."

"The correspondence exchanged between the Governments on this subject has been published and I consider it unnecessary to make any extended remarks on this matter, as the policy of my Government is based particularly on those points which have been already stated and which clearly explain the end we are pursuing."

"We consider that this matter is clearly defined. If in practice, however, the Government finds that the application of these laws is not in accord with the policy which the Government has followed, or if experience counsels moderation within the spirit of justice and equity, the Executive will indicate the appropriate changes and necessary measures to bring the application of the law and the Government's policy into harmony."

Oil Laws Are Defended.

"The Department of the Interior states that the oil industry of the country has been legally organized. Inspired with a spirit of equity, sane nationalism and progress, the Government issued regulations for Article 27."

"The new legislation did not create difficulties but helped to develop the industry and the most important have accepted the benefits it gives."

"Notwithstanding this, vested interests attempted to show that the

promulgation of the law would produce an unsatisfactory situation. The facts show the contrary to what these interests contended, and in spite of the campaign in the press, which was entirely unjustified, events have revealed the errors and bad faith in the imputations."

"The Department of Labor has concentrated the best part of its attention on a study of the facts related to the welfare and advancement of the worker, the proportioning of salaries to the cost of living, conditions of hygiene in the working centres, and sickness, accident and strike payments so that the family of the worker who loses his health or life will not be reduced to pauperism."

Increased Obligations Ahead.

"The Treasury Department states that in the near future the obligations of the Government will be augmented considerably, first, through the natural development of the country and the expansion of official works and, second, because in 1927 the period of five years covering the term of Mexico's foreign debt will expire and the original contracts will be revived. This will demand greater expenditure as will also reparations for damages caused by the revolutions."

"To meet such a formidable accumulation of obligations it is absolutely necessary to persist in a severe policy of order and economy in which the three federal branches will patriotically cooperate."

"Convinced of the injustice and disadvantages of the protectionist system, which always favors a few individuals at the expense of the immense majority of consumers, the Executive is awaiting an opportunity to start a customs policy looking to free trade, naturally taking care that it will produce the least possible disturbance in the budget and the vested interests."

"Meanwhile, within its own sphere of action and by the use of extraordinary faculties which the Executive has in the Treasury Department, the Treasury will prepare for the coming of the new régime."

Tax Law Changes Planned.

"The reforms in the Federal fiscal laws will in time bring it about that the taxes will not be an obstacle and will enable us to take advantage of our natural riches."

"They will aim at justice and equity in levying taxes and to suppress those taxes which are uneconomical either because of the high cost of collection or the small amounts collected."

"The efforts of the Executive to organize a national banking system which will be sufficient in itself to serve efficiently all the interests of commerce, industry and agriculture in Mexico have almost been realized."

"If it has not been possible, as intended, to wipe out the interior and exterior debt of the Government, the Government has shown its firm intention of honorably complying not only with the obligations contracted by the present administration but with all legitimate internal contracts."

"The executive has shown a desire to pay creditors without limit and in accord with the maximum economic capacity of the budgets."

On the way to Congress President Calles's automobile passed through the main streets between files of soldiers. On his arrival he was greeted with cheers by the Congressmen.

The seats reserved for dignitaries were crowded, and all the other galleries were filled, with more eager listeners clinging to the sides of the walls and columns."

The Presidential message consisted of about 40,000 words. Señor Calles, seated in the Speaker's chair, read the first paragraphs. Then clerks in relays read the rest of the document, the reading lasting until late at night.

Important Questions Up.

MEXICO CITY, Sept. 1 (P).—Mexico's new Congress assembled at 6 o'clock tonight with the prospect of having to take under consideration some of the most important questions that have arisen in many years.

The religious question, labor legislation and a constitutional amendment, one effect of which might be to permit General Alvaro Obregón again to assume the Presidency of Mexico, are among the subjects to be discussed by the congress.

The Catholic Episcopate will petition Congress to amend or repeal the religious clauses of the Constitution, under which President Calles promulgated the "regulations" which caused the suspension of services in all the Catholic churches.

Obregon's Friends Seek Change.

With regard to the Presidential succession the Constitution of 1917 provides that "the President will remain in power four years and may never be re-elected."

This Constitution was an outcome of the 1910-20 revolutionary period, which began with the overthrow of Porfirio Díaz, who had remained in office term after term and virtually became dictator of Mexico. The revolution that overthrew that power sought to prevent the possibility of its recurrence by making the re-election of a President illegal.

Many friends of General Obregón, who was President immediately preceding Calles, want him again as President when Calles's term expires in December, 1928. They construe the words "never be re-elected" as meaning as not to be re-elected to succeed one's self. They, therefore, desire an amendment removing all doubt as to Obregón's eligibility.

An interesting angle to this situation is that General Obregón is also on record as desiring all doubt removed—but removed by making it clear that he cannot be President; by saying in so many words that no man under any circumstances may ever serve twice as President of Mexico.

Nevertheless, if such an amendment were adopted by Congress, Obregón's friends say there would be nothing left for him to do but to accept.

The Labor law demanded of Congress by organized Mexican labor seeks statutory enactment of an advanced program for improving the conditions of employees. It provides for profit sharing, minimum wages, workmen's compensation and other features.

Calles Held Responsible.

The Catholic episcopate, in a written statement today, asserts that all responsibility for the present church situation rests upon President Calles for issuing and refusing to suspend the religious regulations.

It is declared that the episcopate, "without hope of success," is appealing to Congress because "the only other course open, starting a religious war, is contrary to the spirit of the Church."

The episcopate further states that the Church not only opposes war on a religious question but is of the view that the Mexican people need to learn to defend their rights "not by arms, which give an ephemeral victory, but through pacific legal methods, giving lasting peace."

The appeal is being made to Congress, it is added, in order to show the world that the Church is pursuing a peaceful means, and that, notwithstanding the defeat which is expected in Congress, it will ultimately obtain a decisive victory for justice.

4—SEABOARD AIR LINE RAILWAY—4
daily trains—three one night out—Leave
Penna Sta serving intermediate points and
all Florida "The Southerner" 9:15 A M
Atlanta-Birmingham Spl 1:10 P M Caro-
lina-Florida Spl 3:10 P M, also Fast Mail
12:30 Mdn't. Office 142 W. 42nd St.—Adv.

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The text of the President's message follows in part:

"It is a pleasure for me to appear a second time before you and before the Mexican people to render a general account of the administration of the country as provided in the Constitution."

"In this message, notwithstanding its necessary brevity and condensation, the Honorable Chamber will be able to appreciate the efforts that have been made, during the period from the first of September, 1925, to date by the Executive to realize the aims of the program which from the beginning of his Administration he has sought and which are, fundamentally, to assure, within strict compliance with our Constitution and our laws, that the Mexican nation will have before the rest of the nations of the world the respect, credit and esteem to which it has the right, and at home, the welfare, peace and prosperity to which all its members have the right, as well as that of the foreigners who have come to live and work honorably by our side."

"How we are developing this program the public which you represent can see."

Says Budget Was Balanced.

"We have enacted laws which tend to assure and reaffirm the sovereignty of the nation, and we have not only conserved but have increased the goodwill of all the rest of the civilized nations for us."

"We have taken effective steps to rehabilitate the financial credit of Mexico through exact compliance with the obligations contracted by foreign debts."

"We have balanced the budgets of income and expenses of the Federation. The public treasury has been organized in such an efficient manner that it was able to meet not only ordi-

K. OF C. ASK COOLIDGE FOR AID ON MEXICO

Flaherty Requests Him to Use
'Good Offices' to Bring Peace
Between Church and State.

OPPOSED TO INTERVENTION

Situation in Southern Republic Is
Held to Be Result of Interference
by Wilson and Harding.

Special to The New York Times.

PAUL SMITH'S, N. Y., Sept. 1.—In conference with President Coolidge today James A. Flaherty, Supreme Knight, and other supreme officers of the Knights of Columbus explained the effect of the resolution adopted at Philadelphia and interpreted its summary demand upon the American Government as a request for the exertion of its "good offices to ameliorate conditions which oppress the Mexican people."

Following the conference of about an hour Mr. Flaherty explained the purposes of the visit, and interpreted the order's resolution and the declared position of the organization to be:

(a) Opposed to intervention in Mexico.

(b) Against lifting of the arms embargo.

(c) In favor of continuance of recognition of the Calles Government.

(d) Without evidences of outrages against American citizens in Mexico to be presented to the President.

(e) Desirous of sympathetic action by this Government to put an end to conditions there and not to afford support or aid to President Calles in the present conflict between the Catholic Church and the Mexican Government.

Those at the meeting, in addition to Mr. Flaherty were Martin H. Carmody of Grand Rapids, Deputy Supreme Knight; William J. McGinley of New Haven, Supreme Secretary; Luke E. Hart of St. Louis, Supreme Advocate; W. C. Prout of Boston, Supreme Director, and James S. Conway of New Haven, Assistant Supreme Secretary.

Mr. Flaherty had a private talk with the President for about ten minutes, after which his associates were invited into the conference.

Seen as Legacy of Other Cabinets.

Then the situation was revealed in detail, it was said, and the complainants explained the resolution and assured the President that they did not wish to embarrass his Administration and that they regarded the present conditions as an inheritance of previous Administrations rather than the result of the patient policy this Administration has practiced toward Mexico.

The conference ended thirty minutes before the visitors had to leave for their train at Gabriels. Mr. Flaherty, upon emerging, hurriedly told of the discussion and the present attitude of the order. Mr. Hart later dictated a formal statement which was approved by Mr. Flaherty as representing the council's views.

"The President listened sympathetically to what we had to say about the resolutions and the conditions in Mexico," Mr. Flaherty said in his informal discussion.

"We wanted to make it clear to him and to the public that the Knights of Columbus do not ask for intervention in Mexico," he continued. "The order asks for sympathetic action in any way that can be done by this Government properly within international law."

"We do not undertake to say what the Government shall do. We do not ask the lifting of the embargo on the shipment of arms into Mexico, and the resolution did not ask for that. We want non-intervention and we are not asking for the withdrawal of recognition of the Calles Government."

No Specific Measures Urged.

Mr. Flaherty declared that the committee had not presented any evidences of outrages against American citizens in Mexico and that no argument was made for what course the Government should pursue to comply with the organization's request to end "this ignominious contempt which has been shown by Calles for Americans' appeal."

This informal discussion with the newspaper men in front of the executive offices, made in the presence of his supreme associates, was interrupted by the arrival of President Coolidge, who was photographed with the committee and filmed while bidding good-bye to the visitors.

President Coolidge seemed to be in the best of humor. The Knights appeared satisfied, although they received no promise that the Government's attitude of non-interference in the Church's conflict with the Calles Government, which the Administration regards as an internal question, would be changed.

That this conference and others that are to follow with Ambassador Sheffield may lead to a stiffer American policy on the Mexican oil and land laws is regarded as possible, but nothing can be done by this Government in the Church and State dispute, it was indicated.

President Coolidge declined to make any comment on the visit or to indicate what the Government might do to carry out the wishes of the Knights of Columbus.

Flaherty Explains K. of C. Stand.

The statement issued by Mr. Flaherty reads:

"The Supreme Knight, with other supreme officers of the Knights of Columbus, called on President Coolidge today to discuss with him the resolution adopted by the Supreme Council of the Knights of Columbus at its recent meeting in Philadelphia."

"We explained to the President the attitude of the Knights of Columbus with reference to conditions there, and, among other things, made it plain that the Knights of Columbus is not asking for intervention by the United States Government in Mexican affairs."

"However, we did present to the President the views of the order as outlined in the resolution concerning non-intervention and non-interference by this Government in Mexico."

"We endeavored to make it plain from our viewpoint that the present situation in Mexico is the result of the attitude assumed by this Government as represented by previous Administrations, of Wilson and Harding, in connection with Mexican affairs, in that President Calles is the successor of the Carranza and Obregon régimes, and Carranza owed his position in Mexican affairs to the support and co-



operation that were given to him by this Government.

Says Obregon Got Arms From Us.

"During the Administration of Obregon this Government supplied him with arms and munitions of war, including military airplanes, at the same time placing an embargo on the shipment of arms and munitions to Mexico."

"Also, for the first time in history, this Government permitted the transport and passage of armed military forces of another Government across American territory when it permitted troops of Obregon to go from Nogales to El Paso for the purpose of suppressing a revolution."

"We are of the opinion that conditions that exist in Mexico today result from interference by this Government in the manner indicated, and but for such interference Carranza, Obregon and the Calles Government would not have existed."

"Our resolution is a protest against the attitude of this Government and we feel as American citizens that it was our duty to bring this matter forcibly to the attention of the President of the United States, the State Department and the American people in the hope that the condition complained of would be remedied and that this Government might use its good offices to ameliorate conditions which oppress the Mexican people."

"We do not undertake to say what the position of this Government shall be. That is a matter for the President and the State Department, which is in intimate touch with conditions in Mexico, to determine."

Mexican Troops Crossed Texas.

It was recalled here that the Coolidge Administration, following the imposition of the embargo on the shipment of arms to Mexico, permitted Mexican troops to cross American territory, and, therefore, it was said, the Knights, in their statement, are criticizing the Coolidge Administration as well as previous ones.

The resolution adopted by the supreme convention of the Knights of Columbus in Philadelphia early in August called for immediate action by this Government and was interpreted by some as a demand for intervention.

The following excerpt from the resolution was interpreted as suggesting withdrawal of recognition:

"And all this system in Mexico has been created under American auspices, sustained by American executive authority which, in the first place, while refusing to recognize Lenin and Trotsky, have, by executive order of recognition, accepted Calles and Obregon, who are the enthusiastic supporters of the Bolshevik concept of government."

"We further point to the significance of the patronage bestowed upon these military despots by the continuance of such recognition, and particularly by the discriminating favoritism shown to Calles by the continuance of the embargo, which makes the Calles ascendancy possible."

Seen as Hit at Coolidge.

This sentence in the resolution was accepted by officials here as severe condemnation of the Coolidge policy, whereas the Knights today attempted to place the responsibility for our Mexican policy on previous Administrations.

"The period of watchful waiting or any other such procedure is over," the resolution said. "We, as American citizens, demand of our Government that this action be taken forthwith. Although our Government has for years emphatically refused to recognize the Soviet régime of Russia, it has continued to countenance, aid and comfort the Bolshevik forces of Carranza, Obregon and Calles."

The Administration is represented as not accepting as kindly the closing paragraph of the resolution, which reads:

"We call upon the President and the State Department to put an end to this ignominious contempt which has been shown by Calles for Americans' appeal and to resolutely demand protection for American citizens and that they be treated with the same consideration and respect which are shown to Mexican citizens in this country."

President Coolidge may indicate his reaction to the visit in his conference with the newspaper men on Friday. And again he may wait until he has seen Ambassador Sheffield before the Administration acts on the Knights' demand and our policy on the Mexican oil and land laws.

CALLES MAY CHAKE OIL AND LAND LAWS

Continued from Page 1, Column 1.

nary expenses but also some extraordinary ones and the obligation of the internal debt.

"As a consequence of the satisfactory state of our finances it has been possible to start irrigation works, highway construction, improvement of seaports and to found an agricultural bank to help both small and large agriculturists, which will contribute without doubt to the solution of our agrarian problems."

"The banking legislation has been reformed and in general the laws relating to the institutions of credit have been amended to give greater facilities and guarantees in such important matters."

"Education and instruction in all its phases has been developed with special attention to the establishment of agricultural and rural schools for the benefit of the Indians and farmers."

Reports Army Improved.

"The Federal Army in all its four arms has made rapid progress in organization, discipline and morale."

"Reform of the fiscal laws has been and is still being studied with a view to making them less onerous and more equitable. Similar work has also been started on the fiscal system of the States."

"Civil and penal laws will be reformed to adapt them to the modern principles of right and to obtain the most benefit for the community."

"Commerce, industry and agriculture and other sources of public wealth are recovering, although slowly, from the crisis which was a necessary consequence of the World War and our revolution."

"The government, through its branches, has encouraged these movements."

"It has also striven to prevent all internal political commotions and to preserve the best harmony between the Federal Government and the States and to find solutions for whatever conflicts arise by which neither society nor the productive working classes will suffer injury."

Declares Country Tranquil.

"It is a source of great satisfaction for the Executive to be able to inform you that peace has prevailed in the whole country except for small troubles which could be characterized as insignificant."

"There are well founded hopes that, through the giving of full guarantees, the strict application of the laws, the efficient administration of justice and the understanding of their duties by all the authorities, Federal as well as local, this peace will not be long in crystallizing, as it is the firm resolve of the Government to satisfy the just desires of all in the Mexican family."

"In consequence of the peace which we have been enjoying, there has been a rebirth of confidence in our institutions and there is no doubt that, as this confidence is reformed, new sources of riches will be exploited which will contribute to the economic revival of Mexico."

Referring to Mexico's relations with foreign countries, the Presidential message said Congress had approved the organic law. Commenting on Article 27, which relates to the rights of foreigners and companies may acquire in Mexico, the President said:

"The Executive has issued corresponding regulations, using the powers which the law provides. These regulations have been applied by the Executive of the union to resolve various cases which have been presented."

"I am pleased to inform this National Assembly that the application of these respective dispositions not only has resolved in a definite manner the distinct cases which have been presented, but that also the same application has not in any manner delayed the functioning of the companies, and, on the other hand, the Government has been able to regulate in a clear and appropriate manner its policy on these questions."

"The promulgation of the law and the regulations, as in the case of those concerning oil, has caused several diplomatic representations by the Government of the United States."

"A diplomatic controversy was started, in which the American Government cited various considerations which, in its opinion, violated the rights of American citizens in Mexico and urged that some of the clauses of this law should be modified."

"This disposition, however, serves only to confirm what our various laws and our Constitution have established on these points."

"The Government in my charge answered these representations, upholding our rights to enforce the law and the regulations referred to—not only because they were regulations which the Constitution ordered, but also because, fundamentally, the enforcement and observance of these laws did not affect legitimately acquired rights and because they are in harmony with the principles of right, justice and equity."

Says Predecessors Did Same.

"On the other hand, the Executive has been careful in forming his policy respecting all acquired rights guaranteed by our laws and has seen to it that all his acts are based upon that policy without any foreign suggestions being necessary."

"In these matters of policy my Government has done nothing but continue the policy of my predecessors."

"But at the same time it has been careful to define in an unequivocal manner our rights to legislate and to safeguard all the interests which concern this country, and in this sense the enforcement of these laws is not only necessary but our duty in order to establish clearly the conditions under which interests affected by the law may operate in our country."

"The correspondence exchanged between the Governments on this subject has been published and I consider it unnecessary to make any extended remarks on this matter, as the policy of my Government is based particularly on those points which have been already stated and which clearly explain the end we are pursuing."

"We consider that this matter is clearly defined. If in practice, however, the Government finds that the application of these laws is not in accord with the policy which the Government has followed, or if experience counsels moderation within the spirit of justice and equity the Executive will indicate the appropriate changes and necessary measures to bring the application of the law and the Government's policy into harmony."

Oil Laws Are Defended.

"The Department of the Interior states that the oil industry of the country has been legally organized. Inspired with a spirit of equity, sane nationalism and progress, the Government issued regulations for Article 27."

"The new legislation did not create new difficulties but helped to develop the industry and the most important companies have accepted the benefits that the law gives."

"But, notwithstanding this, vested interests attempted to show that the

mulgation of the law would prove an unsatisfactory situation. The facts show the contrary to what these interests contended, and in spite of the campaign in the press, which was entirely unjustified, events have revealed the errors and bad faith in the imputations."

"The Department of Labor has concentrated the best part of its attention on a study of the facts related to the welfare and advancement of the worker, the proportioning of salaries to the cost of living, conditions of hygiene in the working centres, and sickness, accident and strike payments so that the family of the worker who loses his health or life will not be reduced to pauperism."

Increased Obligations Ahead.

"The Treasury Department states that in the near future the obligations of the Government will be augmented considerably, first, through the natural development of the country and the expansion of official works and, second, because in 1927 the period of five years covering the term of Mexico's foreign debt will expire and the original contracts will be revived. This will demand greater expenditure as will also reparations for damages caused by the revolutions."

"To meet such a formidable accumulation of obligations it is absolutely necessary to persist in a severe policy of order and economy in which the three federal branches will patriotically cooperate."

"Convinced of the injustice and disadvantages of the protectionist system, which always favors a few individuals at the expense of the immense majority of consumers, the Executive is awaiting an opportunity to start a customs policy looking to free trade, naturally taking care that it will produce the least possible disturbance in the budget and the vested interests."

"Meanwhile, within its own sphere of action and by the use of extraordinary facilities which the Executive has in the Treasury Department, the Treasury will prepare for the coming of the new régime."

Tax Law Changes Planned.

"The reforms in the Federal fiscal laws will in time bring it about that the taxes will not be an obstacle and will enable us to take advantage of our natural riches."

"They will aim at justice and equity in levying taxes and to suppress those taxes which are uneconomical either because of the high cost of collection or the small amounts collected."

"The efforts of the Executive to organize a national banking system which will be sufficient in itself to serve efficiently all the interests of commerce, industry and agriculture in Mexico have almost been realized."

"If it has not been possible, as intended, to wipe out the interior and exterior debt of the Government, the Government has shown its firm intention of honorably complying not only with the obligations contracted by the present administration but with all legitimate internal contracts."

"The executive has shown a desire to pay creditors without limit and in accord with the maximum economic capacity of the budgets."

On the way to Congress President Calles' automobile passed through the main streets between files of soldiers. On his arrival he was greeted with cheers by the Congressmen.

The seats reserved for diplomats were crowded, and all the other galleries were filled, with more eager listeners clinging to the sides of the walls and columns.

The Presidential message consisted of about 40,000 words. Señor Calles, seated in the Speaker's chair, read the first paragraphs. Then clerks in relays read the rest of the document, the leading lasting until late at night.

Important Questions Up.

MEXICO CITY, Sept. 1 (AP).—Mexico's new Congress assembled at 6 o'clock tonight with the prospect of having to take under consideration some of the most important questions that have arisen in many years.

The religious question, labor legislation and a constitutional amendment, one effect of which might be to permit General Alvaro Obregon again to assume the Presidency of Mexico, are among the subjects to be discussed by the congress.

The Catholic Episcopate will petition Congress to amend or repeal the religious clauses of the Constitution, under which President Calles promulgated the "regulations" which caused the suspension of services in all the Catholic churches.

Obregon's Friends Seek Change.

With regard to the Presidential succession the Constitution of 1917 provides that "the President will remain in power four years and may never be re-elected."

This Constitution was an outcome of the 1910-20 revolutionary period, which began with the overthrow of Porfirio Diaz, who had remained in office term after term and virtually became dictator of Mexico. The revolution that overthrew that power sought to prevent the possibility of its recurrence by making the re-election of a President illegal.

Many friends of General Obregon, who was President immediately preceding Calles, want him again as President when Calles' term expires in December, 1928. They construe the words "never be re-elected" as meaning as not to be elected to succeed one's self. They, therefore, desire an amendment removing all doubt as to Obregon's eligibility.

An interesting angle to this situation is that General Obregon is also on record as desiring all doubt removed, but removed by making it clear that he cannot be President; by saying in so many words that no man under any circumstances may ever serve twice as President of Mexico.

Nevertheless, if such an amendment were adopted by Congress, Obregon's friends say there would be nothing left for him to do but to accept.

The Labor law demanded of Congress by organized Mexican labor seeks statutory enactment of an advanced program for improving the conditions of employees. It provides for profit sharing, minimum wages, workmen's compensation and other features.

Calles Held Responsible.

The Catholic episcopate, in a written statement today, asserts that all responsibility for the present church situation rests upon President Calles for issuing and refusing to suspend the religious regulations.

It is declared that the episcopate, "without hope of success," is appealing to Congress because "the only other course open, starting a religious war, is contrary to the spirit of the Church." The episcopate further states that the Church not only opposes war on a religious question but is of the view that the Mexican people need to learn to defend their rights "not by arms, which give an ephemeral victory, but through pacific legal methods, giving lasting peace."

The appeal is being made to Congress, it is added, in order to show the world that the Church is pursuing a peaceful means, and that, notwithstanding the defeat which is expected in Congress, it will ultimately obtain a decisive victory for justice.

Continued on Page Five.

K. OF C. MEXICO PLEA DENIED BY COOLIDGE

President Considers Church
Feud Domestic Affair and
Insists on Hands-Off Policy

By JOHN T. LAMBERT,
Universal Service Correspondent.

PAUL SMITHS, Sept. 1.—President Coolidge tonight is resolved to continue, for the present at least, his hands off policy toward Mexico.

This renewed determination followed an hour's conference here today with Supreme Knight James A. Flaherty and the other commanding officers of the Knights of Columbus.



J. A. FLAHERTY.
Makes New Mexican Appeal to President.

Protesting the successive Carranza, Obregon and Calles governments, Mr. Flaherty likened them to the regime of Lenin and Trotzky and insisted that they have been perpetuated in policy by the friendly acts and "watchful waiting" of the Wilson, Harding and Coolidge administrations.

Contrary to what had been the popular interpretation of the Philadelphia resolutions, Flaherty said that the Knights asked neither intervention nor the lifting of the embargo which now prevents the shipping of arms into Mexico. He said:

"We did ask that this Government give neither support, sympathy nor aid to the Calles regime."

It is the belief of American Catholics, he explained, that when the American Government ceases to display an active interest in the success of Mexico, the Calles Government will fall.

FRIENDSHIP PLEDGED.

The friendly disposition of the Knights toward the President and the confidence they seem to have in him were indicated by Flaherty in this statement:

"We ask that the Government do anything in its power that it properly can do, but we do not undertake to say what the position of the Government shall be. That is a matter for the President and the State Department, who have intimate touch with the situation, to determine."

Following his conference with the President, Flaherty gave his statement outlining the views of the Knights and containing their criticism of the successive acts of the three American Presidents which, they maintain, allowed Carranza, Obregon and Calles to in-trench themselves in power.

Flaherty said:

"We called to discuss the resolutions adopted by the supreme council meeting in Philadelphia with President Coolidge. We explained the attitude of the Knights of Columbus with reference to conditions in Mexico, and, among other things, made it plain that the K. of C. is not asking for intervention by the United States Government in Mexican affairs."

EXPLAINS PROTEST.

"However, we did present to the President the views of our order as outlined in the resolution concerning non-intervention and non-interference by this Government, and we endeavored to make it plain that the present situation in Mexico is the result of the attitude assumed by the Government as represented by previous administrations."

"Mr. Calles, as successor of the Carranza and Obregon regime, owes his position in Mexican affairs to the support of the United States, and that during the administration of Obregon, this Government supplied him with arms and munitions of war, including military airplanes, and at the same time placed an embargo on shipment and delivery of arms to Mexico and also, for the first time in the history of this Government, we permitted transportation and passage of armed military forces of another Government to cross American territory. This was when the United States permitted the troops of Obregon to pass from Nogales to El Paso to suppress the revolution."

"We are of the opinion that conditions existing in Mexico today result from interference by this Government in the manner indicated, and but for such interference the Carranza, Obregon and Calles governments would not have existed."

Text of Calles' Message 'Foreign Relations Good'

MEXICO CITY, Sept. 1 (AP).—President Calles in his message to Congress made special reference to foreign relations, saying:

"I am pleased to inform Congress that the application of the alien land laws not only has been settled in a definite manner with respect to the specific cases presented, but that application has not hindered in any manner the operation of the companies and organizations affected by them."

"Promulgation of the land, and also the petroleum law occasioned some diplomatic representations on the part of the United States Government, causing a controversy of a diplomatic character, in which the United States Government expounded various considerations whereby, in its views, the laws interfered with the rights of American citizens in Mexico, and solicited modification of some of the details of the laws. But these details, which the United States desired modified, were only confirmations of other Mexican laws and of the Mexican Constitution."

Reply to U. S.

"My government replied to the United States representations, sustaining our right for enactment and enforcement of land and petroleum laws, not only because they enacted what was ordered in the Constitution, but fundamentally because enactment and enforcement of these laws could not affect legitimately acquired rights further than what is permitted by the principles of right, justice and equity."

"Furthermore, the Mexican Government has been careful also to direct its policy in respect to all acquired rights, conforming thereby to the requirements of its own laws. The Government has based all its acts on this policy without any foreign representations being necessary."

Announcing that it was not necessary for him to give further details of the exchanges between Mexico and the United States, the President declared:

"Nevertheless, if the Government finds that the application of the Alien Land and Petroleum laws does not conform with the attitude and purposes which have guided Mexico, or if experience suggests modifications within the spirit of justice and equity, the Government will initiate such modifications in accordance with the Constitution and the Government's policies."

Cordial Relations!

"Our foreign relations have proceeded normally. We happily have established most cordial relations with all countries friendly to Mexico. Fortunately no international problem at present is worrying Mexico."

"Our constructive policy has been carried out amid the great-

est cordiality in our relations with all countries, and it is the firm intention of the Government to continue that policy, at the same time taking care to preserve the honor and respect of our country."

"The purpose of my administration has been to carry out a constructive programme under the Constitution, striving to the end that Mexico may have throughout the world the respect, credit and friendliness to which she is entitled, as well as peace and prosperity to which Mexico's sons are equally entitled, as also are aliens, who honestly have come to live and work with us."

President Calles said that effective steps had been taken to rehabilitate Mexico's financial credit abroad through exact fulfillment of her foreign debt obligations. The budget had been balanced, permitting the government both to meet ordinary and make extraordinary expenditures, meet some of the obligations of the domestic debt, start important constructions, highways, irrigation, docks and harbors, and establish the Banco de Mexico—an agricultural loan bank enabling small farmers to acquire land.

Peace in Nation

After enumerating many other developments in commerce, industry and agriculture, as well as improvement in the army, the president continued:

"It is highly satisfactory to report that peace prevails throughout the country, excepting for small disorders, which can be called insignificant. It is hoped that such peace will soon become organic through the granting of full guarantees, strict enforcement of the laws, efficacious administration of justice and by an understanding on the part of all the authorities of their duties."

Touching upon accomplishments of the Government, the message continued:

"The work started by the President will perhaps neither be understood nor fully appreciated at the present time, but a statesman conscious of his duty cannot pause before such consideration. He must remember that in the face of the spiritual interests of the future it does not matter if some material interests at present are sacrificed."

Religious Conflict

Alluding directly to the religious situation, the President said:

"Our religious affairs had a greater importance abroad than in Mexico. The situation was caused by the clergy, rebellious as ever against the institutions of the republic, who seized a moment they believed opportune for their ends to declare that they did not recognize the Constitution and the laws evolved thereunder regarding religion."

"There is nothing fundamental in what is called the religious conflict that can be considered a novelty so far as the Government's attitude is concerned."



MEXICO ALIEN LAND LAW TO BE MODIFIED

Calles Promises Reforms in
Address to New Congress;
Insists on Country's Rights

President's Message Calls for
Continuance of Present
Church Policy Despite Fight

Developments in Mexican situation yesterday were:

President Calles opened Mexican Congress, declaring church regulations would stand and pledging modification of alien land laws.

President Coolidge rejects appeal of Knights of Columbus, voiced by Supreme Knight James A. Flaherty, "to do what he can to ameliorate conditions in Mexico."

By GEORGE W. HINMAN, JR.,
Universal Service Staff Correspondent.

MEXICO CITY, Sept. 1.—President Calles tonight pledged his Government to modify the alien land and petroleum laws in "accordance with equity and justice."

The President's pledge was given in the message he delivered at the opening of the Thirty-second Mexican Congress, reviewing the achievements of his administration and making recommendations for the future.

At the same time, President Calles emphasized his determination to "maintain the Government's policy within proper limits and jealously guard our country's dignity." The outstanding further features of the President's message were:

The petroleum law is essential for the enforcement of the Constitution and does not affect rights legitimately acquired.

CHURCH POLICY STANDS.

The administration is determined upon a continuance of the present policy relative to the church and will present a bill for further regulation.

The Government is resolved to continue the maintenance of peace throughout the republic, "conserving the gains already made for the benefit of the Mexican people" and progressing further in "the rebirth of confidence

Continued from First Page.

in our institutions and economic recovery through exploitation of a few fountains of riches."

The Government will outline a fiscal policy for the general rehabilitation of finances through tax reforms, debt adjustment and an ultimate free trade and customs policy.

IMPRESSIVE CEREMONY.

Impressive ceremonies accompanied the opening session. Both Houses assembled, with the galleries packed by high officials, the diplomatic corps and distinguished citizens.

The President delivered the first

few lines of his message and the reading of the remainder was carried on by secretaries while the chief executive, Cabinet members, legislators and crowded galleries listened intently.

Summarizing the achievements of his administration, President Calles said:

"We have expedited laws which tend to assure and reaffirm the nation's sovereignty. We have not only conserved but developed good will in our relations with other civilized countries."

The President's remarks relative to the religious controversy bluntly re-emphasized the determination to carry on the church fight with unabated vigor.



PRESIDENT CALLES
To Modify Alien Land
Laws.



CALLES PLEDGES CHANGES IN LAND LAWS IF NEEDED

Experience to Determine Modification, Based on Equity, President Tells Mexican Congress — Refers to Dispute With U. S.

BLAMES THE CLERGY FOR RELIGIOUS CRISIS

State Stands Pat on Policy, He Says—Number of Priests to Be Limited

By Arthur Constantine
Staff Correspondent of The World
Special Cable to The World
MEXICO CITY, Sept. 1.—President Calles informed the new Congress in his formal message to-day that the Government would stand pat on its church policy, will continue to enforce the Constitution and the laws emanating from it and will count on public opinion to sustain the policy. The President expressed his satisfaction with the alien land and petroleum laws, but added that if experience showed the necessity for modifications, these would be made in a spirit of justice and equity. The financial situation of the country was discussed, and Senor Calles predicted more stringent measures would enable the country to meet its foreign obligations and at the same time become prosperous internally.

Galleries Crowded

He asserted the financial policies of his Government to date have been oriented with an eminently national viewpoint and have operated to consolidate the conquests of the revolution. But he stressed the need of further Government economies to meet the formidable accumulation of obligations.

There was a full membership of the new Congress present and the galleries were crowded to hear what the President would say. Chief interest, of course, centered on his words dealing with the church-state conflict. All through his reading of the document, Senators, Deputies and spectators sat with heads craned forward and hands cupped to ears.

The President frankly called the controversy "the matter of palpitating interest." He said it had aroused the attention of foreign countries out of all proportion to its domestic attention.

He blamed the clergy for precipitating the situation and said they had always been rebellious against the institutions of the Republic.

Calls It an Old Situation

"They have seized a moment which they thought propitious for their ends," he went on, "to disavow the Constitution and the laws based thereon, which regulate the exercise of religion. There is nothing at the bottom of the so-called religious problem which, so far as the action of the Government is concerned, may be considered a novelty.

"Neither the Executive nor the Ministry has made changes which should alarm the clergy and their congregations. Article 130 of the Constitution and the reform laws had only the appearance of a declaration of principles.

"The Executive, occupied with problems urgently needing solution for the vitality and reconstruction of the country could not ignore its duty to enforce the laws referring to worship. And its efforts in this respect had to be intensified and developed more energetically because of the declarations of a minister of religion prominently connected with the hierarchy

(Continued on Second Page)

AID HURT MEXICO, COOLIDGE IS TOLD

K. of C. Leaders Say U. S. Arms Made Obregon, Carranza, Calles Rules Possible

DO NOT ASK INTERVENTION

President Makes No Comment, Awaiting Sheffield

From World Staff Correspondent
Special Despatch to The World
WHITE PINE CAMP, N. Y., Sept. 1.

—James A. Flaherty, Supreme Knight, and a delegation of high officers of the Knights of Columbus, requested of President Coolidge to-day use of the good offices of the United States "to ameliorate conditions which now oppress the Mexican people."

Emphasizing that he did not call for intervention and that his organization wished the Administration left free to determine its own course, Mr. Flaherty made clear the opinion that controversy and disruption in the Southern republic are due to past policies of this Government, in supporting Presidents Carranza and Obregon, predecessors of President Calles.

The delegation asked Mr. Coolidge to withhold the sympathy and aid of the United States from President Calles. Mr. Flaherty explained the purpose of the Philadelphia resolution adopted by the Supreme Council of the order, and pointed out that this Government has been fostering a condition in Mexico which has led to the present outbreak between church and state.

He dwelt on supplying arms and munitions to Obregon and the grant of permission for him to transport troops across American territory, an unprecedented event in American history.

Perplexing Problem

President Coolidge withheld his reaction to the appeal but it was learned he intends to discuss it at length with Ambassador Sheffield, who is due here in a few days. The President had received late information on Mexico from the State Department and it was understood tonight he was perplexed over what the United States might do, without directly interfering in domestic questions of Mexico, toward helping the people there.

Mr. Flaherty said he brought with him no data on alleged outrages against American citizens in Mexico, although he mentioned in reply to questions, that American citizens had been driven out of the country, naming Archbishop Caruana and Mother Semple, about whose cases the organization protested to the State Department some time ago.

He said he did not feel it was his duty to submit a list of outrages, because the State Department has much more intimate knowledge of what was transpiring across the border.

Members of the delegation also made it clear that they did not urge lifting the embargo against shipment of arms to Mexico. In a formal statement dictated after the conference the contrast was drawn between conditions imposed by this embargo and the supply of arms and munitions to the Obregon Government.

Other High Officers

Members of the delegation accompanying Mr. Flaherty were Martin H. Carmody, Grand Rapids, Deputy Supreme Knight; William J. McGinley, New Haven, Supreme Secretary; Luke E. Hart, St. Louis, Supreme Advocate; W. C. Prout, Boston, Supreme Director and James S. Conway, New Haven, Assistant Supreme Secretary.

When members of the delegation were talking with newspaper men they were informed that President Coolidge would be down shortly for a group photograph on the front steps of the executive offices. Mr. Coolidge took his place in the center of the group and appeared in exceedingly good humor, smiling and talking with members of the delegation.

He shook hands with them on the walk leading out from the offices as they departed.

As far as could be learned to-night, there was no indication that the President will amend his policy of keeping aloof from the dispute between church and state in Mexico. Whether the attitude on the Mexican policy regarding the Oil and Land Laws is to be stiffened as a hint to Mexico that the United States is concerned over the conflict there probably will be determined during the conference with Ambassador Sheffield.

Call Calles Bolshevik

The resolutions adopted early last month by the Knights of Columbus, which were explained to the President to-day, described Presidents Obregon and Calles as "enthusiastic supporters of the Bolshevik concept of Government."

Mr. Flaherty and other members of the delegation made no reference after the conference to the alleged communistic tendency of the Mexican Executive.

They emphasized that they had not come to make specific demands on the President.

"We did not come to tell the President what he should or should not do," said Mr. Flaherty. "We simply stated our position as liberty-loving Americans and left the matter to him and to the State Department."

Senator Frederick H. Gillett (R., Mass.) and Mrs. Gillett called at the Executive offices after the delegation departed. They had luncheon with the President at White Pine Camp.

CALLES PROMISES CHANGES IF NEEDED

(Continued from First Page)

of the Catholic Church (a reference to the pastoral letter of Archbishop Jose Mora y del Rio last April).

"He deliberately refused to recognize parts of the Constitution referring to religious worship and public order. He called on all his followers and congregations to renounce and disobey these fundamental laws.

"The Executive, compelled to watch over Magna Charta, could not permit this to pass unnoticed. No means outside the fundamental laws were taken to oppose these boastings of insubordination. No persecution of religious beliefs was intentionally made. All that was done was to repress anti-social, anti-judicial, uncalled for acts of a group urged on by so-called spiritual leaders to disown openly and publicly laws under the pretext that these were not moulded to their strange conception of liberty nor satisfactory to their particular interests.

"To tolerate this would have been for the Executive to accept the responsibility for the future before the nation, before the revolution and before history.

"The bill drawn by the Ministry for regulation of Article 130 of the Constitution will be presented to Congress. They will regulate the number of ministers of religion in the Federal district and territories.

"The executive in my charge is firmly determined to follow the line of conduct already traced for enforcement of principles and the supreme law. In so doing, it is absolutely convinced that in spite of obstacles constantly opposing its work, the Mexican people in the great majority will give the Government the support necessary to terminate it."

Passing to the diplomatic controversy with the United States over the alien land and petroleum laws, the President declared his Government had merely followed the example of its predecessors, adding:

"It was necessary to define precisely our right to legislate and to protect the interests of the country. These laws were imperative in order clearly to state the manner in which the interests affected by those laws should operate in our country. This having been done, we may consider the matter adequately defined.

"Promulgation of the laws and regulations thereof concerning petroleum caused diplomatic representations from the Government of the United States, originating a controversy diplomatic in character. The American Government submitted that the interests of American citizens had been

injured, and asked for modification of some of the provisions of the law.

"My Government answered by sustaining its right to make such laws and their regulations, not only because the regulations were ordered by the Constitution but because their enactment and enforcement could not affect rights legitimately acquired.

"Moreover the Executive in my charge has endeavored to respect acquired rights in accordance with our laws and to found all its acts on this policy without the necessity for foreign action.

"If, in practice, however, the Government should find application of these laws not in conformity with the policy that actuates Mexican aims, or should experience call for modifications, then in accordance with justice and more equity, the Executive in my charge will initiate means thereto and within his constitutional faculties will dictate dispositions necessary to that end.

"I am proud to say to the honorable Congress on this occasion that no international problem preoccupies Mexico at the present time and that development of the Government's eminently constructive policy has been taken by foreign nations in a most friendly way. My Government is firmly determined to maintain its policy without limits defined for it and at the same time jealously to guard the dignity of our country."

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NICARAGUA REBELS ROUTED

60 Government Troops, 40 Insurgents Killed in Battle

MANAGUA, Nicaragua, Sept. 1 (A. P.)

—Government troops have fought a battle with the revolutionary forces near Cosequina, on the northwest coast bordering on the Gulf of Fonseca. The engagement lasted many hours and ended in the defeat of the revolutionists.

Government reports place the losses of the Government troops at sixty killed and the revolutionists at forty. No estimate has been given of the wounded.

The American gunboat Tulsa, at the request of President Chamorro, has proceeded from Corinto, a seven hours' run, to the scene of the battle to take the wounded back to Corinto, there being no facilities for their treatment at Cosequina or its neighborhood, and neither forces have adequate medical equipment.

SENATOR MCKINLEY IN RELAPSE

MARTINSVILLE, Ind., Sept. 1 (A. P.)

—Gains made during the day by United States Senator William B. McKinley of Illinois, who is seriously ill at a sanitarium here, were lost in a relapse tonight, his physician, Dr. R. H. Egbert, said in a bulletin at 9 o'clock. The Senator's physicians were doubtful of his ability to survive the night.

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MEXICO CONFRONTED WITH NEW PROBLEM

Nicaraguan Revolution Following Religious
and Oil Land Law Crises Adds to
Harassments of Government

Special to THE WALL STREET JOURNAL

MEXICO CITY—As a rule, Mexico has been content to have only one crisis at a time, and has shown remarkable ability to come out on top, however critical the case might be. But the present position of the Calles government shows an entirely different aspect, for the administration is faced with three distinct problems.

First, the Catholic impasse remains unsolved, the situation being deadlocked with the government's determination unchanged that the clergy must bow to the new penal laws, while the Church of Rome, now that a showdown has come, announces that it will wait years, if necessary, without a resumption of sacred cults, rather than have the priests register as private citizens.

Second is the international situation regarding oil and land laws. This has become intensified, following Ambassador Sheffield's conferences with Secretary of State Kellogg.

Problem number three comes from an unexpected quarter, namely, the Nicaraguan revolution. Here the League of Nations, Monroe Doctrine, and Pan American Union principles are involved. Mexico is charged in a Nicaraguan note, worded in strongest terms and addressed to the League of Nations, with having equipped a filibustering ship, manned by official elements, to collaborate in terminating the Chamorro regime. Situation is unusual in the extreme, for neither Nicaragua nor Mexico is a League member, and Mexico, without giving Geneva any time to take action, has reiterated that she has nothing to do with the League, and therefore, any steps which may be adopted by it will be time wasted.

That is the situation confronting the Calles government with the opening of the thirty-second Congress. Solid Catholic influence will be brought to carry the Chamber on the religious question, while oil and land legislation will doubtless find opposition, but backed purely by foreign interests. General view is that the official program will go through, and that Calles will find behind him a Congressional majority to face both Washington and Rome when the time arrives.

Interest in industrial and financial circles is momentarily centered in the presidential message, in which, undoubtedly, will be presaged the administration's attitude, both internationally and regarding the Vatican; while that most important item, Mexico's financial stability, during the coming year, and ability to live up to external obligations, will be asserted by definite budget figures.

Mexico Lifts Mortgage Moratorium

MEXICO CITY—The Mexican government has lifted the moratorium against foreclosure of mortgages on realty, existing since the time of Carranza. It is expected that the step will bring money into circulation.

Floods in Mexico

MEXICO CITY—Severe floods, damaging crops, paralyzing railroads and bringing business to a standstill, were reported from the states of Guanajuato, Jalisco, and Oaxaca.



Un descendiente de H. Cortés se bate en Méjico

El honor de los contendores
quedó satisfecho, pero no hu-
bo reconciliación

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiem-
bre 1.— La raza de Hernán Cortés
todavía es combativa. En el preci-
so terreno donde el gran español
combatió hace cuatro centurias para
poner fin al poder del emperador
Montezuma, el príncipe Valerio Pignatelli, de Italia, descendiente en
línea recta de Hernán Cortés, se ba-
tió en duelo incruento con el señor
Eduardo Mode, inglés descendiente
de una de las familias ricas y pro-
minentes de Méjico.

Mode retó a Pignatelli alegando
que el descendiente de Cortés pres-
taba atenciones indebidas a su es-
posa, lo cual negó Pignatelli a los
padrinos de Mode, pero sin embar-
go aceptó el combate, diciendo que
un caballero no podía hacer otra co-
sa.

El príncipe, que se dice es un
excelente tirador, escogió como ar-
ma la pistola, debiéndose hacer un
disparo cada uno a una distancia de
diez pasos. Los duelistas escogieron
como sitio un lugar fuera de la
frontera de la ciudad, en el estado
de Morelos, con el objeto de evadir
a la policía de la capital.

Mode, quien también está reputa-
do como buen tirador, disparó sin
dar en el blanco. Pignatelli sacó
lentamente su pistola e hizo un dis-
paro al aire, se inclinó con exagera-
da cortesía ante su adversario y se
marchó del sitio.

"Fué un gesto digno de Hernán
Cortés", declaró uno de los padri-
nos.

Los padrinos decidieron que el
honor de los contendientes estaba
satisfecho, pero no hubo reconcilia-
ción.



ciudadanos serán juzgados con severidad, según todos los indicios. Como muchos de ellos tienen antece-

grados de las en la asociación. Canaria, a las que ha venido a tomar parte una delegación de Morón.

Méjico da las gracias cortésmente a la Liga de Naciones y no entra en materia

El Congreso discutirá la cuestión religiosa y una enmienda a la Constitución respecto a la reelección presidencial

La A. F. of L. se abstiene en el caso religioso mejicano

Así lo comunica el secretario de la C. O. P. al solicitante señor Treviño

A propósito de la cuestión religiosa de Méjico y según nos comunica el señor Santiago Iglesias, secretario de idioma español de la Confederación Obrera Panamericana, el señor Ricardo Treviño, secretario general de la Confederación Regional Obrera Mejicana, en relación con la actitud adoptada por las organizaciones del trabajo en Méjico, ha manifestado lo siguiente:

"Las iglesias católicas han sido bien atendidas por gran número de católicos que gozan de completa libertad religiosa. La posición asumida por la Confederación Regional Obrera Mejicana, es la de mantener el gobierno de la república quien tiene el deber de poner en vigor las leyes, mientras los jerarcas de la iglesia aconsejan al pueblo que las desobedezcan. Nuestra actitud se opone a todo boicot y suspensión de las actividades industriales y comerciales. Aseguro a ustedes que el gobierno como la Confederación Obrera Mejicana no han creado obstáculo alguno a la libertad religiosa porque como revolucionarios hemos luchado y lucharemos para garantizar las libertades públicas.

La Confederación Regional Obrera Mejicana se ha declarado por el respeto a todas las religiones y por la libertad de pensamiento de todos los ciudadanos sin privilegios ni favor, como principios fundamentales de los trabajadores organizados."

El secretario general, señor Treviño, termina su exposición invitando al presidente Green, para que si lo juzga conveniente envíe una representación que investigue la situación de una manera inteligente y completa al objeto de que puedan estar en posición de informar imparcialmente al movimiento obrero en los Estados Unidos.

En contestación al cable dirigido con fecha 8 de agosto en ese sentido por el señor Treviño al presidente Green, de la American Federation of Labor, el señor Santiago Iglesias da cuenta al señor Treviño

(Sigue en la 6a. pág.)

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 1.— El gobierno mejicano ha replicado oficialmente a Sir Eric Drummond, secretario general de la Liga de Naciones en Ginebra, quien recientemente envió a Méjico una nota de protesta de Nicaragua sobre una alegada expedición de pillaje llevada a cabo por un buque auxiliar de guerra mejicano para ayudar a los revolucionarios a derrocar al gobierno de Nicaragua.

En la réplica se reitera el anuncio del señor Aaron Sáenz, ministro del Exterior de Méjico, de que Méjico no tiene nada que hacer con la Liga de Naciones ni la Liga con Méjico. La réplica fué enviada por Sáenz con instrucciones del presidente Calles. Dice así:

"Refiriéndome a su comunicación del 27 de los corrientes, tengo el honor de informarle que Méjico no tiene ninguna conexión con la Liga de Naciones, dándole las gracias por su atención."

Cierre del consulado ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 1.— La cancillería anuncia que se han dado órdenes de cerrar el consulado de Méjico en Managua, Nicaragua, a causa de la manifestación reciente contra Méjico.

Méjico cesó sus relaciones diplomáticas con Nicaragua hace meses y ordenó el retiro de su ministro al ser elegido el general Chamorro, al que se negó a reconocer, pero el consulado había continuado en Managua.

Nicaragua recientemente protestó ante la Liga de Naciones contra Méjico por una alegada ayuda del gobierno mejicano a los revolucionarios.

Reunión del congreso ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 1.— (A. P.) Las facciones rivales del senado convinieron anoche en nombrar un comité conjunto que represente al senado en la sesión de apertura del congreso hoy al mediodía, para recibir el mensaje del presidente Calles. Después de la apertura, el senado reanudará la discusión sobre los sillones en la cámara alta.

Ya en vísperas de la reunión del congreso, el presidente Calles expidió un decreto número 35 cambiando muchos detalles en los presupuestos de los varios departamentos del gobierno, aumentando, disminuyendo o cancelando numerosas erogaciones, de acuerdo con los poderes extraordinarios que le confirió el congreso en la materia.

Cuéntase con que el congreso discutirá la situación religiosa proveniente de la negativa de la iglesia católica a cumplir con los reglamentos

(Sigue en la 2a. pág.)



LA PRENSA, JUEVES 2 DE SEPTIEMBRE DE 1926.

MEJICO DA LAS GRACIAS

(Continuación de la 1a. pág.)

tos religiosos expedidos de acuerdo con la constitución. Discutirá también leyes en que se provee que los patronos mejoren las condiciones del trabajador y una enmienda a la constitución para determinar si un expresidente puede ser reelegido al cargo, tendente a determinar si el expresidente general Alvaro Obregón puede ser reelecto.

El episcopado católico continuaba hoy la consideración de cómo y cuándo se presentará al congreso la petición para la derogatoria o enmienda de las leyes sobre religión.

Versión sobre el boicoteo ASSOCIATED PRESS

WASHINGTON, septiembre 1.— El boicoteo económico instituido en Méjico como consecuencia de la controversia religiosa entre la iglesia católica y el gobierno, mantuvo los negocios allí a un nivel relativamente bajo, según anunció hoy al departamento de comercio su representante en Méjico.

Se notó una ligera mejora hacia fines del mes, pero no así en las ciudades más pequeñas del centro de Méjico.

La gestión de Mr. Flaherty

PAUL SMITH, septiembre 1.— (A. P.) Mr. Flaherty, director de los Caballeros de Colón, después de visitar al presidente Coolidge en relación con la resolución aprobada por la convención de la orden en Filadelfia sobre la cuestión religiosa en Méjico, manifestó que ni siquiera había pedido al presidente se levantara el embargo sobre los embarques de armas a Méjico, y que en vez de eso puso en claro que solamente desea que los Estados

Unidos ejerzan los buenos oficios posibles para mejorar las condiciones en la república del sur, donde los católicos se encuentran empeñados en una disputa religiosa con el presidente Calles.

LA A. F. OF L. SE ABSTIENE

(Continuación de la pág. 1a.)

de los resultados de su gestión, en el sentido de que dicha institución no cree conveniente enviar el representante pedido a investigar, manteniendo que "la controversia religiosa o clerical de Méjico es puramente un asunto interno nacional en el que no tiene derecho a intervenir ninguna agencia extraña."

He aquí el texto completo de la comunicación transmitida por el señor Iglesias:

"Sr. Ricardo Treviño, secretario general, Confederación Regional Obrera Mejicana, Allende 24. Méjico, D. F.

Estimado amigo y compañero:

La controversia levantada por el clero católico de vuestra nación a que hace mención vuestro cable de 8 de agosto, dirigido al presidente Green, de la American Federation of Labor, sugiriéndole si fuera aconsejable la conveniencia de enviar un representante a Méjico para que estudiara la situación con el fin de que tuviera después la oportunidad de informar de una manera imparcial al movimiento obrero estadounidense, quiero reiterarle la absoluta confidencia de que el presidente Green mantiene el criterio de que a pesar de los esfuerzos e influencias poderosas puestas en juego para que la American Federation of Labor adopte una posición dudosa y de intromisión en esa cuestión, no ha sido posible conseguirlo. y por ello en este caso concreto es lo más posible que en relación con la campaña de los jerarcas católicos no se crea necesario el envío de ningún representante obrero.

El presidente Green, y con él la inmensa mayoría de los representantes y miembros de la American Federation of Labor, mantienen, que la controversia religiosa o clerical de Méjico es puramente un asunto interno nacional en el que no tiene derecho a intervenir ninguna agencia extraña.

Y aun habiendo recibido vuestra cordial invitación que contiene la autorización de los representantes acreditados del pueblo obrero organizado mejicano, sin embargo, se desea rehusar tal privilegio, aunque agradeciendo la confianza que le dispensáis en vuestra invitación pero queriendo a la vez, mantener la posición de que en la presente controversia católica no debe haber intromisión de nadie considerando que es un asunto puramente a resolver por vuestro pueblo y vuestro

gobierno. El consejo ejecutivo de la A. F. of Labor está reunido ahora en Montreal y es muy seguro que reafirmará esta posición.

Quiero remitirle estas notas aunque tal vez cuando esta carta llegue a vuestras manos, ya el cable habrá enviado nuevas informaciones, unas veces casi exactas y otras veces

producto de la fantasía de los corresponsales interesados.

Con gratos recuerdos y afectos, permanezco a vuestras órdenes para bien de la causa del trabajo, frateralmente vuestro,

Santiago Iglesias
Secretario Español Confederación Obrera Pan Americana.

Calles Ready To Meet U. S. Oil and Land Law Demands

Mexican President, Convening Congress, Says He Is Willing to Modify His Stand to Promote Peace

Declares Religious Policies Will Stand

Clergy Rebellious, He Insists; Plans Act Fixing Number of Priests; Ends Rumor of Obregon Break

By Jack Starr-Hunt

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MEXICO CITY, Sept. 1.—President Calles, with all the pomp usual on such occasions, at 5 o'clock this afternoon convened Mexico's Thirty-second Congress, which, before it adjourns on December 31, will deal with the most important problems the nation has ever faced, among them the religious question, with special emphasis placed on its actions in view of the existing relations between Mexico and the United States.

The President, accompanied by the members of his Cabinet and his uniformed staff, drove from the National Palace through the main streets, lined on both sides with picked troops, to the Chamber of Deputies, where, with the galleries filled and the uniformed diplomatic corps present, he delivered his annual address, in which he reviewed the activities of the departments of the government.

Policy Surprises U. S. Embassy

It is the custom for the President to read an introduction or summary of a general report, after which each Cabinet member reads that portion of the report pertaining to his department. The outstanding portions of the President's address dealt with the religious question and foreign relations, but it was his remarks on the latter subject that contained the surprise of his speech and fell like a bombshell on the members of the American Embassy in the diplomatic box.

Senor Calles indicated that perhaps some of those laws which have met with objection on the part of the American and other foreign governments might be modified if it was believed that such modification would tend to the welfare of the country.

The President, referring to what are known as the anti-foreign land and oil laws, which he said had been subject "to a controversy of a diplomatic character," declared that "however, if in practice the government finds that the application of these laws is not in accord with the policy which has guided the attitude and aims of Mexico, or if experience advises modifications within this same spirit of justice and equity, I will take such steps, always remaining within those faculties Congress gives me, to promulgate such necessary decrees as to adapt the existing laws to that policy which the government has been following out since I have had the honor to be at its head."

Seeks Peace and Prosperity

The President opened his address with the greeting: "Citizens, Senators and Deputies." His opening words were:

"The main objects attained by my government during the period from September 1, 1925, up to to-day have been, by strict compliance with our laws and constitution, the securing among the nations of the world that respect, credit and esteem which Mexico, like all other nations, has a right to, and within the country, the establishing of peace, tranquillity and prosperity for foreigners as well as nationals.

"To assure this program, laws have been passed which assure the nation's sovereignty, which has been secured, together with the establishment of friendly relations with all the civilized countries of the world."

The President then mentioned that Mexico had complied with her foreign debt obligations, thereby rapidly recovering her credit abroad. He reported that the budget had been leveled in accordance with the country's income and expenses.

The President, in speaking of economic conditions, assailed the protectionist system as favoring the industrialists at the expense of the consumer and said:

"We are awaiting an opportunity to start the orientation of our customs

(Continued on page four)



Calles Ready To Amend Oil And Land Laws

(Continued from page one)

policy in the direction of free trade." He discussed the road building program and the establishment of the Bank of Mexico, as well as the huge irrigation projects contemplated, the building of harbor works, the establishment of agricultural banks and the progress made toward solving the agrarian problem.

The Chief Executive then reviewed the steps taken in carrying out the government's educational program, mentioning especially the establishment of rural schools for the education of Indians. He pointed to the rehabilitation of the army, with the improvement in discipline, and declared that harmony had been established between the central and state governments.

"It is especially gratifying to me," the President added, "to be able to state that peace has been established throughout the country, the laws are being strictly applied and all Federal authorities are complying with their duties."

U. S. Correspondence Reviewed

Prior to indicating that changes in the land and oil laws might be expected, the President said that the application of the land law so far had not formed an obstacle to the proper functioning of associations or companies. He reviewed the correspondence exchanged with the United States on these laws, saying that the United States had sought to obtain certain changes in them, but that "my government replied to these requests, sustaining its right to issue these laws, not only because the constitution allows this, but because fundamentally these laws do not affect legitimately acquired foreign rights, and my government has always attempted not to

interfere in those rights legitimately acquired."

Senor Calles took occasion again to assert that he is merely following out the precedents laid by his predecessor, President Obregon. Significance is attached to this remark, in view of the fact that it dispels rumors current lately that the Calles-Obregon political alliance was in danger of dissolution.

The President asserted that the government had acted within its rights so to legislate as best to protect the country's interests.

Clergy Called Rebellious

Turning to the religious question, President Calles said:

"A question of palpitating interest, to which great importance has been attached abroad, is the situation created by the clergy, which, rebellious as always to the institution of the republic, has tried to take advantage of a moment it believed adaptable to the attainment of its ends and has declared that it did not recognize the constitution and laws emanating from it which control and govern the question of cults."

The President said there was no "religious problem" and that no application of any law had been intended which should alarm the clergy. He asserted that the religious article of the constitution was merely a declaration of principles without containing any underlying objective.

Senor Calles declared that a gradual change in social and political institutions had followed the fall of the regime which had held itself in power for so many years and that the new government could not effect this reorganization of the nation in one day.

He charged that this period of development was suddenly interrupted by the Roman Catholic hierarchy, which in a "deliberate manner disowned the constitution and the precepts relating to religious matters and called upon all the faithful to disobey those precepts, which are of such a fundamental character."

To tolerate this attitude, said the President, would have been equivalent to accepting responsibility before the people for the failure of the revolution.

"It was therefore necessary for me,"

he continued, "to pass a law reforming the penal code to apply to those infractions. The fact that those objecting to this law do not obey it and say they will not obey it makes it necessary for me to insist that it be applied whenever violated."

Senor Calles then explained that the organic law interpreting Article CXXX of the constitution would be presented to Congress during this session and would fix the number of clergymen of all faiths who could officiate in the federal district and in each state.

Reviewing the application of the religious laws, the President said 129 schools were closed for having violated Article III of the Constitution and forty-two churches were closed for having violated Article XXVII. For other violations seventy-three convents were closed. Foreign clergymen were obliged to refrain from officiating, 185 of them having left the country. Seven religious recreation centers were closed. The President ended his review of the religious question as follows:

"I am firmly determined to follow the line of conduct so far observed, and by so doing I am convinced that, in spite of obstacles placed in the way, the Mexican people as a whole will support me to complete this work I have undertaken."

Message Requires Three Hours

The longest part of the President's address, as usual, was devoted to the Finance Ministry's report, which took more than an hour of the three required to read the message. The President dived into a maze of figures in a summary dealing with this department in four chapters: First, financial rehabilitation as a result of the leveling of the budget and eliminating the debts acquired from previous administrations; second, reorganization of the fiscal system, bringing about the maximum results compatible with the economic potentialities of the republic and the even distribution of taxes; third, the establishment of a banking system capable of national and economic activities, and, fourth, the restoration of the government's interior and exterior credit by satisfying existing obligations.

K. of C. Back Mr. Coolidge's Mexico Stand

Intervention Not Asked,
Says Knights of Colum-
bus Leader, After Con-
ference With President

Convention Action
Was Misinterpreted

Sympathetic Policy by
U. S. Was Only Aim of
Resolution, Chief Avers

By Carter Field

PAUL SMITH'S, N. Y., Sept. 1.—A fresh appeal for "sympathetic action in any way possible within the bounds of international law," in behalf of the Catholics in Mexico was made to President Coolidge to-day by officials of the Knights of Columbus.

Intervention, withdrawal of recognition or even lifting of the embargo on arms so that rebels might overthrow the Calles regime, is not desired by the order, James A. Flaherty, its supreme knight, asserted, insisting that the language of the resolutions adopted by his organization at Philadelphia three weeks ago had been "misunderstood." Emphasis was placed on the fact, however, in their talk with the President, that the United States government was responsible for the present government of Mexico being in power, since American actions, dating back to the Wilson regime, had made the Calles government possible. This is because, the Knights told the President, the United States government had, beginning in the days of the Wilson Administration, supported first Carranza, then Obregon and finally Calles, not only extending recognition to them but by the embargo denying the possibility of success to rebel forces struggling to overthrow them.

May End Discussions

To-day's visit of the officials of the Knights of Columbus is believed to mark the end of the present Mexican flurry. The Knights insist that they have merely clarified their original position, which was misinterpreted; at any rate they are asking nothing now that the Administration is not only willing but eager to grant.

The impression had prevailed, due to the interpretation generally placed upon the language of the resolutions adopted at Philadelphia, that the Knights, and actually the Catholic Church, were insisting upon steps which it was known the Administration was not willing to take.

Now there is no divergence of view as to what governmental action should be taken. The President and Secretary Kellogg are entirely willing to take "sympathetic action in any way possible within the bounds of international law." They are not willing, on the basis of the facts laid before them, to send an army into Mexico, or to withdraw recognition from the Calles government, or even to lift the embargo on arms in order to make a successful revolution in that country.

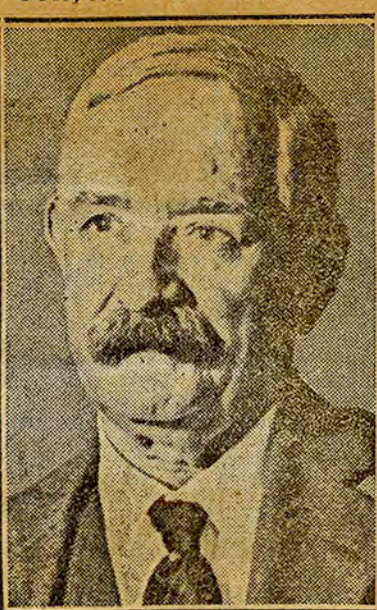
Bolshevik Tendencies Emphasized

To-day's visit served two important purposes from the standpoint of the Knights. It removed what had appeared to the country to be a violent disagreement between them and the government, and it emphasized again their view that the United States is responsible for the Mexican government, having virtually made it possible and protected it in every possible way from the recognition of Carranza by President Wilson and on through the Harding and Coolidge administrations.

In addition the Knights laid considerable emphasis again to-day on the Bolshevik tendencies of the present Mexican government.

In the delegation besides Mr. Fla-

Confers With President



James A. Flaherty

K. of C. Back Mr. Coolidge's Mexican Stand

(Continued from page one)

herty were Martin H. Carmody, of Grand Rapids, Mich., deputy supreme knight; William J. McGinley, of New Haven, Conn., supreme secretary; Luke E. Hart, of St. Louis, supreme advocate; William C. Prout, of Boston, supreme director, and John S. Conway, assistant supreme secretary.

The delegation arrived early this morning, motored to the Executive offices, where they saw the President and were photographed with him, and then rushed back to the station to catch a train going south just before noon.

"The President listened to us sympathetically," said Mr. Flaherty. "We wanted to make clear to him and the public that the Knights of Columbus do not ask intervention in Mexico."

The next chapter of the Mexican situation, the expected visit of Ambassador Sheffield, will be written before the President returns to Washington, although the day for his visit has not been set. While it has been stated from here frequently that there will be no excitement about Mr. Sheffield's visit, that the President will be glad to get his first-hand views of conditions, and that he will return to Mexico to continue the present policy after their talk, to-day's move by the Knights of Columbus also clears the air with respect to that visit. This is because there has been so much speculation coming from Mexico City and Washington with respect to "a showdown" between the Ambassador and the President as to his authority, and as to continuance of the present policy of the Administration.

With the attitude of the Knights of Columbus now made clear, and made to appear not very far from the position adhered to steadily by the President, it is expected that most of this speculation will cease.

The real hope of the Knights of Columbus is that, with no threat and bluster in the government's attitude, but in a diplomatic way which will not irritate the sensibility of the Mexican Administration, the government may undertake to bring about peace between the Calles government and the Mexicans, who consider that their religious liberties have been invaded.

Such a move from a diplomatic standpoint would be most delicate, it is felt here, and normally no government would attempt to make such a move to end a purely domestic dispute in another country. The Knights realize this, and for that reason put so much stress on the fact that the relationship of the Washington government and that at Mexico City is not a normal relationship, in that the United States government by recognition and by denying arms to opponents of the last three Mexican administrations has both assumed a responsibility for the Mexican government and at the same time earned the gratitude of that government.

On this theory, according to the Knights, this government has both a duty that is unusual in international relationships and a hold on the present Mexican regime which should be recognized.

Mr. Flaherty dictated the following statement after his visit:

"The Supreme Knight with the other supreme officers of the Knights of Columbus called on the President to-

day to discuss with him the resolutions adopted by the Supreme Council of the Knights of Columbus at its recent meeting in Philadelphia. We explained to the President the attitude of the Knights of Columbus with reference to conditions in Mexico, and among other things we made it plain to the President that the Knights of Columbus are not asking for intervention by the United States government in Mexican affairs.

"However, we did present to the President the views of the order as outlined in the resolutions concerning non-intervention and non-interference by this government in Mexico, and we endeavored to make it plain that from our viewpoint the present situation in Mexico is the result of the attitude assumed by this government as represented by previous administrations of Wilson and Harding in connection with Mexican affairs, in that Mr. Calles is the successor of the Carranza and Obregon regimes and Carranza owed his position in Mexican affairs to the support and co-operation that was given to him by this government.

"During the administration of Obregon this government supplied him with arms and munitions of war, including military airplanes; at the same time placing an embargo on the sale and shipment of arms and munitions to Mexico, and also for the first time in the history of this government permitted the passage and transportation of armed military forces of another government across American territory when it permitted the troops of Obregon to pass from Nogales to El Paso for the purpose of suppressing a revolution.

"We are of the opinion that the conditions that exist in Mexico result from the interference by this government in the manner indicated and but for such interference the Carranza, Obregon and Calles governments would never have existed.

"Our resolution was a protest against the attitude of the United States and we felt that as liberty-loving American citizens it was our duty to bring this matter forcibly to the attention of the President, the State Department and the American people in the hope that the conditions complained about would be remedied and that the government might use its good offices to ameliorate the conditions which now oppress the Mexican people.

"We do not undertake to say what the position of this government shall be. That is a matter for the President of the United States and the State Department, which have an intimate touch with conditions in Mexico, to determine."

Mr. Flaherty, in addition to his statement, said that the Philadelphia resolutions have been misunderstood, because a careful reading of them will disclose that they do not ask that the arms embargo be lifted. He added that the delegation did say to Mr. Coolidge that the Knights of Columbus believe the government should not give "support, encouragement of sympathy" to the Calles government.

Mr. Flaherty said it was felt that it was not the duty of the delegation to submit a list of outrages against Catholic Church workers, who are American citizens, and some of whom have been expelled from Mexico.

The cases of three such who were ordered deported were mentioned, including one bishop, one monsignor and a nun. The attitude of the Knights had been misrepresented, Mr. Flaherty said, and one of the purposes of the call was to correct that impression.

Several of the most striking excerpts from the resolutions adopted at Philadelphia, to clear up the misunderstanding of which the delegation came to-day, follow:

"And all this system in Mexico has been created under American auspices,

sustained by American executive authority, which, in the first place, while refusing to recognize Lenin and Trotsky, have, by executive order of recognition, accepted Calles and Obregon, who are the enthusiastic supporters of the Bolshevik concept of government. We further point to the significance of the patronage bestowed upon these military despots by the continuance of such recognition, and particularly by the discriminating favoritism shown to Calles by the continuance of the embargo, which makes the Calles ascendancy possible."

"The period of 'watchful waiting,' or any other such procedure, is over. We, as American citizens, demand of our government that this action be taken forthwith. Although our Government has for years emphatically refused to recognize the Soviet regime of Russia it has continued to contenance,

aid and comfort the Bolshevik forces of Carranza, Obregon and Calles."

"We call upon the President and State Department to put an end to this ignominious contempt which has been shown by Calles for American appeal, and to resolutely demand protection for American citizens and that they be treated with the same consideration and respect which is shown to Mexican citizens in this country."

Senator and Mrs. Gillett Callers

The only other callers to-day were Senator and Mrs. F. H. Gillett, of Massachusetts. They are the guests of Mrs. Whitelaw Reid on Upper Lake St. Regis.

Senator and Mrs. Gillett and Adolph S. Ochs, publisher of "The New York Times," will be luncheon guests of the President and Mrs. Coolidge to-morrow at White Pine Camp, after

which, if the weather is clear, the President will go to Sun Mount, the United States veterans' camp at Tupper Lake. He had planned to make the trip to-day, but canceled it on account of the visit of the Knights of Columbus officials.

PAUL SMITH'S, N. Y., Sept. 1 (AP).—Press reports from Russia that American visitors to that country have been given messages to carry to President Coolidge bearing upon the question of recognition of the Soviet government and adjustment of its debts to America find no verification here.

Mr. Coolidge is said to know nothing of recurring reports that Russia may attempt debt settlements, while it is understood that no Americans returning from Russia or messages from them have been received here.

N.Y. Herald
Tribune
Sept 2



New York, 2 Settembre 1926

A Letter of the Mexican Consul

We have received from the Hon. Manuel G. Prieto, Mexican Consul in the city of New York, the following letter accompanied by the article which we, as lovers and defenders of religious liberty, herewith with pleasure give a place in our columns:

CONSULADO GENERAL DE MEXICO

New York, August 23, 1926.

To the Editor of "La Voce",
150 Fifth Avenue,
New York, N. Y.

Dear Sir,

The enclosed letter was sent by the undersigned to a New York newspaper. It was returned with the statement that the Editor regretted that the enclosed contribution was not available for publication.

The character of the letter will explain to you the reason for its non-availability.

As a Mexican who believes in absolute religious liberty and denies the right of any Church Hierarchy to dictate to any one as to what position one must take in religious matters, I felt that I should send a copy of this letter to the Religious Press of America, who do believe in real religious liberty.

Very truly yours,

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New York, August 3, 1926.

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My grandfather, who was a truly religious man in every sense of the word, was excommunicated and our family with him for carrying out the just laws of his country. The greed of the Hierarchy was so great that it has shocked the historians of your country who have had occasion to write about Mexico. The prelates of the Church stood in the shoes of God to millions of our people who feared to protest even while they were reduced to a life of penury through the greed of those who were violating all of the teachings of Jesus Christ.

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had been lifted by the bayonets of the army of Napoleon the III.

For the succeeding 50 years the Hierarchy violated at every opportunity the sovereign laws of the Mexican Republic. At times they were checked, but not for long, until the Great Revolution came to an end in 1920. Mexico had entered a new era as the result of this Revolution and those placed in power by the people determined that the laws passed in the nineteenth century and amplified in the Constitution of 1917 must be obeyed. The Hierarchy of today is opposing these laws just as it did in 1859.

Its method differs only as the world of today differs from that of fifty years ago. But it is facing a people whose souls are seeking the way from intellectual and spiritual darkness into the light of freedom. This Hierarchy is threatening to refuse to officiate in the churches of Mexico if the Government insists upon its obeying the law. They seek to terrorize the people by arousing a superstitious fear in their minds that it is within the power of the Hierarchy to take away from them the consolation of religion. This act alone should be eloquent proof that the Hierarchy has divorced itself from the teaching of Jesus Christ.

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And honors me with his name.

Make me be my mother's joy
And help me to be loving
To all my fellows
And not to cause them displeasure.

Nor to oppress or envy them,
Nor to give them cause for anger.
Make me be sweet to my servants;
Charitable with the poor;

Helpful to those that are ill
And respectful to the old.
Put the truth upon my lips.

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New York, 2 Settembre 1926

A Letter of the Mexican Consul

We have received from the Hon. Manuel G. Prieto, Mexican Consul in the city of New York, the following letter accompanied by the article which we, as lovers and defenders of religious liberty, herewith with pleasure give a place in our columns:

CONSULADO GENERAL DE MEXICO

New York, August 23, 1926.

To the Editor of "La Voce",
150 Fifth Avenue,
New York, N. Y.

Dear Sir,

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The character of the letter will explain to you the reason for its non-availability.

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My grandfather, who was a truly religious man in every sense of the word, was excommunicated and our family with him for carrying out the just laws of his country. The greed of the Hierarchy was so great that it has shocked the historians of your country who have had occasion to write about Mexico. The prelates of the Church stood in the shoes of God to millions of our people who feared to protest even while they were reduced to a life of penury through the greed of those who were violating all of the teachings of Jesus Christ.

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Mexican Church Deplores U. S. 'Silence' on Ban

**Bishop Diaz Says Americans
Have Deserted Fight for
Liberty There Which Pres-
ident Wilson Sponsored**

Loses Hope for Appeal

**Calls Congressmen Who Will
Take Up Plea 'Picked';
Reaffirms Plan to Fight**

*By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.*

MEXICO CITY, Sept. 1.—With no apparent let-up either by the State or the Church in the conflict both have been waging since August 1 to determine—as the government contends—whether the canon law in Mexico shall be subject to constitutional mandates, the second month of the religious struggle opens with no visible solution in sight.

While President Calles convened Congress to-day, the members of the Mexican Episcopate expressed little hope that the means the President had indicated to them for amelioration of the legal measures of which they complain—namely, to seek aid on the floor of Congress—would result favorably to the Church. Frank expressions have been heard from high ecclesiastics that their memorial to Congress will be received only as a sham, with little likelihood of progressing beyond the stage of discussion.

Address Remarks to United States

Bishop Pascual Diaz, a full-blooded Indian and a Jesuit priest, who, since he has been barred from his diocese in the State of Tabasco for refusing to marry, has been the central figure, next to the Most Rev. Jose Maria Mora y del Rio, the aged Archbishop of Mexico, in the powderless conflict, to-day reviewed the situation as secretary of the Mexican Episcopate and, speaking in the name of the Archbishop, addressed his remarks "directly to the American people."

Bishop Diaz said that responsibility for the present conflict, which was so named by all except those responsible for it, rested with President Calles in that he had tried to enforce laws which had not been sanctioned by Congress and refused to heed the plea of the Episcopate to withhold their application.

The Bishop declared that the Church's only alternative was to place its case in Congress, since "to launch a religious war is not in accord with the spirit of the Church, and if there is one thing the Mexican people need to learn it is to defend their rights, not with force of arms, whose triumphs are only ephemeral, but by peaceful and legal means which will produce enduring peace."

Charges Congressmen Picked

He said the clergy therefore would appeal to Congress, making use of every peaceful method available and if "we lose out, as we fear, the loss will not be ours, but the government's, as the justice of our petition is so patent that all of the civilized world is on our side."

"We are perfectly aware that the Congressmen have not been elected by popular vote, but have been named by professional politicians. In spite of the defeat, we shall triumph sooner or later

and until that day comes we will be content in having complied with our duty, and will be satisfied with the thought that justice will eventually win a decisive victory."

Bishop Diaz continued:

"Our petition may be scrutinized by the entire world. It asks for liberty of teaching for all, liberty of religion for all, liberty of association for all, liberty of thought and press for all, and if this is what we ask it is because none of these is authorized by the Constitution for the Church and those that belong to it."

Injustices Not Realized

"The American people so far have not realized our situation, but now the injustices against us are so manifest and the tyrannical method of applying the laws is so evident that it is impossible for any people lovers of liberty to approve such an attack on civilization."

"The American people so far have been ably misled by the maneuvers of the predecessors of the present revolutionary government, who made Woodrow Wilson believe that the Catholic Church in Mexico only devoted its activities to exploiting the populace and was trying to gain control of the public power in order to kill all liberties, while the truth of the matter is that the Church never has held the civil power in its hands and in 1857 lost all the participation it might have had in state affairs."

Church Called Obstacle

"The truth of the matter is that the last revolution, under the pretext of intending to better the conditions of the poorer classes, has sought to implant socialism and communism and looked upon Catholics as an obstacle in the way of establishing Bolshevik theories."

"Now that these confiscatory laws are known to the American public as being opposed to the most elemental principles of liberty, that public understands to whom the right belongs, and if at one time through Mr. Wilson it helped towards establishing the present revolutionists in power under the belief that the workers and farmers would benefit, it has now withdrawn its support in everything which opposes the liberty of Mexican citizens."

"All Mexico With Us"

"The first triumph we obtained was in securing a change of opinion in the United States and consequently of that of the entire world, whose eyes are all turned towards Mexico and are asking for this country no more than we ask—namely, liberty."

"A multitude of cables received by the Episcopate from all sections of the world prove our contention. Those cables condemn in a most energetic manner our constitution as well as the President. Besides, all Mexico is with us, and this unity of sentiment has resulted in one benefit, which is the participation of the people in public affairs through the League for the Defense of Religious Freedom."

Boycott Hurts Mexico

"It should not be forgotten that among our victories has been the obtaining of a softening of the vulgar and disrespectful language used by some of those in power when speaking of Catholics, the Pope and of religious practices. We believe that we have presented a lesson showing that all conflicts are not determined by revolutions and the use of arms and we have given the world a beautiful example of how to resist legal tyranny in our fight for liberty. The history of the persecution of Catholics in Mexico discredits those who conduct it."

WASHINGTON, Sept. 1 (AP).—The economic boycott instituted in Mexico as an incident to the controversy between the Roman Catholic Church and the federal government was effective in holding Mexican business to a relatively low level during August, the Commerce Department was advised to-day by its representative in Mexico.

A slight improvement in Mexico City was noted toward the end of the month, but smaller cities in central Mexico showed no betterment.



*N.Y.
Herald
Tribune
Sept. 1
2*

K. OF C. ASK COOLIDGE FOR AID ON MEXICO

Flaherty Requests Him to Use
'Good Offices' to Bring Peace
Between Church and State.

OPPOSED TO INTERVENTION

Situation in Southern Republic Is
Held to Be Result of Interference
by Wilson and Harding.

Special to The New York Times.

PAUL SMITH'S, N. Y., Sept. 1.—In conference with President Coolidge today James A. Flaherty, Supreme Knight, and other supreme officers of the Knights of Columbus explained the effect of the resolution adopted at Philadelphia and interpreted its summary demand upon the American Government as a request for the exertion of its "good offices to ameliorate conditions which oppress the Mexican people."

Following the conference of about an hour Mr. Flaherty explained the purposes of the visit, and interpreted the order's resolution and the declared position of the organization to be:

- (a) Opposed to intervention in Mexico.
- (b) Against lifting of the arms embargo.
- (c) In favor of continuance of recognition of the Calles Government.
- (d) Without evidences of outrages against American citizens in Mexico to be presented to the President.
- (e) Desirous of sympathetic action by this Government to put an end to conditions there and not to afford support or aid to President Calles in the present conflict between the Catholic Church and the Mexican Government.

Those at the meeting, in addition to Mr. Flaherty were Martin H. Carmody of Grand Rapids, Deputy Supreme Knight; William J. McGinley of New Haven, Supreme Secretary; Luke E. Hart of St. Louis, Supreme Advocate; W. C. Prout of Boston, Supreme Director; and James S. Conway of New Haven, Assistant Supreme Secretary.

Mr. Flaherty had a private talk with the President for about ten minutes, after which his associates were invited into the conference.

Seen as Legacy of Other Cabinets.

Then the situation was revealed in detail, it was said, and the complainants explained the resolution and assured the President that they did not wish to embarrass his Administration and that they regarded the present conditions as an inheritance of previous Administrations rather than the result of the patient policy this Administration has practiced toward Mexico.

The conference ended thirty minutes before the visitors had to leave for their train at Gabriels. Mr. Flaherty, upon emerging, hurriedly told of the discussion and the present attitude of the order. Mr. Hart later dictated a formal statement which was approved by Mr. Flaherty as representing the council's news.

"The President listened sympathetically to what we had to say about the resolutions and the conditions in Mexico," Mr. Flaherty said in his informal discussion.

"We wanted to make it clear to him and to the public that the Knights of Columbus do not ask for intervention in Mexico," he continued. "The order asks for sympathetic action in any way that can be done by this Government properly within international law."

"We do not undertake to say what the Government shall do. We do not ask the lifting of the embargo on the shipment of arms into Mexico, and the resolution did not ask for that. We want non-intervention and we are not asking for the withdrawal of recognition of the Calles Government."

No Specific Measures Urged.

Mr. Flaherty declared that the committee had not presented any evidences of outrages against American citizens in Mexico and that no argument was made for what course the Government should pursue to comply with the organization's request to end "this ignominious contempt which has been shown by Calles for Americans' appeal."

This informal discussion with the newspaper men in front of the executive offices, made in the presence of his supreme associates, was interrupted by the arrival of President Coolidge, who was photographed with the committee and filmed while bidding good-bye to the visitors.

President Coolidge seemed to be in the best of humor. The Knights appeared satisfied, although they received no promise that the Government's attitude of non-interference in the Church's conflict with the Calles Government, which the Administration regards as an internal question, would be changed.

That this conference and others that are to follow with Ambassador Sheffield may lead to a stiffer American policy on the Mexican oil and land laws is regarded as possible, but nothing can be done by this Government in the Church and State dispute, it was indicated.

President Coolidge declined to make any comment on the visit or to indicate what the Government might do to carry out the wishes of the Knights of Columbus.

Flaherty Explains K. of C. Stand.

The statement issued by Mr. Flaherty reads:

"The Supreme Knight, with other supreme officers of the Knights of Columbus, called on President Coolidge today to discuss with him the resolution adopted by the Supreme Council of the Knights of Columbus at its recent meeting in Philadelphia.

"We explained to the President the attitude of the Knights of Columbus with reference to conditions there, and, among other things, made it plain that the Knights of Columbus is not asking for intervention by the United States Government in Mexican affairs.

"However, we did present to the President the views of the order as outlined in the resolution concerning non-intervention and non-interference by this Government in Mexico.

"We endeavored to make it plain from our viewpoint that the present situation in Mexico is the result of the attitude assumed by this Government as represented by previous Administrations, of Wilson and Harding, in connection with Mexican affairs, in that President Calles is the successor of the Carranza and Obregon régimes, and Carranza owed his position in Mexican affairs to the support and cooperation that were given to him by this Government.

Says Obregon Got Arms From Us.

"During the Administration of Obregon this Government supplied him with arms and munitions of war, including military airplanes, at the same time placing an embargo on the shipment of arms and munitions to Mexico.

"Also, for the first time in history,

this Government permitted the transport and passage of armed military forces of another Government across American territory when it permitted troops of Obregon to go from Nogales to El Paso for the purpose of suppressing a revolution.

"We are of the opinion that conditions that exist in Mexico today result from interference by this Government in the manner indicated, and but for such interference Carranza, Obregon and the Calles Government would not have existed.

"Our resolution is a protest against the attitude of this Government and we feel as American citizens that it was our duty to bring this matter forcibly to the attention of the President of the United States, the State Department and the American people in the hope that the condition complained of would be remedied and that this Government might use its good offices to ameliorate conditions which oppress the Mexican people.

"We do not undertake to say what the position of this Government shall be. That is a matter for the President and the State Department, which is in intimate touch with conditions in Mexico, to determine."

Mexican Troops Crossed Texas.

It was recalled here that the Coolidge Administration, following the imposition of the embargo on the shipping of arms to Mexico, permitted Mexican troops to cross American territory, and, therefore, it was said, the Knights, in their statement, are criticizing the Coolidge Administration as well as previous ones.

The resolution adopted by the supreme convention of the Knights of Columbus in Philadelphia early in August called for immediate action by this Government and was interpreted by some as a demand for intervention.

The following excerpt from the resolution was interpreted as suggesting withdrawal of recognition.

"And all this system in Mexico has been created under American auspices, sustained by American executive authority which, in the first place, while refusing to recognize Lenin and Trotzky, have, by executive order of recognition, accepted Calles and Obregon, who are the enthusiastic supporters of the Bolshevik concept of government.

"We further point to the significance of the patronage bestowed upon these military despots by the continuance of such recognition, and particularly by the discriminating favoritism shown to Calles by the continuance of the embargo, which makes the Calles ascendancy possible."

Seen as Hit at Coolidge.

This sentence in the resolution was accepted by officials here as severe condemnation of the Coolidge policy, whereas the Knights today attempted to place the responsibility for our Mexican policy on previous Administrations.

"The period of watchful waiting or any other such procedure is over," the resolution said. "We, as American citizens, demand of our Government that this action be taken forthwith. Although our Government has for years emphatically refused to recognize the Soviet régime of Russia, it has continued to countenance, aid and comfort the Bolshevik forces of Carranza, Obregon and Calles."

The Administration is represented as not accepting as kindly the closing paragraph of the resolution, which read:

"We call upon the President and the State Department to put an end to this ignominious contempt which has been shown by Calles for Americans' appeal and to resolutely demand protection for American citizens and that they be treated with the same consideration and respect which are shown to Mexican citizens in this country."

President Coolidge may indicate his reaction to the visit in his conference with the newspaper men on Friday. And again he may wait until he has seen Ambassador Sheffield before the Administration acts on the Knights' demand and our policy on the Mexican oil and land laws.



NICARAGUAN REBELS LOSE FIERCE BATTLE

Flee From Coseguina, Leaving
Arms and Supplies—Dead on
Both Sides Put at 100.

AMERICANS AID WOUNDED

Gunboat Tulsa Speeds to Scene
From Corinto—Mexico Replies
Curtly to the League.

MANAGUA, Nicaragua, Sept. 1 (P).—Government troops have fought a battle with the revolutionary forces near Coseguina, on the northwest coast bordering on the Gulf of Fonseca. The engagement lasted many hours and ended in the defeat of the revolutionists, with large losses on both sides.

Government reports place the losses of the Government troops at sixty killed and the revolutionists at forty, but no estimate has been given of the wounded.

The American gunboat Tulsa, at the request of President Chamorro, has proceeded from Corinto, a seven hours' run, to the scene of the battle, to take the wounded back to Corinto, there being no facilities for their treatment at Coseguina or its neighborhood, and neither army has adequate medical equipment.

In their retreat it is reported that the revolutionists were cut off from their base of communications and that the Government troops captured a number of machine guns and 500 rifles, a quantity of provisions and important documents showing revolutionary plans.

General Samuel Sedales, General Julian Vanegas and Colonel Torres of the Revolutionary forces, are reported by the Government as having been killed. The Government commander, Colonel Marcos Potosme, was made a General on the battlefield by President Chamorro, for his exceptional bravery.

SAN SALVADOR, Sept. 1 (P).—Dispatches from revolutionary sources in Nicaragua say the revolutionists have cut the railroad between Managua, the capital and Corinto, on the west coast. President Chamorro is concentrating troops in San Juan del Sur, where the rebels say, the soldiers are in danger of bombardment by the revolutionary vessel Nicarao.

In the east, revolutionists are reported advancing against the fortress of Bluff.

MEXICO CITY, Sept. 1 (P).—The Mexican Government has replied officially to Sir Eric Drummond, Secretary General of the League of Nations in Geneva, who recently forwarded to Mexico a note of protest by Nicaragua over an alleged freebooting expedition carried out by an auxiliary Mexican warship to help the revolutionaries overthrow the Nicaraguan Government.

The reply reiterates briefly the recent announcement by Aaron Saenz, the Foreign Minister, that Mexico has nothing to do with the League of Nations and the League of Nations nothing to do with Mexico. Mexico's reply was sent by Señor Saenz under instructions from President Calles. It says:

"I have the honor, referring to yours of the 27th, to inform you that Mexico has not any connection whatever with the League of Nations and to thank you for your attention."



CALLES TO CHANGE OIL AND LAND LAWS IF FACTS JUSTIFY IT

At Opening of Mexican Congress
He Defends Them, but Says
Revision May Be Needed.

BELITTLES CHURCH STRIFE

President Holds Church Caused
Conflict and Declares He
Will Continue Regulations.

IMPORTANT ISSUES UP

Legislators Will Have to Deal With
Bishops' Petition, Labor Demands
and Eligibility for Presidency.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 1.—In his message, read at the opening of Congress today, President Calles declared Mexico would stand on its present interpretation of the constitutional laws, as the policy of his Government has been carefully based on the Constitution, and would be carried out without the necessity of any foreign suggestions.

The Government, he said, was only continuing the policy of its predecessors, and it had been precise in defining in an unequivocal manner Mexico's right to legislate to safeguard all Mexican interests.

Señor Calles stated that the American Government had exchanged correspondence with Mexico on the subject of the constitutional laws and that the principles had been clearly established.

He promised that if experience showed the application of these laws to run counter to his present policy or if experience showed the desirability of moderation of the laws, the Executive would be the first to suggest changes.

The religious question was unimportant, the President said. The interest which it had aroused in foreign countries was out of proportion to its importance, he declared.

The trouble had been caused by the Catholic clergy, the President asserted, for the Church had refused to obey the law and the Constitution. The Government, he asserted, had made no changes which should alarm the churches.

Even though busy studying means to reconstruct the country, the Executive said, he could not fail in his duty of enforcing compliance with the religious laws. The clergy had refused to obey them.

Determined to Enforce Law.

In enforcing the religious regulations, the President said, no persecution of religious beliefs was intended. All that had been done was to repress the "anti-social, anti-judicial and uncalled for acts of a group urged on by so-called spiritual leaders under the pretext that these laws were not moulded to their strange conception of liberty and were not satisfactory to their particular interests.

"To tolerate this," said Señor Calles, "would have been for the Executive to accept responsibility for the future before the nation, before the revolution and before history.

"The bill drawn by the Minister of the Interior, for the regulation of Article 130 of the Constitution will be presented to Congress. It will regulate the number of ministers of religion in the Federal District and territories.

"The Executive is firmly determined to follow the line of conduct already traced for the enforcement of the principles of the supreme law.

"In this, the Government is absolutely convinced that, in spite of the constant obstacles to its work, the great majority of the Mexican people will give it the support necessary to conclude it.

Text of President's Message.

The text of the President's message follows:

"It is a pleasure for me to appear a second time before you and before the Mexican people to render a general account of the administration of the country as provided in the Constitution.

"In this message, notwithstanding its necessary brevity and condensation, the Honorable Chamber will be able to appreciate the efforts that have been made during the period from the first of September, 1925, to date by the Executive to realize the aims of the program which from the beginning of his Administration he has sought and which are, fundamentally, to assure, within strict compliance with our Constitution and our laws, that the Mexican nation will have before the rest of the nations of the world the respect, credit and esteem to which it has the right, and at home, the welfare, peace and prosperity to which all its members have the right as well as that of the foreigners who have come to live and work honorably by our side.

"How we are developing this program the public which you represent can see.

Says Budget Was Balanced.

"We have enacted laws which tend to assure and reaffirm the sovereignty of the nation, and we have not only conserved but have increased the goodwill of all the rest of the civilized nations for us.

"We have taken effective steps to rehabilitate the financial credit of Mexico through exact compliance with the obligations contracted by foreign debts.

"We have balanced the budgets of income and expenses of the Federation. The public treasury has been organized in such an efficient manner that it was able to meet not only ordi-

Continued on Page Five.

CALLES TO CHANGE OIL AND LAND LAWS

Continued from Page 1, Column 1.

nary expenses but also some extraordinary ones and the obligation of the internal debt.

"As a consequence of the satisfactory state of our finances it has been possible to start irrigation works, highway construction, improvement of seaports and to found an agricultural bank to help both small and large agriculturists, which will contribute without doubt to the solution of our agrarian problems.

"The banking legislation has been reformed and in general the laws relating to the institutions of credit have been amended to give greater facilities and guarantees in such important matters.

"Education and instruction in all its phases has been developed with special attention to the establishment of agricultural and rural schools for the benefit of the Indians and farmers.

Reports Army Improved.

"The Federal Army in all its four arms has made rapid progress in organization, discipline and morale.

"Reform of the fiscal laws has been and is still being studied with a view to making them less onerous and more equitable. Similar work has also been started on the fiscal system of the States.

"Civil and penal laws will be reformed to adapt them to the modern principles of right and to obtain the most benefit for the community.

"Commerce, industry and agriculture and other sources of public wealth are recovering, although slowly, from the crisis which was a necessary consequence of the World War and our revolution.

"The government, through its branches, has encouraged these movements.

"It has also striven to prevent all internal political commotions and to preserve the best harmony between the Federal Government and the States and to find solutions for whatever conflicts arise by which neither society nor the productive working classes will suffer injury.

Declares Country Tranquil.

"It is a source of great satisfaction for the Executive to be able to inform you that peace has prevailed in the whole country except for small troubles which could be characterized as insignificant.

"There are well founded hopes that, through the giving of full guarantees, the strict application of the laws, the efficient administration of justice and the understanding of their duties by all the authorities, Federal as well as local, this peace will not be long in crystallizing, as it is the firm resolve of the Government to satisfy the just desires of all in the Mexican family.

"In consequence of the peace which we have been enjoying, there has been a rebirth of confidence in our institutions and there is no doubt that, as this confidence is reaffirmed, new sources of riches will be exploited which will contribute to the economic rise of Mexico.

Refers to Foreign Relations.

Referring to Mexico's relations with foreign countries, the Presidential message said Congress had approved the organic law. Commenting on Article 27, which relates to the rights foreigners and societies may acquire in Mexico, the President said:

"The Executive has issued corresponding regulations, using the powers which the law provides. These regulations have been applied by the Executive of the union to resolve various cases which have been presented.

"I am pleased to inform this National Assembly that the application of these respective dispositions not only has resolved in a definite manner the distinct cases which have been presented, but that also the same application has not in any manner delayed the functioning of the companies, and, on the other hand, the Government has been able to regulate in a clear and appropriate manner its policy on these questions.

American Objections Cited.

"The promulgation of the law and the regulations, as in the case of those concerning oil, has caused several diplomatic representations by the Government of the United States.

"A diplomatic controversy was started, in which the American Government cited various considerations which, in its opinion, violated the rights of American citizens in Mexico and urged that some of the clauses of this law should be modified.

"This disposition, however, serves only to confirm what our various laws and our Constitution have established on these points.

"The Government in my charge answered these representations, upholding our rights to enforce the law and the regulations referred to—not only because they were regulations which the Constitution ordered, but also because, fundamentally, the enforcement and observance of these laws did not affect legitimately acquired rights and because they are in harmony with the principles of right, justice and equity.

Says Predecessors Did Same.

"On the other hand, the Executive has been careful in forming his policy respecting all acquired rights guaranteed by our laws and has seen to it that all his acts are based upon that policy without any foreign suggestions being necessary.

"In these matters of policy my Government has done nothing but continue the policy of my predecessors.

"But at the same time it has been careful to define in an unequivocal manner our rights to legislate and to safeguard all the interests which concern this country, and in this sense the enforcement of these laws is not only necessary but our duty in order to establish clearly the conditions under which interests affected by the law may operate in our country.

"The correspondence exchanged between the Governments on this subject has been published and I consider it unnecessary to make any extended remarks on this matter, as the policy of my Government is based particularly on those points which have been already stated and which clearly explain the end we are pursuing.

"We consider that this matter is clearly defined. In practice, however, the Government finds that the application of these laws is not in accord with the policy which the Government has followed, or if experience counsels moderation within the spirit of justice and equity, the Executive will indicate the appropriate changes and necessary measures to bring the application of the law and the Government's policy into harmony."

Increased Obligations Ahead.

"The Treasury Department states that in the near future the obligations of the Government will be augmented considerably, first, through the natural development of the country and the expansion of official works and, second, because in 1927 the period of five years covering the term of Mexico's foreign debt will expire and the original contracts will be revived. This will demand greater expenditure as will also reparations for damages caused by the revolutions.

"To meet such a formidable accumulation of obligations it is absolutely necessary to persist in a severe policy of order and economy in which the

three federal branches will patriotically cooperate.

"Convinced of the injustice and disadvantages of the protectionist system, which always favors a few individuals at the expense of the immense majority of consumers, the Executive is awaiting an opportunity to start a customs policy looking to free trade, naturally taking care that it will produce the least possible disturbance in the budget and the vested interests.

"Meanwhile, within its own sphere of action and by the use of extraordinary faculties which the Executive has in the Treasury Department, the Treasury will prepare for the coming of the new régime.

Tax Law Changes Planned.

"The reforms in the Federal fiscal laws will in time bring it about that the taxes will not be an obstacle and will enable us to take advantage of our natural riches.

"They will aim at justice and equity in levying taxes and to suppress those taxes which are uneconomical either because of the high cost of collection or the small amounts collected.

"The efforts of the Executive to organize a national banking system which will be sufficient in itself to serve efficiently all the interests of commerce, industry and agriculture in Mexico have almost been realized.

"If it has not been possible, as intended, to wipe out the interior and exterior debt of the Government, the Government has shown its firm intention of honorably complying not only with the obligations contracted by the present administration but with all legitimate internal contracts.

"The executive has shown a desire to pay creditors without limit and in accord with the maximum economic capacity of the budgets.

Important Questions Up.

MEXICO CITY, Sept. 1 (AP).—Mexico's new Congress assembled at 6 o'clock tonight with the prospect of having to take under consideration some of the most important questions that have arisen in many years.

The religious question, labor legislation and a constitutional amendment, one effect of which might be to permit General Alvaro Obregon again to assume the Presidency of Mexico, are among the subjects to be discussed by the congress.

The Catholic Episcopate will petition Congress to amend or repeal the religious clauses of the Constitution, under which President Calles promulgated the "regulations" which caused the suspension of services in all the Catholic churches.

Obregon's Friends Seek Change.

With regard to the Presidential succession the Constitution of 1917 provides that "the President will remain in power four years and may never be re-elected."

This Constitution was an outcome of the 1910-20 revolutionary period, which began with the overthrow of Porfirio Diaz, who had remained in office term after term and virtually became dictator of Mexico. The revolution that overthrew that power sought to prevent the possibility of its recurrence by making the re-election of a President illegal.

Many friends of General Obregon, who was President immediately preceding Calles, want him again as President when Calles's term expires in December, 1928. They construe the words "never be re-elected" as meaning as not to be re-elected to succeed one's self. They, therefore, desire an amendment removing all doubt as to Obregon's eligibility.

An interesting angle to this situation is that General Obregon is also on record as desiring all doubt removed—but removed by making it clear that he cannot be President; by saying in so many words that no man under any circumstances may ever serve twice as President of Mexico.

Nevertheless, if such an amendment were adopted by Congress, Obregon's friends say there would be nothing left for him to do but to accept.

The Labor law demanded of Congress by organized Mexican labor seeks statutory enactment of an advanced program for improving the conditions of employees. It provides for profit sharing, minimum wages, workmen's compensation and other features.

Calles Held Responsible.

The Catholic episcopate, in a written statement today, asserts that all responsibility for the present church situation rests upon President Calles for issuing and refusing to suspend the religious regulations.

It is declared that the episcopate, "without hope of success," is appealing to Congress because "the only other course open, starting a religious war, is contrary to the spirit of the Church."

The episcopate further states that the Church not only opposes war on a religious question but is of the view that the Mexican people need to learn to defend their rights "not by arms, which give an ephemeral victory, but through pacific legal methods, giving lasting peace."

The appeal is being made to Congress, it is added, in order to show the world that the Church is pursuing a peaceful means, and that, notwithstanding the defeat which is expected in Congress, it will ultimately obtain a decisive victory for justice.



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THE NEW YORK TIMES, FRIDAY, SEPTEMBER 3, 1926.

AMERICAN RIGHTS IN MEXICO.

President CALLES said in his message to the Mexican Congress that the land and petroleum laws will be amended "if experience counsels moderation within the spirit of justice and equity." This comes at a time when American oil companies, which have a year to comply with the new regulations, are preparing to hold a meeting in this city to discuss the production in Mexican fields without further conflict with the Government. The situation has apparently not changed since Secretary of Foreign Affairs SAENZ published the "case of Mexico" in defense of the new laws, and Secretary KELLOGG, within twenty-four hours, rejoined that those laws contained provisions "which are plainly retroactive and confiscatory in their effect upon property rights heretofore legally acquired and held by American citizens in Mexico." GUY STEVENS, director of the Association of Producers of Petroleum in Mexico, pointed out at the time that the brief of the Mexican Minister dealt with the Alien Land law and made no direct references to the Petroleum law.

Secretary KELLOGG did not cite the provisions which he regarded as retroactive and confiscatory. Officially the controversy did not become acute, at least for publication. In April it was reported in Washington that, after a study of the regulations for carrying out the Alien Land law, the State Department was hopeful that they cleared up obscurities and would work out satisfactorily. Ambassador TELLEZ once more directed attention to Section 14 of the Constitution of 1917: "No law shall be given retroactive effect to the injury of any person whatsoever." There would always be a remedy in the Mexican courts. In his message President CALLES declared that the enforcement of the laws to which exception had been taken "did not affect legitimately acquired rights." That has not been the view of American proprietors. In

January forty injunction suits were filed in Mexico by foreign oil companies against the application of the Petroleum law. It has often been said that for every owner of oil land who has complained that his rights have been infringed by decrees of the Government, or held up by inaction of the Mexican courts, there have been a hundred times as many proprietors of agricultural land who had cause for protest.

As regards the Alien Land law, it has been said that hereafter no foreigner can obtain "vested rights" without exposing himself to interminable delays in the Mexican courts, or forfeiting the protection of his own Government. There are many instances of expropriation without payment. The fact is that American nationals with title to property in Mexico have no confidence in the courts and regard with distrust assurances by the Government that the laws will be amended, if necessary, to protect them in their rights. It makes a continuing crisis which can be relieved only by proof of good faith on the part of the Mexican Executive and Congress.

CHURCH DENOUNCES CALLES'S MESSAGE

Program of Mexican President Savors of Bolshevism, the Catholic Bishops Assert.

HIS ACTS ARE HELD ILLEGAL

Closing of Colleges and Chapels and Expulsion of Priests Declared Unlawful.

BRUTALITY ALSO CHARGED

Episcopate Seeks Congressmen to Champion Petition for Repeal of Laws Causing Clash.

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MEXICO CITY, Sept. 2.—The Mexican Episcopate, following a meeting today in the Archbishop's Palace, issued a statement taking exception to assertions made by President Calles in his message read at the opening of Congress yesterday.

The Episcopate stated that certain phrases in General Calles's message in which he refers to bringing about a complete change in life and legal régime of the Mexican people are colored with Bolshevism.

The Bishops charge that the expulsion of foreign priests from Mexico was a direct violation of law and that the deportations were carried out with cruelty and in violation of the rights of foreign priests to live in Mexico as long as they did not conduct services publicly.

Referring to the President's charges that the clergy were rebellious, the church statement says that it is the duty of the authorities to find evidence and bring charges against the rebellious, but, as the Attorney General had stated, they could not find that the priests were guilty. The President, it adds, has no right to be both leader of the nation and judge, too.

Text of Bishops' Statement.

The statement of the Episcopate reads:

"Señor Calles begins by lamenting that foreign countries have given to the religious affairs of Mexico an importance they do not achieve in this country. To make such a statement is to shut one's eyes to the light of day and to deny the truth.

"When the anti-religious articles of the 1917 Constitution and the law of July 2 became known in foreign countries they gave rise to general indignation among Catholics, Protestants and Jews.

"To say that the victims of these inflated articles and tyrannical laws have not given them importance is absurd.

"Señor Calles accuses the clergy of rebelling against the institutions of the country when history shows that since 1853 the Church has been the victim of political manoeuvres to which the politicians have given the name 'institutions,' as the present law proves in the judgment of the entire world.

Señor Calles, in his last answer to the Episcopate, recognized that the attitude of the clergy in suspending worship was not rebellious. This and this alone has been the attitude of the clergy and of the Catholic people when on many occasions laws have been promulgated against their rights, as history testifies.

Calumny on Church Charged.

"It is calumny for the President to state that the Church has been always rebellious against the country's institutions. He would better have said that all the Governments since 1853 have been oppressors of the Church, inspired by a Jacobinism or a premature Bolshevism.

"Señor Calles insists that the provocation of this situation was the statement made by the Archbishop of Mexico in February, but he omits to say that in the Archbishop's statement the Judge failed to find any cause for further legal proceedings against its author or to take action against him for his proposal to seek amendment of any law considered unjust on the ground that such a proposal was rebellious.

"Where are liberty of thought and the right of petition?

"Señor Calles stated that no one could say that the action of the Government constituted an innovation. What greater innovation is there than one that wounds, as he confesses, and that uproots, as we say, sentiments deeply grounded and respectable, the religious sentiment of an entire nation?

End of Services Laid to Calles.

"Señor Calles goes on to say that no religious regulations have been introduced that could cause alarm to the right thinking and the just, to the churches or to their worshippers.

"The fact is that Señor Calles has made it impossible for the Catholics to worship in the churches, and his laws and those of the States have tended to overthrow ecclesiastic and all liberties of the clergy and the faithful.

"Señor Calles declares that Article 130 and the laws called 'Reform' are simple declarations of principle without the sanction or provision of oppressive measures, and he denies that he has introduced regulations that should cause alarm by adding the sanction of oppressive measures.

"On the other hand, the principles of the Constitution must be intangible truths and never political measures to crush adversaries of their political ideas.

People Held True Rulers.

"Señor Calles says that to change in a day totally and completely the life and legal régime of a people is not an easy task, that it is the work of time and demands hard work and harsh legislation.

"Permit us, Señor Calles, to say that an integral change, total and complete, in the life of a people is not a work of laws, because it is not the law that makes or unmake a people, but the people who make and unmake the laws. Such a change is not wrought by a group of revolutionaries imposed by force and foreign help, but by the true popular masses guided by a desire principally religious. This 'integral change, total and complete,' savors of Bolshevism.

"Señor Calles called the statement of the Archbishop the beginning of insubordination, but we ask why did not the Judge call it likewise?

"The statement of Señor Calles declares that the Archbishop's statement is anti-social and anti-judicial, the



stand of a group that publicly refuses to recognize the laws under the pretext that the laws do not conform to liberty.

"The duty of the President was to consign these illegal acts and to permit the petition of the Catholics to be discussed openly in the press in public, in public meetings and afterward in Congress.

"This is what Señor Calles calls a strange conception of liberty. But it is a conception of liberty which the whole world has approved in the most energetic terms in view of the tyranny of the Constitution and the laws.

College Closures Termed Illegal.

"Señor Calles states that he was forced to use the extraordinary powers given to him on Jan. 7, 1926. There are some who allege with justice that these faculties are null and void, as, according to Article 29 of the Constitution, Congress cannot confer these powers in such cases as this.

"Señor Calles, in giving a résumé of his activities, says 129 colleges have been closed, but he does not say that they were closed without any legal written order or without giving time for defense.

"Forty-two churches were closed, as well as all the chapels in institutions of public charity, and the reason that Señor Calles gives for this is that they were violating Article 27, but he does not say that this article has not been regulated and therefore the closures were arbitrary acts.

"Señor Calles states that he has suppressed religious orders in charge of establishments of public charity, but he does not say that there is not an organic law which authorizes him to proceed in this manner.

"He adds that he closed seventy-three convents, but he remains silent on the cruel manner in which, in many cases, the orders were carried out.

Foreigners' Rights Held Violated.

"Referring to foreign priests, Señor Calles said that, enforcing Article 130, he obliged all foreign priests to suspend religious worship, and, considering them undesirable foreigners, he forced them to leave the country.

"Everywhere in Mexico and abroad the brutal manner in which foreign priests were prevented from taking part in worship is known. In most cases they were arrested in their homes or in the streets and, without getting time to assemble their clothing, they were detained in Police Headquarters and from there taken to the ports of embarkation, being treated as animals in some cases.

"Moreover, there is no law which prohibits foreign priests from living in Mexico if they do not publicly exercise the right of religious worship. It was an arbitrary act to expel them as the Government did, without giving them time for defense and without a legal decree.

"Señor Calles gives the assurance that the great majority of Mexicans will lend the necessary help to finish the work the Government has started. We know that the poor people are blamed for everything.

"This assurance does not agree with the statement which Señor Calles makes at the end of his message to Congress, for there he expresses his fears, which are really well founded, that the work he has started probably has not been well understood or esteemed.

Says People Oppose Calles.

"If the great majority of the Mexican people, as stated by Señor Calles, are on the side of the President, there would be no doubt on his part, but they have well understood his work of decatholicization.

"The President of Congress, when responding to the Presidential message, chose a paragraph more effective than those in which Señor Calles accused the clergy of being in rebellion against the institutions. He repeated the President's charge and then assured him that the proposed regulation of Article 130 would give the representatives a magnificent opportunity to demonstrate their support of the Executive in this anti-religious fight.

"We Catholics understand that there are necessary liberties and corresponding duties for all classes of society.

"According to this reasoning, there is no rebellion but rather true patriotism in vindicating for the Catholics the liberties to which they have every right, freedom of thought, of the press, of teaching, of worship, of association and of holding property, all of which are necessary in order that the Church may live. These are the liberties that are given to the Church in all civilized countries."

Church Seeks Congress Champions.

MEXICO CITY, Sept. 2 (AP).—The Catholic Episcopate hopes to complete within a few days its petition for presentation to Congress, seeking repeal or amendment of the religious clauses of the Constitution and laws under the Constitution which provoked the conflict between the Church and the Government.

In the meantime the Bishops are looking for members of Congress to introduce and champion the necessary resolution.

Chile Keeps Catholic Chaplains.

SANTIAGO, Chile, Sept. 2 (AP).—A move to oust Catholic chaplains from the army has been defeated in the Chamber of Deputies by the Conservative-Radical combination. The movement to discharge the chaplains dates back to the adoption of the Constitution in 1925, under which Church and State were separated. There was considerable debate in the Chamber before the resolution of ouster was defeated.

LABOR BILL ALARMS BUSINESS IN MEXICO

Measure Requires Employers to Share Profits With Workers, Who Decide Amount.

GOVERNMENT FAVORS PLAN

Foreign Oil Men Fear Demand for Hundreds of Millions for Petroleum Already Extracted.

MEXICO CITY, Sept. 2 (AP).—The Mexican business world, already on pins and needles, fears Congressional enactment of a new labor law which, some industrial and commercial leaders say, may handicap the country's commerce and industry severely.

The new session of Congress, which began last night and which will continue to Dec. 31, is expected again to consider the labor bill.

The measure, demanded by organized labor and viewed sympathetically by the Government, requires employers to share profits with employees and prescribes in great detail workmen's benefits required of employers.

Some manufacturers and business men, both foreign and Mexican, have said these requirements would so burden their businesses as to force them to close.

Official reports were made to the United States Government last year that the measure would be more harmful to American business interests in Mexico than the alien land and petroleum laws.

Labor leaders deny the proposed law would be unjustly burdensome upon industrialists. They say it is nothing more than such enlightened labor legislation as some other countries know.

Provisions of the Bill.

If Congress fails to enact its bill organized labor may attempt to obtain its promulgation by the President. Some of its most important provisions are:

Employers must share profits with employees or pay them a fixed bonus.

Employees' committees are empowered to examine employers' books and decide the amount of profits to be divided with workmen.

Employers must pay minimum wages, the amounts to be determined by workmen's committees.

Eighty per cent. of the employees of every concern must be Mexican citizens.

The eight-hour working day with overtime payment is required.

Workmen's compensation for injuries is provided for.

Employers are required by the bill to deposit with the Government such sums as the President may require to guarantee the employers' fulfillment of its terms.

Oil Operator Are Fearful.

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MEXICO CITY, Sept. 2.—Foreign oil operators in Mexico fear that the Government will challenge their title to oil lands and at the same time demand payment for hundreds of millions of dollars' worth of oil extracted from the ground in the last several years.

The attitude of the oil operators is shown by the fact that they have practically abandoned hope of modification of the order issued on June 8, which conferred wide powers on Luis Marones, Secretary of Industry, Labor and Commerce.

After a long series of conferences with Señor Marones and his advisers, the oil men became convinced that the Secretary would maintain a firm attitude in enforcing the order, which the oil men say will place the industry at the mercy of the Administration without giving the operators the possibility of obtaining relief in the courts.

The outlook is regarded as particularly unfavorable by the oil men, who based their opinion on the fact that the last two American notes which protested against the decree have remained unanswered by the Mexican Government. Formal acknowledgment of their receipt has been the only action so far announced by the Calles Administration.

Alarmed Over Posting of Bonds.

The oil interests view several provisions of the decree with alarm. The one which obliges each company to deposit unlimited bonds is regarded as placing the company at the mercy of the Department of Industry and Commerce with no recourse to the courts in case the bonds are forfeited.

These bonds are supposed to cover all oil extracted on property the titles to which are in dispute and which have not been proven since the operations started.

According to another provision, the oil companies must agree, on receipt of drilling permits, to accept any conditions that the Department of Industry and Commerce may impose and to accept the competency of the department to pass upon property rights and titles.

As the question of titles is involved with the alleged confiscatory provisions of Article 27 and supplemental oil laws and regulations, the oil interests regard the new order as placing them wholly at the mercy of the department.

On the other hand, the oil men see a big difference between the attitude of the department and the statement of President Calles to Congress yesterday relative to the enforcement of these laws, in which he said they would be modified if events warranted a change.

The stand of the department, however, is regarded by the oil men as becoming stiffer each day.

Both the President and Señor Morones today are visiting the headquarters of the Federal troops at Cejaya, the scene of the greatest battle in Mexican revolutions.

"STUDENTS" OF MEXICO HIT.

Flying Visitors Cannot Prescribe for Ills, The Excelsior Says.

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MEXICO CITY, Sept. 2.—An editorial in The Excelsior today criticizes travelers who come to Mexico for two or three weeks and then return to the United States to write books on this country.

"There were certain Protestants here lately," says the editorial, "who did not stay a month and now they advise us that they have written books and will give conferences and advice on Mexico. The students that came here to school said that when they returned to the United States they would tell the truth about Mexico, Mexico."

"Mexican problems do not consist of oil and land alone. We have here racial difficulties and a thousand and one other problems which visitors cannot solve while they have their feet on the third rail of a saloon."

"The great Mexican family is a joke, an imposture which daily grows more evident. Our fraternity is as cordial and effective as that of Cain and Abel."

LABOR WAR MENACES MEXICO INDUSTRY



TRADE WORLD OPPOSES NEW LEGISLATION

Employers Fear Passage of
Bill Demanding Drastic Con-
cessions to Working Class

Division of Profits, Increased
Wages and Eight-Hour Day
Asked in Proposed Measure

MEXICO CITY, Sept. 2 (A P).—
The Mexican business world, al-
ready on pins and needles, fears
Congressional enactment of a new
labor law which may handicap the
country's commerce and industry
severely.

The new session of Congress,
which began last night and con-
tinues to December 31, is expected
again to consider the labor bill,
which passed the Chamber of
Deputies last year and was favor-
ably received in the Senate, but
died on the calendar in the closing
days.

The bill, demanded by organized
labor and viewed sympathetically
by the government, requires em-
ployers to share profits with em-
ployees and prescribes in great
detail workmen's benefits required
of employers. Some manufacturers
and business men, both foreign and
Mexican, have said these require-
ments would so burden their busi-
ness as to force them to close.

PROTEST TO U. S.

Official reports were made to the
United States Government last
year that the measure would be
more harmful to American business
interests in Mexico than the alien
land and petroleum laws.

Business in Mexico was bad be-
fore the religious crisis began, and
it has been further affected by
the economic boycott fostered in
opposition to the government's re-
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Some of the bills most important
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Employers must share profits
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FIXES WAGES.

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NEW YORK AMERICAN—*A Paper for People Who Think*—FRIDAY, SEPTEMBER 3, 1926

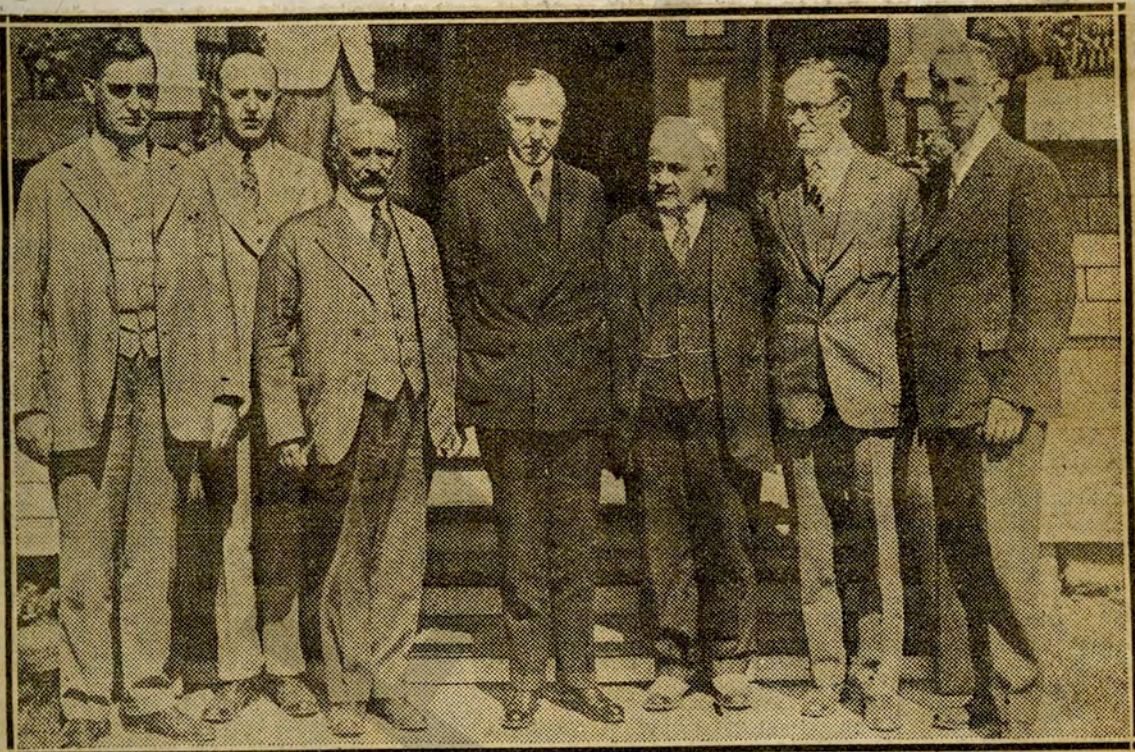
Pan American Buying

Some further buying was evidenced in Pan American Petroleum as a result of reported pledge by President Calles of Mexico that the alien land and petroleum laws would be modified in accordance with equity and justice. It has been the land laws that have been the one factor holding back the Pan American in the market. Earnings at the present time are sufficient to warrant better things for stockholders while the vast resources both in Mexico and in South America through Lago indicate big production for many years to come.

* * *



NEW YORK AMERICAN—*A Paper for People Who Think*—FRIDAY, SEPTEMBER 3, 1926



COOLIDGE DENIES K. OF C. MEXICO PLEA—Considering Mexico's church feud a domestic affair, President Coolidge is resolved to continue his hands-off policy. Left to right in Knights of Columbus group which conferred with President are Luke E. Hart, Martin H. Carmody, Supreme Knight James A. Flaherty, the President, William J. McGinley, W. C. Prout and John S. Conway.

International Newsreel Photo.



DRASTIC LABOR LAW FOR MEXICO FEARED BY BUSINESS WORLD

Commerce and Industry
Would Suffer Handicap,
Leaders Declare.

BILL GRANTS WORKERS SHARE IN PROFITS.

Measure Would Hurt U. S. In-
terests More Than Land and
Oil Laws, Reports Say.

MEXICO CITY, Sept. 2 (AP).—
The Mexican business world, al-
ready on pins and needles, fears
Congressional enactment of a new
labor law which, some industrial
and commercial leaders say, may
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and industry severely.

The new session of Congress,
which began last night and con-
tinues to December 31, is expected
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The bill, demanded by organized labor
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If, in addition, the new labor law is
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Labor leaders deny the proposed law
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as some other countries know, and that
it is the just due of Mexican labor,
long oppressed, exploited and subjected
to miserable living conditions.

If Congress fails to enact its bill,
Mexican organized labor may attempt
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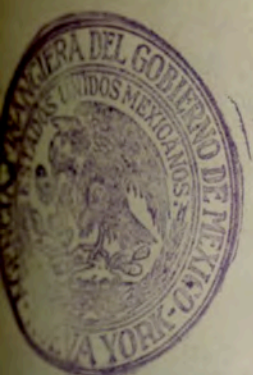
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There is considerable speculation on
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Measure Would Hurt U. S. Interests More Than Land and Oil Laws, Reports Say.

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Labor leaders deny the proposed law will be unjustly burdensome upon industrialists. They say it is nothing more than such enlightened labor legislation as some other countries know, and that it is the just due of Mexican labor, long oppressed, exploited and subjected to miserable living conditions.

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El presidente acusa al episcopado y éste al primero por la crisis religiosa

El episcopado reitera que apela al congreso de Méjico para evitar la guerra religiosa, por contraria al espíritu de la iglesia

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 2.—Coincidiendo con la apertura del congreso, al cual apela el episcopado católico con la esperanza de que se modifiquen los reglamentos que ponen en ejecución las cláusulas de la constitución, tanto el presidente Calles como el episcopado han reiterado sus respectivas actitudes. Cada uno ha acusado al otro de responsable por la cesación de los servicios religiosos por los sacerdotes en todo el país y del boicoteo económico que se admite ha perjudicado al comercio.

En su mensaje al congreso el presidente Calles dice a los legisladores que la actitud rebelde del clero lo ha obligado a dictar los reglamentos religiosos y que intentaba proceder con firmeza en la ruta que se había trazado porque estaba convencido, a pesar de los obstáculos que se le habían interpuesto, que la mayoría del pueblo mejicano lo apoyaría para hacer cumplir las leyes.

Después el episcopado expidió una declaración diciendo que su esperanza de alivio de parte del congreso era dudosa, pero que él apelaba a los legisladores buscando ayuda para su causa porque el único otro camino que quedaba era una guerra religiosa, la que sería contraria al espíritu de la iglesia. Añadiendo que era la creencia del episcopado que la actitud pacífica aunque firme de la iglesia enseñaría al mundo entero que había una manera de solucionar las diferencias sin recurrir a las armas.

El episcopado anunció que sometería al congreso un proyecto de reglamento para la ejecución de las cláusulas religiosas de la constitución que substituyera al que había promulgado el presidente Calles. El presidente debe aprobar cualquiera medida que el congreso apruebe y por lo tanto si el congreso modifica los actuales reglamentos, toca al presidente la decisión final.

Desde que se pusieron en ejecución las leyes religiosas, dice el presidente en su mensaje, han sido cerrados 42 iglesias, 73 conventos y 7 centros de propaganda religiosa, habiendo también abandonado el país 85 sacerdotes extranjeros por violaciones de la ley.

(Sigue en la 2a. pág.)

EL PRESIDENTE ACUSA AL EPISCOPADO

(Continuación de la pág. 1a.)

El mensaje añade que la situación religiosa fué causada por la actitud rebelde del clero, que se negó a reconocer las disposiciones legales sobre religión. Las cláusulas religiosas han estado en la constitución por espacio de 60 años, pero no habían sido reglamentadas a causa de las revoluciones y otros incidentes. Aunque el presidente había estado preocupado por otros problemas que demandaban urgente solución para la reconstrucción del país, no podría olvidar su deber de hacer cumplir las leyes religiosas. Su labor a este respecto había sido necesaria, debido a que altas jerarquías católicas rechazaron deliberadamente las provisiones de la constitución y excitaron a sus partidarios a rechazarlas.

“La única mente del gobierno —añade el mensaje presidencial— fué suprimir ese acto antisocial, antijurídico e impropio de un grupo instigado pública y privadamente por los denominados jefes espirituales, con el pretexto de que el grupo no podía adaptar a la ley su extraño concepto de la libertad y de que la ley no podía satisfacer a sus intereses particulares en la medida que lo deseaban.”

Por lo tanto, se promulgaron los reglamentos religiosos, añadiendo el mensaje que no ha habido persecuciones de creencias en las leyes y que los nuevos reglamentos no tienen nada nuevo y que toda la alarma fué injustificada e inoportuna.

El episcopado dice en su declaración que no tenía confianza en su apelación al congreso porque “tanto el ministro de Relaciones Exteriores como el del Interior habían declarado la actitud adversa del gobierno y también porque nadie ignora el hecho de que el congreso no ha sido elegido por el pueblo sino por políticos profesionales.”

Radical Labor Bill Feared as Mexican Peril

Foreign and Domestic Interests See Obstacle in Profit Sharing, Minimum Wage and 8-Hour Law

New Oil-Land Acts Regarded as Remote

Calles's Special Powers Are Suspended; Bishops Deny Rebellion Charge

By The Associated Press
MEXICO CITY, Sept. 2.—The Mexican business world, already on pins and needles, fears Congressional enactment of a new labor law, which, some industrial and commercial leaders say, may handicap the country's commerce and industry severely.

The new session of Congress, which began last night and continues to December 31, is expected again to consider the labor bill, which passed the Chamber of Deputies last year and was favorably received in the Senate, but died upon the calendar in the closing days of the session.

Calls for Profit Sharing

The bill, demanded by organized labor and viewed sympathetically by the government, requires employers to share profits with employees and prescribes in great detail workmen's benefits required of employers.

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Business in Mexico was bad before the religious crisis began, and it has been further affected by the economic boycott fostered in opposition to the government's religious regulations. If, in addition, the new labor law is enacted and proves to be as great a handicap to business as some fear, the situation will be exceedingly serious.

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Labor May Appeal to Calles

If Congress fails to enact its bill Mexican organized labor may attempt to secure its promulgation by the President. Some of its most important provisions are:

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(Continued on page two)

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(Continued from page one)

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Prelate Answers Calles

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 2.—The Roman Catholic Archbishop of Mexico, the Most Rev. Jose Mora y del Rio, replied to-day through his official spokesman, Bishop Pascual Diaz, secretary of the Mexican Episcopate, to that portion of President Calles's address to Congress yesterday dealing with the religious situation.

A statement handed to the correspondents by Bishop Diaz replies at length to the President's assertions and denies his charge of rebelliousness against clergy.

Answering the President's announcement that 185 foreign clergymen had left Mexico because they could not remain here and officiate, Bishop Diaz said that Senor Calles failed to explain that the priests were forced to suspend their services by brutal treatment by government agents, and that in a majority of cases they were arrested at their homes or in the streets, were not allowed to recover any of their belongings, even their hats, were held in the cellars of police stations and then conveyed like animals to the nearest port for deportation.

The statement adds that there is no law prohibiting foreign priests from remaining in the country if they do not officiate publicly and that their expulsion was arbitrary and allowed them no means of defending themselves.

The Bishop contrasts the President's expressed belief that a great majority of the Mexican people would back him so that he could complete the work he has undertaken with another statement in the message, in which he feared "that the work we have under-

taken may not be understood or desired for the moment."

The Church's statement points out that the constitutional precepts upon which President Calles said he had closed numerous schools and churches have not yet been interpreted through any organic law, and that consequently the closing of religious institutions was an arbitrary action.

Replying to the President's expression of regret that the religious situation was regarded with so much importance abroad, the statement says:

"This is the same as closing one's eyes to the light of the sun and denying facts. It was enough when the anti-religious articles and the law of July 2 became known abroad to cause general indignation among Catholics and Protestants and even Jews, and to assert that no importance is to be attached abroad to the application of these tyrannical laws is nothing more than absurd."

Answering the President's charge that the clergy were rebellious, the statement points out that Senor Calles himself admitted in his last letter to the Episcopate that the suspension of services was not an act of rebellion. It adds that it is calumnious to affirm that the clergy always have been rebellious, when all the governments since 1823 have oppressed the Church, guided either by haughty regalism, radical Jacobinism or premature Bolshevism."

With the opening of the Thirty-second Congress yesterday the special powers conferred on President Calles automatically ended, although they may be regranted when Congress adjourns on December 31. These powers were sweeping, permitting the President to handle the funds of the National Treasury and authorizing him to revise a number of the principal codes of laws.

It was under these powers that the President issued the oil and land laws which brought about a controversy with the United States, still unsettled, and the revision of the penal code enforcing the religious provisions of the Constitution, which led to the conflict with the Church. Other measures the President promulgated are the railway regulations, the sanitary code, the revised mineral law and numerous revisions and changes in the stamp tax and customs laws.



A LESSON IN DIPLOMACY

President Calles's references to the Land and Oil Laws in his message to the Mexican Congress are opportune and should have the effect of confirming our own Administration in its wise policy toward Mexican affairs.

Despatches from Paul Smith's have for several days represented Mr. Coolidge as uncertain whether or not to stiffen his policy toward Mexico. Any increased severity of tone would be based upon our supposed grievances under the new Land and Oil Laws and not upon the church question, which the Administration regards as a purely domestic issue. But the news from both Paul Smith's and Washington—where Secretary Kellogg has conferred with Ambassador Sheffield—has also indicated that the Administration will not change its attitude without excellent reason. It has arrived at a definite understanding with Mexico to take up each specific instance of an American grievance under the land and oil enactments by itself and to cease bickering over the general provisions of these laws. This is a sane course, and President Calles's statements should increase the confidence of Mr. Coolidge and Mr. Kellogg in its wisdom.

For what President Calles does, in effect, is to declare that rather than permit any injustice to be done to property-owners—Americans or otherwise—under these laws he will ask for their revision. It was his duty to issue regulations for putting the laws into operation. He now tells Congress that in executing them he has been very careful to respect all vested rights, and he adds that "if experience counsels moderation" to a greater extent than the laws permit, he will "indicate the appropriate changes needed." That is, he will ask for amendments.

The whole episode is an object lesson in the value of conciliatory diplomacy. When the recent dispute first arose it seemed clear that several clauses of the two laws, if literally construed, were confiscatory and retroactive in their application to American property. Secretary Kellogg stated our objection to these provisions forcibly. But several other facts were also clear. One was that the practical interpretation of the laws would be left with the Executive, and that since President Calles and Foreign Minister Saenz had promised that no injustice would be done the interpretation would be liberal. Another was that the courts would always be available if the Executive proved unfair. An injunction could be obtained; if this failed the case could be fought on constitutional grounds. There was no need to demand withdrawal of the laws before they had been given a practical trial, and Washington recognized the fact. The exchange of contentious notes was halted. As a result of our willingness to wait for Mexico to prove that she will be fair we now have the fullest assurances the Mexican President can give that fairness will be insisted upon even if the laws must be rewritten.



U. S. IS GRATIFIED BY CALLES STAND

Mexican President's Pledge of
Property Protection Has
Reassuring Effect

REPLY TO NOTE IS AWAITED

Ambassador Sheffield Delivered
Message Before Departing

From The World's Bureau
Special Despatch to The World
WASHINGTON, Sept. 2.—The announcement of President Calles in his message to the Mexican Congress yesterday that the New Land and Petroleum Laws may be modified by Executive decree within the authority bestowed upon him by the legislative branch was read with gratification in official quarters to-day.

President Coolidge has sought definite assurances that the new Mexican laws would not be applied retroactively or in a manner equivalent to confiscation of American property legitimately acquired before the adoption of the Constitution of 1917.

The Mexican President among other things declared unequivocally that legitimately acquired property is not affected by the new laws. This is considered as a very definite forward step, well calculated to reassure the United States and other foreign Governments who find themselves in the same position with regard to the Land and Petroleum Laws.

In the correspondence, which extended over many months, between the State Department and the Mexican Foreign Office, the United States Government sought the definite assurances given by President Calles in his address to Congress.

The fact that the Mexican Foreign Minister in several communications sought to justify what the United States construed as retroactive and confiscatory provisions on the ground that similar laws should be enacted by American States naturally tended to shake the confidence of official Washington in declarations of Mexican officials that the Constitution and laws were not to be given retroactive effect.

While very considerable progress was made toward an understanding in the long exchange of correspondence, supplemented by conversations of Ambassador Sheffield with Foreign Minister Saens, some points remain to be cleared up, and these presumably were covered in the note which Mr. Sheffield delivered shortly before he left Mexico City on leave of absence. Mexico has not yet transmitted a reply to that communication. But the conciliatory tone of President Calles's address to Congress is considered reassuring.

Church Demands Calles Let Public Opinion Rule

By Arthur Constantine

Staff Correspondent of The World
Special Cable to The World

MEXICO CITY, Sept. 2.—A swift comeback from the church gave President Calles something to think about to-day. It was the answer of the clergy to his message to the Thirty-Second Congress. The church in its reply challenged him to let public opinion decide the issue between them.

While the declaration was given out in the name of the Episcopate, it was the work of three towering figures in the church's counsels: Archbishop Francisco Jimenez y Orozco of Guadalajara, Archbishop Leopoldo Ruiz y Flores of Morelia and Bishop Pascual Diaz of Tabasco. They are the militants of the church cause.

At the outset of their philippic they addressed themselves to foreign public opinion, and pointed straight at the public opinion of the United States. They labeled their statement: "The Report of the President on the Religious Question."

Church Victimized

"Senor Calles," it read, "begins by lamenting that more importance has been given the religious matter in foreign countries than in Mexico. That is like shutting one's eyes to the light of day, and denying the facts.

"In foreign countries it was enough when the anti-religious articles of the 1917 Constitution and the law of July 2 became known for indignation to prevail among all sects—among Protestants and Jews all well as Catholics. It is absurd for Senor Calles to say that the victims of these passionate articles and tyrannical laws have not given them importance. He accuses the clergy of rebelling against institutions when history shows that ever since 1823 the church has been the victim of political manoeuvres christened with the name of 'institutions,' as the present laws make clear to the whole world.

"But in his recent reply to the episcopate Senor Calles recognizes that suspension of worship is not rebellion. This and nothing else has been the attitude of the clergy and the Catholic people, and how many times history testifies have laws been promulgated against them. When Senor Calles charges that the church always has been rebellious against institutions he utters a calumny. Better might he have said that from 1823 to date all the Governments have been oppressors of the church, guided by radical Jacobinism or premature Bolshevism."

Reiterate Stand

"Senor Calles asserts the great majority of the Mexican people will give him their indispensable support to carry out the work he has undertaken. We know that the poor people are blamed for everything. But at the end of his message there is a conflicting statement. There he

voices his fears, which really are well founded, that the work probably has not been understood or appreciated thoroughly.

"If the great majority of the Mexican people were on the side of Senor Calles it doubtless would be because they have so well understood his work and duly appreciated it—the de-Catholicizing of Mexico.

"By institutions we understand, the necessary liberties with their respective duties in all classes of society; the rest is subject to revision. By the same token there is no rebellion. Rather is it true patriotism for Catholics to revindicate the liberties to which they are rightfully entitled—freedom of thought, freedom of the press, freedom of education, freedom of worship, freedom of association, and the right to hold property in order that the Church may live. All civilized nations grant these liberties to the Church.

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Publishing Company, 1926

Business Men Alarmed at Profit-Sharing Law Prospect

MEXICO CITY, Sept. 2 (A. P.)—The Mexican business world fears Congressional enactment of a new labor law which may handicap the country's commerce and industry severely.

The bill, demanded by organized labor and viewed sympathetically by the Government, requires employers

to share profits with employees and prescribes in great detail workmen's benefits required of employers. Some manufacturers and business men, both foreign and Mexican, have said these requirements would so burden their business as to force them to close.

Official reports were made to the United States Government last year that the measure would be more harmful to American business interests in Mexico than the Allen Land and Petroleum Laws.



THE NEW YORK TIMES, FRIDAY, SEPTEMBER 3, 1926.

AMERICAN RIGHTS IN MEXICO.

President CALLES said in his message to the Mexican Congress that the land and petroleum laws will be amended "if experience counsels moderation within the spirit of justice and equity." This comes at a time when American oil companies, which have a year to comply with the new regulations, are preparing to hold a meeting in this city to discuss the production in Mexican fields without further conflict with the Government. The situation has apparently not changed since Secretary of Foreign Affairs SAENZ published the "case of Mexico" in defense of the new laws, and Secretary KELLOGG, within twenty-four hours, rejoined that those laws contained provisions "which are plainly retroactive and confiscatory in their effect upon property rights heretofore legally acquired and held by American citizens in Mexico." GUY STEVENS, director of the Association of Producers of Petroleum in Mexico, pointed out at the time that the brief of the Mexican Minister dealt with the Alien Land law and made no direct references to the Petroleum law.

Secretary KELLOGG did not cite the provisions which he regarded as retroactive and confiscatory. Officially the controversy did not become acute, at least for publication. In April it was reported in Washington that, after a study of the regulations for carrying out the Alien Land law, the State Department was hopeful that they cleared up obscurities and would work out satisfactorily. Ambassador TELLEZ once more directed attention to Section 14 of the Constitution of 1917: "No law shall be given retroactive effect to the injury of any person whatsoever." There would always be a remedy in the Mexican courts. In his message President CALLES declared that the enforcement of the laws to which exception had been taken "did not affect legitimately acquired rights." That has not been the view of American proprietors. In

January forty injunction suits were filed in Mexico by foreign oil companies against the application of the Petroleum law. It has often been said that for every owner of oil land who has complained that his rights have been infringed by decrees of the Government, or held up by inaction of the Mexican courts, there have been a hundred times as many proprietors of agricultural land who had cause for protest.

As regards the Alien Land law, it has been said that hereafter no foreigner can obtain "vested rights" without exposing himself to interminable delays in the Mexican courts, or forfeiting the protection of his own Government. There are many instances of expropriation without payment. The fact is that American nationals with title to property in Mexico have no confidence in the courts and regard with distrust assurances by the Government that the laws will be amended, if necessary, to protect them in their rights. It makes a continuing crisis which can be relieved only by proof of good faith on the part of the Mexican Executive and Congress.



CHURCH DENOUNCES CALLES'S MESSAGE

Program of Mexican President Savors of Bolshevism, the Catholic Bishops Assert.

HIS ACTS ARE HELD ILLEGAL

Closing of Colleges and Chapels and Expulsion of Priests Declared Unlawful.

BRUTALITY ALSO CHARGED

Episcopate Seeks Congressmen to Champion Petition for Repeal of Laws Causing Clash.

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MEXICO CITY, Sept. 2.—The Mexican Episcopate, following a meeting today in the Archbishop's Palace, issued a statement taking exception to assertions made by President Calles in his message read at the opening of Congress yesterday.

The Episcopate stated that certain phrases in General Calles's message in which he refers to bringing about a complete change in life and legal régime of the Mexican people are colored with Bolshevism.

The Bishops charge that the expulsion of foreign priests from Mexico was a direct violation of law and that the deportations were carried out with cruelty and in violation of the rights of foreign priests to live in Mexico as long as they did not conduct services publicly.

Referring to the President's charges that the clergy were rebellious, the church statement says that it is the duty of the authorities to find evidence and bring charges against the rebellious, but, as the Attorney General had stated, they could not find that the priests were guilty. The President, it adds, has no right to be both leader of the nation and judge, too.

Text of Bishops' Statement.

The statement of the Episcopate reads:

"Señor Calles begins by lamenting that foreign countries have given to the religious affairs of Mexico an importance they do not achieve in this country. To make such a statement is to shut one's eyes to the light of day and to deny the truth.

"When the anti-religious articles of the 1917 Constitution and the law of July 2 became known in foreign countries they gave rise to general indignation among Catholics, Protestants and Jews.

"To say that the victims of these inflamed articles and tyrannical laws have not given them importance is absurd.

"Señor Calles accuses the clergy of rebelling against the institutions of the country when history shows that since 1853 the Church has been the victim of political manoeuvres to which the politicians have given the name 'institutions,' as the present law proves in the judgment of the entire world.

Señor Calles, in his last answer to the Episcopate, recognized that the attitude of the clergy in suspending worship was not rebellious. This and this alone has been the attitude of the clergy and of the Catholic people when on many occasions laws have been promulgated against their rights, as history testifies.

Calumny on Church Charged.

"It is calumny for the President to state that the Church has been always rebellious against the country's institutions. He would better have said that all the Governments since 1853 have been oppressors of the Church, inspired by a Jacobinism or a premature Bolshevism.

"Señor Calles insists that the provocation of this situation was the statement made by the Archbishop of Mexico in February, but he omits to say that in the Archbishop's statement the Judge failed to find any cause for further legal proceedings against its author or to take action against him for his proposal to seek amendment of any law considered unjust on the ground that such a proposal was rebellious.

"Where are liberty of thought and the right of petition?

"Señor Calles stated that no one could say that the action of the Government constituted an innovation. What greater innovation is there than one that wounds, as he confesses, and that uproots, as we say, sentiments deeply grounded and respectable, the religious sentiment of an entire nation?

End of Services Laid to Calles.

"Señor Calles goes on to say that no religious regulations have been introduced that could cause alarm to the right thinking and the just, to the churches or to their worshippers.

"The fact is that Señor Calles has made it impossible for the Catholics to worship in the churches, and his laws and those of the States have tended to overthrow ecclesiastic and all liberties of the clergy and the faithful.

"Señor Calles declares that Article 130 and the laws called 'Reform' are simple declarations of principle without the sanction or provision of oppressive measures, and he denies that he has introduced regulations that should cause alarm by adding the sanction of oppressive measures.

"On the other hand, the principles of the Constitution must be intangible truths and never political measures to crush adversaries of their political ideas.

People Held True Rulers.

"Señor Calles says that to change in a day totally and completely the life and legal régime of a people is not an easy task, that it is the work of time and demands hard work and harsh legislation.

"Permit us, Señor Calles, to say that an integral change, total and complete, in the life of a people is not a work of laws, because it is not the law that makes or unmake a people, but the people who make and unmake the laws. Such a change is not wrought by a group of revolutionaries imposed by force and foreign help, but by the true popular masses guided by a desire principally religious. This integral change, total and complete, savors of Bolshevism.

"Señor Calles called the statement of the Archbishop the beginning of insubordination, but we ask why did not the Judge call it likewise?

"The statement of Señor Calles declares that the Archbishop's statement is anti-social and anti-judicial, the



stand of a group that publicly refuses to recognize the laws under the pretext that the laws do not conform to liberty.

"The duty of the President was to consign these illegal acts and to permit the petition of the Catholics to be discussed openly in the press in public, in public meetings and afterward in Congress.

"This is what Señor Calles calls a strange conception of liberty. But it is a conception of liberty which the whole world has approved in the most energetic terms in view of the tyranny of the Constitution and the laws.

College Closures Termed Illegal.

"Señor Calles states that he was forced to use the extraordinary powers given to him on Jan. 7, 1926. There are some who allege with justice that these faculties are null and void, as, according to Article 29 of the Constitution, Congress cannot confer these powers in such cases as this.

"Señor Calles, in giving a résumé of his activities, says 129 colleges have been closed, but he does not say that they were closed without any legal written order or without giving time for defense.

"Forty-two churches were closed, as well as all the chapels in institutions of public charity, and the reason that Señor Calles gives for this is that they were violating Article 27, but he does not say that this article has not been regulated and therefore the closures were arbitrary acts.

"Señor Calles states that he has suppressed religious orders in charge of establishments of public charity, but he does not say that there is not an organic law which authorizes him to proceed in this manner.

"He adds that he closed seventy-three convents, but he remains silent on the cruel manner in which, in many cases, the orders were carried out.

Foreigners' Rights Held Violated.

"Referring to foreign priests, Señor Calles said that, enforcing Article 130, he obliged all foreign priests to suspend religious worship, and, considering them undesirable foreigners, he forced them to leave the country.

"Everywhere in Mexico and abroad the brutal manner in which foreign priests were prevented from taking part in worship is known. In most cases they were arrested in their homes or in the streets and, without getting time to assemble their clothing, they were detained in Police Headquarters and from there taken to the ports of embarkation, being treated as animals in some cases.

"Moreover, there is no law which prohibits foreign priests from living in Mexico if they do not publicly exercise the right of religious worship. It was an arbitrary act to expel them as the Government did, without giving them time for defense and without a legal decree.

"Señor Calles gives the assurance that the great majority of Mexicans will lend the necessary help to finish the work the Government has started. We know that the poor people are blamed for everything.

"This assurance does not agree with the statement which Señor Calles makes at the end of his message to Congress, for there he expresses his fears, which are really well founded, that the work he has started probably has not been well understood or esteemed.

Says People Oppose Calles.

"If the great majority of the Mexican people, as stated by Señor Calles, are on the side of the President, there would be no doubt on his part, but they have well understood his work of decatholicization.

"The President of Congress, when responding to the Presidential message, chose a paragraph more effective than those in which Señor Calles accused the clergy of being in rebellion against the institutions. He repeated the President's charge and then assured him that the proposed regulation of Article 130 would give the representatives a magnificent opportunity to demonstrate their support of the Executive in this anti-religious fight.

"We Catholics understand that there are necessary liberties and corresponding duties for all classes of society.

"According to this reasoning, there is no rebellion but rather true patriotism in vindicating for the Catholics the liberties to which they have every right, freedom of thought, of the press, of teaching, of worship, of association and of holding property, all of which are necessary in order that the Church may live. These are the liberties that are given to the Church in all civilized countries."

Church Seeks Congress Champions.

MEXICO CITY, Sept. 2 (P).—The Catholic Episcopate hopes to complete within a few days its petition for presentation to Congress, seeking repeal or amendment of the religious clauses of the Constitution and laws under the Constitution which provoked the conflict between the Church and the Government.

In the meantime the Bishops are looking for members of Congress to introduce and champion the necessary resolution.

Chile Keeps Catholic Chaplains.

SANTIAGO, Chile, Sept. 2 (P).—A move to oust Catholic chaplains from the army has been defeated in the Chamber of Deputies by the Conservative-Radical combination. The movement to discharge the chaplains dates back to the adoption of the Constitution in 1925, under which Church and State were separated. There was considerable debate in the Chamber before the resolution of ouster was defeated.

LABOR BILL ALARMS BUSINESS IN MEXICO

Measure Requires Employers to Share Profits With Workers, Who Decide Amount.

GOVERNMENT FAVORS PLAN

Foreign Oil Men Fear Demand for Hundreds of Millions for Petroleum Already Extracted.

MEXICO CITY, Sept. 2 (P).—The Mexican business world, already on pins and needles, fears Congressional enactment of a new labor law which, some industrial and commercial leaders say, may handicap the country's commerce and industry severely.

The new session of Congress, which began last night and which will continue to Dec. 31, is expected again to consider the labor bill.

The measure, demanded by organized labor and viewed sympathetically by the Government, requires employers to share profits with employees and prescribes in great detail workmen's benefits required of employers.

Some manufacturers and business men, both foreign and Mexican, have said these requirements would so burden their businesses as to force them to close.

Official reports were made to the United States Government last year that the measure would be more harmful to American business interests in Mexico than the alien land and petroleum laws.

Labor leaders deny the proposed law would be unjustly burdensome upon industrialists. They say it is nothing more than such enlightened labor legislation as some other countries know.

Provisions of the Bill.

If Congress fails to enact its bill organized labor may attempt to obtain its promulgation by the President. Some of its most important provisions are:

Employers must share profits with employees or pay them a fixed bonus.

Employees' committees are empowered to examine employers' books and decide the amount of profits to be divided with workmen.

Employers must pay minimum wages, the amounts to be determined by workmen's committees.

Eighty per cent. of the employees of every concern must be Mexican citizens.

The eight-hour working day with overtime payment is required.

Workmen's compensation for injuries is provided for.

Employers are required by the bill to deposit with the Government such sums as the President may require to guarantee the employers' fulfillment of its terms.

Oil Operator Are Fearful.

Special Cable to THE NEW YORK TIMES. Copyright, 1926, by The New York Times Company.

MEXICO CITY, Sept. 2.—Foreign oil operators in Mexico fear that the Government will challenge their title to oil lands and at the same time demand payment for hundreds of millions of dollars' worth of oil extracted from the ground in the last several years.

The attitude of the oil operators is shown by the fact that they have practically abandoned hope of modification of the order issued on June 8, which conferred wide powers on Luis Marones, Secretary of Industry, Labor and Commerce.

After a long series of conferences with Señor Marones and his advisers, the oil men became convinced that the Secretary would maintain a firm attitude in enforcing the order, which the oil men say will place the industry at the mercy of the Administration without giving the operators the possibility of obtaining relief in the courts.

The outlook is regarded as particularly unfavorable by the oil men, who based their opinion on the fact that the last two American notes which protested against the decree have remained unanswered by the Mexican Government. Formal acknowledgment of their receipt has been the only action so far announced by the Calles Administration.

Alarmed Over Posting of Bonds.

The oil interests view several provisions of the decree with alarm. The one which obliges each company to deposit unlimited bonds is regarded as placing the company at the mercy of the Department of Industry and Commerce with no recourse to the courts in case the bonds are forfeited.

These bonds are supposed to cover all oil extracted on property the titles to which are in dispute and which have not been proven since the operations started.

According to another provision, the oil companies must agree, on receipt of drilling permits, to accept any conditions that the Department of Industry and Commerce may impose and to accept the competency of the department to pass upon property rights and titles.

As the question of titles is involved with the alleged confiscatory provisions of Article 27 and supplemental oil laws and regulations, the oil interests regard the new order as placing them wholly at the mercy of the department.

On the other hand, the oil men see a big difference between the attitude of the department and the statement of President Calles to Congress yesterday relative to the enforcement of these laws, in which he said they would be modified if events warranted a change.

The stand of the department, however, is regarded by the oil men as becoming stiffer each day.

Both the President and Señor Morones today are visiting the headquarters of the Federal troops at Cejaya, the scene of the greatest battle in Mexican revolutions.

"STUDENTS" OF MEXICO HIT.

Flying Visitors Cannot Prescribe for Ills, The Excelsior Says.

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MEXICO CITY, Sept. 2.—An editorial in The Excelsior today criticizes travelers who come to Mexico for two or three weeks and then return to the United States to write books on this country.

"There were certain Protestants here lately," says the editorial, "who did not stay a month and now they advise us that they have written books and will give conferences and advice on Mexico. The students that came here to school said that when they returned to the United States they would tell the truth about Mexico. Mexico."

"Mexican problems do not consist of oil and land alone. We have here racial difficulties and a thousand and one other problems which visitors cannot solve while they have their feet on the third rail of a saloon."

"The great Mexican family is a joke, an imposture which daily grows more evident. Our fraternity is as cordial and effective as that of Cain and Abel."



PRINCE CHALLENGES MEXICAN GOVERNOR

Attache of Italian Legation
Resents Serrano's Slight on
His Previous Duel.

YOUNG BLOODS URGE FIGHT

But Majority in the Capital Are
Merely Amused and Governor
Laughs at Challenge.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 3.—Prince Valerio Pignatelli, a member of a noble Italian family and a descendant of Hernan Cortez, discoverer of Mexico, who has a long record of duels fought in Italy, issued through the press today an open challenge to a duel to General Serrano, Governor of the Federal District.

The Prince a few days ago fought a bloodless duel with Albert Mead, and it was General Serrano's statement that this duel was ridiculous and against the law that evoked the Prince's challenge to the Governor.

The letter of the Prince, who is an attaché of the Italian Legation here and who, therefore, is believed to enjoy diplomatic immunity, reads in part: "General Serrano, whose military record is equal at least to mine, without awaiting the action of the law, has seen fit to voice his own personal strictures by calling a meeting ridiculous, as neither of the antagonists was killed or wounded."

"If such conditions seem to be indispensable to General Serrano for any duel, whatever the cause, I declare that I will satisfy him and demonstrate that the holding of a high office is not sufficient to permit one gravely to offend a person who is obliged and disposed to defend his honor."

The letter of Prince Pignatelli has caused some amusement in Mexico City because it is believed that his diplomatic immunity permits him to break the Mexican law against dueling without being punished.

The Mexican Government, however, has the right of requesting Premier Mussolini to withdraw the diplomat.

General Serrano, when seen today, laughed at the Prince's letter. In his opinion, he said, duels were ridiculous. As they were against the law they should be punished, but that was the work of the Judges and not of the Governor of the Federal District, he added.

The Governor declared that he had sworn to obey and to enforce the laws and that he was forced to suppress his personal inclinations and live up to his oath of office.

Several of the young society set known as "Fifis" are trying to cause the affair to develop into a duel, but the Prince's open letter has produced a contrary effect to that intended, for Mexicans in general smile at mention of the letter and say Mexico has advanced somewhat since the days of dueling.

COOLIDGE LAUDS SHEFFIELD.

President Reiterates Praise of Our
Envoy to Mexico.

Special to The New York Times.

PAUL SMITH'S, N. Y., Sept. 3.—President Coolidge reiterated today that Ambassador Sheffield had performed excellent service in his trying post in Mexico City. He had acted to the entire satisfaction of this Government and would return as Ambassador to Mexico at the end of his vacation, it was said.

It was disclosed that in doing his duty Mr. Sheffield had been attacked and stories started by those opposed to what he did that tended to embarrass him. These stories were circulated by those who did not deserve the protection of the United States Government, it was asserted.

Since President Coolidge will return to Washington by Sept. 18, Mr. Sheffield may not come here to confer with him, but await the reopening of the White House in Washington.

MEXICAN CATHOLICS DESPAIR OF RELIEF

But Bishops Continue Work on
Petition to Congress to Amend
Religious Laws.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 3.—Catholics are marking time until the Episcopate decides on its petition asking for amendment of the religious laws which will be presented to Congress. The bishops today are finishing the petition, but are carefully keeping it a secret until lawyers have had an opportunity to study it.

Catholics have little hope that Congress will take the action they desire, and they point to the cheering in the Chamber when that part of the Presidential message was read which stated that the Government does not consider the Church issue a problem.

This reaction of Congress, according to Catholics, shows that there is little prospect of the present lawmakers studying the petition or giving any relief.

The Catholics, however, declare that they are ready to continue the fight through the boycott and appeals to the people until the Government realizes that the majority of the Mexican people are against the religious regulations which provoked the conflict.

The Sol, a labor paper, states that the Governor of the State of Guanajuato, Enrique Colunga, will be called upon to answer charges that Catholics are enjoying perfect freedom in that State.

It is charged that Governor Colunga organized a Catholic parade of women, who marched through the streets crying, "Long live Christ the King!" and that the marchers shouted insults at the Government.

It is said that several Congressmen visited the State and made a report to the Secretary of the Interior calling for an investigation.

The Sol also states that President Calles has ordered Governor Colunga to appear to face the charges.

MEXICO CITY, Sept. 3 (P).—A measure embodying new religious regulations limiting the number of priests in each State is being prepared for submission to Congress by the Department of the Interior.

If enacted and approved by President Calles these regulations will supplant those promulgated by the Chief Executive recently which caused the religious controversy between the Government and the Roman Catholic Episcopate.

While nothing is known as to the details of the bill which the Department of the Interior is drawing up, it is reported that it may permit one foreign clergyman to officiate in each church of a foreign congregation. This would apply to all denominations.



Valerio Pignatelli reta a un duelo al Gbdor. Serrano

El gobernador Serrano cali-
ca el duelo de Mede de
ridículo

PIGNATELLI NO FUE ARRESTADO AYER

Ha sido declarado inmune
por la legación
italiana

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiem-
bre 3.—El príncipe Valerio Pigna-
telli, supuesto descendiente del
conquistador Hernán Cortés, ha
desafiado en duelo al gobernador
Serrano del distrito federal porque
según un informe en un diario el
señor Serrano había dicho que su
duelo con Eduardo Mede había si-
do una "ridiculez".

El príncipe y Mede se enfrenta-
ron en las afueras del distrito fe-
deral y Mede que hizo el primer
disparo falló. El príncipe entonces
disparó un tiro al aire y los padri-
nos declararon que el honor había
sido vindicado. Mede había desafia-
do al príncipe por supuestas aten-
ciones que el príncipe guardaba
a su esposa.

En una carta dirigida al goberna-
dor Serrano y enviada a los periód-
icos para publicación, el príncipe
Pignatelli dice que tendría el gus-
to de demostrarle al gobernador
Serrano que su alto puesto de go-
bernador no es suficiente para
ofender a un hombre que como sol-
dado y ciudadano se ve obligado a
defender su honor.

La corte investigando el duelo
entre Pignatelli y Mede preguntó
a la legación italiana si el hecho de
ser un miembro honorario de la le-
gación y súbdito italiano, le hacían
inmune al arresto. La legación ita-

(Sigue en la 7a. pág.)

VALERIO PIGNATELLI RETA A DUELO

(Continuación de la 1a. pág.)

liana contestó que el príncipe era
inmune.

Los periódicos dicen que han sa-
bido de buena fe que la oficina de
negocios extranjeros solicitará del
gobierno de Italia retire a Pigna-
telli si él no lo hace por su propia
voluntad.

El secretario del nuncio apostólico en Méjico conferencia con el papa

La situación religiosa continúa en el mismo estado. — El episcopado termina su memorándum

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 3.—La situación religiosa proveniente de la ejecución de los reglamentos religiosos del gobierno, no presenta perspectiva de un pronto arreglo. El gobierno continúa haciendo cumplir la ley y el episcopado católico está en la labor dando los toques finales a la petición que hará al congreso pidiendo la modificación de los reglamentos, cuyo cumplimiento ha dado origen a que el episcopado haya hecho retirar de las iglesias a los sacerdotes, cesando en sus servicios religiosos.

La petición será presentada probablemente hoy o mañana, aunque a esta hora no se ha decidido cuándo ni cómo se presentará al congreso. Hasta el presente no se ha encontrado en el congreso un miembro que quiera hacerse cargo de la causa del episcopado.

El presidente Calles salió de la capital el miércoles en la noche después de presentar su mensaje al congreso y pasará varios días en los estados de Michoacán y Guanajuato en vacaciones y para inspeccionar de paso las escuelas del gobierno.

Personas bien informadas expresan la creencia de que a menos que el episcopado dé algún paso o se presente nuevo aspecto de la cuestión, el presidente Calles en su mensaje al congreso hizo una declaración que puede tomarse como un hecho sentado de que intenta continuar inalterablemente el curso que se ha trazado para hacer cumplir las leyes sobre religión.

Actividades en Roma

ROMA, septiembre 3.—(AP).—Monseñor Crespi, secretario de la delegación apostólica en Méjico, a quien recibió el Papa en audiencia privada, presentó a Pío XI hoy un informe preliminar sobre la situación religiosa mejicana.

Monseñor Crespi pasó revista a la situación desde su origen hasta las circunstancias que rodearon su partida del país, inclusive los pasos dados por el gobierno mejicano para poner en vigor sus reglamentos religiosos y la actitud adoptada por el episcopado mejicano al oponerse a los reglamentos.

El Papa demostró el mayor interés y expresó compasión profunda por la posición en que se encuentran los católicos mejicanos.

Vendrá una comisión mejicana

Según el boletín expedido por el departamento comercial del consulado de Méjico en Nueva York, el gobierno de Méjico ha decidido enviar a Washington una comisión, que saldrá a fines de septiembre de Ciudad de Méjico, para estudiar los métodos empleados en los Estados Unidos en la organización y administración de las oficinas públicas del país.

La comisión en cuestión se compondrá de delegados del departamento del Tesoro, de la Fiscalía de la nación y del departamento de Hacienda.





THE WALL STREET JOURNAL, SATURDAY MORNING, SEPTEMBER 4, 1926

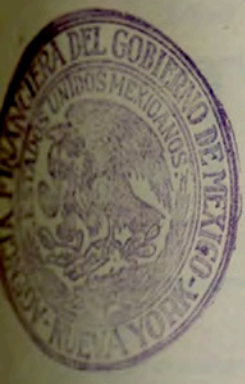
MEXICAN PETROLEUM

Net Profit of First Six Months Totaled \$14,020,326—
Equaling \$29.60 a Common Share

Report of Mexican Petroleum Co., Ltd., of Delaware and its owned companies for six months ended June 30, 1926, shows net profit of \$14,020,326 after interest, amortization, depreciation, depletion and federal taxes. This is equivalent after allowing for dividend requirements on \$12,000,000 8% preferred stock to \$29.60 a share earned on 457,300 shares of common stock.

Consolidated profit and loss account of Mexican Petroleum Co., Ltd., of Delaware and its owned companies for six months ended June 30, 1926, follows:

Operating profit	\$19,941,806
Add: Int & amortization charges (net)	196,298
Total	\$20,138,104
Depreciation and depletion.....	3,927,778
Federal taxes.....	2,190,000
Net profit.	\$14,020,326



DUELING COUNT ANNOYS MEXICO

By Universal Service.

MEXICO CITY, Sept. 3.—The early departure from Mexico of Prince Pignatelli, of Italy, is expected as a result of his recent bloodless duel with Alberto Meade, and his challenge this afternoon of



PRINCE PIGNATELLI.
Too Bloodthirsty for Mexico.

General Francisco Serrano, Governor of the federal district, to a duel.

As an attache of the Italian Legation, Prince Pignatelli enjoys diplomatic immunity, but it is regarded as likely that the Mexican government will declare him persona non grata and ask that he be recalled.

As a lineal descendant of the Conqueror Cortez, Prince Pignatelli has been a prominent figure in Mexican society. His comic opera duel with Alberto Meade early in the week led to reports that the authorities would take action against the duellists. But General Serrano replied to these reports that he had "been unable to find any law for punishing the ridiculous."

The Prince regarded this statement as a slight to his honor and forthwith challenged General Serrano to a duel.

Senator Snell, 'Dry,' Visits with Coolidge

PAUL SMITHS, N. Y., Sept. 3.—Representative Bertrand H. Snell, of New York, chairman of the rules committee of the National House of Representatives, will arrive here tomorrow to be a week-end guest of President Coolidge.

General Ludendorff to Marry Physician

GILBERT O. NATIONS, Ph. D.
Editor



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The Protestant

Ye shall know the truth, and the truth shall make you free.—John 8:32.

Vol. 6

Washington, D. C., September, 1926

No. 7

The Blight of Mexico

MORE than four hundred years ago, Roman Catholic Spanish cavaliers under Hernando Cortez invaded and conquered Mexico in a campaign of exceptional cruelty and licentiousness. The people were helpless before the superior Spanish arms. Their monarch was put to death and their land subdued.

So was the empire of the native rulers annexed to the Spanish dominions. In consequence the Mexicans began their long tutelage to the hierarchy of Rome. During the next three centuries the country was ruled and oppressed by sixty-four successive viceroys appointed by the Spanish crown.

Though two or three of them were natives of Mexico, all were essentially alien, as the natives had spent their lives chiefly abroad. Some were ecclesiastics, but the preponderance were soldiers or lay politicians.

Four years after the conquest, propagandists of the Roman Church declared that the Virgin Mary had personally appeared to a native of the country near the capital city. This clever fabrication laid the foundation for an early and lucrative traffic in superstition.

The imposing cathedral on the site of the pretended apparition bears the Spanish-Arabic name of Guadalupe and has long been in the custody of an abbot. That splendid edifice contrasts strangely with the destitution of the lay masses in its vicinity. Its possession has been a sharp point of contention in the present crisis between the Roman hierarchy and the government of Mexico.

The Spanish Inquisition with all its horrors was transplanted into the country in 1571 and the Jesuits followed a year later. The latter infested Mexico till Charles III of Spain, though himself a Roman Catholic, expelled them from all his dominions and was instrumental in their suppression by Pope Clement XIV.

Negro slaves were imported to supplant the cheap labor of the natives. The Spaniards brought few women with them. Immorality was unrestrained and well-nigh universal. From the licentious mixture of races there sprung an appalling mongrel population. Offspring of Spanish and Indians were called mestizos; those of Spanish and Negroes, mulattoes; and those of Indians and Negroes, zambos, noted for reachery and violence.

Heavy tribute was levied upon the incomes and seager possessions of the natives to meet Spanish trade restrictions imposed under the mercantilist economic doctrines then prevalent in Europe and the added

crushing exactions of the Roman hierarchy for the erection of gorgeous cathedrals and palaces.

The last viceroy of Spain was an Irishman named O'Donoju. The entire colonial period of three centuries was marked by gross official corruption. The viceroys and their armies of subordinates shamelessly bought the offices which they held. They reimbursed themselves by plundering the people. Under such a system justice was bought and sold as a commodity virtually in the open market.

The despotic ideals of the Papacy and the Spanish crown pervaded the Mexican régime. Civil and religious liberty have no place in communities dominated by the Sovereign Pontiff or by his political allies and vassals. Those who incurred the displeasure of Spanish or papal authority simply disappeared and no inquiries concerning their fate were tolerated. The dungeons and horrors of the Inquisition made short work of both religious and political heresy.

The power and attitude of the Roman hierarchy and Church appear from a petition of the authorities of Mexico City to Philip IV of Spain in 1644 to check the spread of religious orders because they owned half the property in the country and to suspend ordinations because six thousand surplus and unemployed priests then infested the nation.

But contact with the United States as well as the tardy reaction of the American and French revolutions had their effect in Mexico. Early in the nineteenth century revolutionary movements began definitely to agitate portions of the country. But the early leaders were captured and executed. Mexican independence of Spain, but not of the Papacy, was achieved slightly more than a hundred years ago.

Two rival political parties thenceforth strove for the mastery. The Roman Church, the army, the privileged classes in general and the champions of despotism made up the Centralists, while advocates of popular sovereignty and local self-government composed the Federalists. The methods of the latter were orderly and peaceable; those of the former, violent and revolutionary.

During the sixty years from the war of independence to the beginning of the long dictatorship of Porfirio Diaz, the country was almost continuously blighted with civil strife. Nearly every liberal President was driven from office and exiled or assassinated to make room for a military dictator. In the first half of the

period mentioned the notoriously treacherous and despotic Santa Anna was five times imposed on the nation by joint military and ecclesiastical power.

Santa Anna included in his proscription list Benito Pablo Juarez, destined to render imperishable service to his country. Of full Indian blood and reared in humble poverty, Juarez became a scholar and lawyer and statesman of commanding prominence and ability.

Returning from exile, he secured the passage in 1855 of a statute that swept aside the canon law doctrine of benefit of clergy and made members of the Roman hierarchy and priesthood and of the army alike amenable to the jurisdiction of Mexican courts of law.

As chief justice of Mexico in 1857 he caused to be drawn up and adopted the Constitution of that year and which is usually associated with his name. Though winked at and ignored during the protracted Diaz régime, that Constitution remained the fundamental law of the nation till the present Constitution, embodying virtually all its provisions and amplifying some of them, took its place in 1917.

In 1861 Juarez became President. Deposed and driven from the capital city by the Roman Catholic invasion which established the Hapsburg empire in Mexico two years later, he resumed his official station after the French armies withdrew from his country at our command and after the usurping Hapsburg Emperor Maximilian was executed.

The Juarez Constitution embodied the enlightened and progressive features of our own and other republican Constitutions as well as liberal provisions in advance of any like document then in existence. At its very threshold stood free public education, in view of which no pretext remains for private and denominational schools which have been so instrumental in disseminating sedition and undermining civil authority.

It also vouchsafed perfect religious liberty, but divested the Roman hierarchy of its vast monopolies that had so impoverished and oppressed the people. Its religious and educational directions are reiterated and amplified in the present Constitution adopted in 1917. All such provisions apply with perfect impartiality to every religious faith. Their enforcement by the present government of Mexico is being commended by missionaries and prominent ministers of the Protestant communions, but furiously denounced by the Church of Rome.

In its rage against President Calles the Roman press of this country, which is published by authority of the hierarchy, is constantly reiterating the assertion that the Mexican Constitution of 1917 was never legally adopted and the President of the country was not validly elected. Though made as expressions of wrath and exasperation rather than candidly as serious conviction, such statements portray the recklessness and mendacity of the hierarchy responsible for them.

The best authority as to the binding force of the Mexican Constitution is the judiciary of that country. If the document was not legally adopted, the place to demonstrate that fact is before that authority rather than in the periodicals of Rome published here. If not perfectly aware that its aspersions on the validity of the Constitution are utterly false, the hierarchy would doubtless place the matter in issue before the Supreme Court of Mexico.

During the campaign in which President Calles was elected, the clerical following gave its full support, by order of the hierarchy, to a rival candidate who was overwhelmingly defeated. On September 27, 1924, the Mexican Chamber of Deputies completed the official count of the votes cast in the general election and, with but one dissenting vote, declared Calles duly elected President. He was regularly inaugurated on December 1 thereafter.

But Roman hatred of Calles is inspired by the same incentive that murdered Presidents Madero and Carranza. It is the same spirit that has blighted all Latin America four hundred years and most of southern Europe more than a thousand years. It is the spirit that fights public education and civil and religious liberty everywhere all the time.

It is the spirit that now seeks the commercial and economic ruin of Mexico in the boycott being pressed there and boasted here by the hierarchy and propagandists of Rome. If numerically able that spirit would apply the same lawless coercive measures in the United States. Since its invention in Ireland nearly a hundred years ago, the boycott has been the deadly and favorite Roman Catholic weapon of offense.

Every week the three hundred periodicals of Rome published in our country carry thousands of columns of front-page misinformation designed to beguile the public on the Mexican situation. With the pretense of deep pathos they picture the closing of Roman churches there as though the Calles government were responsible for that condition. But the falsehood is fortunately too transparent to accomplish its purpose.

There is nothing either in the Constitution of Mexico or in the executive orders now being enforced there to require or even justify the closing of the churches. It is the hierarchy and not the government that has closed them. The Constitution requires that all religious services shall be conducted by natives of Mexico. The hierarchy answers that requirement by closing the churches.

When not permitted to fill the land with an alien hierarchy and priesthood as in this and all countries, the Papacy and its enthroned hierarchy declare economic war on the government, order a boycott and close the churches under its operation, and then seek to force intervention by the United States.

The fairness and leniency of the Calles government is remarkable. Archbishop Mora of Mexico City, primate of Mexico and recognized leader of the seditious movement, was recently taken into custody by the police. Regardless of the question or extent of his guilt, the government ordered his immediate release. No Protestant country would permit the hierarchy of Rome to declare and enforce a nation-wide boycott in order to overturn the government and annihilate every business interest.

But such is papal Rome. Mexico has suffered long and deeply under the despotism of the Pope. The nation has lain four hundred years at the feet of the hierarchy. In consequence more than seventy per cent of the people are totally illiterate. The country presents a dismal spectacle of a small privileged class rolling in fabulous wealth amidst destitution and squalor of sixteen million people. The Mexican government and people are entitled to relief.

The Fellowship Forum

Weekly Newspaper Devoted to the Fraternal Interpretation of the World's Current Events

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WASHINGTON, D. C., SATURDAY, SEPTEMBER 4, 1926.

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and for Centuries by Chains of Bigotry and Superstition to the Church of
Mexico At Last Welcomes Liberty. Calles, With Dauntless Courage,
breaks Bonds—Supported By Constitution and Upheld By Organized Labor





YORK AMERICAN—A Paper for People Who Think—SATURDAY, SEPTEMBER 4, 1926

**Mexican Petroleum
Profit \$14,202,326**

The report of the Mexican Petroleum Company, Ltd., of Delaware, and its owned companies for the six months ended June 30, shows a net profit of \$14,202,326 after all deductions.

This is equal after dividends on the \$12,000,000 8 per cent preferred stock to \$29.60 a share earned on 457,300 common shares.



NEW YORK HERALD TRIBUNE, SATURDAY, SEPTEMBER 4, 1926

Mexico Drafts New Bill Curbing Number of Priests

Regulations Which Would Supplant Calles Order Would Permit One Cleric in Each Church

MEXICO CITY, Sept. 3 (AP).—A measure embodying new religious regulations limiting the number of priests in each state is being prepared for submission to Congress by the Department of Interior. If enacted and approved by President Calles, these regulations would supplant those promulgated by the Chief Executive recently which caused the religious controversy.

While nothing is known regarding the details of the bill, it is reported that it may permit one foreign clergyman to officiate in each church of a foreign congregation. This would apply to all denominations.

Meanwhile, the Roman Catholic episcopate is busy completing its petition to Congress for modification of the religious laws and seeking some one to introduce and to support it. Congress still is without a Senate, the contests in the July 4 elections not yet having been settled.



Vera Cruz State Sues 3 U. S. Oil Companies

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.
MEXICO CITY, Sept. 3.—Press dispatches from Vera Cruz announce that the Vera Cruz State government has filed suit for the recovery of 5,000,000 pesos (nominally \$2,500,000) indemnity from three American oil companies, among them the Transcontinental, a subsidiary of the Standard of New Jersey.

It is asserted that certain properties exploited by the companies for years and from which they are said to have extracted 38,000,000 barrels of petroleum were not legally acquired, the plaintiff contending the lands were bought from Indians who did not hold a proper title from the original owner, who died in 1872 without leaving a will.

'Catholic Radio' Sought By Police in Mexico

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.
MEXICO CITY, Sept. 3.—The police are looking for a mysterious radio station which for the last two nights has been broadcasting propaganda favoring the Catholics, announcing this means of publicity has been resorted to since the papers are forbidden to print news favorable to the Catholic Church.

The station's call letters are given as CXR, and it begins functioning after 6 p. m. So far the station and those operating it have not been located.

Attaches Sinclair Oil Wells

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.
MEXICO CITY, Sept. 3.—A dispatch from Tampico says that the Judge of the Court of First Instance in Panuco has overruled a writ of injunction granted the Mexican Sinclair Petroleum Company by the Tampico District Court and has ordered the attachment of various wells owned by the company and houses, machinery, warehouses, storage tanks and pipe lines valued at several million pesos, supporting a suit filed against the company by Aniceto Torres, contesting the ownership of the property known as Las Lagunas.

See U. S. Firmer On Mexican Oil And Land Laws

Americans There Interpret
Calles Remarks Hinting
Modification Following
Sheffield-Kellogg Meeting

Desire for Conciliation

No Change Is Anticipated
Until Envoy Returns;
Religious Issue Eclipsed

By Jack Starr-Hunt

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.
MEXICO CITY, Sept. 3.—Reports that James R. Sheffield, the American Ambassador to Mexico, has scored the first round in his fight for a firmer policy toward Mexico were received here with unmistakable signs of approval in American investment circles. Those with oil and land interests, are especially anxious for a more complete definition from Washington of just what is meant by a firmer policy.

Further optimism has been created among American business men by the statement of President Calles hinting that the oil and land laws might be modified.

Observers are attaching considerable significance to the Mexican President's remarks, which were made following Mr. Sheffield's first conference with Secretary of State Kellogg and the subsequent statement giving assurances of the State Department's confidence in the Ambassador. These coincidences are taken as indicating Calles's desire to conciliate the United States on the long standing question of oil and land laws, the hope being expressed that his statement was not solely intended for public consumption.

Awaits Sheffield's Return

While some observers believe that Washington's changed attitude, if reports be true, will be expressed in a note, the tone of which will depend on Mexico's reply to the last American communication on the oil and land laws, others feel that no appreciable change will be felt until Mr. Sheffield returns to his post.

But in either case, the curiosity of Americans here is roused to a high pitch, with investors anxiously inquiring of their principals in the United States "for inside information" on the actual results of the conference between Secretary Kellogg and Ambassador Sheffield, as well as on the announced meeting of Mr. Sheffield with President Coolidge.

From the viewpoint of the American investor in Mexico, the result of Mr. Sheffield's endeavors for assurances of stronger backing, for the moment at least, holds greater interest than the religious controversy. American observers of Republican politics point out that Mr. Sheffield enjoys considerably more influence in the party than is generally known. He is credited here with having the support of Charles D. Hilles, chairman of the New York State Republican committee, and of Senator James W. Wadsworth.

Limited to Land and Oil Affairs

It is believed by some Roman Catholic sympathizers here that the influence of the Mexican question in the November Congressional elections will be limited to the land and oil controversy and the protection of American rights here, which was the issue between the two governments before the religious conflict assumed its present proportions.

"If the United States starts anything in the oil and land issues the State Department will go through with it." This summarizes the feeling among the majority of Americans here whose investments throughout Mexico are estimated at \$1,000,000,000.

Mexico Warns of Plot Against Calles Regime

Announces Diaz, De La Huerta
and Estrada Are Working To-
gether to Bring on Revolt

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.
MEXICO CITY, Sept. 3.—The announcement was made in government circles today of information that Adolfo de la Huerta and Felix Diaz, both unsuccessful revolutionary leaders now exiled in the United States, have reached an agreement to work together in a plot directed at the present government. The same announcement states that General Enrique Estrada, leader of the recent revolt directed from San Diego, Cal., is working with De la Huerta and Diaz and will meet them soon at Los Angeles.

Information of the Diaz-De la Huerta agreement was received from various Mexican Consuls in the United States.

Japanese Experts Study Mexico's Trade Capacity

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.
MEXICO CITY, Sept. 3.—Six Japanese trade and manufacturing experts have arrived here to study Mexico's producing capacity and the possibility of strengthening Mexican-Japanese trade relations, believing that Mexico produces many raw materials marketable in Japan which have escaped notice. In the party are experts on cotton, silk, porcelain, china, celluloid and the general merchandise trades.



THE WORLD: SATURDAY, SEPTEMBER 4, 1926.

MEXICO PREPARING NEW RELIGIOUS RULES

**Bill Being Framed That May
Permit One Foreign Preacher
in Each of Churches**

MEXICO CITY, Sept. 3 (A. P.)—A measure embodying new religious regulations limiting the number of priests in each state is being prepared for submission to Congress by the Department of Interior. If enacted and approved by President Calles, these regulations will supply those promulgated by the chief executive recently which caused the controversy between the Government and the Roman Catholic episcopate.

While nothing is known as to the details of the bill, it is reported that it may permit one foreign clergyman to officiate in each church of a foreign congregation. This would apply to all denominations.

Meanwhile the Episcopate is busy completing the petition which it intends to place before Congress for modification of the religious laws and in seeking some one to introduce and support the petition.

Congress is still without a Senate, the contests in the July 4 elections not yet having been settled.

Pope Gets Report on Mexico from Monsignor Crespi

ROME, Sept. 3 (A. P.)—A first-hand report of the Mexican religious situation was given Pope Pius to-day by Monsignor Crespi, Secretary of the Apostolic Delegation to Mexico, whom he received in private audience.

ART OF MEXICAN CHURCHES

MIXED WITH THE POLITICO-RELIGIOUS question now agitating the neighboring State of Mexico is the problem of the future of the churches and religious houses that dot this southern country. The churches number so many that Mexico is often called the Land of Domes. "It is a country rich in ecclesiastical structures,"

twenty beautifully proportioned pillars. The retables and the predominance of vertical lines in the construction prevent the frigidity of effect that marks many great interiors. The altar del Perdon is of gilded wood. The chapel of Los Reyes has the effect of a grotto, heavily incrustated with gold in every part, and glittering with jewels. The first Archbishop of Mexico, Fray Juan de Zumarraga, and also the famous Gregorio Lopez, the Mexican 'man in the iron mask,' said to have been a son of Philip II, are buried in the Chapel of St. Peter.

"Another chapel, the capilla of San Felipe de Jesus, is the grave of Agustin de Yturbe, the Emperor, whose tombstone bears the designation 'El Liberador.' Paintings by famous masters adorn some of the chapels in the cathedral. The 'Virgin of Bethlehem,' by Murillo, and a 'Virgin,' by Pietro de Cortona, are in the Chapter Room. A superb decorative feature is the choir, with its stalls and its two great organs, set in exquisitely carved wood that has never seen varnish or polish. These magnificent choir stalls were carved by the pupils of the first school of arts established on this continent, founded by the celebrated Flemish monk, Peter of Ghent, soon after the Conquest.

"The Church of San Hipolito de los Martires has an exceptional value from a historic point of view, marking the site of the famous causeway where the slaughter of retreating Spaniards took place—the Sorrowful Night, 'La Noche Triste,' of July 1, 1520, when the Aztecs drove Cortez from the city. The Church of La San-

tisima Trinidad, commonly known as la Santisima, has an important and beautiful Churrigueresque exterior, one of the finest in Mexico, while the historic Church of Santo Domingo, the Church of Jesus Nazareno, the Church of Santa Inez, and the Convent of San Bernardo are among the other ecclesiastical structures of Mexico City that are held to be architectural masterpieces."

Even more famous than the Cathedral of Mexico City is the Santuario de Guadalupe in the town of Guadalupe Hidalgo. This is said to be the most renowned pilgrimage resort in the New World. Of this we read:

"The first temple built in honor of Mary was soon considered too humble, and a vast cathedral was built to shelter the venerated figure. This cathedral was completed at the end of the nineteenth century.

"The Santuario de Guadalupe is done in pure Moorish style, touched with the genius of Spanish romanticism. The 'tilma' of Juan Diego, with the original figure of the Virgin imprinted, is well guarded. It requires a special permit to view it. This precious relic is placed on the main altar of the Santuario, in a silver shrine, under three doors of carved wood and glass, opened by golden keys. These keys are held by the three most prominent churchmen of Mexico.

"The statue of the Virgin bears a crown of magnificent jewels, valued at half a million dollars. The face and figure are more than usually primitive. Her hands are clasped over her breast and her eyes are downcast. There is no strength of expression. Here one sees just a representative type of the Spanish beauty



MEXICO'S MOST IMPOSING SHRINE

The Cathedral of Mexico City with the adjoining Sagrario, on the reader's right, built on the spot where formerly stood a primitive Aztec temple.

says R. J. Urruela in the New York Times, containing "some extremely beautiful cathedrals and churches—colorful, grandiose, representative of the spirit of those who reared them." The writer estimates that 20,800 churches were built in a period of 300 years, and the total valuation of structures and contents may be placed at a billion of dollars. If this estimate seems excessive, one has but to remember that the churches guard an enormous wealth of art and precious stones. To begin with the capital city:

"The Cathedral of Mexico City is the largest church on the American Continent. It occupies an imposing site facing the great central square of the capital, known to-day as the Plaza de la Constitucion, and formerly called the Plaza Mayor. The cathedral, together with the adjoining Sagrario—a portion of the great church, tho of a different style—occupies the northern side of the plaza. The temple of the Aztecs once stood here, and after the Spaniards had destroyed this temple it was decided that a Christian church should be built on the same spot. Two hundred and twenty-five years elapsed before the edifice was pronounced completed.

"Its walls are of a coarse-grained and porous volcanic rock called tezontle, and the statues and other ornaments of the facade are of white marble. The towers rise 203 feet 6 inches from the ground, and the graceful bell-shaped domes that crown them have oval instead of circular bases. The sculptural ornament of the exterior is striking.

"The interior is magnificent, the nave and aisles graced with

of the time. Yet this figure has been worshiped for nearly 500 years by hundreds of millions of people of all races.

"The 'Capilla del Pocito,' or Chapel of the Spring, retains that atmosphere of mysticism that once pervaded the place. Here, as in Lourdes, people come seeking relief from pain and despair. Pilgrims take away with them bottles full of sacred water. . . .

"The Cathedral of Puebla ranks second only to that of Mexico in grandeur. The effect of its great marble pavement is admirable. The high altar is of Puebla onyx and Mexican marble. The gem of this famous cathedral is its superb choir and screen, wrought by Mateo de la Cruz in 1697. The inlaid work is ivory.

"The shrine is venerated because it is believed to contain a thorn from the crown of the Savior. The paintings in the sacristy are by Echave el Mozo and there are three large pictures by Magon. Flemish tapestries, designed by Rubens and presented to the cathedral by the Emperor Charles V, hang on the walls of the Sala Capitular. . . .

"Guanajuato is one of the most picturesque places in Mexico. This large city, with its narrow and tortuous streets, is set in the midst of a great mining district. Prosperity is reflected in the many churches. The Parroquial Church of Guanajuato, formerly the Church of San Francisco, receives light through leaded windows that occupy the bay in the rear of the high altar. There is a large painting by Vallejo in the sacristy. The famous image of Nuestra Señora de Guanajuato, a gift from Philip II to the city, is enshrined in the baptistry.

"Most wonderful of all the churches of Guanajuato is San Cayetano, built on a lofty eminence swept by the pure air of the mountains and commanding a splendid view over the Valley of Guanajuato. This church was built by the proprietor of the famous mine, La Valenciana, Conde Rul. This mine, once one of the richest in the world, is now nearly exhausted; but memories of former greatness are found in the magnificent church that stands alone, towering among the ruins of the past.

"Wherever one may go in Mexico churches are sure to be found. Cuernavaca has a handsome cathedral. In San Luis Potosi is the famous church of Santo Domingo. Guadalajara has a cathedral filled with priceless treasures, among which is Murillo's 'Assumption of the Virgin,' a gift of King Carlos IV. The Cathedral of Morelia, capital of the State of Michoacan, is situated in a luxuriant valley surrounded by high mountains. The structure was built on a gentle elevation and is flanked by two beautiful gardens called the Plaza de los Martires and the Plaza de la Paz. . . .

"The greatest art treasure held by the Church in Mexico is certainly Titian's famous 'Entombment.' This is to be seen in the small Indian village of Tzintzuntzan. The masterpiece, which has been called one of the painter's greatest works, is jealously guarded by the villagers, who attribute to it supernatural powers. The crucifix in the Church of Santa Clara at Queretaro, by Mariano Perusquia, is also a noted work of art.

"Gifts from popes, kings, and emperors have contributed to the art wealth of Mexico. Even the smallest church in the most remote village has some treasure, while the great cathedrals stand as enduring evidence that the people of old Mexico knew how to translate faith into art."

THE COVER—Particularly appropriate to the approach of Labor Day is the scene pictured on the cover of this week's LITERARY DIGEST. It is from a canvas that hangs in the Corcoran Gallery in Washington, tho its painter is not native to America. Oscar Bjorek was born in Stockholm, Sweden, in 1860, and studied in Munich and Rome. "The Nailmakers," which is regarded as the leading work of his Roman period, was presented to the gallery by a number of the artist's friends, in May, 1896.

DISINTEGRATION OF "THE ROAD"

REPORTS FROM OUR TRAVELING dramatic indicate a low ebb in theatrical entertainment in America. Theaters there are open, but the fare is of a poor quality. Optimism, if any critic holds this commodity, is expended on the American prospect. "It might be hoped," says Mr. Jean Nathan of *The Morning Telegraph* (New York), "that the American theater would take its coat off and show its bare back to the theater of the rest of the world. . . . The money for the enterprise is here; the audiences; the quality of the plays being written by Americans is improving; taste on its part; the levels in America is also improving." But, looking out upon the early offerings of an opening season, he observes: "Will



Wide World photograph

CATHEDRAL AND MARKET-PLACE OF ZACATECAS

Another of the edifices that makes Mexico a rival of Spain and Italy in picturesque.

greatest opportunity that the American theater has ever had. It does seem something of a pity that the richness of this opportunity is being made mock of by the kind of balderdash in which the managerial gents appear bent upon continuing to produce. Mr. Nathan's purview does not extend beyond New York. That the problem is even greater than he states, is seen in an article by Mr. Clayton Hamilton in the *New York Times*. "How can we possibly develop a great American drama when more than nine-tenths of our American people must grow up and pass through their entire lives without ever seeing a good play acted by a good company, and if more than half of our population can never hope to see a play at all?" Here is a statement of the country at large, and the people who can not come to New York to see even what is best among plays produced there. Their deprivation, so Mr. Hamilton points out, is due, not to the usurpation of the movies but to the "disintegration of the road." He writes:

"It is not fair to place the blame entirely upon the popularity of the motion-picture, altho statistics show that there are 20,000 theaters in the country, of which 19,500 are devoted to the exhibition of motion-pictures; for, wherever it is possible to have the motion-picture and the spoken drama side by side, they draw their patronage from two totally different public. In New York, for instance, the public which patronizes the opera and flocks to symphony concerts and attends the important exhibitions of paintings and sculpture is the same public which

CALLES HAS FIRM GRIP ON CONGRESS

Deputies and Senators Against Proposals to Change Alien Land Laws, However

AGRARIAN REFORMS ASKED

Soto y Gama Leading Political Thinker in Country

By Arthur Constantine

Staff Correspondent of The World
Special Cable to The World

MEXICO CITY, Sept. 4.—If President Calles sends modifications of the Alien Land and Petroleum Laws to Congress they will be passed on the first roll call. This was made evident to-day in the unanimous acceptance by the Chamber of Deputies of the report of its Credentials Committee.

The Senate is expected to line up similarly as soon as the pro-Calles leaders perfect plans for its organization.

Presidential control of Congress appears to be as complete as it ever was in the heyday of the late Porfirio Diaz regime. President Calles has it in the hollow of his hand. Its members indicate they will pass any measure he sends to it.

However much the agrarians and laborites may be disposed to squabble over their own projects for setting the pace for the rest of the world, all indications are that they will be pro-Calles on a showdown.

Think Land Law Good

A preliminary canvass of the new Chamber of Deputies reveals their overwhelming preference, however, for letting well enough alone, as they put it, so far as the alien land and petroleum laws are concerned. These two laws in their present form are believed ideally to satisfy revolutionary aspirations as embodied in article 27 of the 1917 Constitution.

This is the Magna Charta of Mexico in the estimation of the pro-Calles Congress, and in their personal views the deputies are fervently against tampering with the existing laws interpreting it. This will be done, it is indicated, only if the President insists. But the most deferential of all Congresses will leave it to him to take the first step in that direction.

Any project emanating from vested interests—specifically great landed enterprises as well as oil companies—many look for short shrift from the 32d Congress. This is avowedly an anti-capitalistic Congress. Its members proclaim their championship of the proletariat.

Would Uplift Masses

Their legislative program, they further prophesy, will be devoted to uplifting the masses of Mexico. They are strong for the wage earner, whether he be in the factory or in the field.

The supreme task before the newly assembled Congress, according to Deputy Antonio Diaz Soto y Gama, Radical leader, is completion of agrarian reforms. He proposes to make the fight of his political life to give every campesino in Mexico, as the humble farm element is called, a piece of land.

There are 100,000,000 acres of national land in Mexico, Deputy Soto y Gama wants it divided up among the campesinos. If this were done it would give every one of them a farm of approximately twenty acres and in some sections the allotment to the individual would be even larger. Soto y Gama grants the Government is the greatest latifundista—large landholder—of all and he will ask Congress to pry the Federal Government loose from its vast holdings.

Antonio Soto y Gama is in many respects the most interesting figure Congressional life in Mexico has developed in the last twenty years. He is a radical antedating the present radical leaders. He wrote the Plan of Ayala, Bible of Zapatismo.

Political Thinker

What is called Zapatismo, otherwise known as the political philosophy which underlay the revolutionary movement in the State of Morelos, headed by the celebrated late Emiliano Zapata, was the product of Soto y Gama's brain.

Marvelously learned in radical literature, he is held by his followers to be the most original political thinker of his time in Mexico. Even his opponents concede his sincerity, integrity and independence, and by common consent he is regarded as the finest orator of them all.

He is the standpatter of standpatters on Article 27 and may be counted on to vote "No" to the last on any measure calling for modification of the existing laws interpreting it.

Soto y Gama is a native of the State of San Luis Potosi and is just past his fiftieth year.

As the Chamber of Deputies lines up on its preliminary organization the agrarians constitute a strategic minority. They aver they hold the balance of power. The majority is split among two groups socialistic in character and known as the Alianzas and the co-operatistas. The former represents the labor syndicates.

The Senate remains to be organized. The credentials of claimants for seats are still to be passed upon.



Catholics Help Mexican Relief In Trade Slump

Church, Commerce Bodies Combat Hardships Due to Depression From Boycott and Foreign Affairs

Tax Cut, High Duty Asked

Check on Capital Exodus, Government Buy-at-Home Policy Urged on Calles

By Jack Starr-Hunt

Copyright, 1926, New York Tribune Inc.
By Cable to the Herald Tribune

MEXICO CITY, Sept. 4.—Efforts to relieve the hardships and trade depression that is increasing, if Chambers of Commerce, trade experts and business men are to be believed, are now being made by both the Catholics and commercial institutions. Slack business conditions prevailing before August 1, when the religious conflict reached its climax, have slumped still further, due largely to the international situation and the effects of the economic boycott.

Reports from the American Chamber of Commerce and the British and other foreign chambers, chiefly Spanish, confirm opinions expressed in reports from Washington and from the office of the Commercial Attache of the United States here that business throughout the country is suffering and has fallen into a slump from which, it is expected, it will not materially recover until international questions have been settled and the religious issue has been cleared.

Catholics Aiding Relief Work

Catholic organizations are engaged in relief measures to aid the jobless. Charitable centers, public eating places and other similar provisional quarters will be established, according to officials of the National League of Religious Freedom, which is the main laic institution backing the Church in its fight with the government. Other Catholic institutions are engaged in similar work, it is announced in religious centers, where it is stated that many of those nearing destitution are former government employees who were discharged on account of their adhesion to the Church. Financial help for the unemployed also is being arranged. The sole requisite for relief is proof that the positions were lost on account of religious belief, league leaders state.

Chamber Offers Calles Aid

In a letter addressed to President Calles yesterday the National Chamber of Commerce makes a number of suggestions for relief of the situation. The chamber believes it is carrying out a patriotic duty by addressing the President and suggesting measures for alleviating the crisis which is "daily growing more intense."

The letter says the country's commerce depends upon farm products, which are not sufficient now to satisfy the national wants. The people, it is declared, already are underfed and yearly the prime necessity of imports increases. The letter gives figures on farm products imported, although many of them can be grown in this country.

Among the staples Mexico imports, principally from the United States, the letter mentions corn, wheat, eggs, lard, butter, condensed milk, beans, canned meats, margarine, fresh and dried fruits, vegetables, potatoes, coffee, sugar and even fowls. In turn the letter sets forth that many of the products grown in this country and really needed to sustain life are exported, such as bananas, other fruits, potatoes, beans and tomatoes.

Lack of Cultivation Blamed

The letter states: "The lamentable state of our agriculture not only is due to natural causes, such as floods and other phenomenon, which will oblige us to import this year, if present figures are accurate, 8,000,000 pesos worth of food products, but is directly due to lack of cultivation of the land." It declares the extraordinary demand for foreign drafts is increasing daily.

To prevent this exodus of the country's money, the letter recommends the establishment of a national economic committee composed of representatives of capital, labor, intellectuals, employees and consumers for a study of the situation. The letter cites results obtained in Germany by similar committees. It says the government has made large purchases outside the country of articles manufactured here to the detriment of national industry.

Lower Taxes, Higher Duties Asked

The relief suggested is a readjustment of public expenses to allow a reduction in taxes, increased import taxes on articles of luxury as well as increased taxes on luxuries manufactured in this country; establishment of a committee to supervise the sale of drafts and prevent the emigration of capital, this committee to be constituted of five representatives from the government banks, commerce, industry and agriculture; establishment of economic committees and that the government refrain from buying outside the country what is produced and manufactured here.



Mexican Consul Calls Flaherty Plea Effrontery

Elias Attacks Knights of
Columbus Head for Ask-
ing U. S. for 'Sympathetic
Action' in Controversy

Lack of Logic Is Charged

Says Church Condemns In-
terference in Former Re-
gimes and Now Seeks It

The appeal of James A. Flaherty, supreme knight of the Knights of Columbus, to President Coolidge for "sympathetic action" in behalf of the Catholics of Mexico was described by Arturo M. Elias, Mexican Consul General in New York, yesterday as an "immense effrontery" to the people of the United States. Mr. Elias said that "perhaps some day Mr. Flaherty will understand that Mexico is a sovereign government carrying out the will of its people and not changing its policy according to the amount of pressure exerted from outside."

"One of the national press bureaus has sent from the President's summer home a dispatch which has been broadcast throughout this country which is most remarkable for two things," Mr. Elias said; "first, for its frankness in stating what the lay spokesman for the Catholic hierarchy, the Knights of Columbus, wishes the government of the United States to do, and, second, for the statements of the president of the Knights, Mr. Flaherty, contained in the same dispatch."

"Story in All Its Baldness"

"This dispatch, printed in the papers of September 2, says that Mr. Flaherty came to the summer White House to present and discuss the resolution of the Knights of Columbus calling for action to protect Catholic churchmen in Mexico in their religious dispute with President Calles." Here at last the people of the United States have the story of what has been called 'the Mexican religious question' in all its baldness.

"No subterfuge, no claim that the property interests of any citizen of the United States have been jeopardized, but the Chief Executive of the United States is deliberately asked by the representative of the Catholic hierarchy to interfere with the acts of the Chief Executive of another sovereign government who is insisting that the representatives of an ecclesiastical establishment obey the sovereign law of the land as laid down in its constitution."

"The immense effrontery of such an act surely needs no comment to a people with such traditions as those of the United States."

Charges Plot With Huerta

"Mr. Flaherty's own statement is in keeping with the resolution that he presented to the President. The fall of the notorious Victoriano Huerta, who seized power over the murdered body of Francisco Madero, has always been resented by the Catholic hierarchy. It is a matter of record that members of that body with money and influence tried to keep Huerta in power. It is a matter of record that many of the higher prelates of the hierarchy were compelled to flee from Mexico after the fall of Huerta in fear of being punished for the part they had taken in his usurpation of power."

"They had an American spokesman, a Catholic clergyman by the name of Kelley, who is now Bishop of Omaha, who in a book published in this country not only defended Huerta, but presented him to the American people as the only man in Mexico who could bring peace to that country. The same Bishop Kelley is now denouncing both the present Mexican government and the late President Wilson, whom he seems to hold responsible for Huerta's downfall."

"Mr. Flaherty says that 'the conditions existing in Mexico result from the interference by the United States government and that but for such interference the Carranza, Obregon and Calles governments would not have existed.'"

"This is capable of only one inference. Victoriano Huerta, or a successor as pliable in the hands of the hierarchy, would have been in power now and there would have been no Church question if the policy of the Administrations of President Wilson and President Harding had been different."

"Perhaps some day Mr. Flaherty will understand that Presidents of Mexico are chosen south of the Rio Grande and not north of it. Perhaps he will also understand that Mexico is a sovereign government carrying out the will of its people and not changing its policy according to the amount of pressure exerted from outside."

Inconsistency Charged

"I am sorry that Mr. Flaherty's sense of logic is not better developed. On the one hand, he finds fault with what he claims the wrong policy of two American Presidents in interfering with internal affairs in Mexico. On the other hand, he now asks another President of the United States to interfere in the settlement of the internal problems of that country."

"Evidently the interests of the Catholic hierarchy are more potent in his mind than a sense of logic. He resents any interference by any Administration of this country in the interest of any one opposed to the special privileges of the Church, but he welcomes this same interference in support of such privileges."





Mexican Church May Send Committee to Vatican

Episcopate, Preparing for Long
Drawn Out Fight, Seeks to
Lay Case Before Pope

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 4.—The Roman Catholic Episcopate of Mexico, preparing for a long-drawn-out resistance against the religious laws, is considering sending to the Vatican a special committee, consisting probably of three Archbishops, to act directly as liaison officers between the Episcopate and the Holy See. The Archbishops or Bishops to form the committee have not been selected as yet, but it is expected that the Archbishop of Mexico, the Most Rev. Jose Maria Mora y del Rio, will announce their names next week.

In ecclesiastical circles it is believed that Bishop Pascual Diaz, secretary of the Episcopate, who is the central figure in the conflict with the government, will be a member of the committee, which will have full power to discuss all questions now coming up continually between the Episcopate and the Vatican.

While the principal duty of the committee will be to lay before the Pope the entire situation, another object of having it in Rome will be to make the hierarchy's position clearer.

NEW YORK HERALD TRIBUNE, SUNDAY, SEPTEMBER 5, 1926



Mexicans Here to Mark Sept. 16

Mexico's Independence Day, September 16, will be celebrated by the Mexican colony in New York with a concert and dance on the Hotel McAlpin roof on the evening of Wednesday, September 15. Tickets may be obtained from the Mexican Chamber of Commerce, 245 Broadway; the Mexican Consulate, 225 West Thirty-fourth Street, or at the hotel.



GETTING IT AT FIRST HAND. Secretary of State Frank B. Kellogg, at right, in consultation in Washington with James Rockwell Sheffield, United States Ambassador to Mexico, who informed his superior of events during the Calles feud against the Church.

Acme



MEXICO PLANS HIGHWAYS TO COVER NATION

First Link in Great Chain Will
Be Opened Today; Road
Connects Capital with U. S.

BY GEORGE W. HINMAN, JR.
Universal Service Staff Correspondent.

MEXICO CITY, Sept. 4.—The first step toward the realization of a gigantic, nationwide good roads programme involving the construction of thousands of miles of highways throughout Mexico will be taken tomorrow when the government formally accepts from the contractors the primary link in a route to connect Mexico City with the United States, via Nuevo Laredo, opposite Laredo, Texas.

Following the example set by the United States, where the Hearst newspapers have been leading in a national "good roads" campaign, the Mexican Government authorities recognize the vital part played by good highways in the building up of a nation, not only economically, but socially. Every effort is being made for the fulfillment of the hope for the construction of main trunk lines across the republic, with the individual states carrying on supplemental road building programmes to interlock with the national plan.

CALLES INTERESTED.

President Calles himself has shown the greatest interest in the good roads projects, and has played a prominent part in furthering the programme.

The Mexico City-Nuevo Laredo Highway, as mapped, covers approximately 800 miles from the capital of the republic to the border. The first link of this route, which is to be delivered in finished condition to the government on Sunday, covers sixty miles, extending from Mexico City to Pachuca, the center of one of the world's richest mining areas of gold and silver.

The highest officials of the government are attending the formal dedicatory ceremonies of this stretch of road, with participation by all types of motor transportation in spectacular demonstrations.

ANOTHER LINK READY.

Next Friday similar ceremonies will mark the acceptance by the authorities of an additional seventy-five miles of highway connecting Mexico City with Puebla. This highway is the first link in a 500-mile road to the south of the capital, connecting with the Guatemalan frontier, whence it is hoped that other Latin-American republics will carry out the ideal of the Pan-American conferences for a grand highway extending from Argentine and Chile through to Canada.

The third great project involves the construction of a highway 500 miles in length, from Mexico City to Acapulco, on the Pacific Coast. The Puebla highway also is to connect with a road, now under construction, from Vera Cruz, on the Atlantic side of Mexico, to Jalapa and Perote.

These projects alone will thus give Mexico City direct through highway connections with both the northern and southern frontiers, and with both coasts.

SURVEYING NEW ROAD.

Another most important project is that for a highway nine hundred miles in length, from Columbus, N. M., to Mexico City. This route is now being surveyed by President Johnson, of the Lee Highway Commission, and a party now traveling in Northern Mexico. This highway from Columbus would run from the border to the capital via Chihuahua, Durango, Zacatecas, Aguas Calientes, Guanajuato and Jalisco, thus furnishing the second link between the Mexican capital and the United States.

In addition to these national projects numerous state governments already are engaged in carrying out local undertakings designed to supplement the federal efforts. Governor Vasques, of Oaxaco, has initiated construction on a hundred and seventy-five miles of highway to the Isthmus of Tehuantepec, one link being already completed. One feature of this project is that it is designed to supply all the transportation facilities for the region covered, thus making unnecessary the construction of railroads.

Among others, Governors Rodarte, of Zacatecas; Mendoza, of Tlaxcala, and Rodriguez, of Hidalgo, have recently acquired road building equipment for the fulfillment of their highway projects.

The nationwide interest and appreciation of the importance of good roads are regarded as assuring the completion of the projects so vital to the unity and prosperity of the republic.



**BOYCOTT MAKES BARGAIN**

Prices Cut, With Small Success, in
Mexican Church War

MEXICO CITY, Sept. 4 (A. P.)—The eve of the first Sunday of the second month of the Catholic Church interdict showed no sign of any change in the situation. The Catholic episcopate met for further consideration of the proposed petition to Congress for amendment of the constitutional clauses which, they assert, are inimical to freedom of worship.

The Catholic economic boycott in protest against the Calles enforcement of the church restrictions still continues. Retail stores have blossomed out with bargain signs and price cutting offers. Places of entertainment have also cut the admission prices. Some business has been gained, it is reported, but trade is far from normal.

CALLES AWAITS CHURCH ATTACK

By GEORGE W. HINMAN, JR.,

Universal Service Staff Correspondent.

MEXICO CITY, Sept. 4. — A church programme calling for "the re-establishment of religious freedom in Mexico," will be presented to Federal Congress Monday in the form of drafts of projects aiming at the modification of the constitution and the supplementary laws and decrees emanating from the Calles regime which restrict religious worship.

This announcement was made this afternoon by the Catholic Episcopate after a final meeting of Archbishop Mora y del Rio with his associates for the drafting of the proposals.

Despite the overwhelming strength which the Calles administration possesses in Congress, the Catholic leaders expect to be able to find at least one deputy who will present the measures on their behalf.

The Government also is expected to have ready for submission its own program, calling for the strictest enforcement of the laws, not only affecting Catholics, but also the Protestant churches and clergy.

New evidence of the acuteness of the economic crisis, as brought on by the persistence of the Catholic boycott, was seen today in the appeal to President Calles by the National Chamber of Commerce emphasizing the need for remedial measures. Conditions are regarded as being made still worse by the fact that Mexico, although primarily an agricultural country, now is importing foodstuffs at the rate of forty million dollars annually.



MEXICAN CONSUL CRITICIZES K. OF C.

Elias Calls Request on Coolidge
to Interfere "Immense
Effrontery."

DENOUNCES BISHOP KELLEY

Says Omaha Prelate Defended
Huerta Whose "Fall Has Always
Been Resented by Hierarchy."

Arturo M. Elias, Consul General of Mexico, in a statement issued from the Consulate yesterday, criticized James A. Flaherty, Supreme Knight of the Knights of Columbus for his recent activities in seeking to enlist the personal influence of President Coolidge in behalf of the Catholic churchmen of Mexico. In the same document the Consul General also denounced Bishop Kelley of Omaha for his alleged past activities in Mexican affairs. Consul General Elias said: "One of the national press bureaus has sent from the President's Summer home a dispatch which has been broadcast throughout this country which is most remarkable for two things. First, for its frankness in stating what the lay spokesman for the Catholic hierarchy, the Knights of Columbus, wish the Government of the United States to do; and second, for the statements of the President of the Knights, Mr. Flaherty, contained in the same dispatch. "This dispatch printed in the papers of Sept. 2, says that Mr. Flaherty came to the Summer White House to present and discuss the resolution of the Knights of Columbus calling 'for action to protect Catholic churchmen in Mexico in their religious dispute with President Calles.' "Here at last the people of the United States have the story of what has been called 'the Mexican religious question' in all its baldness. No subterfuge; no claim that the property interest of any citizen of the United States has been jeopardized, but the Chief Executive of the United States is deliberately asked by the representative of the Catholic hierarchy to interfere with the acts of the Chief Executive of another sovereign Government who is insisting that the representatives of an ecclesiastical establishment obey the sovereign law of the land as laid down in its Constitution.

Calls It Immense Effrontery."

"The immense effrontery of such an act surely needs no comment to a people with such traditions as those of the United States. "Mr. Flaherty's own statement is in keeping with the resolution that he presented to the President. The fall of the notorious Victoriano Huerta, who seized power over the murdered body of Francisco Madero, has always been resented by the Catholic hierarchy. It is a matter of record that members of that body, both with money and influence, tried to keep Huerta in power. It is a matter of record that many of the higher prelates of the hierarchy were compelled to flee from Mexico after the fall of Huerta in fear of being punished for the part they had taken in his usurpation of power. "They had an American spokesman, a Catholic clergyman by the name of Kelley, who is now Bishop of Omaha, who in a book published in this country not only defended Huerta but presented him to the American people as the only man in Mexico who could bring peace to that country. The same Bishop Kelley is now denouncing both the present Mexican Government and the late President Wilson, whom he seems to hold responsible for Huerta's downfall. "Mr. Flaherty says that 'the conditions existing in Mexico result from the interference by this Government (the United States), and that but for such interference the Carranza, Obregon and Calles Governments would not have existed.

Consul General's Inference.

"This is capable of only one inference. Victoriano Huerta, or a successor as pliable in the hands of the hierarchy, would have been in power now and there would have been no Church question if the policy of the Administrations of Presidents Wilson and Harding had been different. "Perhaps some day Mr. Flaherty will understand that Presidents of Mexico are chosen south of the Rio Grande and not north of it. Perhaps he will also understand that Mexico is a sovereign Government, carrying out the will of its people and not changing its policy according to the amount of pressure exerted from outside."

SAY DE LA HUERTA HATCHES PLOT HERE

Mexican Officials Declare He
and Diaz Conspire, but
Belittle Efforts.

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Special Cable to THE NEW YORK TIMES.
MEXICO CITY, Sept. 4.—Government officials here say that Adolfo de la Huerta, former Provisional President of Mexico, and Felix Diaz, a nephew of Porfirio Diaz, for many years President, both of whom are now in the United States, are planning a revolutionary movement against the Calles Government. Mexican Consuls in the United States report that the two are holding meetings almost daily, the Government officials say, but they add that the activities of these men are unimportant. Federal troops, assisted by State forces, are guarding the frontier, in view of reports of rebel activities. No sign of any revolutionaries has been seen along the border in the State of Chihuahua, the officials announce. The War Department has purchased several hydroplanes to patrol the coasts and prevent rebels from landing arms. Two planes will be used on the Atlantic and two on the Pacific seaboard. President Calles, accompanied by several Cabinet Ministers, is spending a few days' vacation near the city of Queretaro. He is expected to return to Mexico City early next week. Measures to reduce Government expenditures and taxes, to raise duties on imports and to speed up Mexican agriculture are asked by the Federation of Chambers of Commerce in a letter addressed to President Calles. The letter, which is the outcome of resolutions passed several days ago by the chambers, requests the appointment of a commission of economy to inaugurate the program. The letter declares that Mexico will be compelled to import 80,000,000 pesos' worth of foodstuffs during the next year because Mexican farmers are not raising enough to supply the country. The Government, it is stated, has purchased in foreign countries a large amount of goods that could be pro-

duced in Mexico, thus injuring Mexican business. The chambers request the Government to raise the duties on articles of luxury. Control of the sale of foreign drafts to curtail the export of Mexican gold is also asked.

MEXICAN OIL WELL AFIRE.

Strikers Are Blamed for Blaze on
Aguila Company's Property.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.
MEXICO CITY, Sept. 4.—A telegram to the Excelsior from Tampico states that oil well No. 40 of the Aguila Oil Company, one of the largest producing wells owned by the British firm, is afire. It is expected to be a total loss. The telegram says that strikers set the fire. The fight to prevent the blaze from spreading has so far proved unsuccessful. The loss is estimated at several million dollars. The body of Ramon Garcia, a workman, who had been killed with a dagger, was found near the well. It is reported that El Oro Mining and Railway Company will suspend operations in El Oro mines owing to labor troubles, and that the Dos Estrellas Mining Company will do likewise unless the labor difficulties are settled.

MEXICAN DEPUTY IS SLAIN.

He Is Shot in Political Fight—
Country Is Still Without Senate.

GUADALAJARA, Mexico, Sept. 4 (AP).—Congressman Laberto Meza Ledesma was killed and several persons were wounded during a pistol fight among local politicians in one of the principal streets of the business section here yesterday. The trouble was the outgrowth of arguments regarding the municipal elections to be held tomorrow.

MEXICO CITY, Sept. 4 (AP).—The Mexican Senate still is unable to function, due to the fact that the rival groups have not agreed on the contests for seats arising out of the elections held on July 4.

In Charge of Our Embassy in Mexico

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.
MEXICO CITY, Sept. 4.—Arthur Sheonfield, Chargé d'Affaires, arrived here today to take charge of the American Embassy. During the absence of Ambassador Sheffield in the United States, First Secretary Arthur Bliss Lane has been in charge. The American colony is preparing a letter commending the services of Mr. Lane, which will be presented to Mr. Sheffield when he returns here.



THE WORLD: MONDAY, SEPTEMBER 6, 1926.

MEXICO ACTS TO STEM OUTWARD TIDE OF GOLD

*Alarmed by Silver's Decline, Gov-
ernment Will Cut Purchases
Abroad to the Bone*

Special Cable to The World

MEXICO CITY, Sept. 5.—A desperate effort will be made by the Federal Government to stop the flow of gold from Mexico. Stringent orders will be issued to all branches of the Government to cut imports to the bone. State Governments will be asked to follow suit.

Imports of commodities from the United States, accounting as they do for 80 per cent. of the grand total, will be chiefly affected.

This drastic step is dictated by the alarming drop in the exchange value of the silver currency. Gold yesterday commanded a premium of six centavos per peso over silver. American drafts sold for a centavo and a half higher. Unstable economic conditions growing out of the church-state conflict are given as the principal reason for the relative scarcity of gold.

If the ban on Government purchases abroad fails to stop the drop in silver a ban on imports in general is looked for.

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FORMER CONSUL ACCUSED

E. H. Thompson Charged With Illegally Taking Antiques Out of Mexico

MERIDA, Yucatan, Mexico, Sept. 5 (A. P.)—By order of the Attorney General of the republic, the Federal District Attorney to-day made official charges against Edward H. Thompson, former United States Consul at Progreso, of having illegally removed from the country valuable archaeological treasures, gold, jade and silver, which had been found by him years ago in a sacred well in the ruins of Chichenitza, where he owns a ranch.

The charges also name as "accomplices" Harvard University, the Peabody Museum in Boston and the Field Museum, Chicago, which are alleged to have acquired these objects, which Government experts value at more than \$500,000.

The District Attorney has received an order to attach Thompson's ranch.

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THE WORLD: MONDAY, SEPTEMBER 6, 1926.



NEW MEXICO CHURCH RULE

Provision for Foreign Ministers Now
Up to Approval by Calles

MEXICO CITY, Sept. 5 (A. P.)—Each foreign colony or church composed of foreigners may be allowed one foreign minister of religion by the new religious regulations which are being drafted by the Department of the Interior for presentation to Congress.

If these regulations are adopted by Congress and approved by President Calles they will supplant the present regulations. Thus the question of modifying the recently promulgated regulations rests entirely with the President, who controls Congress.

This was the sixth Sunday in which the Catholic churches in Mexico City were without the services of priests.



PARADE BOOSTS MEXICAN ROADS

By GEORGE W. HINMAN, JR.,
Universal Service Staff Correspondent.

MEXICO CITY, Sept. 5.—Thousands of motor vehicles—ranging from the most antiquated vintage of the flivver to the latest thing in monster trucks, and nearly every one of them "Made in U. S. A."—joined today in a spectacular demonstration which marked the formal opening of the first link in Mexico's national "good roads" programme.

Mexican officialdom and American business enterprise were conspicuously represented at the ceremonies marking the dedication of the Mexico City-Pachuca Highway, which eventually is to be extended to connect the United States frontier with Mexico's capital.

Governor Rodriguez, of the State of Hidalgo, was the principal speaker at the celebration, which was staged at the point where the Federal district and his State are joined by the new road.

Mexican Women Are Backbone of Church's Stand

**Pitted Against Army, They
Conduct Religious Services
and Carry on Economic
Boycott That Halts Trade**

Picket Fronts of Theaters

**Win Over Railroad Men to
Their Cause and Exercise
Pressure Upon Legislators**

By Jack Starr-Hunt

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 5.—The conflict between the church and state is rapidly becoming one wherein the government's strength, represented by the army, is being pitted against the great majority of Mexican women, who have rallied about the Catholic banner as the clergy's staunchest supporters.

The government is maintaining its position through the loyalty of its armed forces, while the women have enthusiastically taken up the major portion of the church's burden in struggling to eventually secure a victory over President Calles's armed resistance.

The Mexican woman, Catholic by heritage and pious to the extreme, is determined to defend with all the weapons of womanhood not only her ideals but those of Mexico's men as well, whom she is endeavoring to influence with all the means at her disposal to continue the passive resistance decreed by the church.

Women Stand Under Fire

The Mexican woman firmly believes in the Church's cause and that victory is imperative for her future existence as well as that of her husband and of other male relatives. She has repeatedly revealed her determination to fight the Church's battles since the invocation of the anti-religious laws on August 1.

During the religious riots, it was revealed to-day, the Guadalajara women refused to leave the doorway to the Guadalupe sanctuary, even though the soldiery fired a volley over their heads. They replied to the barrage by attacking the troops with knives, iron bars, spades, brooms and stones. Church circles admit that similar instances have taken place throughout the country.

Though the League for National Religious Freedom, which has been conducting the economic boycott, or "buyers' strike," as the boycott now is referred to generally in business circles, is principally directed by men, its work in a great measure is carried out by women. Women distributing Catholic propaganda have invaded every section of Mexico City pleading the Church's cause. The league officials frankly give the credit to the women for its organization and the network of propaganda that it has spread over the country.

Won Over Railroad Men

Catholic leaders to-day awarded credit to the women for having won over the railroad men, who at first, if not opposed, were indifferent to the Church's petition. The officials of the League for Religious Freedom issued a statement declaring that two workers from the Union of Mexican Catholic Dames, which organization is composed of the wealthiest women, assisted by girls selected from the highest social circles, were able in a fortnight to win over 80 per cent of the railroad men.

The majority of those who resisted the seizure of the churches and were injured in the street fighting following the suspension of services were women.

The women are the most ardent supporters of the boycott. They draw up blacklists, distribute propaganda against merchants and practically assume the duties of the league officials who delegate them as assistants.

In a great number of cases since August 1 women have been mounting

ing plant states that his August business was good, but that it consisted chiefly in women having their old clothes made over and dyed with black, the predominating color of the day.

Make Officials' Lives Unhappy

In Guadalajara a man seeking to pass pickets outside of a department store owned by a Frenchman had to obtain their authorization to buy six pairs of socks before they would let him enter. The customer related the incident to the owner, who stepped into the street and roundly voiced his protest to the pickets. The store was promptly blacklisted and the Frenchman's business was virtually paralyzed until he offered an apology for losing his temper.

But it is the government employees who are more or less "between the devil and the deep sea," for while working during the day they are forced to sympathize with and support the government, only to be made miserable upon returning home by their wives and mothers, who have spent the day praying in the churches or listening to priests at clandestine meetings.

Espionage in Offices

One high government official, a staunch supporter of Calles' policy, said that he fully realized that the clergy's espionage service included even the stenographers and other women in his office. The women's influence is keenly felt by such officials and cabinet members are not excepted. They find it extremely difficult to appease their feminine relatives and still adhere loyally to the orders given to them from the President.

It is fully expected that the wives and mothers of the Deputies and Senators will figure prominently in the fight which the Church intends to make on the floor of Congress in an attempt to secure an amendment to the anti-religious laws. It is an open secret that the Congresswomen who have virtually pledged their support to the government, already are having considerable trouble in quieting the women in their constituencies.





**Serrano
a Man
of Courage.**

Mexico, whose politicians have so often settled disputes with the pistol in public and even in the halls of Congress, is not the country where one would expect condemnation of the duello. Coming from General SERRANO it is all the more astonishing. Although Governor of the Federal District, he might fight a duel with the approval of army officers. The law would probably look the other way in Mexico. But SERRANO does not care who knows that he is opposed to dueling.

Challenged to the field of honor by Prince PIGNATELLI of the Italian Legation, General SERRANO declared that duels are ridiculous and that the duelist should be punished by the courts.

The fire-eating Italian Prince, who boasts of being a descendant of CORTES, has only succeeded in getting himself laughed at. His challenge appeared in a newspaper, but everybody, except perhaps the General's enemies, thinks it was funny. Certainly the language used by the diplomat in defense of his "honor" belied his sense of humor. General SERRANO's attitude toward dueling is not only courageous, but an example in Mexico for all public men.



MEXICANS KILL DEPUTY AND TWO SUPPORTERS

**Candidate for Governorship of
Jalisco Is Shot At—Election
Riots Expected.**

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 5.—Representative Juan Verdin and two of his friends were assassinated by political enemies, according to dispatches from the State of Nayarit.

The police so far have found no trace of the murderers.

Guadalajara, the second largest city in the republic, is greatly excited over the killing of a Congressman in the streets there last week by political enemies. Feeling is running high and the elections for Governor of the State of Jalisco next Sunday are expected to produce riots.

Federal troops have been warned to be on the alert to prevent disorders.

One candidate for the Governorship, Alfred Room, was shot at last night while passing the headquarters of a political organization favoring his opponent.

MEXICO TO LAUNCH BUY-AT-HOME DRIVE

Calles Will Seek to Stimulate
Industries, Cut Gold Export
and Halt Silver's Drop.

BUSINESS IS CUT IN HALF

Sales Reported Down 60 to 70 Per
Cent. in Some Places, With Little
Hope of Quick Revival.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 5.—"Buy Mexican Products" will be the slogan of the Government in its campaign to induce the people to purchase domestic in preference to foreign imported articles.

The Government will also adopt strict measures to prevent a further decline in silver and to reduce imports.

According to the local press, President Calles will issue a circular, addressed to all Government departments, ordering them to refrain from buying foreign goods if the articles are manufactured in Mexico. In the case of foodstuffs everything needed must be bought in Mexico.

Another circular will be sent to all the Governors of the States requesting their cooperation.

Measures will be taken to curtail the exodus of gold from Mexico and to limit the increasing volume of foreign drafts sold, mostly drawn on New York.

A technical commission, under the direction of the Secretary of Finance, will be appointed to make a complete study of present conditions. Their report will be submitted to the Government officials for examination and suggestions as to ways and means to prevent the present business crisis from growing worse.

The National Bank Commission and the Bank of Mexico will also study conditions.

Trade Bodies Urged Measures.

Measures similar to those outlined were advocated last week in a letter to President Calles by the Federation of Chambers of Commerce.

Several merchants dealing in drugs have issued a statement in which they declare that, owing to the drop in silver, they are compelled to sell all their goods for gold.

The merchants say that the retail prices will be increased slightly. They have to pay for their supplies in the United States in gold, they say, so they cannot continue to sell at the present silver quotations.

Gold was at a 5 per cent. premium over silver yesterday.

The crisis still continues, general business reporting a 40 per cent. cut in sales since the Catholics instituted the boycott, although a depression existed before the boycott was enforced as a protest against the Government's religious regulations.

Bargain Sales Are Featured.

Wholesalers here who supply houses in the interior, it is reported, are suffering heavily as sales there have dropped 60 or 70 per cent. since the first of the year.

Large stores in Mexico City are holding sales at low prices in an effort to get customers and to reduce their heavy overhead expense.

Importers report a 50 per cent. drop in orders for all lines except food stuffs, foreign buying in which has increased owing to crop failures due to heavy storms, and the fact that small farmers are raising only enough for their own consumption.

That the crisis will be greater within the next two months is believed by some experts who say that the heavy importation of foodstuffs during the rest of this year and the first part of 1927 will use up large sums which would go ordinarily for luxuries.

No hope for a speedy improvement in general business is seen by these observers, although they believe that if the Government succeeds in obtaining a loan in the United States conditions will improve slightly. The chances for this loan, however, are regarded as poor.

MEXICAN BISHOPS PLAN PETITION TOMORROW

Chihuahua Congressmen, It Is
Reported, Will Present Plea to
Relax Religious Laws.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 5.—The petition of the Catholic episcopate asking for

modification of the religious laws which caused the present struggle between Church and State in Mexico, will be presented to Congress on Tuesday.

A group of Representatives from the State of Chihuahua, it is reported, will present the Catholic petition, which is said to be milder in tone than was expected, and to request that the Catholic Church receive the rights and liberties of ordinary Mexican citizens.

The petition, it is understood, states that the Church has always been first in the struggle for better living conditions for the workers, and that she is requesting only the right to live and progress.

If Congress refuses to take action, it is said, the Catholics have other measures which they intend to enforce as protests against the religious regulations. Meanwhile, their economic boycott continues and, it is declared, it will go on even if Congress starts a discussion of the petition.

Members of the episcopate are not hopeful of success. The Bishops say that the members of Congress are hand-picked, and that the possibility of relief from present conditions, therefore, is slight.

Even though the petition fails, the presentation of it will show the Congressmen that the immense majority of Mexican's favor relaxation of the Government's restrictions, the Bishops say. This show of strength, they add, will have greater weight with the next Congress two years from now.

Catholics repeat that they are prepared to wait for months and even years until the Church succeeds in obtaining her rights. They declare that the Pope is behind them and the whole Catholic world approves their fight for religious liberty.

MEXICO TO ATTACH EX-CONSUL'S RANCH

E. H. Thompson Is Accused of
Illegally Exporting Relics
Now in Museums Here.

HARVARD AN "ACCOMPLICE"

Treasures He Took From Well Were
Hailed Here as Most Important
Maya Archaeological Find.

MERIDA, Yucatan, Mex., Sept. 5 (AP).

—By order of the Attorney General of the Republic, the Federal District Attorney today made official charges against Edward H. Thompson, former United States Consul at Progreso, of having illegally removed from the country valuable archaeological treasures, gold, jade and silver, which had been found by him years ago in a sacred well in the ruins of Chichen-Itza, where he owns a ranch.

The charges include Harvard University, the Peabody Museum in Boston and the Field Museum, Chicago, which are alleged to have acquired these objects.

These institutions are accused of being accomplices in that they received alleged stolen property.

The District Attorney has received an order to attach Thompson's ranch as a guarantee of civil responsibility.

The objects in question are valued by Mexican Government experts at more than half a million dollars.

Early in July of this year it became known that the Mexican Government was investigating charges that Mr. Thompson was responsible for the illegal removal of valuable archaeological treasures from Chichen-Itza. It was said that under the law such finds should have become the property of the Mexican Government.

News of these finds, however, first came to light in the Spring of 1923, after they had been kept secret by Mr. Thompson for ten years.

Dr. J. C. Merriam, President of the Carnegie Institution, and Professor Marshall H. Saville, head of the Museum of the American Indian, pronounced them at that time to be the most important source of information in unraveling the story of the Mayas which had been made available to science.

The discoveries made in the famous Maya ruins on Mr. Thompson's ranch were said to include priceless turquoise masks, jade carvings, gold ornaments and numerous other objects which threw new light on ancient Maya civilization. They were found in the sacred cenote near the ruins.

The cenote is an immense natural cavern fed by a subterranean stream. It was used by the Mayas as a sacrificial well, in which only voluntary human sacrifices of virgins of physical perfection and unusual beauty were received.

For years during the period of discovery Thompson in a diving suit descended daily into the cenote to a depth of seventy-five feet.

Among the most important objects found was a sacrificial knife with an ebony handle in the form of two entwined serpents biting the flint blade. Fragments of textiles of hitherto unknown weaves; solidified masses of copal embalming human hearts, and beautiful jade ornaments were among other treasures. The gold ornaments included breast shields, pendants, bells, earrings and other rings.

Mr. Thompson was the American Consul at Yucatan in wartime, his appointment being made at the request of the President of the American Antiquarian Society. He went to Yucatan more than forty years ago at the request of Harvard University and the American Antiquarian Society, of which he was a member, to study vestiges of the ancient Maya race.

TALLEY SAYS ELIAS VIOLATES THE LAW

Propaganda by Mexican Consul
General Called Contrary to
Diplomatic Usage.

SEES "SURPRISING LICENSE"

Such Practice Never Tolerated From
Any Other Foreign Official,
Judge Declares.

Former Judge Alfred J. Talley, President of the Association for the Protection of Religious Rights in Mexico, said yesterday that the statements of Arturo N. Elias, Consul General of Mexico, made in pamphlets and through the press, were "contrary to international law and recognized diplomatic custom."

Judge Talley's statement was in reply to one issued by Consul General Elias and published in Sunday papers. The Consul General criticized the President of the Knights of Columbus for seeking to enlist the personal influence of President Coolidge in behalf of the Catholic churchmen of Mexico.

Seventeen papers which he said were distributed to the public and press by the Mexican Consul General in New York were listed in Judge Talley's statement.

Not Tolerated Before, He Says.

"The latest outburst of the Mexican Consul General in New York against the Knights of Columbus's protest to President Coolidge on the Mexican religious persecution again calls attention to the surprising license allowed to this official by our State Department," said Judge Talley. "His persistent addresses to the American people by means of pamphlets and through the press are contrary to international law and recognized diplomatic custom and have never before been tolerated from any other foreign official by our Government."

"The Mexican Consulate in New York has become a press bureau for Mexican propaganda. No less than seventeen different pamphlets and articles prepared for the press are being handed at one time to any visitor who asks for them, and these sets are being distributed by thousands throughout the country."

"International law seems to prescribe the following rule, which was promulgated by Attorney General Lee of the United States as early as 1797, and which has been uniformly adopted by text-writers and followed by various Administrations since that time:

"A foreign Minister here is to correspond with the Secretary of State on matters which interest his nation and ought not to be permitted to resort to the press. He has no authority to communicate his sentiments to the people by publications, either in manuscript or in print, and any attempt to do so is contempt of this Government. His intercourse is to be with the Executive of the United States only, open matters that concern his commission or trust." (Moore's Digest of International Law, Vol. 4, page 682 and citations.)

"Why the present unspeakable Government of Calles should enjoy special exemption from the observance of recognized diplomatic requirements which obtain in all civilized countries is becoming increasingly difficult to understand."





Curator Denies U. S. Took Mexican Relics

CHICAGO, Sept. 6. (AP).—Terming false accusations of the Mexican Attorney-General that \$500,000 worth of archaeological treasures had been removed from Chichan-itza, Mexico, to the field museum here and other American museums, Dr. Berthold Laufer, curator of the museum's Department of Anthropology, declared today that the articles were taken legitimately twenty-five years ago.

The charges, filed in Merida, Yucatan, stated that Edward H. Thompson, then United States Consul at Progreso, illegally removed gold, jade and silver treasures.



Mexican Catholics Make Plea for Freedom Today

By GEORGE W. HINMAN, JR.

Universal Service Staff Correspondent.

MEXICO CITY, Sept. 6.—Declaring

"there is no such tyranny as the tyranny of laws," the Catholic Church in Mexico today presented specific demands for a modification of the Mexican Constitution "for the liberty of all religions."

The proposals would alter the constitution as follows:

Education should be free, and that under governmental auspices be subject to regulation by law.

The State should be barred from interfering with the liberty of a man in the pursuit of education; and from penalizing the forms of religious worship.

Every man should be free to hold his own beliefs and to practice religious ceremonies accordingly, ordinarily in the churches, or in his home, so long as such does not constitute a crime.

Repeal of Clause Two of Article Twenty-seven of the Constitution affecting Church property, and modification of Clause Three so as to permit charitable organizations to carry on scientific educational work on their own property to the extent necessary within ten years limit, and to permit religious organizations to do likewise.

Modification of the controversial Article 130 of the Constitution so as to restore to the clergy freedom from temporal interference in religious matters.

Formal presentation of the petition to Federal Congress is slated for tomorrow, when the church leaders hope to have a deputy who is willing to handle it.

Simultaneously the church will undertake a nation-wide circulation of the petition which all will be given an opportunity to sign in order to impress on the government

Eight Executed, 40 Arrested in Mexican Revolt

MEXICO CITY, Sept. 6.

AN attempted revolutionary movement in the State of Colima has been frustrated and eight of the leaders executed and forty persons arrested, according to a dispatch to Excelsior.

Further executions may take place, it is said.

The Excelsior also reports that a party of rebels is operating near Las Vegas, and that trains from Mexico City and Vera Cruz are operating under a heavy guard.

the immensity of the demand for modification.

In support of its argument, the Episcopate statement quoted from remarks made by President Coolidge in his message to the Eucharistic Congress at Chicago relative to religious worship under the American constitution.

FINAL MEXICO STAND TODAY BY COOLIDGE

Conference with Sheffield to
Determine U. S. Attitude in
Land Law and Church Fight

By JOHN T. LAMBERT,

Universal Service Staff Correspondent.

PAUL SMITHS, N. Y., Sept. 6.—

Within twenty-four hours, President Coolidge will make a final

decision

whether the United States shall continue to keep its "hands off" or devise a new policy for the protection of American life and property in Mexico.

James R. Sheffield, American Ambassador to Mexico, is en route here and will arrive tomorrow to give the President an account of the conditions in the Southern Republic.

JAMES R. SHEFFIELD
Confers With Coolidge To-
day on Mexico.

President Coolidge has an abiding confidence in Sheffield. He has already admitted to immediate friends that Sheffield's testimony will have great weight with him.

Although President Coolidge has maintained very harmonious diplomatic relations with Mexico, Sheffield is believed to be greatly provoked by the situation.

WARM PROTEST.
It was at his suggestion that Secretary Kellogg sent the scorching open letter to President Calles, attacking the Alien Land and Petroleum laws, and, in return, received from Calles a polite reminder that the customary American policy was to let foreign Governments work out their own domestic problems.

President Coolidge stoutly insists that the struggle between State and Church is an internal matter and that America's only concern is that none of her citizens shall suffer personal injury or property loss resulting from that conflict. Not even the Knights of Columbus have asserted that American rights have been violated in the religious strife.

Mr. Sheffield is believed to be more concerned over the alien land laws. Some Americans have asserted that these laws will result in ultimate confiscation of their property.

EXPERIMENTS.
As Mexico is experimenting with these laws, new regulations are understood to have been issued from time to time. It is believed here that the President may eventually send a new note stating America's attitude on the land laws, but that the "hands-off" policy on the State Church struggle will be maintained.

By GEORGE W. HINMAN, JR.,

Universal Service Staff Correspondent.

MEXICO CITY, Sept. 6.—Complete abandonment or radical reform of Mexico's agrarian programme is necessary to check the rapid collapse of agriculture, states the newspaper Universal today.

Pointing out that agricultural production in Mexico has declined in recent years until the country is now importing foodstuffs at the rate of \$40,000,000 a year, the paper stresses the peril involved in the Republic's failure to supply the necessities of life, "even for a people who are poorly fed as those of Mexico."

Universal emphasizes the urgent need of immediate action, asserting that the agrarian political policy is threatening the welfare of the Republic.

THE WORLD: TUESDAY, SEPTEMBER 7, 1926.

MEXICAN ASSASSINATED

Sunday Is Marked by Rioting of
Rival Political Factions

MEXICO CITY, Sept. 6 (A. P.)—It is reported from Puebla that Rafael Rojas was assassinated on his ranch near Atléxco.

It is not known whether he was killed by political enemies or by bandits. Despatches from Guadalajara say serious rioting occurred all Sunday between rival political bands. Six men are said to have been mortally wounded and many others hurt.



ANTI-FASCIST PLEA GOES TO COOLIDGE

Convention Resents Appeal to
Italian Ambassador to
Check Its Activities

THANKS TO THE WORLD

Exposure of Mussolini Rule and
Sacco Case Cited

The first National Anti-Fascist Convention in the Rand School, No. 7 East 15th Street, holding its third session yesterday, gave an imitation of Mount Vesuvius in eruption when Carlo Tresca, one of the members of the Alliance's Executive Committee, announced the Armando Cassalini Fascist Branch of Brooklyn had wired Nobile Giacomo di Martini, Italian Ambassador to the United States, asking his aid to fight the Anti-Fascist by using his influence with the United States Government to check anti-Fascist activities in this country.

After a stormy debate on the procedure to be followed to counteract this move, it was decided to send a telegram of protest to President Coolidge asking him to instruct the State Department to protect the rights of the Anti-Fascist, as an organization composed mainly of American citizens, against any attempt by a foreign Government to interfere with its activities. The message was despatched in the name of the 500 delegates, representing many thousands of Anti-Fascist in this country, and signed by Dr. Arturo di Petro, a Presbyterian clergyman, who is Chairman of the convention.

Convention Thanks The World

One of the features at yesterday's session was the introduction by Arturo Giovanitti, General Secretary of the Italian Chamber of Labor of New York, a resolution thanking The World for its exposure of the Fascist regime in Italy and for having attracted national attention to the Sacco-Vanzetti case. The resolution was adopted by acclamation, with a rising vote of thanks. It read as follows:

"The Anti-Fascist Alliance of North America in its first National Convention assembled in New York extends to The New York World its thanks and appreciation for the true and complete exposure of conditions in Italy under the Fascist regime. It also expresses at the same time its profound gratitude for having attracted national attention to the case of Sacco and Vanzetti in the interests of justice and for the vindication of American traditions of fair play."

The meeting was presided over by Luigi Antonini, Vice President of the International Ladies' Garment Workers Union. The speakers included Carlo Tresca, Morris Sigman, President of the Garment Workers Union, who pledged not only moral but also financial support of his organization; Charles Irwin, editor of Advance and representative of the Amalgamated Clothing Workers Union, and Ettore Frisina of the Il Nuovo Mondo.

Mexican Cordially Greeted

The speaker to be given the greatest acclaim was Roberto Haberman, personal representative of President Calles of Mexico and general delegate of the Mexican Federation of Labor in the United States. He gave a graphic picture of conditions in Mexico, both before and after the revolution and explained the present controversy between the Catholic Church and the Mexican Government.

"The present struggle in Mexico," said Mr. Haberman, "is not against religion or the Roman Catholic Church as such, but against the oppression by a hierarchy of certain priests who had adopted Fascist tactics and were aiding the foes of the working classes."

"In Ireland the Catholic priest was always found in the trenches fighting with his people against their oppressors. In America also the Catholic priest is always found fighting with the working class against injustice. But in Mexico the people are ruled by priests of Spanish or Italian training who in every fight between labor and its oppressors were always on the side opposed to the working class."

Telegrams were sent to President Calles of Mexico indorsing the stand of his Government against the church; to the Passaic strikers, pledging sympathy and support, and to the British mine workers, extending the indorsement of the Alliance. Another telegram was sent to Sacco and Vanzetti at the State Prison, Charlestown, Mass., expressing the belief of the convention in their innocence of the murder charge of which they have been convicted.



MEXICAN CLERGY APPEAL TO-DAY

Nation-Wide Political Struggle
Expected to Come From
Petition to Congress

SEEK 2,000,000 SIGNERS

Changes in Constitution Asked
—Coolidge Quoted

By Arthur Constantine

Staff Correspondent of The World
Special Cable to The World

MEXICO CITY, Sept. 6. — The Catholic hierarchy's demand for religious liberty and tolerance in Mexico will be handed to Congress to-morrow. It will list specific proposed amendments to the Constitution of 1917. Coincidentally the episcopate will issue a call to the faithful of the country to deluge Congress with supporting petitions, to which they hope to obtain 2,000,000 names.

These petitions they expect will force the measures through the 100 per cent. pro-Calles Congress. The clergy's demand will be presented by a delegation of deputies from the State of Chihuahua, who are willing to accord the Episcopate this courtesy, but have not pledged their support. Like all other deputies they are elected as supporters of President Calles.

See Complete Separation

A political struggle involving the entire nation is expected to result from the demand of the clergy, who take it for granted they have 90 per cent. of the population back of them. Their supporters forecast the struggle can end only in complete separation of church and state.

"We come to demand," says the preamble of the church project, "in the name of the Catholic people of Mexico derogation of certain provisions of the Constitution in force at the present time and reform of others for the patriotic purpose of putting an end to actual religious conflict and obtaining for Catholics of Mexico the liberty of their church. Thus will the Constitution be purged of contradictory and unjust precepts which on one hand declare that the State ignores the religious reality of our country while on the other hand it limits and organizes it in slavery."

The hierarchy demands liberty of worship, education, speech and association and the right to hold property. Under the reform laws of 1857 the Federal Government laid title to all church property. The Episcopate demands that this be returned.

Quote Coolidge

The Episcopate emphasizes that "we demand liberty not only for ourselves but for all the religious." The preamble declares the reform will make peace, lift the nation to a higher moral plane and realize the aspirations of the majority for democratic government. It quotes the motto of the State of South Dakota: "Under the law of God the people rule."

The preamble concludes with this paragraph:

"The President of the United States in his letter to the Cardinal Delegate from the Pope to the Eucharistic Congress in Chicago uttered these words, which are worth remembering on this occasion: 'If our people believe in their Constitution it is because our institutions are in accord with our religious beliefs.'"





MEXICO TO CURB IMPORTS

Calles Acts to Promote Plan to Develop Home Production

MEXICO CITY, Sept. 6 (A. P.)—The Mexican Government will co-operate as far as possible in the campaign urged by Mexican Chambers of Commerce to relieve Mexico's economic situation by increasing home production and decreasing imports of foodstuffs and all articles which can be produced in Mexico. President Calles has issued instructions to Government departments not to purchase abroad products which can be produced in Mexico.

The business depression which existed before the economic boycott called by the League for Defense of Religious Freedom, but which has been augmented by it, continues to cause apprehension. In general terms the only suggestion for amelioration of the situation thus far made is that Mexico produce more at home and purchase less abroad.

EIGHT CAPTIVES EXECUTED

Mexican Troops Act Summarily With All Suspected Bandits

MEXICO CITY, Sept. 6 (A. P.)—Government troops have begun pursuit of bandits in various States in Mexico, summarily executing all captives it classes as guilty. It is proposed to enforce severely the recent law criminalizing general disarmament and the troops are directed to give attention especially to armed bands calling themselves "Agrarians."

The authorities believe execution of eight leaders of a revolt in Colima has checked a movement purely local, and not a general plan for an uprising. It was said bandits intended to rob trains near Las Vegas Station, but no such crime occurred although the troops are scouring the nearby region in search of bandit bands.

Episcopate Bids Catholics Keep Firm in Mexico

Warns of Fate That Awaits Them and Their Faith Should They Give Up Fight and Cites Pope's Approval

Protests a State Church

Crucial Phase of Struggle at Hand With Completion of Petition to Congress

By Jack Starr-Hunt

By Cable to the Herald Tribune Copyright, 1926, New York Tribune Inc. MEXICO CITY, Sept. 6.—The Roman Catholic Episcopate on Wednesday, with the Pope's approval, will issue a pastoral letter signed by the Archbishop of Mexico, the Most Rev. Jose Maria Mora y del Rio, and the thirty-three other archbishops and bishops of the country and addressed to the faithful, exhorting them to remain firm in their present determined stand against the government's religious laws.

The pastoral letter will recall historic instances where Christians have had to fight for their liberty and faith and will warn of the fate awaiting Catholics and Catholicism should they now abandon the struggle they have so far conducted against President Calles' religious policy. The pastoral will say:

"Venerable brethren and beloved children, the Holy Father, through us, makes known to you that your grief is his grief and your joy is his joy. He also will join in the happiness of triumph and reminds you that, great as your sorrow may be, and if life appears intolerable, you must not become disheartened, for if you are the accompaniment of Jesus Christ in His sorrow you will equally participate in His victories."

"The Supreme Pontiff and the episcopate have measured the magnitude of your tribulation and sympathize with you, and pray to God for you. For the first time, after 400 years, the Eternal Priest is absent from the house of God. Jesus Christ, who day and night was to be found in each of the temples carrying on His mission as Saviour, and now with him the priest, has had to retire; your minister, the intermediary between heaven and earth, who teaches the doctrine of the Redeemer, who regenerated your children with the waters of baptism, who pardoned your faults and healed your sorrows, who lifted heavenward the Body of Christ offered in the Sacrifice, who gave you the bread of the strong, who blessed your chaste loves, who assisted at the bed of your dying and who prayed at the tomb of your deceased."

Likened to Early Christians
"The present situation makes our temples feel cold without the Real Presence of the Sacraments of Jesus, and that is enough for religion to appear. For the first time after 400 years the pastors have been dispersed, and the bees have been dispersed, and were placed in the position of envying the fate of the early Christians, who in spite of persecution could fall back in the silence of the night to the venerable catacombs dug beneath the soil on the outskirts of cities, where Bishop and priest with the bread of angels strengthened the flock to go forth happy to die in martyrdom."

His Apostolic Letter of February 1925, the Holy Father gave us his command when he indicated the road to be followed in order that the Mexican Church might break the chains with which it is fettered and come out into the light of the world to breathe the beneficial breeze of the freedom of religion.

Protests State Church

"And the Pontiff, like the Father of mercy and the God of all consolation, ordered us to pray and to place all faith in prayer. The Mexican Episcopate on its part in the last pastoral letter and in various documents has appeared before the enemies of the Church and before humanity as a whole, as Christ appeared before His judges and the people, seeking, trying and offering peace cemented in a reign of truth and goodness, with the dignified attitude that none can commit treason against God or convert the Church of Jesus Christ into the church of the state. And the episcopate did not forget to call upon you for your prayers for relief."

"You have responded to these paternal plans of the Pope and the episcopate. With the bare announcement that the sacred services would be suspended in the temples, all Mexico sought succor in the sacred sacraments of baptism, confirmation, penitence,

Rides Bicycle 64 Miles On His 64th Birthday

PATERSON, N. J., Sept. 6.—A. H. Griffin, of this city, an inventor and former manufacturer of bicycles, celebrated his sixty-fourth birthday anniversary recently by riding a bicycle sixty-four miles. For several years he has celebrated the day in this way, lengthening his ride by one mile each year. This year he rode to Suffern and back.

communion and marriage in such great numbers that the whole world was astonished by such a species of silent but eloquent plebiscite showing what the true sentiments of the nation are.

"And so great were the faithful's fervor and demonstration of piety that without doubt they moved the Heart of Jesus Christ and the Holy Mother. The suspension of services was the beginning of true national mourning and the defense organization throughout the country. One month has passed and in all sections of the Republic this national mourning perseveres and is manifested by the total abstention from explicit occupations as a sign of solemn protest and profound pain. The people peacefully, but with determination, indicate their dissatisfaction with the law and the anti-religious precepts that it is attempted to enforce and without doubt will continue to express to Governors and legislators their determined wish that the legislation must be amended and that through the medium of a regime of perfect independence between Church and State and of the sincere liberty of the Church public tranquility and peace return to all."

"The victims who lately gave their lives for the cause we defend, in addition to the innumerable unknown victims consisting of hundreds of priests and thousands of nuns who cry silently in their ostracism and secularization, will stand high before God in their efforts to secure the holy liberty we ask. These manifestations of love and virile Christianity have lifted high the name of the Mexican Catholic people in all civilized nations, who continue sending us testimonials of their adhesion and of their sympathy for us."

"The Pope, however, the episcopate and the world expect of you that you do not defecate from the test; that you do not tire by its length of duration, but that you leave an example of perseverance, strength and advancement in the practice of all Christian virtues. It is necessary that you reflect that the present moment is a historic and decisive one. With God's permission, we find ourselves in a gigantic struggle from which may result either the loss of Catholicism in our country or its liberty and flourishing. It is a question of life and death."

"If you persevere in your present praiseworthy and energetic resistance friends and enemies will understand at last that it is impossible to tear you from the faith of your fathers, which effort has wounded to death the soul of the Mexican people. And if through shameful cowardice you should desert the trenches or surrender the fight, humbly speaking we are lost and Mexico will not longer be a Catholic people and you will have abandoned from the noble and precious liberties, taking place in us what God does not permit, the threat of Jesus Christ to the people: 'From you will be taken the kingdom of God, and it will be given to them who make it to fructify.'"

Mexican Clergy Urge Congress To Change Laws

Petition Suggested by President Calles Requests New Articles in Constitution to End Church Conflict

Seek Return of Property

Warn Religious "Slavery" Leads to Other Forms of Bondage; Ask Only Liberty

By Cable to the Herald Tribune Copyright, 1926, New York Tribune Inc. MEXICO CITY, Sept. 6.—The proposed amendments to the religious articles of the Mexican Constitution, which the Roman Catholic Episcopate believes will settle the existing controversy with the Government, were contained in the Bishops' petition for ameliorative legislation, which was presented to Congress this afternoon. The petition, which the prelates have been working on for a fortnight, is the result of President Calles' suggestion that a possible remedy for the situation of which the Church complains lies in recourse to Congressional action.

At the same time the Herald Tribune has learned the names of the members of the committee of Bishops who will go to Rome as liaison officers between the Vatican and the Mexican hierarchy while the religious conflict here continues. The members of the committee are the Archbishop of Durango, the Most Rev. Jose Maria Gonzalez Valencia Colon; the Bishop of Leon, the Right Rev. Meterio Valverde y Tellez, and the Bishop of Tehuantepec, the Right Rev. Jenaro Mendez del Rio, who is a first cousin of the Archbishop of Mexico.

Bishops Outline Program
Those sections of the Constitution to which the Church's petition objects in whole or in part are Articles III, V, XXIV, XXVII and CXXX. In general, the Bishops contend that the conflict with the government can be ended if the following program be adopted:

1.—The granting of freedom of teaching, instruction in the public schools to be subject to conditions fixed by law.
2.—The state should not allow any contract or agreement, which has as its object the loss or irrevocable sacrifice of a man's liberty in work or education, nor should the state establish any authority, either civil or penal, to control the vote in questions of religion.
3.—Every one should be free to worship under whichever religious creed best suits him and to practice all ceremonies, devotions or acts of his faith in churches or in his home as long as a crime is not committed.

Submit Restrictions on Charities
4.—Private or public charitable institutions should have as their sole objectives the extending of aid to those in need, scientific investigation, the diffusion of knowledge or other appropriate objects; they should not acquire more property than is absolutely necessary for their functioning, but may acquire, hold and administer mortgages on property not to exceed ten years. Religious associations known as

churches, regardless of their denomination, are to be subject to the same laws governing property holdings as are charitable institutions, this to include churches used for public worship and auxiliary buildings, such as bishoprics, seminaries, asylums, orphanages, hospitals, schools and any other buildings serving similar purposes.

Ask Recognition of Church
5. To the federal authorities belongs the right to determine, in matters affecting different denominations, questions of public order and the right to administer laws on this subject. Other authorities will act as auxiliaries. Section 5 of Article CXXX, which reads, "The law does not recognize any personality whatsoever in those associations known as churches," should read, "The government and those associations or groups known as churches are independent, the one from the other." Churches should be free to organize themselves hierarchically as they see fit, but such an organization should not have any other legal effect with the government than to grant a personality to those in charge of such institutions in the respective districts where they exist.

Seek Return of Property
6.—Those temples destined for public worship and their dependencies, which, according to the present Constitution, are the property of the nation, will revert to the ownership of the various religious associations.

The petition reads in part: "Exercising the right of petition guaranteed by Article VIII of the Constitution, and in accordance with the invitation made to us by the President of the Republic, we appear before you in the name of the Mexican Catholic people to ask for the repeal of certain dispositions of the existing general Constitution and the amendment of others, with the patriotic intention of bringing about an end to the existing religious conflict and to obtain for Mexican Catholics freedom of their Church; to clean the Constitution of certain contradictory and unjust precepts, which maintain that the Government ignores the existence of religion in our country and also affirm that religion is limited and enslaved."

Petition Quotes from Bible
"We also seek to bring about an agreement for the good of Mexico between the constitutional law and the law of civilization and, referring to an ancient edict that 'There is no worse tyranny than that of bad laws,' we affirm that in view of those laws which annihilate liberty of religion in Mexico the duty of Catholics is to secure without rest their abrogation."

The petition contains the words, "Give to Caesar what is Caesar's and to God what is God's." It is replete with quotations from the Bible, about which are woven legal arguments applied to what the bishops feel as suitable to explain their present situation and to emphasize the various points brought out in the petition. The petition says:

"It should be noted that we do not ask for as much as we were justly entitled to, we do not do more than reproduce the text of the Constitution as it existed prior to 1857."



Sheffield Will Get Approval Of President

Ambassador's Firm Policy in Mexico To Be Confirmed by Mr. Coolidge in Conference To-day

Reaffirms Forecast Of Defense Steps

Executive Surprised by European Reaction to Talk on Naval Air Plans

By Carter Field

PAUL SMITH'S, N. Y., Sept. 6.—President Coolidge and Ambassador Sheffield will write another chapter in the latest Mexican crisis to-morrow, when the Ambassador will be here for a conference.

Mr. Sheffield will then return to his post in Mexico City—after completing his vacation—and the President's administration policies will be continued. American rights will be insisted upon, and Mr. Sheffield will be told to go ahead with his difficult job.

President Coolidge was somewhat surprised to-day, it was stated officially, at the reactions of European capitals to the utterances of the official spokesman on Friday. It was made clear then, and reiterated to-day, that unless armament limitation treaties are agreed upon by the nations so as to cut down the armament burdens of Europe this country will go ahead with its naval aviation program and with other lines, up to what the government regards as its own needs for national defense.

Guided by Nation's Needs

Secretary of the Navy Wilbur had declared that so far as naval aviation was concerned this government would lead the world on the completion of its program. This the President specifically approved through his spokesman on Friday, but it was emphasized that this does not mean that this government is using any other navy or air force as a measuring stick. American national defense needs, it was then asserted, would be the guide, unless the other powers should enter into treaties completing the work started by the Washington armament limitation conference, in which case this government would be eager to enter into further agreements placing small limitations on all classes of armament.

The prosperity issue was stressed to-day as the most important before the country in the election of Senators and members of the House this fall by Representative Bertrand N. Snell, chairman of the House Rules Committee and most prominent Republican dry leader in the north country.

Silent on State Politics

Mr. Snell declined to discuss New York State politics, and insisted that the President would not permit himself to be involved in any local fights, though "of course as a regular Republican the President is interested in the success of the party and wants to see all the party candidates elected."

Speech for Butler Unlikely

The New York Representative, who has been with the President since Saturday afternoon at White Pine Camp, declared he did not believe the President would take any active part in the fall campaign. It was intimated in other quarters that even the original proposal to have the President make one speech in Massachusetts in behalf of Senator William M. Butler, regarded as the President's closest adviser and his own selection as chairman of the

(Continued on page four)

Sheffield Will Get Approval Of President

(Continued from page one)

Republican National Committee, had been negated. The theory on this, it was said, is that the voters of Massachusetts are perfectly familiar with the fact that the President wants Senator Butler elected and needs his vote to uphold administration policies, and nothing the President could say in a speech would add anything to this conviction.

It is also being made clear by other speakers in the Bay State, it was pointed out, that the control of the Senate may depend upon the election of Mr. Butler. This last, of course, is equally true of New York, as the defeat of any one Republican candidate for the Senate may decide control, so close is the fight because of the number of Republican Senators from normally Democratic states who are up for re-election this year.

Alvin Doty 3d, a sixteen-year-old boy, was the President's guide and companion on an early morning fishing trip to-day. He is the son of the guide who has been accompanying the President on most of his fishing expeditions and the third of his line to guide fishermen in the Adirondacks.

His father was a little under the weather last night, so at 6:15 o'clock, when the big White House limousine rolled up in front of the door of the Doty cottage, the boy was awaiting in his father's place.

"Jump in," said the President, swinging open the limousine door. Normally the President has been riding all alone. The secret service men and Oscar Otis, the other guide, gasped their astonishment, and the cavalcade started off for the brooks of Essex County, where trout may still be caught without violating the law. Young Doty, at the conclusion of the day's fishing, was again bidden to accompany the President in his own car, despite the fact that the Chief Executive's total catch for the day was the smallest of his experience so far in the North Woods only two trout being brought home.

In the afternoon the President posed for his photograph with pretty little two-year-old Jean Hunger Tennant, daughter of J. H. Tennant, managing editor of "The Evening World," who is spending his vacation at Paul Smith's.

MEXICAN BISHOPS PLEAD FOR EQUALITY

Petition to Be Presented to Congress Today Asks "Only Liberty for All Religions."

SPECIAL FAVOR DISCLAIMED

Repeal of Some Constitutional Clauses and Amendment of Others Requested.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES

MEXICO CITY, Sept. 6.—The Mexican Episcopate made public tonight the petition which it will present to Congress tomorrow requesting the repeal of certain constitutional clauses and the modification of others on the ground that they are against the liberty of the churches and are trying to destroy Catholic worship.

The petition disclaims any desire for favor or special privilege and states that the Episcopate is not appealing for the right to worship and to hold property for the Catholic Church alone, but only for liberty for all religions, regardless of creed.

The petition appeals for the right of free education in the schools similar to that possessed by Catholics in England, Holland and other European countries, where freedom of education exists.

Incidentally, the petition refers to the letter which President Coolidge addressed to Cardinal Mundelein for the eucharistic congress at Chicago.

The petition is much milder than was expected and it is generally believed that the reason for the unusually mild tone is that to date the Episcopate has been unable to locate a group of Congressmen or even one lone Congressman that would dare to present this petition.

Plea Based Upon Catholic Majority.

In submitting the petition, the Episcopate based its appeal for the modification of the constitutional clauses upon their apparent lack of justice and the fact that the majority of Mexican citizens are Catholics and that the majority should rule.

It is also contended that the original clauses, as drafted for the Constitution of 1857, which separated the Church from the State, were much more liberal than the clauses of the Constitution of 1917 and permitted the Church to have the liberty of worship and of education.

Declaring their plea to be founded upon the elementary principles of liberty and justice, the Bishops asked that the property of the Church, now nationalized, be returned to the Church and be hereafter recognized as the property of the Church. But, at the time, they offered to limit the amount of capital that the Church might raise upon the property.

One of the principal demands made by the Episcopate was for educational liberty in all of the schools that are maintained by Catholics.

Text of Bishops' Petition.

The text of the petition is as follows:

To the Honorable Congress:

In the exercise of our right of petition, guaranteed by Article 8 of the Constitution, and accepting the invitation which the President of the Mexican Republic has extended, we have come to demand in the name of the Mexican Catholic people the repeal of several sections of the general Constitution and the reforms of others with the patriotic proposition of terminating the religious conflict.

We seek to obtain for the Catholic Mexicans the liberty of their church, to remove from the Constitution contradictory and unjust clauses which for one part say that the State ignores the religious reality of our country, and on the other hand limit and organize in terms of slavery. For the benefit of Mexico we seek to make the constitutional laws agree with the postulates of civilization.

As the ancient wise men have said, "There is no worse tyranny than that of bad laws," and before the provisions annihilate religious liberty in Mexico it is the strict duty of all Catholics to attempt to procure repeal of them.

Pope Leo XIII said, "And above all, the Catholics should well study the laws and use all their activities and influences to oblige the governments to modify the laws that are unwise."

This is all a real proof of devotion to the country. The respect due to the constituted powers does not prevent this, because the law has not force except when it is a precept ordered according to reason and promulgated for the common welfare by those who have received to this end the reins of authority.

What is that we request? Not tolerances nor compensations, much less, favors.

Liberty for All Faiths Sought.

We demand liberty. We do not demand liberty for us alone, but for all religions. Modern society has wished to be founded upon a solid base of liberty. For liberty many institutions have been destroyed and much blood has been shed. A régime of antagonism against religion cannot but be one of denial of liberty.

It is enough that the Church maintain itself in the limits to which it is obliged by justice to respect, and these limits have been stated by Jesus Christ on two memorable occasions. When they asked him if he should pay taxes, He said: "Render unto Caesar the things that are Caesar's, and to God the things that are God's."

And one day two brothers came to Him in the midst of a crowd and one of them requested the Master to "tell my brother that he divide the inheritance with me." To the man responded Christ, "Who has placed me above you to be a judge and to make your decisions?"

But it must be noticed that if He did not come down to this earth to resolve questions of materialism, yet He came to light the moral light of conscience and said "keep us from having a spirit of avariciousness."

That, and no other, is the attitude of the Church toward the State. For this reason civil society has the right to dictate laws in its domains, but without invading the religious precincts. For this reason our petition has been reduced to assure the religious liberties in which they are comprehended—the liberty of teaching and the liberty of education, without which the liberty of thought and the liberty of free speech is useless.

The liberty of association which is permitted to man subject to the religious vows in the real civilization on this earth of life in God and to live in a community which, as the sacred text states, calls for charity and good works. We ask the liberty of worship or creed which guarantees the independent organization of the ecclesiastic hierarchy and the religious government.

That these reforms are a national demand is eloquently revealed through the initiative of Don Venustiano Carranza, when President, for the modification of Articles



3 and 130 of the Constitution, which were made by the chief of the revolution when the Constitution had been promulgated less than two years and when the echoes of the armed conflict were still heard.

You may note also that, taking into account the circumstances of the time, in our meetings to propose the constitutional modifications we have not extended our petition to where with justice we could, and we are not doing more than reproducing the text of the legislation on the reforms, the primitive text of the Constitution of 1857. And what less could we ask in the modification of Article 3 than the sincere liberty of education?

There are nations, such as Belgium, Holland, England and others, where, without distinction of creed, the State maintains schools. We do not request more liberty than to open our schools that are maintained by Catholics.

The President of the United States, Mr. Coolidge, to the papal delegate to the Eucharistic Congress in Chicago, wrote these words that are worthy of remembrance:

"If our country has had any political success, if our people believe in our Constitution, it is because our institutions are in harmony with their beliefs."

Among the most wonderful and noble States of the United States there is one, South Dakota, whose inspiration, or motto, is absolutely Christian: "Under the law of God the people rule."

Law Changes Are Specified.

What we ask:

In Article 3 (of the Constitution), that education be free, with education as given in official schools subject to conditions fixed by law.

In Article 5, that the State shall not put into effect any contracts or agreements which will have for their object the loss or irrevocable sacrifice of the liberty of any man in the work of education, or establish any penalties, civil or criminal, to interfere with compliance with religious vows, and that the rest of this article shall be eliminated.

In Article 24, that all men shall be free to believe in any religion they wish and to observe the ceremonies or acts of their respective creeds, ordinarily in their churches, or in their private homes, so long as this does not constitute a crime which is punishable by law.

In Article 27, Paragraph 7, we demand the elimination of Clause 2 and that Clause 3 should read as follows:

"That charitable institutions, public or private, which have for their object the helping of the needy or scientific investigation or the teaching of any lawful subject, cannot acquire more property than is needed to obtain their immediate object or is destined to that end, but can acquire, hold and administer this same property so long as the time limit of the tenure does not exceed ten years.

"That religious associations known as churches shall be subject to the same rules concerning property as the institutions of charity when the church edifices are designated for public worship, and shall include their annexes, the houses of priests and bishops, the houses, asylums, orphanages, hospitals, colleges and whatever other buildings of the religious associations as are designated for their purposes.

For Separation of Church and State.

In Article 130 the first paragraph will be written in the following terms:

"It shall be the concern of the Federal authorities to exercise in affairs relating to the various religions, and in any public body, such intervention as is determined by law. Other authorities will act as auxiliaries of the Federal authorities."

The fifth clause, which states that the law does not recognize any personality of the groups known as churches, will be stated in the following terms:

"The State and the religious associations known as churches are independent from one another."

The churches shall be free to organize hereafter as they wish, but this organization shall not have any other legal effects, so far as the State is concerned, than to permit the superiors in each locality to exercise the rights recognized in Clause 3 of Article 27.

Meantime, the churches, the homes of priests and bishops, seminaries, asylums, colleges, &c., of the religious associations, which, according to Clause 2 of Article 27 of the political Constitution of Mexico, is of the national domain, will be returned to the religious associations.

The modification asked in Article 5 is a slight variation from the clause of the original clause in the Constitution of 1857, which it clarifies.

Article 24 is construed in the sense that in extraordinary cases, in agreement with the authorities, when the churches are overcrowded the faithful may worship outside in order that the necessities of Catholics may be satisfied.

The reform of Clause 3 of Article 27 is the least that we could ask on the question of property, as we do not even request the other facilities which are always recognized as the rights of associations of charity.

The modification of Article 130 is indispensable for the independence of Church and State.

The rest of the modifications are requested upon the ground that the Constitution is based upon a régime of true liberty and a sincere separation of the Church from the State.

Coolidge to Reappoint Glassie.

Special to The New York Times.

PAUL SMITH'S, N. Y., Sept. 6.—President Coolidge is expected to reappoint Henry M. Glassie, Democrat, of Washington, D. C., as a member of the Tariff Commission, according to reports in official circles here. Mr. Glassie's term will expire on Wednesday. The President holds that the opposition of Democratic leaders to Mr. Glassie is not well founded.

ANTI-FASCISTI BACK CALLES'S PROGRAM

Delegate From Mexico Depicts Hierarchy as Enemy of His Country's Workers.

The 500 delegates to the first annual convention of the Anti-Fascist Alliance of North America at the Rand School, 7 East Fifteenth Street, in a telegram to President Calles of Mexico yesterday assured him of their "solidarity" with the labor Government there and their approval of his religious program.

Robert Haberman, representative in the United States of the Mexican Minister of Mines, Commerce, Labor and Industry and of the Mexican Federation of Labor, was cheered when he pledged the support of the latter organization, which he said numbered 2,000,000 workers, to the fight against Fascism. He said that in Mexico the Indians had been slaves ever since their civilization was overthrown by Cortez, the Spanish conqueror.

"There have been continuous revolutions until six years ago, when Obregon began to do justice to the workers," he said, "and there will be more revolutions if the rights of the workers are trampled upon. Peonage is worse than slavery, because slaves cost money and are looked after."

Morris Sigman, President of the International Ladies Garment Workers Union, said his organization was ready to help the Anti-Fascist Alliance "not only with sympathy but with every other support that can lead the great fight for liberty to victory."

The convention sent a telegram to President Coolidge protesting against the action of the Armando Cassalini Fascist Branch of Brooklyn in asking the Italian Ambassador to use his influence with the United States Government to check anti-Fascist activities here.

BISHOPS OF MEXICO GIRD FOR LONG FIGHT

Pastoral, They Exhort All Catholics to Persevere Against Calles Decrees.

CONFIDENT OF VICTORY

and in the Breach Until You Win or Die,' Prelates Urge the Faithful.

By The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 7.—The Archbishops and Bishops of Mexico, in a pastoral letter addressed to all Catholics of the country, today exhorted the faithful to persevere in their resistance to the laws which provoked the conflict between the Church and the Calles Government.

"We are the true lovers of liberty," they declared, "and we know how to stand in the breach until they died or won," the bishops urged the people.

The letter declares that the conduct of the Mexican Catholics in the crisis has won for them the approbation of the whole civilized world, and it expresses confidence that if the people persevere the Church, with the help of God, will eventually win a decisive victory.

"We will not permit us to suffer without giving us greater benefit," the Bishops declare. "He in whom we have no doubt, to purify and save us by this trial."

Text of the Pastoral Letter.

The letter of the Episcopate reads: "Venerable brothers and beloved sons of the Holy Father, through us, you know that your sufferings are known and declares that he will sympathize with you in the happiness of the triumph. Reminds us that, great as our sufferings are and although they seem intolerable, yet as we accompany Christ in his sufferings we likewise participate in His victory."

The Supreme Pontiff and the Episcopate know the magnitude of your sufferings. They suffer with you and pray to God for you.

For the first time in 400 years the Bishops are absent from the House of God, but Jesus Christ, who day and night watches over our churches, continues in His mission of salvation. The priests are absent, His intermediaries between Heaven and earth who teach the doctrine, who regenerate with baptismal water, who heal our sins and heal our wounds, who give us the bread, who bless our food, who assist at our deathbeds and pray for the departed.

The present situation has caused the churches to become cold without the presence of Jesus. For the first time in 400 years the shepherds are wounded and their flocks are lost.

Early Christians Envied.

"We are forced to envy the fate of the first Christians, who, in spite of persecution, could in the silence of the night go to their catacombs beneath the ground outside the cities with the assurance of finding together the collectivity of Christians headed by the Pope, the Bishops and the priests, who, with the Bread of Angels, gave them the strength to endure and to rejoice in martyrdom. But we are without this consolation of being able to give privately to all without distinction the spiritual help which we were accustomed to give by daylight."

His Holiness and the Episcopate, and with them the whole world, admire your piety, your abnegation and your patience, and can no less admire your heroism, strength and firmness in defending at all costs the holy cause of God and of the Church.

In the apostolic letter of Feb. 2 the Pope gave us the word of command when he indicated the way in which the Church could break the chains which bound it and go out in the world to breathe the air of religious liberty. The Pope, as did Christ, accompanied his order with instructions to pray with all confidence.

Case of Church Presented.

The Mexican Episcopate, by its pastoral letters and other documents, has presented its case before the enemies of the Church and before the entire world as Christ presented himself before His Judges and before the people. The Bishops have sought and offered the cemented peace in the kingdom of truth and welfare with the dignified attitude of one who could neither be a traitor to God nor convert the Church of Jesus Christ into the Church of the State.

The Episcopate has not forgotten to order continual prayer and sup-

Continued on Page Five.

BISHOPS OF MEXICO GIRD FOR LONG FIGHT

Continued from Page 1, Column 5.

plication, and the public has responded to the paternal call of the Pope and the Episcopate.

As soon as the Episcopate announced that services in the churches would be suspended all Mexico came to take part in the sacred ceremonies of baptism, confirmation and marriage. They came in such numbers as to demonstrate to the entire world in a plebiscite, silent but eloquent, the true sentiment of the nation.

Such manifestations of strength and such demonstrations of charity by the faithful without doubt deeply moved the hearts of Jesus Christ and of His Holy Mother.

Says Whole Nation Sorrow.

The suspension of worship was the beginning of a real national sorrow and the signal for the defensive organization of the whole country. More than a month has passed, and in all parts of the Republic, and principally in the States, the national sorrow still manifests itself and the faithful still abstain from diversions as a solemn sign of protest and deep sorrow.

The Catholic organization day by day is being consolidated. The people, peaceful but virile, have shown their disapproval of the laws and anti-religious and oppressive regulations which are imposed upon them.

Without doubt, they will continue to express, through support of the memorial presented to Congress by the Episcopate and to the Governors and to the legislatures, their wishes that the laws be reformed and, that through a régime of effective independence between the Church and the State, with genuine liberty for the Church public tranquility will be restored and peace again return to the spirit.

The victims who have lately shed their blood for the cause which we defend, together with the innumerable unknown hundreds of priests and millions of religious people who are weeping in silence over their ostracism, will have much effect with God, and we will obtain the sacred liberty that we request.

These manifestations of faith and Christian virility have caused the name of the Mexican Catholic people to be raised high through all the civilized world, which continues to send word of its support and sympathy for us.

This attitude on the part of the nation has been to our clergy and Bishops a source of great consolation and hope and has merited the approbation and applause of the Roman Pontiff and, no doubt, will bring to Mexico the blessings of God.

This laudable conduct will, with the help of God, remedy the public wrongs that we are suffering. The Pope, the Episcopate and the world expect us not to fail in this proof of our faith, not to tire, but to give an example of perseverance and strength and advance in the practice of all the Christian virtues. We must remember that this historic moment is a critical one, and if we persevere in this noble, dignified and energetic resistance, friends and enemies alike will understand that it is impossible to take away from us the faith of our fathers without mortally wounding the soul of the Mexican people.

Sounds Warning Against Desertion.

But if through shameful cowardice many desert our ranks or cease to fight, humanly speaking, we are lost, and Mexico will not be a Catholic nation. You will have lost the most noble and precious liberties.

But God will not permit the threat of Christ to His people to become a fact. "From you will be taken the reign of God and given to people who will make it flourish." These human conclusions are confirmed and strengthened, considering the problem in the light of faith.

As we have said, our Lord has seen the grave tribulations we are enduring. Without using blasphemy we cannot suppose that God has placed us in such a bitter situation, left us without sufficient help and condemned us to certain defeat and death.

On the contrary, God will not permit us to suffer wrongs without giving us greater benefits. He intends, without doubt, to purify us and to save us by means of this trial.

"He that perseveres to the end will be saved." If we maintain our firm stand in this fight triumph will be ours and victory certain.

But God does not perform miracles without necessity and does not save any one against his own wishes.

From that we can deduce the truth that if we abandon in a cowardly manner the road on which we have started we have not the right to expect great help from Heaven and we may expect to have the sad fate of those abject nations which have lost the divine treasure of the faith because their sons did not appreciate it and failed to defend it as they should have done.

Encouraged to Persevere.

Venerable brothers and dearly beloved sons, do not lose faith. Do not permit your strength to fail. Do not unfold to the world and to Heaven the sad spectacle of the soldier who is traitor to his flag and surrenders to the enemy. Do not imitate the unnatural son who abandons his mother in the moment of danger. On the contrary, imitate the true lovers of liberty, who in all ages of history have known how to stand squarely in the breach until they died or won.

Imitate the firmness of the early

Christians, who did not think in terms of days or months, but of centuries who suffered the ire of tyrants and died as good Christians. In their blood the seed of new conversions was sown.

Follow the example of Abraham, who waited with all hope. Have faith in the human dignity which God has given us and, above all, in the sublime dignity of Christians.

Receive, our venerable brothers and our beloved son, the papal benediction which from our hearts we send in the name of the Father and of the Son and of the Holy Ghost. Amen.

José, Archbishop of Mexico.
Leopoldo, Archbishop of Michoacan.
Francisco, Archbishop of Guadalajara.

José Othín, Archbishop of Oaxaca.
José María, Archbishop of Durango.
Juan de J., Archbishop of Monterrey.

Pedro, Archbishop of Puebla.
Martín, Archbishop of Yucatan.
Mexico City, Sept. 2, 1926.

Twenty-seven bishops also signed the letter.

It is also reported that the priests have advised their superiors that there are signs of a growing lack of interest in the struggle on the part of Mexican Catholics and that the Bishops had this in mind on issuing their pastoral letter today.

Petition Is Expected to Die.

The Catholic petition requesting amendment of the religious articles of the Constitution, which was sent to Congress today, is doomed to lie untouched upon the table.

There seems no hope that it will even be read, for the Deputies are saying that because the present Congress has so many affairs, mostly political, to deal with at this session, and as they are not disposed to look with favor on any Catholic petition, they can see no reason for even reading the request of the episcopate.

Political leaders in Congress say they are united behind President Calles in his attitude toward the Church and that there is no likelihood of any of the present blocs changing its stand.

There can be no change in the attitude assumed by the Mexican Government, he said.

It is reported that leaders of the Church have divided into two groups, one favoring stronger and more ag-

gressive measures and the other willing to make concessions. The party headed by Bishop Pascual Diaz, it is said, favors concessions that will permit the renewal of the services in the churches, while the other, headed by Archbishop Orozco y Jimenez, of the State of Jalisco and Archbishop Ruiz y Flores of the State of Michoacan, is opposed to any change in the position of the Church.

At the next meeting of the episcopate, it is reported, there will be changes made in its leadership. Considerable dissension is alleged to have existed among the prelates since the meeting of the Bishops with President Calles.

5 MEXICANS KILLED IN TEXAS

Their Party Attempted to Ambush Police With Compatriots.

RAYMONDVILLE, Texas, Sept. 7 (P).

Five Mexicans were killed and several men are believed to have been wounded a few miles northeast of here late today when a party of Mexicans attempted to ambush five officers who had in their custody four Mexicans alleged to have been implicated in the slaying of two officers here Sunday.

The four prisoners and the father of one of them, Tomas Munoz, were killed in the exchange of bullets between the officers and the ambushers.

None of the officers was hit, but indications after the battle were that they had inflicted several casualties on the ambushing party, which is believed to have numbered twenty-five. The ambushers escaped.

POPE BANS POLITICAL PARTY.

He Backs French Cardinal in His Disapproval of Proposed Group.

ROME, Sept. 7 (P).—The Catholic

Church regards as undesirable the linking of religious movements with political movements, the Pope declares in a letter to Cardinal Andrieu, Archbishop of Bordeaux, commending that Prelate's disapproval of a movement in his archdiocese which sought to organize a religious lay body with political aims.

Such political manifestations, the Pontiff remarked in his letter, show traces of a renaissance of paganism.





THE NEW YORK TIMES, WEDNESDAY, SEPTEMBER 8, 1926.

COOLIDGE TO CONFER ON MEXICO TODAY

Ambassador Sheffield Arrives
at White Pine Camp to Tell
of Present Conditions.

SARGENT ALSO A VISITOR

President and Attorney General
Will Discuss Anti-Trust Laws
and Prohibition.

Special to The New York Times.

PAUL SMITH'S, N. Y., Sept. 7.—Mexican questions and the attitude of the Administration toward anti-trust laws and prohibition will be brought to the attention of President Coolidge this week, following the arrival today of Ambassador Sheffield and Attorney General Sargent.

Mr. Sheffield, accompanied by Mrs. Sheffield, reached White Pine Camp for a stay of three days, and after a conference with President Coolidge tomorrow he is expected to make public a statement of Mexican matters and his attitude. It was reiterated today that there were no differences between the Government and Mr. Sheffield over

policy and that he would return to his post.

Commenting upon the preliminary report of the Oil Conservation Commission, President Coolidge made it clear that there was nothing ulterior in the conclusions of the investigators. It was pointed out that the report spoke for itself, and that its object was to keep the country informed as to the resources of its oil, gasoline and kerosene, so that the people might conserve the diminishing supply. While the survey was made with special reference to the country's military needs, it had a broad purpose, the President holds, in encouraging economy in oil products.

As to Government economy in patronage, the President finds that it is not easy to reduce the personnel very much. The extension of Government activities requires more money, especially in the postal service. Although the payroll has been reduced approximately 20,000 since June, 1923, the President finds there is not much more he can do to rid the Government of unnecessary employees without a complete reorganization of the executive departments. He does not see much hope of a reorganization bill being passed in the next session of Congress. He hopes to hold the payroll where it is through the system of not filling 2 per cent. of the vacancies caused by death and resignations.

ELIAS SAYS TALLEY IS IGNORANT OF LAW

Mexican Consul General Denies
Violating Diplomatic Usage
by Issuing Statements.

NOW ON HIS WAY TO MEXICO

Reply to Former Judge Is Given by
Telephone—Charges Effort
to Silence Truth.

Consul General Arturo N. Elias of Mexico yesterday not only denied former Judge Alfred J. Talley's charge that he had engaged in propaganda activities, but also asserted that in saying that he had acted contrary to international law Judge Talley showed a lack of knowledge of the law itself.

The answer to the statement of Judge Talley printed on Monday was issued by the consulate here, which obtained it by telephone, Mr. Elias being on his way to Mexico. Judge Talley's statement had been read to him by M. G. Prieto, Acting Consul.

After asserting that Judge Talley is a recognized spokesman for the Catholic hierarchy, the Consul General said:

"Neither myself nor any one connected with the Consular Service of Mexico in the United States has ever in any way engaged in propaganda of any kind in matters in which the Republic of the United States and Mexico are involved.

"Judge Talley, it is true, has bitterly criticized the Government of the United States for not interfering with the internal affairs of Mexico, but such criticism has evidently not had the least effect upon those in charge of the administration of the affairs of the United States.

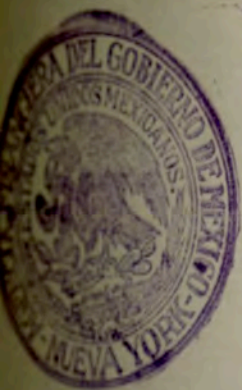
"I have several times addressed the people of the United States, answering statements in the public press made by Judge Talley and other spokesmen for the Catholic hierarchy, and it is very significant that neither Judge Talley nor the others have ever sent a communication to the press charging that a single one of the statements made by me was incorrect as to fact.

"It is also significant that the only answer that has been forthcoming was that of Judge Talley printed in the press of Sept. 6, charging, not that I was wrong in any statement, but that I had no right to make any statement as I was a consular official of the Mexican Government and that, therefore, I was acting 'contrary to international law and recognized diplomatic custom.'

"In my statement published Sept. 5 I called attention to the lack of logic of President Flaherty of the Knights of Columbus, and I am now compelled to call attention to the lack of knowledge of international law on the part of Judge Talley. There is no law or usage which makes it either illegal or in bad taste for a citizen of one country residing temporarily in another which is at peace with his own answering in the public press statements regarding conditions in his own country.

"The Government of the United States is not involved in what is called 'the religious question' in any way, despite the efforts of Judge Talley, Mr. Flaherty and others to so involve it. Judge Talley occupies no official position under the United States Government and neither does Mr. Flaherty. While there is perfect amity between the Governments of our respective countries, both of these gentlemen have taken it upon themselves to criticize in the public press the actions of what Judge Talley in his statement in the press of Sept. 6 insultingly names 'the present unspeakable Government of Calles.'

"To these criticisms I have not only replied but have told some things which are evidently more than annoying to the spokesmen of the Catholic hierarchy. Stung by their inability to show that I have ever uttered anything but the truth, Judge Talley now tries to protect the hierarchy from further exposure by an attempt to stop the truth from being broadcast."





THE NEW YORK TIMES, WEDNESDAY, SEPTEMBER 8, 1926.

Spoke for Mexican Labor Only.

To the Editor of The New York Times:

In today's TIMES there is a notice "Anti-Fascisti Back Calles Program," in which, in reporting a speech of mine made yesterday before the anti-Fascist convention held at the Rand School, I am reported as representative in the United States of the Mexican Minister of Mines, Commerce, Labor and Industry, and of the Mexican Federation of Labor.

I shall be grateful to you if you will correct this statement, I am not now nor have I ever been the representative of the Mexican Minister of Mines, &c., nor of any other member of the Mexican Cabinet.

I did speak, however, in my capacity of General Delegate of the Confederación Regional Obrera Mexicana (Mexican Federation of Labor), and only in this capacity.

ROBERTO HABERMAN.

New York, Sept. 7, 1926.

Woman Diplomat Becomes Russian Envoy to Mexico

Alexandra Kollontai,
 Minister to Norway, Who
 Arrived Here in 1916, to
 North American Post

to the Herald Tribune
 1926, New York Tribune Inc.
 CITY, Sept. 7.—A woman
 in charge of the diplomatic
 affairs of Red Russia in the
 Hemisphere, it became known
 today. The Legation of the
 Socialist Soviet Republics
 announced that Minister E. Stan-
 kovsky, who has represented
 the government in Mexico since
 resumed diplomatic rela-
 tions on July 20, 1924, soon
 will be replaced by Mme. Alexandra
 Kollontai, who will have the title of
 Extraordinary and Minister
 Plenipotentiary.

Kollontai is one of the few
 diplomatists of the world and
 number of her sex accredited
 here. She is reported here as
 being among the first leaders in
 the movement to overthrow the Czar
 and then to have held high and
 important positions in the Bolshevik
 government. Her legation here has been
 repeatedly as the central
 point and hub of Soviet activi-
 ties in the Western Hemisphere and



Henry Miller.
 Mme. Alexandra Kollontai

special importance has been attached to
 its establishment, in view of its prox-
 imity to the United States and its
 close contact with Red organizations
 north of the Rio Grande.

Periodically since Mexico recognized

(Continued on page seven)

Woman Named As Red Russia's Mexican Envoy

(Continued from page one)

the Soviet government charges have
 been made that M. Petzkovsky and his
 agents were directing propaganda not
 only in Mexico but in the United States
 and the entire western hemisphere.
 Only recently it was reported in semi-
 official dispatches from Moscow that
 diplomatic relations would be resumed
 soon between Russia and several of the
 South American republics.

The appointment now of Mme. Kollon-
 tai is reported to have been submitted
 to the Mexican Foreign Office and ac-
 cepted.

Factor in Red Revolution

Mme. Kollontai, the world's first
 woman diplomat and one of the ro-
 mantic figures of the Russian revolu-
 tion, last March, completed a three
 year's mission as Minister to Norway,
 in which capacity she distinguished
 herself by the negotiation of a com-
 mercial treaty giving Soviet Russia
 many advantages in return for un-
 equal concessions to Norway.

For one thing, Norwegian diplomatic
 and consular representatives in Russia
 were accorded decidedly limited im-
 munity, while the Russia Legation at
 Oslo was entitled to appoint commer-
 cial representatives in all Norwegian
 ports and invest them with immunity.

But it is not alone as a driver of
 hard diplomatic bargains that this ex-
 ponent of Bolshevik feminism is
 known, for she is credited with high
 intellectual qualities and with her
 share of womanly charm. Her sup-
 posedly advanced views on marriage,
 indeed, were at first erroneously re-
 ported as the cause of her recall from
 Oslo, but it was not Oslo that was
 shocked, but Mme. Kollontai, who was
 at odds with the Soviet marriage law,
 which she considered too bourgeois
 and Victorian.

She has advocated a "new morality"
 based on hygiene, the chief end of
 which would be to eliminate all ego-
 istic and individual instincts in favor
 of developing the community upon
 co-operative lines.

Regrets Ancient Prejudices

On another occasion she asserted
 that "women must be liberated from
 the mass of unproductive labor which
 they fulfill in their domestic surround-
 ings. Thus an enormous amount of
 working energy will be available. I
 regret to say that old prejudices are
 still strong among us."

Mme. Kollontai, who is about forty-
 three years old, was Minister of Pub-
 lic Welfare in the early stages of the
 Russian revolution. Her appointment
 to the Norwegian post followed her
 opposition to the new economic policy
 which the Bolsheviks declared in 1921.

She visited America in 1916 and lec-
 tured against the war, debating with
 Morris Hillquit at the Rand School
 here against his "revisionistic" posi-
 tion.

Mme. Kollontai is of slight build
 and has bobbed brown hair and a fine
 musical voice. She speaks five modern
 European languages with ease. Be-
 sides her public addresses and lectures
 she has published a book, "Ways of
 Love," in which her views on social
 and moral questions are set forth.



Mexican Church Directs Triple Attack on Laws

**Bishops to Get Signatures
of 6,000,000 Catholics in
Support of Petition Just
Presented to the Congress**

Will Continue the Boycott

**Purpose Is to Demonstrate
to Legislators Existence
of a National Sentiment**

By Jack Starr-Hunt

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 7.—The Roman Catholic Episcopate plans a three-angled attack on the Mexican religious laws. Two movements will be documentary and argumentative forces directed at Congress, while the other weapon remains the economic boycott decreed on August 1.

This plan is evident on examination of one of the secret and confidential circulars sent to all of the thirty-three Archbishops and Bishops throughout the country from the Church's headquarters here, in which the clergy's future plans are outlined. They are not intended for a layman's eye, but a circular seen by the Herald Tribune correspondent shows that two of the three methods adopted by the Church already have been made public.

One is the boycott. The second is the formal petition sent to Congress yesterday by the Episcopate and signed by the Archbishop of Mexico, the Most Rev. Jose Maria Mora y del Rio, and all the other members of the hierarchy.

To Get 6,000,000 Signatures

The third is in the form of another petition which it is intended to have signed by 6,000,000 of the faithful throughout the country, whose signatures are now being obtained and which will be sent to Congress to reinforce the Bishops' petition.

The circular seen formally notifies all the Bishops in the twenty-seven states of the republic what the Church's aims are and instructs them as to their future line of action. It refers first to yesterday's formal petition; secondly, to the petition which will be presented above the signatures of "all the Catholics of the country, without excluding priests, women and children." It says this document will be sent to each Senator and Deputy individually, as well as copies thereof to the Senate and Chamber, and that in addition the signers will affix their names to other copies to be sent to the state legislatures.

It instructs the Bishops to continue impressing upon the people in their dioceses that they must not abandon abstinence, penitence and prayer, but rather intensify them until "truly united and unbreakable national action is attained and until God our Master returns to us again our lost liberty."

The Bishops are instructed to make themselves personally responsible for the obtaining of the necessary signatures to the petition of the faithful and the upholding of the boycott. In those localities where branches of the National League for the Defense of Religious Freedom exist these may be used to assist in gathering signatures, but otherwise the Bishops may use any means at their disposal to this end.

Petition Interests Congressmen

The petition presented to Congress by the Bishops will be carefully studied in the Chamber of Deputies, according to "El Universal Grafico." The paper explains that the petition first will be referred to the Committee on Petitions, composed of three Deputies, who will have to decide whether or not it can be admitted for discussion. Should the committee decide affirmatively, the petition will go to the committee dealing with Constitutional questions, which will render its opinion and recommendations to the Chamber. The petition will have to go through a similar process in the Senate.

"El Universal Grafico" says that from opinions gained from Congressmen this morning, considerable interest is displayed in the petition and that there is a general desire among them to study it carefully with a view to settling the religious problem if possible.

Mexican Consul Denies Diplomatic Custom Break

**Elias Declares Talley Charge
Is Unfounded and Insists
He Is Evading Real Issue**

Arturo M. Elias, Mexican Consul General, who is on his way to Mexico City, answered by telephone yesterday the charges of former Judge Alfred J. Talley that the Mexican Consulate in New York was violating "international law and recognized diplomatic custom."

Senor Elias, through Manuel G. Pietro, acting Consul General, declared that as the United States and Mexico were not involved officially in the attempt of President Calles to enforce certain laws regulating the clergy of Mexico that the consulate could with all dignity answer charges against Mexico by persons in the United States.

Mr. Talley, who is president of the Association for the Protection of Religious Rights in Mexico, had said that Attorney General Lee in 1797 set a precedent by forbidding foreign representatives from carrying their case into the press and demanding that they deal directly with the Secretary of State.

Propaganda Denied

"Neither myself nor any one connected with the consular service of Mexico in the United States has ever in any way engaged in propaganda of any kind in matters in which the republics of the United States and Mexico are involved," Senor Elias said. "The United States has never in any way whatsoever addressed any communication to the Republic of Mexico which in the slightest manner touched upon the attempt of the President of Mexico to make the ecclesiastical establishment of that country obey the plain mandate of the Constitution."

"Judge Talley, it is true, has bitterly criticized in the columns of the press the government of the United States for not interfering with the internal affairs of Mexico, but such criticism has evidently not had the least effect upon those in charge of the administration of the affairs of the United States."

"I have several times addressed the people of the United States, answering statements in the public press made by Judge Talley and other spokesmen for the Catholic hierarchy, and it is very significant that neither Judge Talley nor the others have ever sent a communication to the press charging that a single one of the statements made by me was incorrect as to fact."

Insists on Right to Answer

"It is also significant that the only answer that has been forthcoming was that of Judge Talley, printed in the press of September 6, charging, not that I was wrong in any statement that I had made, but that I had no right to make any statement, as I was a consular official of the Mexican government, and that therefore I was acting contrary to international law and recognized diplomatic custom."

"In my statement published September 6 I called attention to the lack of logic of Mr. Flaherty, head of the Knights of Columbus, and I am compelled to call attention to the lack of knowledge of international law which makes it either illegal or in bad taste for a citizen of one country residing temporarily in another which is at peace with his own answering in the public press statements regarding conditions in his own country."

"The government of the United States is not involved in what is called 'the religious question' in any way, despite the efforts of Judge Talley, Mr. Flaherty and others to so involve it. Judge Talley occupies no official position under the United States government and neither does Mr. Flaherty."

El presidente declara abolidos los denominados puertos libres en Méjico

El episcopado en su petición al congreso reclama la devolución de las propiedades de la iglesia

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 7.—El Episcopado católico de Méjico ha pedido formalmente al Congreso la derogación o la enmienda de las cláusulas religiosas de la Constitución a fin de eliminar las restricciones que, dice, hacen imposible la vida de la Iglesia Católica en Méjico. Existe poca esperanza, aun de parte del Episcopado, de que el Congreso cumpla.

La petición fué entregada por Juan Laine, prominente dirigente católico, a los representantes en el Congreso por el Estado de Puebla. Será entregada al secretario de la Cámara de Diputados, quien la leerá en una de las próximas sesiones. Los ulteriores acontecimientos dependen de que algunos de los diputados tomen alguna determinación sobre la materia.

El Episcopado pide la devolución de las propiedades de la Iglesia por el Estado y permiso para que las iglesias y asociaciones religiosas posean y administren propiedades inmuebles y otras indispensables a sus necesidades y la concesión del reconocimiento legal a las organizaciones eclesiásticas, pero declarando separados a la Iglesia y el Estado.

Abolición de los puertos libres

CIUDAD DE MEJICO, septiembre 7.—(A. P.)—El presidente Calles ha abolido por decreto los denominados puertos libres establecidos por el anterior presidente Obregón con el objeto de estimular el comercio exterior. Según el plan, las mercancías eran admitidas libre de pagos de impuesto en cierto radio de Salina Cruz, Puerto Méjico y Guaymas.

El plan no dió los resultados apetecidos y estos puertos vuelven ahora a su condición anterior, cobrando derechos de importación, como en los otros puertos de Méjico.

Combatiendo el fascismo

CIUDAD DE MEJICO, septiembre 7.—(A. P.)—El señor Ricardo Treviño, secretario general de la Confederación Regional Obrera Mexicana, asegura que las uniones obreras mejicanas simpatizan con la decisión de la American Federation of Labor de combatir el fas-

cismo. Agrega que en una convención de su organización celebrada en marzo se decidió oponerse al fascismo.

El señor Arturo M. Elías, cónsul general de Méjico, según comunicación que nos envía el señor Prieto, cónsul general interino, en contestación a la declaración hecha el 6 de septiembre por el juez Alfred J. Talley, representante reconocido de la jerarquía católica, comienza por manifestar que ni él ni nadie conectado por el servicio consular de Méjico se ha empeñado en propaganda de ninguna naturaleza en asuntos de los Estados Unidos y Méjico, añadiendo inmediatamente que el juez Talley ha censurado acerbamente en la prensa al gobierno de los Estados Unidos por no haber intervenido en los asuntos internos de Méjico a propósito de la última controversia religiosa.

Considera significativo el funcionario consultor que el juez Talley ni ninguna persona haya declarado incorrecta una sola de sus declaraciones a ese respecto y que la única contestación que dió el juez en cuestión a sus declaraciones fué que él no tenía derecho a hacerlas por ser funcionario consular del gobierno de Méjico, por lo cual agregaba que el señor cónsul actuaba "en contrario al derecho internacional y a los usos diplomáticos reconocidos."

El señor cónsul agrega que en su declaración de 5 de septiembre llamó la atención hacia la falta de lógica del presidente de los Caballeros de Colón, Mr. Flaherty y que ahora llama la atención la falta de conocimientos de derecho internacional de parte del juez Talley, en el sentido de que no hay ley ni uso que considere ilegal o de mal gusto el que un ciudadano de un país que reside temporalmente en otro que esté en paz con el suyo conteste públicamente declaraciones de prensa respecto a las condiciones de su propio país.

El señor cónsul termina diciendo que el gobierno de los Estados Unidos no está complicado en manera alguna en la denominada "cuestión religiosa" a pesar de los esfuerzos del juez Talley, Mr. Flaherty y otros.



AMERICAN—A Paper for People Who Think— WEDNESDAY, SEPTEMBER 8, 1926

Bandits Terrorize Mexican Railway

By Universal Service.

MEXICO CITY, Sept. 7.—Armed bands of mauraunders are reported to be operating along the Mexico City-Vera Cruz Railroad, threatening the safety of travel to the Coast, as well as to Laredo.

Despatches to local newspapers report that, on account of the activities of the bands, all over-night trains between the capital and Vera Cruz have been canceled for the remainder of the week. This leaves but one day train each way a day.

NEW YORK HERALD TRIBUNE, WEDNESDAY, SEPTEMBER 8, 1926

Mexico Will Patrol Border In Effort to End Smuggling

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 7.—In accordance with the various treaties entered into with the United States, Mexico intends to prevent smuggling along the frontier by establishing a patrol zone on this side of the Rio Grande, according to a decree about to be issued by President Calles.

The patrol will be extended along the border from the Gulf of Mexico to the Pacific, and stretching back from the boundary for twenty kilometers into Mexico. It also will prevent persons from crossing at any point other than the regular gateways, throttling the illicit entrance of barred immigrants.

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Mexico Abolishes Free Ports.

MEXICO CITY, Sept. 7 (AP).—A decree by President Calles abolishes the free ports established by former President Obregon with the object of stimulating foreign trade. Under the plan, goods were admitted duty free within a certain radius in Salina Cruz, Puerto Mexico and Guaymas. The plan failed to accomplish the desired results.

Obregon's Free-Entry Ports Abolished by Decree of Calles

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Free Mexican Ports Abolished by Decree

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END MEXICO'S FREE PORTS

Calles Decree Follows Failure to Stimulate Trade

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Sept. 8, 1926]

The Nation

SIX MEXICAN REVOLUTIONISTS, headed by General Jose M. Rangel, spent thirteen years in a Texas prison because one Mexican serving as an American deputy sheriff

was killed in 1913 when the Mexicans sought to cross the Rio Grande. They have just been pardoned by Governor Miriam Ferguson after years of vain petitions for their release by President Obregon, President Calles, Samuel Gompers, and William Green. The case against these Mexicans was doubtful: there was no direct evidence to prove who killed the deputy sheriff. The prisoners deserved a one-year sentence for violating American neutrality laws, but only the intense anti-Mexican feeling of 1913 could have produced a conviction for murder against all of them. In releasing them Governor Ferguson said that "in all frankness it must be said and admitted they did nothing and were doing nothing more than the immortal Travis, Bowie, Crockett, and their brave companions were doing at the time they were captured and massacred at the Alamo." Their long imprisonment was a case of Yankee tyranny; their release does "Ma" Ferguson honor on the eve of her disappearance from public life, crushed by "Dan" Moody in the second Texas primary.



Sept. 8, 1926]

The Nation

Mexico and the Church

TO THE EDITOR OF THE NATION:

SIR: Permit me to register my amazement at the fact that your periodical should publish *The Mexican Church Goes on Strike*, appearing in your issue for August 18.

Quite possibly Carleton Beals, being in the benighted land of Mexico, particularly in the very midst of the so-called tranquillity prevailing there, namely, in Mexico City, had not heard of the defamatory tactics used by the Mexican Government in regard to Monsignor Caruana, Apostolic Delegate. Might not *The Nation*, however, have had a little more regard for the good name of an American citizen than to print the odious slander once again?

It is very distasteful for people who have broad vision to be forced to wade through old hoary, benighted, bigoted, and oft-refuted slanders in their search for authentic facts regarding events of current interest. I feel that I have to make an apology for placing the August 18 issue in our reading-room. It is a near insult to the intelligence of our patrons.

HENRY H. REGNET, S.J.,
Librarian, St. Louis University

St. Louis, August 14

TO THE EDITOR OF THE NATION:

SIR: Mexico no longer wishes to tolerate the tyranny, the landlordism, the educational and political hegemony of the

Roman church. One of the objects of the Eucharistic Congress in the United States was to bring pressure to bear on Mexico through a show of strength and influence.

At the time when the patriotic guns at Lexington and Concord signaled the dawn of modern democracy, almost all the nations, states, and colonies of the world were blighted by a union of church and state, and as a result persecution born of intolerant dogmatic theology and unreasoning bigotry cursed the world. The history of Christian Europe for hundreds of years constituted one of the most cruel, dark, and bloody pages in the annals of mankind. Whatever dogmatic creed or faith became dominant, persecution of dissenters followed.

Mexico is trying to separate the church from the state and do away with religious schools. Where the government is pledged to divorce of church and state, education should be secular or free from all taint of creedal theology. Religious schools tend to fan the flame of narrow sectarian spirit and to keep alive the religious bigotry that has been a source of discord and a menace to the most sacred rights of the individual.

Newark, New Jersey, August 14

A. J. PETTY

TO THE EDITOR OF THE NATION:

SIR: In *The Nation* for August 18 Carleton Beals writes about "The Mexican Church on Strike." But it is the Catholic church in Mexico that is on strike—there is no Mexican church any more than there is an American church.

New York, August 23

MULLIGAN MACSHANE



Mexico Tramways

TORONTO—Mexico Tramways Co. reports for year ended December 31, 1925, total earnings of 9,997,033 Mexican dollars against 11,692,370 in 1924 and operating deficit of 530,255 after expenses, taxes and depreciation, compared with 154,580 Mexican dollars in previous year.

Sheffield volverá a Méjico con el apoyo del presidente y el departamento

el nuevo superárbitro, profesor holandés Vollenhou-
de la comisión de reclamaciones méjico-norteamericana

ASSOCIATED PRESS

PAUL SMITH, N. Y., septiembre 8.—Después de conferencias entre el presidente Coolidge y Mr. James R. Sheffield, embajador de los Estados Unidos en Méjico, se anunció hoy en la Casa Blanca de verano que Mr. Sheffield, que se encuentra en este país en viaje de vacaciones, volverá a Ciudad de Méjico en el otoño con la entera confianza y apoyo del presidente y del departamento de Estado.

El embajador, declararon los funcionarios que hablaron en nombre de Mr. Coolidge, en presencia de Mr. Sheffield, ha tenido el completo apoyo y continuará teniéndolo en la política que ha realizado y continuará realizando sin cambios en la ciudad de Méjico.

Si bien se asegura que no ha habido ulteriores desenvolvimientos en la situación mejicana tocante a las leyes petroleras y de tierras o a la controversia religiosa, se dijo que en general reinaba el orden en la república del sur.

Se añadió que había también receso de parte del gobierno mejicano en la reclamación que ha hecho del privilegio de intervenir en los derechos y negocios de los ciudadanos norteamericanos en Méjico.

Hay todavía algunas cuestiones que tratar, se agregó, tocante a los derechos de ciudadanos norteamericanos que tienen allí propiedades.

La política norteamericana, se agregó en nombre del presidente, es proteger los derechos de los ciudadanos norteamericanos en cuanto lo autorice el derecho internacional, el uso, las costumbres o nuestros tratados.

Casi no ha habido quejas ahora acerca de desórdenes en Méjico, se dijo, sino más bien quejas acerca de la ingerencia en perspectiva antes que presente en los derechos de los ciudadanos norteamericanos allí.

La cuestión religiosa, se hizo notar, toca a todas las sectas aunque en la realidad afecta principalmente a los sacerdotes católicos debido al gran número de católicos en dicho país.

El gobierno de Washington, se aseveró, la tratará como trataría cualquiera otra cuestión que pudiera afectar los derechos de propiedad o las personas de los ciudadanos norteamericanos allí y trataría de proteger los derechos del pueblo norteamericano.

Llega el nuevo superárbitro

CIUDAD DE MEJICO, septiembre 8.— (A. P.) A. C. Vollenhouven, de Holanda, superárbitro de la comisión general de reclamaciones, ha llegado a Méjico en visita de varias semanas, durante las cuales proyecta hacer una extensa trave-

(Sigue en la 2a. pág.)



MR. SHEFFIELD VOLVERA A MEJICO

(Continuación de la 1a. plana)

sía para familiarizarse con la situación de Méjico.

El profesor holandés substituye al doctor Rodrigo Octavio, del Brasil, que renunció el cargo recientemente.

Aunque su visita es extraoficial la cancillería está preparando recepciones en su honor.

Antes de marchar a Washington prosiguió hacia Orizaba, para continuar después hacia la capital de la república.

Ministrala rusa en Méjico

CIUDAD DE MEJICO, septiembre 8.— La cancillería dice que tiene entendido que Madame Alexandra Kollantay, exministro del soviat en Noruega, será nombrada ministro de Rusia en Méjico, en reemplazo de Stanislao Tetskovsky, que ha sido llamado a Moscou.

En caso de que se la nombre, será la primera mujer que ejerce en Méjico un cargo diplomático.

COOLIDGE TO KEEP HANDS OFF MEXICO

Will Insist on Rights of U. S.
Citizens, but Has No Idea
of Intervention

CONFERS WITH SHEFFIELD

Ambassador to Return After
Two Months' Vacation

From World Staff Correspondent

Special Despatch to The World

WHITE PINE CAMP, N. Y., Sept.

8.—President Coolidge held out a friendly hand to Mexico to-day following a conference with Ambassador James R. Sheffield, but made it plain he will insist on every right to which American citizens are entitled under international law, custom and existing treaties, including the ownership and use of property.

Mr. Coolidge found conditions much improved across the border and despite the admission that many Americans had been murdered since 1913, he felt complaints are being directed more at prospective interference with the privileges of American citizens than at any present oppressive acts.

The present Mexican Government keeps a fair condition of order, in his opinion.

Conclusions resulting from the conference were:

Mexico had receded materially in her claim of authority to interfere with the business of American citizens under the Mexican land laws.

To Continue Policy

The present Mexican policy of this Government will be continued. High points of this policy are protection of Americans, adherence to and enforcement of treaties, and aloofness in purely domestic Mexican questions.

Ambassador Sheffield has the entire confidence of both the President and the State Department. He will return to Mexico City after a vacation of two months.

The Church-State controversy in Mexico will be dealt with as any other situation would be in case American rights became involved.

Much importance was attached to the manner in which results of the conference were made public. Yesterday it was announced that Ambassador Sheffield would give an interview to newspaper correspondents, but upon consultation with him the President found he had refrained ever since reaching the United States from discussing affairs in Mexico and desired to continue that practice.

As a result the Official Spokesman gave out the decisions on the Mexican policy, thereby relieving Mr. Sheffield from any embarrassment which might result from an interview after he returns to Mexico City and at the same time making the conclusions a more definite official Administration pronouncement.

Conciliatory Tone

The general tone of the statements were conciliatory to the Mexican Government and there was a tendency to credit it with doing everything possible to stabilize conditions and remove the uncertainty of past years.

The President anticipates no changes in the oil and land law situation and knows of no prospective changes regarding the internal questions now affecting Mexico. In discussing protection of the rights of Americans the spokesman made it clear that they included the right of property ownership and use of that property.

Denial was made of reports originating in Washington that Mr. Sheffield had recommended some form of mild intervention in the form of an offer to settle the dispute over religion. The Ambassador made no such recommendation, according to the spokesman.

Attorney General Sargent also is visiting at the camp but it was understood he did not participate in the conference between the President and Mr. Sheffield.

W. I. Drummond of Kansas City, Chairman of the American Farm Congress, submitted to President Coolidge to-day a new farm bill similar to the Fess Amendment, but relieving the Government of any responsibility to organize the farmers into groups of co-operative marketing associations.

President Coolidge will canvass the results of yesterday's primaries and G. O. P. prospects for the fall campaign with Representative John Q. Tilson (R., Conn.) majority floor leader of the House and chief of the Republican Campaign Headquarters for the East in New York. Official comment on the primaries was withheld to-day.



'CALVO CLAUSE' IS UPHELD BY MEXICO

General Claims Commission Says It Is Valid Under International Law.

(Special to The Journal of Commerce.)

MEXICO CITY, Sept. 8.—The Department of Foreign Relations of the Mexican Government announces that its General Claims Commission, which has been meeting in Washington, finds the "Calvo clause," which bears the name of the Argentine Internationalist, and which was brought forward to defend the jurisdiction of weak countries against the strong, is valid under the status of international law.

The "Calvo clause" relates to an alien residing in a foreign country, and does not permit him to have recourse regarding a specified act or contract to the diplomatic protection of his own country, but obligates him, on the contrary, to use only the recourses and the tribunals of the nation where he resides, in the same manner as is done by its nationals.

The ruling of the commission has another important bearing, it was said, that of endorsing the Mexican policy regarding the acquisition of immovable property by aliens, a policy contained in Clause 1 of Article 27 of the Constitution. By virtue of this ruling many American claims are affected, since they cannot be heard by the General Claims Commission, the claimant having only recourse to the appeal given him by the laws of Mexico.

3,088 Claims Presented.

The number of claims presented before the commission when it assembled on February 1, 1926, was 3,088, of which 2,308 are against Mexico and 780 against the United States of America. There have been presented since February 1, 1926, five claims arising since the convention was signed. As a result of the presentation of delayed claims, the total has increased to 3,230 claims, that is, 2,435 against Mexico and 795 against the United States of America. There are still pending admission, awaiting additional information regarding them, 168 claims more. Of the 2,435 claims against Mexico, two were withdrawn, three were discharged and one resolved, leaving 2,429, and of the 795 claims against the United States of America, eight were withdrawn, none was discarded and one was resolved, leaving 789.

The first matter which the commission had to decide was whether it would admit more than 200 claims, both American and Mexican, which had been submitted outside of the time limits fixed by the convention. These claims were studied. More than half of them were rejected because the reasons were insufficient. The question also arose as to whether the commission should take up claims deriving from the debarkation of the Americans in Vera Cruz in 1914. The commission took a middle ground for its decision, deciding that the acts which originated from damages caused by the disembarkation itself and from the subsequent occupation were not within its jurisdiction; however, that damages caused by acts of the American authorities during the period of the occupation and following it were.



PRIESTS LEAVE MEXICO FOR OTHER COUNTRIES

*Departure Is Taken to Indicate
the Church Expects a Long
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They are taking the names of those who are using their automobiles, attending theatres and holding social affairs in their homes, and the leagues intend to put these people on the social blacklist.

Business houses report that trade is growing worse daily. Sales are down to a minimum, they say, the drop in the value of silver piling another burden on the shoulders of the merchants.

Some observers think the boycott will teach Mexicans how to save their money, as the majority of them have always spent every cent they earned.



COOLIDGE TO STAND ON MEXICAN POLICY

Expects Accord on Oil and
Land Laws—Finds Calles
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CONFERS WITH SHEFFIELD

He Cannot Yield to K. of C.
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PAUL SMITH'S, N. Y., Sept. 8.—There will be no change in the Government's Mexican policy, President Coolidge declared today, after a conference with James R. Sheffield, Ambassador to Mexico. Mr. Sheffield, it was asserted, was in full accord with the Administration's program and would return to his post after a vacation of two months. It appears that Ambassador Sheffield has convinced the Administration that the present policy will suffice to protect the rights of American citizens under the oil and land laws.

President Coolidge has encountered the same difficulties as previous Administrations have met in dealing with Mexico, and after today's conference with Mr. Sheffield he was represented as believing that a more aggressive policy cannot successfully be pursued and that patience and a desire to help the responsible Government of Mexico will gain more in the end, although a strong Government frequently is placed in an embarrassing position by such a course.

Church Strife Held Domestic.

It was emphasized again that the President regards the controversy between the Catholic Church and the Calles Government as solely a Mexican internal question which cannot figure in international relations. The only interest the United States has in this dispute is the protection of American rights in Mexico.

It was reiterated on behalf of the President that if American citizens were injured or deprived of property as a result of the execution of the new religious laws the American Government would protest against the infringement of treaty rights involved and demand satisfaction, as in the case of injuries from any other source.

This Government sees no way by which it can carry out the request of the Knights of Columbus to use its good offices to "alleviate the condition of the oppressed" in the Church controversy.

While no direct reference was made today to the representations made recently by the Catholic organization, it was evident from what was said that the President did not feel that a protest was warranted in the present circumstances.

While the President was defining the Mexican policy, Ambassador Sheffield remained in the background, in the rear of the room.

Full Confidence in Sheffield.

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President Coolidge at this juncture expects no changes in the Mexican situation which will call for a new policy.

For years banditry and revolutions had produced a condition of uncertainty in Mexico, but, in Mr. Coolidge's view, the situation has been improving for the last three or four years and there is now very little complaint of disorder. The Mexican Government, he thinks, is now maintaining a fair condition of order in the country.

Exculpates Calles in Disorders.

It would be unfair, according to Mr. Coolidge's view, to condemn the Mexican Government for occasional instances of disorders resulting in injury to American citizens, for even in this country, it was pointed out, the Government is unable to prevent considerable lawlessness. There are frequent outbreaks of murder and highway robbery in the United States, just as there are in Mexico.

The Government in this country

makes every effort to prevent such outbreaks, but its failure to do so is not evidence that the Government lacks authority. The President would give Mexico the benefit of the same logic.

In his review of the situation President Coolidge conceded that many Americans were killed and their property pillaged in the years following 1913, but such occurrences had grown fewer lately, he held.

The American problem in Mexico, the President feels, centres around prospective difficulties arising out of the application of oil and land laws to American properties.

As to this dispute the President is optimistic. He finds that there has been a great recession on the part of the Mexican Government from its original claims to privileges of interfering with American property rights.

More Concessions Expected.

The President looks for still further compromises in connection with the interpretation of these laws and the right of American citizens to own property and do business in Mexico.

In fact, his discussion today was accepted as the most encouraging official utterance on the relations between this Government and Mexico that has been vouchsafed in many months.

It became known today that the Mexican Government is considering denying claims of all American citizens for damages suffered in 1914 and 1915, when Huerta headed what was known as the "usurper's Government." American claims for this period amount to many millions of dollars.

According to information here, there is nothing in the claims convention between the United States and Mexico to justify eliminating the consideration of damages to American citizens in the Huerta Administration.

This appears as another difficult problem to be added to the rest of the disputes before the Special Claims Commission, which must render a decision in a short time.

The Mexican contention, it is de-

clared, is one that must be settled by the commission, and probably will not come up for any diplomatic treatment.

PUEBLA FACTORIES SUFFER.

Textile Plants on Half Time Due to Mexican Business Crisis.

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MEXICO CITY, Sept. 8.—Reports from the State of Puebla say that the present business crisis has forced textile factories there to close down three days a week. The owners say that if the present conditions continue all the factories will be compelled to shut down entirely, thus throwing out of employment 16,000 textile workers.

Present prices of cotton goods, the proprietors say, do not pay for the cost of making them, and unless there is a decided change in the situation within a short time the factories will close down for perhaps a year.

Much alarm, it is said, is felt in Puebla, as the working classes are already suffering on account of the high cost of living and lack of employment. If 16,000 are added to the ranks of the jobless the authorities fear they will be unable to give them relief, as they already have a problem on their hands in keeping those now idle from starving.

MEXICO BARS K. OF C. ORGAN.

It Excludes Columbia Because of Attacks on Calles Government.

NEW HAVEN, Conn., Sept. 8 (AP).—Supreme headquarters of the Knights of Columbus here has been notified that the official publication of the of the Knights of Columbus, has been barred from the mails of Mexico because of its attacks on the present Mexican Government.

The information came from the United States postal authorities in Washington.



Mexico Yields to U. S., Sheffield Tells President

Ambassador Reports Marked Increase in Respect for Rights of Americans; Will Resume His Post

Glassie Is Reappointed

Named to Tariff Board Despite Protest by Bruce; Executive Gets Farm Plan

By Carter Field

PAUL SMITH'S, N. Y., Sept. 8.—Decided improvement in the Mexican situation was announced at the Summer White House to-day following a conference between the President and Ambassador Sheffield. Mexico, it was stated, has receded materially in its claims of right to interfere with American citizens. It was pointed out that for some years now there has been little of the banditry which formerly caused so much trouble to Americans in that country.

The trouble with the republic below the Rio Grande has centered in the last few years on the insistence of the Mexican government upon interfering with the rights of American citizens by governmental action. Recessions on important phases of this would-be interference have cleared up the situation, it was said, and the whole outlook is now favorable.

Will Resume Post

Ambassador Sheffield, it was announced, will return to his post on completing his vacation. When he leaves White Pine Camp he will go to Saranac Lake. The President understood that he would go to his camp there, but due to his having spent part of his vacation at Atlantic City the Ambassador feels that the time he will have in the Adirondacks will not justify opening the camp, so he will stop at the hotel.

Rather unprecedented action was followed in making known these views of the Administration. It had been announced Tuesday that the President would place Ambassador Sheffield at the disposal of the correspondents this morning. The Ambassador, however, since coming from Mexico has refrained from giving interviews, chiefly because he felt that to do so would impair his usefulness. He therefore asked to be excused, and the Presidential spokesman instead made known what Mr. Sheffield had reported to Mr. Coolidge.

President Voices Confidence

The spokesman, for the third time within a short period, made known the President's confidence in Mr. Sheffield, as a result of whose efforts the recession in Mexican demands has been brought about. Some questions remain unsolved between the two countries but great headway has been made in reaching an understanding in relation to the enforcement of the land laws. It also was stated that the difficulty is not so much with their present operation as the claims that are made relative to what may be done in the future.

The United States is going to continue its present policy of protecting American citizens in their enjoyment of rights and privileges under diplomatic usage, international law, treaties and custom relative to ownership and use of property and other matters, whether they relate to business or religion.

Mr. Sheffield, who a year ago was in poor health as the result of a serious operation, has entirely recovered and is feeling well and fit, the spokesman said.

Glassie Reappointed

President Coolidge to-day gave Henry G. Glassie, Democrat, of Maryland, a recess appointment to succeed himself as a member of the United States Tariff Commission. His term expired to-day. Several Democratic Senators have recommended that he be renamed. Senator Bruce, of Maryland, objected. Three members of the commission, which still is subject to investigation by a special committee of the Senate of which Senator Wadsworth, of New York, is a Republican member, now are serving under recess appointments. Besides Mr. Glassie they are Sherman J. Lowell, of Fredonia, N. Y., and Edgar B. Broussard, of Utah, a former economist for the commission.

Lowell and Broussard were named by

the President during the last session of Congress. The Senate Finance Committee, due to the objections of Senator Robinson, of Arkansas, Democratic leader, and another member of the Tariff Commission investigating committee, did not act favorably on confirmation, so no action was taken. There was no objection to Mr. Lowell, but Mr. Robinson said he wanted further to investigate Mr. Broussard, who is a protege of Senator Smoot.

Had the President not named these men after Congress adjourned, the Tariff Commission at a critical time would have been composed of three Democrats and one Republican. He therefore obtained their consent to serve, even though they took the risk of doing so without pay, unless their nominations subsequently were confirmed. They now are attending to their duties in Washington. Under the law, as explained in the news Tuesday, the term of a Tariff Commissioner doesn't, as is the case with many other appointments, continue until his successor is named. It ends on expiration of the term of office.

President Coolidge, after his return to Washington, will make a final decision but at present he was confronted by three alternatives. He either could have reappointed Mr. Glassie, in spite of Senator Bruce's protests, as he did; or he could not have made the appointment, or finally he could have selected a new man.

In view of the suggestions that have been made, however, that the Tariff Commission membership be reduced from six to four, the President was loath to ask a new man to accept a place which in a short time might be abolished and he did what appeared to him to be the natural thing in reappointing Mr. Glassie. He felt justified in so doing because of the greater number of Democratic indorsements than protests.

Sargent Also a Visitor

The President has as his guest at White Pine Camp to-day, in addition to Ambassador Sheffield, Attorney General Sargent, who will remain for several days. Mr. Sargent did not see the correspondents here, explaining to the President that he had nothing to make public. He and the President will consider departmental and possibly political matters.

One of the important questions of policy to be taken up concerns possible amendment of the anti-trust law. The Department of Justice feels that loopholes in the law remain to be closed. Mr. Sargent has not indicated what his view of the matter is but he will discuss the question with the President so that an agreement on the policy to be pursued may be reached, because the Attorney General particularly is anxious to do nothing that does not fit in with the President's plan.

Considers New Farm Aid Plan

President Coolidge has promised to consider a new farm relief plan submitted to him to-day by W. I. Drummond, of Kansas, chairman of the American Farm Congress. It obviates the objectionable features of the McNary-Haugen and Fess bills.

Copies of a bill which would help farmers to dispose of their surplus non-perishables such as cotton, grains, wool and tobacco—not livestock—have been furnished the President and about fifty members of Congress interested in the problem by Mr. Drummond in the effort to enlist their support.

Details of the bill remain to be announced, but it overcomes the objection to the Fess bill in that it puts all the initiative on the part of the government and does not mention the unacceptable features of the McNary-Haugen bill, which provides for what Mr. Drummond calls an unconstitutional equalization fee and price fixing.

The American Farm Congress is a non-partisan organization interested in agricultural research and education. It has made an elaborate study of farm conditions and the President has much confidence in Mr. Drummond's ability, having pointed out that he finds it beneficial to discuss farm matters with him.

Favors Protective Tariff

There is some sentiment for tariff adjustment among farmers, Mr. Drummond said, but he believes the farmers will find that after discussion that it will be best for prosperity and protection of the home market, which is so important to them, that the rates remain as they now are. Mr. Drummond, however, favors a tariff on hides to help the stock men. The country has been built upon a traditional tariff policy protecting agriculture, Mr. Drummond contends.

"The United States," said he, "has been established on a higher plane than other nations and it is a question of keeping the tariff or going down without it. If we remove the tariff, we'll go down in spite of the supremacy of our works and agriculture."

Mr. Drummond doubts that a mere extension of credits to co-operative marketing agencies will solve the farm problem. The government should help the farmers, who produce non-perishable surpluses, dispose of their products, but not according to the Haugen bill, he believes.





Mexico Bars "Columbia"

Official K. of C. Monthly Said to Have Attacked Calles Govt.

Special to the Herald Tribune

NEW HAVEN, Conn., Sept. 8.—"Columbia," the official organ of the Knights of Columbus, published monthly at supreme headquarters here, has been barred from the mails of Mexico because of its attacks on the present Mexican government, according to information received at headquarters to-day from the United States postal authorities in Washington.

Miles F. Connolly, editor of "Columbia," declared to-day that he does not know just what article or editorial is responsible for the ban. He presumes an article appearing in the August issue under the caption, "Another Scrap of Paper," which contained a number of anti-Mexican statements, is the one to which exception has been taken.

Mr. Connolly declared that he received unofficial notice last Thursday from Mexico that "Columbia" was to be barred, but that verification was not made until this morning. He said that the August issue was admitted to Mexico, but thousands of copies of the September issue were returned.

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Continued on Page Twelve.



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U. S. MEXICAN POLICY O. K.'D BY PRESIDENT

**"Hands Off" Plan Successful,
Coolidge Declares After
Conference with Sheffield**

By JOHN T. LAMBERT,
Universal Service Staff Correspondent.
PAUL SMITHS, Sept. 8.—Convinced that his judgment has been vindicated, President Coolidge today definitely decided to maintain his "hands off" policy with Mexico.

This decision was the climax of conferences with Ambassador James R. Sheffield, lasting two days. Following these conferences, President Coolidge revealed that Mexico, instead of being on the verge of an open rupture, is taking conciliatory means to comply with America's demands for adequate protection of American lives and property.

Mexico, it was stated, has receded "very materially" from the rights it originally claimed to interfere with American-owned property there.

The United States Government, it was disclosed, is still negotiating through diplomatic channels to obtain further concessions under these alien land laws, which, some Americans have asserted, may result in confiscation of their property.

So far as the Mexican struggle between the State and church is concerned there will be no new developments whatever, unless the lives of American citizens are imperilled.

American life is secure in Mexico, it was stated. The only complaints being received by this Government are of the prospective injury which American property may suffer from prosecution of the new land laws.





**A. M. Elias May Replace Pani
As Mexican Finance Minister**

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 9.—"El Imparcial" says Arturo M. Elias, Mexican Consul General and fiscal agent in New York, is en route here to replace Alberto Pani, Finance Minister, who has been repeatedly reported as having presented his resignation to President Calles.

The report has been accompanied with rumors of other Cabinet changes.

Senate he favored prompt action for "a competitive tariff."

He asserted Europe was becoming more prosperous, that Italian progress was wonderful, and that American business is conquering Europe, and need fear no competition. He paid a high tribute to Ambassador Schurman at Berlin.

Mexico Leads Union Labor

Soviet Envoy Says 95 Per Cent Is Organized

By Cable to the Herald Tribune

Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 9.—Stanislao Petzkovsky, the retiring Soviet diplomatic envoy to Mexico, believes that Mexico is "farther advanced than any other country in many respects, especially in the labor movement," according to an interview published in "Excelsior" to-day.

"Ninety-five per cent of the Mexican industrial and transport workers are unionized," he said. "In the United States only 25 per cent belong to unions, while in England and Germany about 40 per cent are organized."

"Although the general mass of workers do not actively participate in the development of a system of syndicalism, I believe that in the very near future all workingmen will take part in the government—just as soon as they have acquired sufficient education."

Petzkovsky plans to leave Mexico in October to confer in Paris, on his way to Moscow, with Mme. Alexandra Kollontai, his successor here.



Calles Taxes Immigrants \$10

MEXICO CITY, Sept. 9.—President Calles has issued a decree establishing a head tax of \$10 on every immigrant admitted to Mexico.

NEW YORK HERALD TRIBUNE, FRIDAY, SEPTEMBER 10, 1926



To Try Estrada and Men

Violation of U.S. Neutrality Laws Charged in Revolt Attempt

LOS ANGELES, Sept 9 (AP).—General Enrique Estrada, former Mexican Secretary of War, and 131 of his followers recently rounded up near the border were charged with violating the neutrality laws by setting on foot a revolutionary movement against Mexico, in Federal indictments returned to-day.

An order was issued to bring the men here from San Diego, where they have been held in the Marine barracks.

THE NEW YORK TIMES, FRIDAY, SEPTEMBER 10, 1926.



SAYS ELIAS WILL QUIT HERE.

Mexican Paper Asserts Consul General Will Join Calles Cabinet.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 9.—The Imparcial states today that it has authentic information that Alberto Pani, Secretary of the Treasury, has resigned and that Arturo Elias, a cousin of President Calles, who is now Consul General in New York, will be named to succeed Señor Pani.

Señor Elias, who will arrive in Mexico City tomorrow, will report to the Government on the work of the Consulate.

MEXICO SEEKS ABDUCTORS.

White Slavers Said to Ship Girls to United States and Europe.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 9.—The police of Mexico City have discovered a plot to ship Mexican girls to the United States and Europe. A band of international white slavers has been found that has one shipment of twenty Mexican girls hidden. These girls are from middle-class families in Mexico City and its suburbs.

The police discovered the white slavers through a letter written by a fourteen-year-old girl who is now in the hands of the band, which gave a clue to the fate of a number of young girls who had been reported missing from their homes.

The large increase in reports of girls leaving home with their sweethearts caused the police to start investigation. The mother of one girl received a letter telling her not to worry, as she was well treated, but at the close of the letter revealed that twenty girls are living with her in a large house, the address of which she failed to give.

The mother turned the letter over to the police, who discovered traces of the band and arrested one woman, who is charged with having persuaded five girls to leave home. From this woman the police expect to learn the names of the members of the band.

Telegrams have been sent to all ports to detain girls who cannot furnish identification papers. The police have requested New Orleans, France and Germany to trace the white slavers. It is said that the headquarters of the American branch of the band is in Chicago.



THE NEW YORK TIMES, FRIDAY, SEPTEMBER 10, 1926.

MEXICANS OPPOSE PETITION

Public Employes Say Clergy Had
No Legal Right to Submit It.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 9.—A union of public employes has formed a society called "Pro-Constitution" and has sent a protest to Congress against the admission of the Catholic petition for amendment of the religious laws which caused the dispute between the Catholic Church and the Calles Government.

As the clergymen who signed the petition have no legal personality, it should be thrown out, the employes' protest declares.

It appears almost certain, however, that Congress will not even read the petition, much less debate it.

Luis Mier y Teran, the young Catholic orator who has publicly debated against Luis Morones, Secretary of Labor, on the religious regulations, was arrested today.

MEXICO CITY, Sept. 9 (AP).—The Episcopate has issued instructions for an active campaign throughout the country in which all Catholics will be asked to sign copies of the petition to Congress for amendment or repeal of the religious laws.

Four sets of the petition are to be signed, one for the Upper and Lower Chambers of the National Congress, one for each State Legislature and one to be returned to the Episcopate headquarters. It is thought that between ten million and thirteen million signatures will be obtained.

The Chamber of Deputies has referred the petition to the Committee on Petitions.



SOVIET NAMES WOMAN MINISTER TO MEXICO

*Mme. Kollontay, Daughter of
Czarist General, Campaigned
for Communism Here.*

MOSCOW, Sept. 9 (AP).—Mme. Alexandra Kollontay, former Soviet Minister to Norway, it is now definitely declared, though not officially, has been appointed Soviet Minister to Mexico. Russia's only woman diplomat will leave for Mexico by way of New York about Sept. 25. She will succeed Stanislas Pestkovsky, the present Minister at Mexico City.

Daughter of a famous Czarist General, Mme. Kollontay was one of those belonging to the old Russian aristocracy who renounced their high lineage to embrace Bolshevism. She is fifty-four years old, was educated at foreign universities and has lived abroad most of her life.

Joining the Menshevik Party at the outbreak of the war, she was expelled from Paris for revolutionary activity.

She went later to the United States, where, visiting eighty-one cities, she carried on a campaign in behalf of communism, women's rights and the International.

Mme. Kollontay is known throughout Russia for her unconventional and extremely radical views regarding matrimony, and was herself married several times. She is the creator of a project for a pension fund for the support of illegitimate children, to which all citizens would be required to contribute.



FRIDAY, SEPTEMBER 10, 1926

*** Editorial T

FORMER TAFT AIDE MEXICO MYSTERY MAN

Walter L. Fisher, ex-U.S. Cabinet Member, Revealed as 'Col. House' of Calles Reign

By GEORGE W. HINMAN, JR.,
Universal Service Staff Correspondent.
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MEXICO CITY, Sept. 9.—A former United States Cabinet officer is Mexico's "man of mystery"—a sort of miniature Colonel House. He is Walter L. Fisher, of Chicago, for two years Secretary of the Interior in President Taft's Cabinet.

Fisher, with his family, has been in the Republic as a guest of the Mexican Government. The party has just returned to Mexico City after a week-end at Tampico studying the petroleum problem which is now the subject of exchanges between the United States and the Calles Government.

IMPORTANT FIGURE.

In Mexico, Fisher is counted upon to do much to remove present misunderstandings between Mexico City and Washington. Among the expectations are:

Through supposed close contact with the White House, Fisher is looked upon by some as being able to over-ride Ambassador Sheffield and bring President Coolidge and Secretary of State Kellogg around to the view that the petroleum and alien land laws afford reasonable protection to American interests.

Through the same contacts, eventually to effect the elimination of Ambassador Sheffield and his replacement by a man more reasonable in dealing with the foreign office. In this connection, Fisher is said already to have sent messages to friends in Washington urging the removal of the Ambassador.

Through important business connections, Fisher is regarded as likely to interest Chicago capitalists in development work.

MEXICO'S GUEST.

Since their arrival Fisher and his family have been accorded every courtesy, traveling throughout there public in a special car and occupying sumptuous quarters in hotels. Received at the Presidential palace by President Calles and entertained at luncheon as a guest of Ambassador Sheffield, Fisher is also treated ceremoniously by lesser officials everywhere.

Fisher is also listed as a friend by supporters of Juan C. Sacassa, former Vice President of Nicaragua and present leader of the revolutionary movement against General Chamorra.

While Fisher greatly impresses many in Mexico City, others regard his supposed influence at Washington as exaggerated and feel confident that Ambassador Sheffield's standing with the President and Secretary of State is much higher.

By Universal Service.

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PAUL SMITHS, N. Y., Sept. 9.—Walter L. Fisher, of Chicago, who is reported to be doing a "Colonel House stunt" in Mexico, has absolutely no connection with the Coolidge administration, it was said here officially today.

President Coolidge has implicit confidence in Ambassador Sheffield. He believes that Sheffield, relinquishing his big law practice in New York to become Ambassador, rendered a distinct public service.



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**SOVIET DIPLOMAT Who Will
Represent Moscow in Mexico**



Mme. ALEXANDRA KOLLONTAY

Congress, except among the extremist minority, was one of anger against the Russians, but the miners' delegates pointed out the fact that Tomskey is offering them another million roubles.

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**Woman, Long Radical Leader,
Named Soviet Envoy to Mexico**

MOSCOW, Sept. 9 (A. P.)—Mme. Alexandra Kollontay, former Soviet Minister to Norway, it is now definitely declared, though not officially, has been appointed Soviet Minister to Mexico. Russia's only woman diplomat, it is added, will leave for Mexico, by way of New York, about Sept. 25.

The appointment of Mme. Kollontay came as a surprise even to Communist circles in Moscow, where it was believed her recall from Norway a year ago rendered another diplomatic appointment extremely unlikely. She will succeed Stanislas Pestkovsky, the present Minister at Mexico City.

Daughter of a famous Czarist General, Mme. Kollontay was one of the old Russian aristocracy who renounced their high lineage to embrace Bolshevism. She is fifty-four, was educated at foreign universities, and has lived abroad most of her life.

Besides being an accomplished linguist, she is admitted to have considerable ability as a diplomat and social worker. Joining the Menshevik Party at the outbreak of the war, she was expelled from Paris for revolutionary activity. She went later to the United States, where, visiting eighty-one cities, she carried on a campaign in behalf of Communism, women's rights and the International.

She is known throughout Russia for her unconventional and extremely radical views regarding matrimony, and was herself married several times. She is the creator of a project for a pension fund or the support of illegitimate children, to which all citizens would be required to con-

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Tiempo probable:
Lluvias. Mas frío.

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LA PRENSA

UNICO DIARIO ESPAÑOL E HISPANO AMERICANO DE ESTADOS UNIDOS

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NUEVA YORK, VIERNES 10 DE SEPTIEMBRE DE 1926.

La hacienda ordena no comprar afuera mientras la moneda mejicana esté baja

El episcopado proyecta obtener de diez a trece millones de firmas para su petición al congreso

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 9.— El departamento de Hacienda ha enviado una circular a todos los departamentos del gobierno dándoles instrucciones al efecto de que no efectúen compras en el extranjero mientras el dinero mejicano se cotice a un tipo de cambio desfavorable.

Circular similar se envió a los gobernadores de todos los estados, con carácter de requisitoria antes que de orden.

La comisión del gobierno sobre exportación, que tiene como propósito la formulación de métodos para remediar la situación financiera, económica e industrial, ha celebrado su primera sesión.

El superárbitro visita la cancillería

CIUDAD DE MEJICO, septiembre 9.— El profesor holandés señor A. C. Van Vollenhouven, superárbitro de la comisión general de reclamaciones méjico-norteamericanas que viene a familiarizarse con la situación en Méjico, hizo una visita de cortesía a la cancillería y a la embajada de los Estados Unidos. Cuenta con ser recibido por el presidente Calles en una fecha próxima.

Circulan rumores de que el señor Van Vollenhouven sucederá al doctor Rodrigo Octavio, del Brasil, como superárbitro de la comisión de reclamaciones méjico-norteamericana, cuyo puesto renunció el último hace algún tiempo.

Interrogado acerca de este rumor, el señor Van Vollenhouven dijo que nada sabía sobre el particu-

lar. Añadió que su visita a Méjico en la actualidad era puramente personal. En la embajada de los Estados Unidos ni en la cancillería se obtuvo información sobre quién sería el sucesor probable del doctor Octavio.

La cuestión religiosa

CIUDAD DE MEJICO, septiembre 9.— (A. P.) El comité del episcopado ha enviado instrucciones para una activa campaña en todo el país y en las cuales se pide a todos los católicos que firmen copias de la petición del episcopado al congreso en pro de la derogatoria o la enmienda de las leyes religiosas del gobierno.

Varias copias de la petición han de ser firmadas: una para la cámara alta o senado, otra para la cámara de diputados, una para la legislatura de cada estado y una que ha de ser devuelta a las oficinas principales del episcopado.

Se cree que se obtendrán de diez a trece millones de firmas si lo permite el tiempo antes de que la petición se considere en el congreso. Los sacerdotes católicos y las sociedades católicas han recibido instrucciones para hacerse cargo del trabajo a fin de obtener las firmas.

La cámara de diputados ha trasladado la petición a la comisión de peticiones, la cual tiene tres semanas para informar sobre el asunto.

Después de esto, la resolución puede ser transmitida a la comisión sobre enmiendas constitucionales, a menos que la comisión de peticiones informe en sentido adverso a la solicitud.



Mexican Oil Taxes

MEXICO CITY—Decree has been issued by President Calles whereby oil production taxes will go 90% to federal government and 10% to various states wherein oil is mined. Hitherto only such states as possessed refineries obtained this advantage.

Huasteca Completion

TAMPICO—Huasteca Petroleum Co. (Pan-American) completed Cerro Azul well No. 82, at 1,971 feet, flowing 1,571 barrels initial; and Tierra Blanca well No. 81, at 1,951 feet, flowing 20,000 barrels initial.

Mexican Seaboard Completion

TAMPICO—Mexican Seaboard Oil Co. has completed well No. 277 for 3,000 barrels initial at 1,951 feet.

To Push New Tampico Line

Special to THE WALL STREET JOURNAL

PATATEY—For the last several months the National Railways of Mexico has been appropriating \$15,000 monthly for the construction of the short line between Patatey, Tampico, and Honey, where intersection will be made with the line of the system running to Mexico City. The amount has been barely sufficient to keep the line at work, but it is announced that beginning October 1 the monthly appropriation was increased to \$20,000 and that this is to be still further increased to \$25,000 by the end of the year. The working force has been increased from 250 men to 600. A shipment of 100 ties has arrived from the United States and will be laid immediately. An order for 90-pound rails to lay 35 miles of track has been placed.

MEXICAN OIL OUTPUT GAINS 857 BARRELS

Heavy Oil Shows Increase of 1,571 Barrels
Daily—Light Oil Decreases 714
Barrels a Day

Special to THE WALL STREET JOURNAL

TAMPICO—Mexican production of crude oil for week ended September 4 increased 857 barrels daily over preceding week, averaging 214,142 barrels daily. Light oil decreased 714 barrels daily, averaging 83,000 daily, and heavy oil gained 1,571 barrels, averaging 131,142 barrels daily. For the same period a year ago, production averaged 281,423 barrels daily, 67,286 barrels in excess of the current figure.

Production (in barrels) for the past two weeks together with production for week ended September 5, 1925, follows:

	—September 4—		—August 28—		—Sept. 5, '25—	
	Light	Heavy	Light	Heavy	Light	Heavy
Mex. Pet.	303,000	278,000	284,000	260,000	361,000	221,000
M. Eagle	105,000	3,000	124,000	3,000	104,000	6,000
Std. N. J.	18,000	114,000	18,000	118,000	19,000	243,000
R. Dutch	8,000	101,000	7,000	105,000	9,000	129,000
M. Seab.	25,000	76,000	24,000	77,000	15,000	271,000
Sinclair	3,000	71,000	3,000	75,000	3,000	150,000
Gulf O.	48,000	46,000	45,000	40,000	50,000	70,000
Nat. Rwys.	.....	51,000	.....	51,000	.....	.....
Atl. Gulf	29,000	.....	18,000	.....	25,000	.....
Texas Co.	5,000	6,000	6,000	6,000	7,000	9,000
Misc.	37,000	172,000	57,000	172,000	35,000	243,000
Totals	581,000	918,000	586,000	907,000	628,000	1,342,000
Daily aver	83,000	131,142	83,714	129,571	89,714	191,714

NEW TAMPICO WATER SYSTEM

Modern Plant, to Cost 8,000,000 Pesos (\$4,000,000)
Will Be Constructed at Once

TAMPICO, Mex.—Negotiations between the City of Tampico and Compania Structor, S. A., for construction of a complete and modern water works plant have been concluded by awarding the contract to the company at a cost of approximately 8,000,000 pesos, equivalent to \$4,000,000. Compania Structor, S. A., has deposited 200,000 pesos in the municipal treasury as a guaranty that it will start construction work not later than August 9, 1927.

The company expects, however, to have construction under way before the close of the current year. Besides supplying Tampico with an abundant supply of pure water, the proposed system will be extended to Cecilia, Miramar and other suburbs. The terms of the contract provide that the construction company shall take over and operate the existing municipal water works plant pending the completing of the new system and that it shall pay to the city 18,000 pesos a month during this period.

The Compania Structor, S. A., will maintain and control the new water works system for 30 years, at the end of which time the system will revert to the city.

BAN ON MEXICAN LABOR IS PROTESTED IN TEXAS

Rio Grande Valley Business Men Say Situation Already Serious, May Become Acute

Special to THE WALL STREET JOURNAL

MERCEDES, Texas—Farmers and industrial interests generally on the American side of the Rio Grande are joining in a movement to bring about a revision of the immigration laws as applied to Mexican laborers. It is pointed out that unless the existing head tax of \$8 and other restrictions are removed, the labor shortage which is now more or less serious may become acute.

In a published article, James J. Davis, United States Secretary of Labor, said that more stringent immigration rulings will be made, particularly for the border of the United States and Mexico. The article declared that by curtailing Mexican immigration there will be partly eliminated the growing social problems arising out of disproportionate immigration from that country. Exceptions are taken to Mr. Davis' statements by G. C. Richardson, manager of the Brownsville Chamber of Commerce, who says in a letter to the Secretary of Labor:

"I am sure that all of us living on the border will wonder just how you arrived at your conclusion relative to our social problem. We in this section, who are well acquainted with the Mexican people, know them to be, generally speaking, industrious, hard-working and peaceful. When they come in to our country, most of them, of course, secure work as laborers.

"The territory in the United States along the border has grown rapidly, and in the section of the lower Rio Grande Valley alone there will be expended in the next year or two multiplied millions in the way of new commercial buildings, homes, churches and schools, as well as county and city improvements.

"At present there is a dire shortage of laborers in the field. We have been forced to import negro labor from other sections, and, despite our efforts, as well as the efforts of the Labor Department of the United States government, we have been unable to relieve the labor shortage, so that our farmers will this year lose thousands of dollars, due to unpicked cotton in the fields that has fallen from the stalk or is otherwise so deteriorated that it has become unprofitable to harvest.

"Our labor situation at present is acute, and there is no doubt that it will become more serious as time goes on; and if our government continues with its present stringent policy relative to immigration from Mexico, it will seriously handicap the development of this section."



Mexican Finance Committee Meets

MEXICO CITY—The special committee appointed by President Calles, through the Ministry of Finance, to study the best means of ameliorating the economic crisis, held its first meeting Wednesday. Those attending were representative of the ministry of finance, the National Banking Commission, and managers of the National Bank and Bank of Montreal. Principal discussion was regulating exchange rates on New York as affected by the sale of drafts thereon. Until a definite program is formulated for correcting the present crisis, meetings, which will be held daily, will be private.



EXPORTS TO MEXICO UP

Demand for American Commodities Increases, Despite Economic Boycott in Church War

Special to THE WALL STREET JOURNAL

LAREDO, Texas—Exports of American commodities to Mexico for 1926 may greatly exceed in volume and value those in 1925. This record is almost assured by the increase made through Laredo for the first eight months of the year. The increase of exports through here is taken by some observers to indicate that the boycott in Mexico is causing little, if any, curtailment of demand for American products.

In August total valuation of American-made goods exported to Mexico through Laredo approximated \$3,239,802, on which consular duties of \$161,990 were collected. This brought the grand total valuation for the eight months of 1926 to \$25,690,927, and the total consular duties collected to \$1,284,546.

Total valuation of exports of American-made products to Mexico through Laredo for July aggregated \$3,262,039, with consular duties collected of \$163,101. The total valuation of exports for 1925 will probably be far exceeded in the present year, as the best export months—September, October, November and December—are still ahead. During these four months exports are expected to aggregate between \$15,000,000 and \$18,000,000, which will bring the total exports to Mexico for 1926 through Laredo to more than \$45,000,000, against \$30,000,000 for 1925.

MEXICAN COTTON OUTPUT

200,000 Bales of Estimated 350,000 Crop Will Be Exported, England Taking Most

Special to THE WALL STREET JOURNAL

MONTEREY, Mexico—More than 200,000 bales of the year's cotton crop in Mexico will be exported, most going to England. Domestic production will be approximately 325,000 bales and consumption about 125,000 bales for the year.

Cotton growing on the Mexican side of the lower Rio Grande promises to become an important industry. A large area of land situated adjacent to Matamoros is capable of being irrigated and made as productive as the valley on the American side. Shipments from Matamoros this season will aggregate about 5,500 bales.

Notwithstanding that Mexico has 153 cotton mills and is operated to capacity during 1925 and have continued to operate without interruption so far during the present year they are unable to supply domestic demand for goods. The 1925 importations of cotton goods to Mexico increased 25% over the preceding year and a further increase will be made the current year. The Peon or Indian element as a class, are wearing more clothes than formerly.



IXTLE FIBRE INDUSTRY

Demand Strong in United States and Foreign Countries
—Business in Northern Mexico Expanding

Special to THE WALL STREET JOURNAL

MONTEREY, Mexico—Ixtle fiber, which comes from the leaves of the lechugilla plant, is in strong demand in the United States and the countries of Europe, as is shown by the large increase of the industry in northern Mexico. Total quantities of this fiber exported in the first six months of 1926 was 42,000,000 pounds, of which about 65% went to the United States. European shipments went principally to Germany and Holland.

Ixtle fiber industry is carried on almost exclusively by families, much as is the raising of cocoons of the silk-worm in Japan and China. The lechugilla is a species of cacti. It grows wild upon millions of acres of ranch lands in the states of Tamaulipas, Nevo Leon, Coahuila, Chihuahua, Durango and Zacatecas. The families of ranch employes and inhabitants of many small villages and towns gather the leaves of the plants and remove the pulp by means of crude hand-implements. The fiber is purchased in small lots by commission men who export it to foreign markets. It is used chiefly in the manufacture of bagging.



NEW CAPITAL GIVEN AS NEED OF MEXICO

**Experts Agree Lack of
Proper Guarantees Hits
Investment Market.**

MEXICO CITY, Sept. 10 (P).—With three sets of experts studying Mexico's depressed business and industrial situation, the executive committee of the Federation of Industrial Chambers of Commerce reported at the annual federation meeting today that only more agreeable investment conditions can attract the capital necessary for the development of the country's vast natural resources.

The report declares the conditions here have not offered foreign capitalists sufficient guarantees to induce them to invest in Mexican industrial and development enterprises of the extent needed by the country.

Capital Is Needed.

Capital is neither pro-Mexican nor anti-Mexican, and neither altruistic nor selfish, the report says, but simply obeys well recognized impulses, flowing into the countries offering the best investment opportunities, conditions and guarantees. Mexico needs capital for industrial development, but will not get it if other countries offer a field more appealing to capital.

One of the committees of experts studying the situation was appointed by the Government, and includes Department of Finance experts and leading bankers. The second is a committee of the Federation of Chambers of Commerce, and the third is a committee of the Federation of Industrial Chambers of Commerce.

Imports Blamed.

The experts agree that one of the reasons for depressed business, adverse exchange, high prices and consequent high cost of living is the fact that Mexico imports much of everything she consumes, even foodstuffs.

The solution can be arrived at easily, they say, by producing more at home and purchasing less abroad, but nobody has so far announced how to effect that process except by a slow laborious process requiring years of hard work.

The political uncertainties, labor disputes and the Catholics' economic boycott also contribute importantly to the business depression, and all are superimposed upon the fact that Mexico is still in the process of recovery and readjustment after years of revolution.

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SAY COOLIDGE STAND VINDICATES CALLES

Mexican Officials Declare He
Is Convinced That Rights of
Americans Are Respected.

FULL UNDERSTANDING SEEN

Sheffield Believed to Have Brought
Assurance of Justice on Alien
Laws—Catholics Disappointed.

Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 10.—The announcement made this week on behalf of President Coolidge that he contemplates no change in America's policy toward Mexico is causing much satisfaction in Government circles.

Officials here say the statement confirms their claims that the policy of the present Government is based strictly upon the principles of international law. They declare that foreign countries are now convinced that the Government of President Calles is firmly established and that the rights of foreigners are being respected.

These officials assert that the existing difficulties between Mexico and foreign countries will soon be ironed out and, since the United States has admitted that Mexican policies are just, other foreign countries will adopt the same attitude.

President Coolidge's statement that he expects Mexico to make certain changes in the application of the laws affecting American interests is interpreted here to mean that complaints of oil companies which have been making strong protests are a bit overplayed and that the Mexican Government has assured the American State Department, through Ambassador Sheffield, that the American contentions will be studied, and if they are justified the provisions of the Mexican land and oil laws which evoked these complaints will be eliminated.

Calles's Statement Recalled.

The recent statement of President Calles that if experience shows the laws to be unjust Congress will make a close study of them and take remedial action is believed to mean that a complete understanding exists between Mexico and the United States on this point.

Mexican Government circles are particularly pleased by the fact that President Coolidge has refused to lift the embargo on the shipment of arms and munitions to private citizens in Mexico, for they say that the removal of the embargo would mean a renewal of trouble which would cause the Calles Government heavy expense and hinder the development of the country.

The refusal of the American Government to take any action in the dispute between the Catholic Church and the Calles Government over the religious laws has also pleased Mexican officials, who say it shows that the American Government respects the sovereignty of the Mexican nation and that, in spite of the pressure brought to bear on him by the Catholics, Mr. Coolidge is standing firmly on the principles of the American Government not to interfere, even though it is more power-

ful, in the internal affairs of another nation.

Catholics Are Disappointed.

On the other hand, Mexican Catholics are quite bitter, for they had strong hopes that the United States would exert sufficient pressure on the Mexican Government to cause it to amend the religious laws which provoked the controversy between Church and State.

Catholics here say that the Church has lost by Mr. Coolidge's refusal to act and that there is little hope of a settlement now that the United States has adopted the policy of non-interference in the controversy.

On his return to Mexico City Ambassador Sheffield, it is expected, will be in a position to make stronger requests for the protection of American interests. He is represented as in complete accord with both the State Department and President Coolidge.

Business men here also believe that the United States will not exert pressure on Mexico, but that she will continue the policy of giving Mexico time to remove the restrictions which caused American land holders and investors to complain.

They say general business will pick up again, as the prospects for better trade are much brighter now that the uncertainty is removed and there is no fear that the United States will make any change in her policy toward Mexico.

Although general business is in bad shape, due both to the financial crisis and the Catholic boycott, merchants today are more optimistic. Reports show that there has been a slight improvement toward the end of the week, especially in amusement houses. Moving picture theatres report gains and say that the average attendance is almost normal.

Banks report business about the same, with a slight improvement in the silver situation. Although silver is still low, the bankers have hopes that it will grow stronger and that the general tone of the market will strengthen.

Move to Aid Silver Planned.

The Confederation of Chambers of Commerce plans a meeting tomorrow to study the silver situation as it affects merchants and to devise means to aid the recovery of the silver market.

It is said that conditions outside of Mexico City are bad. General business is suffering through the boycott, as the majority of the inhabitants of the smaller towns are reported to be enforcing the boycott so rigorously that they have practically ceased buying in many lines. In addition to poor general business agriculture is in bad shape, due to the crop damage caused by floods and the general disinclination of the small Indian farmer to plant more than he can personally use.

In some sections fair crops are reported, but they are limited, and the problem next Spring will be for the cities to obtain enough farm products to supply their necessities at reasonable cost.

The importation of a large amount of foodstuffs is expected in the early Spring. Corn and wheat must be imported, according to students of the agricultural situation, in addition to canned goods and meats.



Hidden Radio Attacks Calles; Police Hunt in Vain for Plant

Copyright, 1926 by The New York Times Co.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 10.—An unknown radio station is broadcasting anti-Government propaganda in the Federal District. The Government is trying to locate the transmitting plant, which is near Mexico City. It is said enemies of President Calles are using it.

The station employs letters not registered in the Government offices.

Police have located and visited all known stations, but so far have failed to find the secret broadcaster. The search is continuing.

BUSINESS

New York American

COM

CAPITAL URGENT NEED OF MEXICO

By GEORGE W. HINMAN, JR.,
Editorial Service Staff Correspondent.

MEXICO CITY, Sept. 10.—Mexico's urgent need is for capital to develop enormous natural resources for the restoration of economic prosperity and the promotion of the welfare of all the people.

Such is the opinion of Mexico's most eminent business men, as contained in a report of the executive committee of Confederated Chamber of Commerce, which will be submitted tomorrow when business delegates from all parts of the Republic gather for the discussion of the economic crisis.

While general recognition is given the achievements of the Calles Administration in the restoration of public order throughout the country and the rehabilitation of Government finances under Minister Pani, business feels that the President and his advisers have yet to solve the economic problem.

The agricultural crisis, on account of under-production and enormous imports of foodstuffs amounting to \$25,000,000 annually, is viewed as combining with the industrial and mining difficulties to imperil the future welfare of the republic.

Some attribute the existence of banditry in certain sections to the fact that the people there are unable to earn a livelihood on account of economic stagnation and unemployment.

Discussing the shortage of capital as one of the primary causes of the present situation, the commerce committee declares that a stimulant is necessary not only for more development of the nation's remarkable natural resources, but also to intensify production through the use of machinery, thus enabling Mexican workers to increase their output and raise their standard of living. The committee holds that:

"Capital is neither national nor continental, neither selfish nor altruistic, but an economic factor in production with clearly defined functions."



Mexican Oil Output Increases in Week

Mexican production of crude oil for the week ended September 4 increased 857 barrels daily over the preceding week, averaging 214,142 barrels daily. Light oil decreased 714 daily, averaging 83,000 daily and heavy oil gained 1,571 barrels, averaging 131,142 daily.

For the same period a year ago, production averaged 281,428 barrels daily, 67,286 barrels in excess of the current figure.

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LA PRENSA, SABADO 11 DE SEPTIEMBRE DE 1926.

EL 15 DE SEPTIEMBRE SERA CELEBRADO DIGNAMENTE EN N. YORK

Un comité de festejos representando la Cámara de Comercio Mexicana en los Estados Unidos, los Ferrocarriles Nacionales de Méjico, La Sociedad Mutualista Mexicana, La Cruz Azul Mexicana y el consulado general de Méjico en Nueva York, han estado celebrando varias juntas para celebrar con una gran fiesta la independencia de Méjico. En la última junta ha quedado terminado el programa general el cual consistirá de un gran concierto mejicano con artistas de renombrada valía y un grandioso baile. Esta fiesta se celebrará en el "roof" del Hotel McAlpin la noche del 15 de septiembre desde las 8.30. A las 11 de la noche se dará el memorable "grito" y después seguirá el baile hasta las dos de la mañana amenizado por la orquesta "Mutualista Mexicana" de 14 profesores dirigida por el socio señor profesor González.

Las comisiones nombradas son: Organización: Señor Francisco P. de Hoyos, señor Manuel Cruz G., señor J. M. Bejarano, señor David Reyes Retana y señora Luz P. de Hoyos.

Invitación: Señor Arturo M. Elías, señor Manuel G. Prieto, señor Francisco P. de Hoyos, señor José Riestra, señor Manuel Cruz G., señor David Reyes Retana, señor José M. Bejarano, señora Luz P. de González, señor Francisco Alba y señor Gregorio Castillo.

Recepción: Señor José Riestra, señor David Reyes Retana, señor Belisario A. Quirós, señor Filomeno Loiza, señor Félix González, señor Gregorio Castillo, señor Leopoldo Pérez y señor José B. López.

En esta semana empezará el reparto de invitaciones y ya se em-

pieza a sentir la excitación entre el elemento mejicano en Nueva York por asistir a esta fiesta que todo buen mejicano celebra con devoción y puro patriotismo.

Las oficinas del comité se han instalado en el consulado general de Méjico y el señor vicecónsul, David Reyes Retana atenderá cualquiera información sobre el particular.



Decrétase que cada inmigrante pague a su entrada en Méjico veinte pesos

Mañana emprenderán su vuelo a la Habana los aviadores mejicanos

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 10.— El presidente Calles dictó hoy un decreto en que se establece que todos los inmigrantes que entren a Méjico deben pagar un impuesto territorial de veinte pesos (\$10) por cabeza en el puerto de arribo.

Vuelo Méjico-Habana

CIUDAD DE MEJICO, (A. P.) septiembre 10.— Despacho especial de Puerto Méjico dice que los aviadores Sidar y Proal saldrán en su vuelo a la Habana el próximo domingo, vía Laguna del Carmen y Progreso.

La ministrala soviet en Méjico

MOSCOU, septiembre 10.— (A. P.) Aunque todavía no se ha confirmado oficialmente, puede decirse definitivamente que Madame Kollantay ha sido designada ministro del soviet ruso en Méjico.

La única mujer diplomática rusa saldrá hacia Méjico, vía Nueva York, alrededor del 25 de los corrientes.

Su nombramiento cayó de sorpresa, aun en los círculos comunistas, donde se creía que su llamada de Noruega hace un año hacía sumamente improbable su nombramiento para otro cargo diplomático.

Hija de un famoso general del zarismo, es uno de esos raros ejemplares de la antigua aristocracia rusa que renunciaron a su alta alcurnia para entregarse al bolshevismo.

Madame Kollantay tiene 54 años de edad, fué educada en las universidades extranjeras y la mayor parte de su vida la vivió en el extranjero.

(Sigue en la 2a. pág.)

DECRETASE QUE CA- DA INMIGRANTE

(Continuación de la 1a. plana)

Además de ser una acabada diplomata, admítase que tiene considerable habilidad diplomática y como agitador.

Habiéndose unido al partido bolchevique al estallar la guerra, fué expulsada de París a causa de sus actividades revolucionarias.

Fuó después a los Estados Unidos, donde hizo una campaña en pro del comunismo, los derechos de la mujer y la internacional.

Al regresar a Rusia en 1917 se unió al partido comunista, donde estuvo desde entonces a cargo del departamento femenino. Conocida en Rusia por opiniones extremadamente radicales sobre el matrimonio, se casó varias veces.

Es autora del proyecto para la creación del fondo de pensiones para los hijos ilegítimos, al cual están obligados a contribuir todos los ciudadanos.



Farmer-Labor Unite In Redeeming Mexico

DOMESTIC CRISIS REALLY EFFORT OF WORKING CLASS FOR RIGHT TO DECENT LIFE

The "Crom," Corresponding to the American Federation of Labor, United With Farmers, Form Backbone of Nation. Long Held Under Roman Yoke, Now Support Calles in Struggle for Liberty.

By C. J. KEARNEY, Staff Correspondent.

MEXICO CITY, MEXICO.—"The peons are running Mexico," I was told by an American Roman Catholic soon after my arrival in Mexico City.

"The Bolsheviks are running Mexico," declared another lobby lounge who has been trying in vain for several months to get illegal oil concessions from the government.

The first of these statements has an element of truth. The second is a ridiculous falsehood which has been the battle cry of the unscrupulous exploiting interests and the Roman Catholic church.

For the first time since Herman Cortez and his thieving pirates entered Mexico, the people—call them peons if you wish—have some say in their own affairs. For centuries they have been despoiled by prelate and land owner. American, British and German capitalists, eager to delve into the wealth of Mexican mines and oil wells, have been apt pupils in the arts of despoilation. Through all this the common people of Mexico suffered in storial silence.

Today, the oppressed are in the saddle. The church and the capitalist are on the defensive while a government which bears the hall mark of Labor sits in the Palacio Nacional. But the miracle of the transformation is the moderation of the victors. Probably no social revolution in history has been accomplished with as little counter oppression.

Remarkable Moderation.

A pendulum, on its return swing, never stops on dead center. The record of history is that the change from oppression to power has been accompanied by the gravest of disorders, an economic chaos and rivers of blood. Mexico has been the one shining exception in the record of nations. Today, with labor in control the rights of property are respected, the employer gets a square deal—subject only to that occasional exception which only proves the rule—the worker gets what approximates a living wage and radicalism of the Moscow type receives short shift.

The only complainers I have heard are a few old line foreigners who believe—and express their beliefs, that the Mexican is a dog who deserves no consideration—and the Roman Catholic propagandists.

This miracle can be attributed almost in its entirety to the organization known in Mexico as the CROM, the Mexican Regional Confederation of Labor. The Fellowship Forum will publish an article by one of Mexico's most brilliant journalists dealing with the story of the struggle of labor in this land of the Montezumas. That story stirred my blood as I had it told me. It is the simple record of here who fought when fighting seek.

SPECIAL BULLETIN

ROMAN CHURCH'S AMAZING PETITION TO MEX. CONGRESS

By C. J. KEARNEY

MEXICO CITY.—The Roman hierarchy has presented a most amazing petition to the Mexican Congress, demanding revocation of all laws hostile to the vatican. This was done merely for propaganda purposes in the United States, as Rome realizes there is no hope of such a petition being received with favor, for the majority of Congress is supporting Calles. I am sending a complete translation of this papal petition for next week's Fellowship Forum.

Propaganda of the church here is quiet, but intense, focusing its greatest strength on the women. Priests are constantly in the homes arguing with the women. An ominous calm pervades the Mexican Capital, with treachery in the air. Reports from rural sections indicate Calles is supported by the people, but in the large cities the Romanist opposition is more intense.

In its petition to Congress the hierarchy claims the Roman church was ever the friend of liberty and states the hierarchy is fighting for the rights of all religions. Protestants in Mexico are vigorously protesting against being coupled with Rome in this outrageous petition. The church is still working through cleverly concealed intrigue to embroil Mexico in trouble with the United States, through which diplomatic relations might be broken off and revolution successfully attempted.

WASHINGTON, D. C., SATURDAY, SEPTEMBER 11, 1926.

Postoffice
1879.

The Fellowship Forum

MEXICAN TROUBLE REALLY FIGHT OF WORKING CLASSES FOR RIGHT TO DECENT LIFE

The "Crom," Corresponding to the American Federation of Labor, United With Farmers, Form Backbone of Nation. Long Held Under Roman Yoke, Now Support Calles in Struggle for Liberty.

(Continued from Page One)
...who died willingly—on the
...the blank wall, on the
...dying gladly because
...the torch would fall into
...inspired by their exam-
...CROM is the most power-
...in Mexico, beloved by
...by the clergy and
...allies. Its influence
...in the corners of the na-
...the gospel of emancipa-
...a state of serfdom. It has
...the siren song of
...it has followed the me-
...of conservative trade un-
...to this it has added a pro-
...and economic welfare
...qualified in labor history.
...1,500,000 Strong.
...the work of a 19-year-old
...CROM was organized in
...representatives of the various
...trade unions in a con-
...Coahuila. From that
...it has grown until its
...membership exceeds 1,500,000,
...bodies will number a
...more.
...the other day with Ricardo
...the executive secretary of the
...in its modest office on a
...day street in Mexico
...city. There is nothing
...about the headquarters of
...A shabby three-
...building is its home. Entry
...a typical Mexican front,
...a shining stand on the
...Up two flights of dim
...are the general offices, fur-
...notably but with extreme
...shown into Sr. Trevino's
...group of men were talking
...They were dressed in over-
...jumpers, obviously workers
...or farm labor type.
...reception of distinguished

guests at the White House could not have been more courteous than that accorded them by Sr. Trevino. He listened to them, discussed their problems sympathetically and, in bidding them good-bye, invited them to return at any time when they had questions to discuss.

Sr. Trevino is one of the organizers of labor in Mexico. He is still young—one of the remarkable things about Mexico is the predominance of young men in positions of responsibility. He expressed a deep satisfaction that there was one newspaper in the United States which would give Mexico a fair break. He was extremely busy at the time of my presentation and at his suggestion I left a list of questions, which he promised to have answered for me. On the strength of these answers, and supplementary information the facts of this story are gathered.

Moral, Intellectual, Economics.

The formula of Mexican labor can be summed up as follows: "An aspiration to improve economic conditions and to raise the moral and intellectual life of the people. Working on this promise have been all the accomplishments of organized labor in Mexico."

As far back as the beginnings of Mexican struggles for respite from tyranny this has been the goal of the leaders. In the United States and in most other nations, organized labor has restricted its scope to the economic field. Entry in other spheres was unnecessary, as well established social organisms already existed when labor began its battles. The home, the church, the school, the social centers of normal life were functioning in a healthy manner when labor was organized.

In Mexico, on the contrary, the leaders of economic reform were also in the vanguard of the social revolution which has paralleled the workers' movement. The church was the enemy of the worker—a fact demonstrated by centuries of oppression. The school was non-existent. The home was a wretched hovel, the individual, a slave. Consequently, the first elements of the conflict which has produced the CROM were in the hands of social reformers whose far sight foresaw a stable nation, with a new horizon of life. That the early leaders were Socialists of the Marxian school is no aspersion on their clear visioned picture of a happy Mexico.

Broad Program.

To these early leaders and their successors, the rebuilding of Mexico was more than getting a better wage for the underfed peon, it included better homes, schools, recreations, social hygiene, higher moral standards, an exalted conception of womanhood—there were among the ideals of Mexico's li-

beral leaders in the early days.

That standard has remained in the program of the CROM. Dealing with the disputes of capital and labor, organizing workers into their syndicates, are but part of the work of this group of clear-minded patriots. Improving of social conditions are just as important and receive equal consideration.

Wherever organized labor in Mexico is mentioned there is always one name which stands out, Luis N. Morones, now minister of industry, trade and labor in the cabinet of President Calles. Sr. Morones is given the credit for first rescuing the Mexican labor from its radical swing, of taking the disconnected scores of local labor organizations and welding them into a compact unit of strength.

Gompers' Influence.

Sr. Morones, still in his thirties, was a close friend of the late Samuel Gompers and it was due to this friendship and to confidence he held for the old warhorse of American Labor, that he became thoroughly imbued with the moderate conception of labor activities. He "sold" his confreres his attitude. As a result Mexican labor is powerful yet unmarred by the radicalism which has blemished most rapidly developed social organizations.

Today, as the head of the CROM, by influence, if not by name, Morones is one of the strongest men in Mexico.

The first great accomplishment of organized labor in Mexico, which antedated the CROM, was the revision of the revision of the Mexican Constitution in 1917.

Bishop "Baltimore Mike" Curley has raised holy ado about this Constitution. He has called on the shades of the papal saints to attest to the fact that it is a document of Bolshevism. The clearest answer to that charge is that it was ratified by the Constitutional Convention in February, 1917, while the revolution in Russia which developed into Bolshevism, broke out in November of that year. The soviet constitution was drafted in 1923. This information can be checked up by a glance at the World Almanac.

This constitution, which amplified that of 1857, was the Magna Charta of Mexican liberty. And, as the church opposed that original charter, wrung from the unwilling hands of the English king at Runnymede in 1215, so the church called down the maledictions of the vatican on the framers of Mexico's great document.

Church Brings Revolution.

Unhappily, the church insinuated itself into the affairs of the nation soon after the ratification of this charter and gained the ear of President Carranza, proposing nullification. The de la Huerta revolution ensued and Carranza was killed trying to escape to the United States with some \$15,000,000 in gold. De la Huerta, succeeded by General Obregon, fell into the hands of the reactionaries and fomented a brief revolution—one of the few in Mexican history which has not been successful.

Today, Huerta is in the United States, trying to raise funds for another plot against the Mexican government. His haunting of New York has given rise to the well circulated report that he has allied himself with Wall Street in an attempt to overthrow the present administration and establish a succession which will be satisfactory to unscrupulous financial interests and to the Roman Catholic church.

The policies of President Obregon were the ground work for those of President Plutarco Elias Calles, who took his seat as the official candidate of the Labor party which is a subsidiary of the CROM. With his ascension to office the age long hopes of the workers were realized—a member of their own organization sat in the executive mansion. Nor have their hopes been disappointed, President Calles has given Mexico the most liberal regime of the country's history.

Farmer-Labor Union.

The CROM became a real entity at the Congress of Zacatecas in June, 1919. The delegates at this congress represented more than 100,000 workers, of whom 60 per cent were agricultural and the rest industrial. From that time the growth has been rapid. Allied with it are the Socialist Party of Yucatan, with 250,000 members and the Railway Union, with about 70,000 members. Opposed to the CROM, in labor circles, are the Catholic organizations which have about 25,000 members, mostly on the West Coast, the anarchistic General Confederation of Workers and the Communist organizations, which total about 27,000.

The other day I was guided by an American Catholic to a building over which hung the sign of the General Confederation with the mottoes, "direct action" and "communist liberty." This, I was assured by this Catholic, was the headquarters of the CROM, which I knew to be absolutely false, as I had just left the office of the CROM.

What is the attitude of the Roman Catholic church toward organized labor? was one of the questions I asked Sr. Trevino. The answer follows: "All that need be said in answer to this is to point to the campaign of slander and calumny carried on by the church against the CROM. You have only to read the innumerable handbills distributed in the streets, on doorsteps and in houses, in furtive manner, declaring that the CROM is responsible for all the evils which have fallen on the church. As a matter of fact, the CROM respects absolutely the religious opinions of its members. It has demonstrated conclusively that it supports the government of the republic, headed by General Calles, in every act he has taken respecting the exercise of worship. It will continue to do so, at the same time not standing for any interference with any man's liberty of conscience."

Employers Trust CROM.

"Does the CROM plan to give employers a square deal, and what is the plan for meeting difficulties between employers and laborers?" was the somewhat rash question with which I terminated by list.

Here's the answer: "The best way to understand the justice which precedes every act of the CROM is to note that the employers in many cases submit their differences to the CROM before going to the arbitration and conciliation board. We are sure that the majority of employers with whom the CROM has dealt hold no prejudices against us on the score of our fairness."

"The differences between employers and laborers are subjected to the decisions of a board of conciliation and arbitration. Nevertheless it is customary, when a difference arises between capital and labor for the unions to first treat with the employers in a manner to bring about an understanding. Seldom does this fail."

Dr. Andres Osuna, now well known to readers of The Fellowship Forum, as manager of the Union Book Publishing Co., is a member of a committee which could well be emulated in the United States. The committee includes six men, three members of the Graphic Arts Union and three employers of the printing profession. Dr. Osuna tells me that their round table conferences take care of practically every misunderstanding or problem which arises without recourse to any further tribunal.

The proof of the affair is the result. Labor is receiving a living wage today. Industrial disputes are infrequent, despite the new laws which must have come as a shock to the employers of labor, homes are happier and the national outlook bright. This is the accomplishment of the CROM.

RICH WOMEN SAVED TURNER IN MEXICO

Hired Best Lawyer, Who Got
Him Off After He Shot
Man for Revenge

ONE WILL AID HIM NOW

Mrs. Kilborn Says She'll Spend
Last Dollar for Killer

From The World's Bureau
Special Cable to The World

MEXICO CITY, Sept. 11.—The killing of James D. Hallen in Falmouth Foreside, Me., by Benjamin H. Turner recalls the circumstances of Turner's escape from a firing squad here four years ago. Hallen, who Turner declares deserted him at that time after being paid \$1,200 as an attorney's retainer, is the second victim of Turner's penchant for revenge.

Turner, in January, 1921, ran amuck with two guns in the offices of the International Detective Agency in Mexico City and killed Ramon Arguelles, a cotton broker. Aided by women of the American colony he was acquitted two years later.

From first to last he refused to tell who he was or where he came from. He divulged only that his real initials were V. W.

Partners in Cotton Deal

Turner and Arguelles, according to the former, had gone in together on a cotton deal. Turner claimed the other held out Turner's share of a commission amounting to 1,500 pesos. Armed with two revolvers and a knife, Turner went to the offices of the International Detective Agency in the Avenida Juarez for a meeting with his partner. The head of the agency Augustin Lopez, left them together in a room.

Lopez had scarcely closed the door when there was a fusillade of shots. Passersby in the Calle de Lopez saw a man attempt to clamber over the balcony and throw himself into the street below. He was killed in the act.

A stream of bullets came through the window, causing panic in the streets. One pedestrian was seriously wounded and a policeman hurrying to the scene received a bullet in the foot.

Turner rushed out of the detective agency firing to the right and left. Near the corner of the Avenida Juarez a policeman clubbed him into submission. At police headquarters Turner at first raved like a madman. He was for several days under medical treatment.

Women Visit Him in Jail

A number of American women took an interest in the lonely prisoner. They furnished him with food and books and went frequently to call on him. Since he was without funds for defense they passed a subscription paper around. Many well to do members of the colony contributed to it. The most eminent criminal lawyer in Mexico, Jose Maria Lozana, was retained to defend him.

More than two years after the killing Turner was brought to trial. On the third day Lozana rose to plead for the prisoner's life. He speedily had spectators all over the court room weeping. He rested his argument on the extreme provocation Turner had been under, denounced the victim as a professional swindler, declared Mexico was well rid of a scoundrel, and ended by exhorting the jurors to

give the United States an example of justice. Turner was promptly acquitted.

Called a "Congenital Murderer"

Senor Lozano declared to-day that Turner was a congenital murderer.

"By all of Lombrosos tests," he said, "Turner suffers from homicidal mania. I am not surprised that he has committed another murder. I asked for his acquittal three years ago to give the American people an example of Mexican generosity. Turner was the first American ever charged with murder here.

"I asked the jury to show the United States we are not the revengeful people we are so often charged with being. But there was no doubt that Turner committed premeditated murder against an unarmed man."

While Turner was in jail Katherine Campbell, a wealthy native of Maine, gave him money. She was murdered with a hammer in San Antonio last August. San Antonio police asked local authorities for a report on her acquaintance with Turner.

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Crippled Woman Who Saved Turner in Mexico Aids Him Again

Special Despatch to The World

PORTLAND, Me., Sept. 11.—A hopelessly crippled middle-aged little woman who led the successful fight to save Benjamin H. Turner from a Mexican firing squad has again come to his aid. Turner last Wednesday shot and killed James S. Hallen at Falmouth Foreside after trailing him for 2,000 miles in quest of revenge.

The woman is Mrs. Constance Kilborn, who describes herself as one of Hallen's numerous victims in business deals. It was Mrs. Kilborn who first moved to retain counsel for Turner's defense.

"I am acting out of sympathy for that poor boy, and he is only a boy, not more than thirty," said Mrs. Kilborn. "I am going to see that justice is done in this case, if it takes every penny of my money and every ounce of my strength."

Hallen is described as a man of many loves. According to the records of the Pinkerton Detective Agency, which Turner carried on his person, Hallen, many times appearing under aliases, had married and deserted or swindled several women before his final marriage in this State.

Turner's attorneys have intimated they contemplate an insanity plea.



MEXICAN CONGRESS TO DEBATE RELIGION

**Yielding to Catholic Pressure,
It Will Hear Clergy's Plea,
but Won't Grant It**

PRELATE TO VISIT POPE

**Archbishop to Give First-Hand
Report on Conflict**

By Arthur Constantine
Staff Correspondent of The World
Special Cable to The World

MEXICO CITY, Sept. 11.—Under pressure from its Catholic constituency, Congress will hear the clergy's petition for constitutional reforms before long, but the measure will be emasculated.

In the face of protests from all parts of the country, party leaders said to-day they will permit the petition to be read and debated. It will then go to committee for revision. It was intimated that none of the amendments asked will be granted. The only concession under consideration is a clause to the effect that registration of priests is dictated by administrative and hygienic considerations.

Congressional opinion is that Catholics should be satisfied with this definition of the purpose of the July 2 decree, providing for registration.

Party leaders will undertake to curtail discussion of the clergy's petition on the ground it would be inopportune. They prefer to wait, thinking the country will calm down and forget the religious issue.

To-morrow will be the seventh Sunday without masses in Mexico's churches.

Will Report to Rome

Archbishop Francisco Orozco y Jimenez of Jalisco will go to Rome soon, where he will make a first-hand report to Pope Pius on the conflict between church and state in Mexico. A report is current that he may be made a Cardinal while in the Holy City.

A telegram was received by the episcopate a few days ago directing Archbishop Mora y del Rio to designate an ambassador to the Vatican. It was further directed that he make his selection at once, in order that the Pope might be fully informed of the trend the church cause is taking.

The episcopate declined to discuss the rumor to-day that Archbishop Orozco would receive the red hat. In some quarters it was pointed out that Rome may wish to hearten the Mexican clergy in the struggle with the Calles Government by according one member of it an honor always heretofore withheld. Notwithstanding the fact that Mexico is overwhelmingly Catholic it has never had a Cardinal.

Heads Militant Group

Archbishop Orozco heads the militant group of churchmen, standing for a showdown with the Govern-

ment. In an interview with the correspondent of The World he announced recently that there could be no compromise. Archbishop Mora shares these views and it is believed he designated the Archbishop of Jalisco for the Papal mission in order that the Pope should be adequately informed of the attitude of the militant group.

Archbishop Orozco is considered by many the greatest prelate of his generation in Mexico. He is a man of remarkable intellectual attainments, character and personality. He belongs to a distinguished family of Jalisco, which has been well-to-do and prominent in the affairs of that state since the time of the Viceroy.

His ancestors originally came from the Province of Galicia, in Spain. He speaks English, Italian and French fluently, as well as Spanish.

It was said to-day that the Archbishop probably will go to Italy by way of the United States.

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COOLIDGE ADVISED BY BISHOP BRENT

Patience Is Urged in Working
Out Open Problems of
Disarmament

MEXICO AGAIN DISCUSSED

Executive Goes Over Situation
Anew With Sheffield

From World Staff Correspondent

Special Despatch to The World

WHITE PINE CAMP, Sept. 11.—

President Coolidge devoted his last Saturday in the Adirondacks to a further conference on Mexican conditions with Ambassador Sheffield, a talk with Bishop Brent of Buffalo of the Protestant Episcopal Church in Western New York, who has returned from an extensive tour of Europe, and to posing for photographers.

For the first time since his arrival the President admitted camera men to the camp, but declined to give them pictures of his casting in Lake Osgood from the bridge over the camp inlet, explaining the fishing season virtually is ended.

Report on Europe

He went out in a boat with Mrs. Coolidge, John and the two collies, and made various poses about the camp, but denied their request that he get out his rod and line.

The conference with Ambassador Sheffield was without new significance, the President having made known he believes Mexico is maintaining order and making concessions to the United States with respect to the land laws. Bishop Brent gave Mr. Coolidge his impression of conditions abroad.

"We ought to cultivate a non-critical and kindly disposition toward our neighbors," said he, "and accept their promises and aspirations at their face value. We expect others to do that for us and I do not see why we should not deal with them on the same basis."

Bishop Urges Patience

Bishop Brent was at Geneva and indicated patience would be required in working out a disarmament program. He thought it important that Germany had been admitted to the League of Nations and said India had made a contribution toward solving the opium problem by her agreement to reduce production by one-tenth over a period of ten years. He expressed sympathy for France and said Mussolini is giving Italy a new spirit.

D. W. Morgan of Utica, representing the Onelta Knitting Mills, said, after seeing the President to-day, that he will send Mr. Coolidge two dozen suits of silk underwear. Herbert J. Tilly, President of the National Retail Drygoods Association of Philadelphia, will call on the President Tuesday.



*It's Hard Enough for Any of Us to Come Back, but
Think of Coming Back to This*



—From *The Columbus Dispatch*



Mexico Observes Better Feeling in Catholic Boycott

Exporters Abroad 'Acting
 Sensibly' Regarding 'Buy-
 ers Strike,' Says C of C
 Report in Weekly Bulletin

By Cable to the Herald Tribune
 Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 11.—The Roman Catholic boycott, which, added to the general international situation and the lack of influx of foreign capital into Mexico is credited in commercial and banking circles with responsibility for the prevailing economic slump, "is being considered very sensibly by exporters abroad dealing with this country," according to the official mouthpiece of the American Chamber of Commerce here. Referring to the boycott as a "buyers' strike," this statement along with other optimistic assertions, is contained in the Chamber's weekly bulletin mailed to all members here and abroad.

During the last week information was received by the Chamber that a better feeling is slowly becoming noticeable, although some reports, especially from Guadalajara, continue to announce that the boycott is being observed. Excepting the States of Sonora and Chihuahua, a majority of the reports received from all points of the Republic are not conducive to a belief that a rapid recovery from the present depressing situation is to be expected.

The Chamber's statement says:

"The great thing about such a situation is to keep one's balance. There is no reason apparently why the American exporter should not go right ahead with his plans for extension of his trade in the Mexican markets."

Mention is then made that the National Association of Credit Men in New York recently sent out a questionnaire to its members asking them if the Mexican situation was causing them to change their plans as to Mexican business. The statement declares that 85 per cent answered that they were proceeding with their Mexican business as usual and 15 per cent said they were inclined to withdraw from the Mexican field.





Highway Manager Named by Mexico

At the request of the Mexican National Highway Commission, Charles M. Upham, director of the Highway Research Board, has been retained as general manager to reorganize the engineering forces of the Highway Commission as well as the construction forces.



CALLES OFFERS OIL REFORMS

By GEORGE W. HINMAN, Jr.,
Universal Service Staff Correspondent.

MEXICO CITY, Sept. 11.—New hope for the stimulation of oil production in Mexico, partly counteracting the present economic crisis, was seen today in President Calles' decree, offering to discount the taxes on the production from new oil fields.

The decree is counted on to greatly stimulate the development of new petroleum fields in areas further removed from the coast than any now under exploitation.

The country is divided into "explored zones" and "unexplored zones." While petroleum from the proven zones must continue to pay the full tax, that from the new zones will be allowed a tax rebate varying from 15 to 50 per cent, in proportion to the distance from the sea coast of the field from which it is drawn.

SEES GREASEWOOD AS RUBBER SOURCE

Mexican Chemist Believes Wild
Shrub of This Continent
Can Supply the World.

URGES TESTS BY EXPERTS

Consul at Tucson Says His Experi-
ments Show Plant Has Gummy
Characteristics.

TUCSON, Ariz., Sept. 11.—Possibility that the greasewood shrub, which grows wild in abundance in Southwestern United States and Northern Mexico, may revolutionize the rubber industry of the world was asserted today by Juan Evaristo Anchondo, druggist, chemist and Mexican Consul at Tucson.

Señor Anchondo took THE TIMES correspondent out to a spot near town and demonstrated the gummy characteristics of the greasewood, which the Mexicans call hediondilla.

"While I have neither the technical training nor the scientific apparatus to speak with definite authority as to the rubber content of the hediondilla plant, my researches so far convince me that it offers a challenge to Yankee inventive genius," Señor Anchondo said. "Your specialists in this type of scientific investigation ought to be able to ascertain whether the greasewood shrub contains rubber or rubber-like substances in commercial quantities."

"While Guayule can be grown to a limited extent only in Arizona, the Hediondilla plant grows wild in this region," Señor Anchondo continued. "It can be found in large quantities in Sonora, Chihuahua, Arizona, New Mexico, Southern Texas and elsewhere in this part of the North American Continent."

Four years ago Señor Anchondo conducted an investigation of the Hediondilla's rubber producing possibilities with the late Elmer S. Firestone, a brother of Harvey W. Firestone, President of the Firestone Tire and Rubber Company. Elmer Firestone, who was at time in charge of the Los Angeles branch of the company, took back to his headquarters a number of samples of the Hediondilla plant for further research.

In a recent report to his Government Señor Anchondo made an extensive survey of the rubber situation in the United States, as a result of which survey the Mexican Government enlisted the cooperation of its various executive departments, with a view to the further development of the industry.



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MEXICO PLANS AIR LINES.

Contract for Freight and Passenger
Service Is Signed.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 11.—The Mexican Government has signed a contract calling for the establishment of an air service in a large part of Mexico. The planes will carry freight, mail and passengers between Mexico City, Tampico, Monterrey, Guadalajara, Pachuca, Vera Cruz and other cities.

The company announces that each machine will be able to carry ten passengers and a ton of freight.

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Tokio Envoy's Valuables Recovered.

MEXICO CITY, Sept. 11. (AP)—The police have recovered valuables recently stolen from Schicht Matshuke, the Japanese Ambassador to Brazil, who is stopping here on his way home. Of priceless value to the Japanese was a gold box bearing a sixteen-petaled chrysanthemum, the crest of the imperial family of Japan. It was a personal gift from the Crown Prince to the diplomat. The crest is a symbol which the Japanese reverence more than life itself.

ARCHBISHOP TO VISIT THE POPE ON MEXICO

**Dr. Orozco y Jimenez Will
Report on Situation Caused by
Calles Religious Laws.**

Copyright, 1926, by The New York Times Company
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 11.—The Mexican Episcopate will send the most Rev. Francisco Orozco y Jimenez, Archbishop of the State of Jalisco, to Rome to report to Pope Pius on the situation of the Catholic Church in Mexico.

Archbishop Orozco y Jimenez is regarded as one of the most able Bishops in Mexico, and is spoken of as a possible successor to Archbishop Mora y del Rio as ranking prelate of the Catholic Church in this country.

The Archbishop of Jalisco is known for his fighting spirit and is said to be opposed to the Church making any concessions to the Calles Government on the religious laws which caused the conflict between Church and State, even if it should take years for the Church to win its demands.

Archbishop Orozco y Jimenez lives in Guadalajara, where the Catholics are strong and where an intense feeling against the religious laws exists.

The Catholics in Guadalajara are enforcing the economic boycott to such an extent that general business is reported to be almost at a standstill in that city.

It is expected that the Archbishop's trip to Rome will result in the Catholic Church taking stronger measures to fight the religious laws of Mexico, and it is said to be possible that Rome will urge Catholics in all countries to boycott Mexican goods until such time as the restrictions are removed.





COOLIDGE CONSULTS SHEFFIELD AGAIN

**More Pressure on Mexico Is
Discussed if Concessions Are
Not Made on Oil Law.**

ENVOY'S VIEWS APPROVED

**Mr. Houghton and Schurman Are
Expected to Campaign for the
Re-election of Wadsworth.**

Special to The New York Times.

PAUL SMITH'S, N. Y., Sept. 11.—The Mexican question came to the fore again today when Ambassador Sheffield, who is staying at Saranac Lake, conferred here with President Coolidge on recent developments arising out of the application of the Oil and Land laws in Mexico.

The conference dealt chiefly with the program the Administration will pursue relative to American interests under these laws and incidentally with the election campaign in New York State.

While there has been no announcement of the more aggressive program this Government may adopt without fundamentally changing its Mexican policy, it became known today that Ambassador Sheffield had won over the President to several important moves which may be made late this Fall, in the event that the first American test case of the Oil and Land laws results in no concessions to the American position.

The belief exists here that the Mexican Government is going to recede from its original attitude respecting the oil laws and, in the first test case, make concessions which will be rea-

sonably satisfactory to American holders of oil lands.

Until this test case is decided and a precedent established by a decision of the Mexican courts, this Government will continue its patient policy toward Mexico, but after that it may be necessary to follow a far stiffer course.

Modification Will Be Urged.

The hope was expressed today that the Mexican courts and the Mexican Government would interpret the oil laws in such a way as to protect American land owners' rights and at the same time permit the Mexican Government to withdraw gracefully from its original confiscatory attitude.

The American Government intends to use all its good offices to convince the Mexican Government that its international relations will be improved by a modification of the laws through a court decision.

If, however, the Calles Government persists in its original claims the American Government, it is believed, will be forced to take a strong position and adopt some stand short of breaking off relations or hostilities to protect American holdings.

There is much reason to believe, judged by information here, that the Mexican Government is considering a way out of its disputes with foreign countries over the land and oil laws.

The recent exchange of diplomatic notes leads Government officials to foresee a conciliatory move on the part of Mexico before long.

Yielding by Americans Denied.

It was denied that there was any concerted move on the part of Americans holding oil concessions in Mexico not to conform to the laws. This could not be done by American citizens, it was pointed out, without losing their rights. Nothing could be gained by such a move at this time when the question was still in dispute, it was said.

Ambassador Sheffield returned to his camp at Saranac Lake fully satisfied with the conference. He declined to comment on its significance or to explain the "new recommendations" which President Coolidge declared early this week had been made by the Ambassador.

As to the New York campaign, Mr. Sheffield, as an old friend of Senator Wadsworth, is expected to make sev-

eral speeches. He has accepted an invitation to attend the dinner to be given to Senator Wadsworth in New York next week.

Although he may not make an address on that occasion, he has tentatively promised the campaign committee to speak in different parts of the State next month.

Three American Ambassadors, according to word here, will be active in urging the New York voters to re-elect Senator Wadsworth. The other two are Ambassadors Houghton and Schurman.

Photographers Get Pictures.

Bishop Charles P. Brent of the Episcopal Church, who will preach tomorrow at St. John's in the Wilderness, called on the President today. He said that his visit was entirely personal and did not deal with the Philippine situation, with which he is familiar, or the Church and State controversy in Mexico.

President and Mrs. Coolidge this afternoon received photographers and moving picture cameramen at White Pine Camp and permitted them to get some new pictures of the camp in its Fall colors and of the distinguished campers in natural poses.

Despite the pressure from the photographers, the President declined to be snapped while angling. He has refused throughout his vacation requests for fishing pictures.

Herbert Tilly of Philadelphia, President of the National Retail Dry Goods Association, is the last scheduled visitor. He will come here Tuesday to give his views on prosperity and the state of trade.

President Coolidge today received the representatives of the Oneida Knitting Mills, Utica, N. Y.

CONFISCATE MEXICAN LAND.

Commissioners Will Divide Thirteen Haciendas Among Indians.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 12.—Reports from the State of Michoacan say that the Agrarian Commission has decided to divide thirteen of the largest haciendas in Michoacan and give the lands to the Indians. The haciendas, Huaracha, San Nicolas, Tolentino, Las Piedras, Cerro de Mata, Gaupamacatiro, Santa Elena, Casa Blanca, Los Remedios, Paquisihuato and Jesus Narancho are the largest farms in Michoacan.

The lands will be given to inhabitants of the villages of San Miguel, Curahuango, Tupatero, San Miguel del Alto and Jesus del Monte.

The owners appealed to the Courts against the action of the Agrarian Commission, but the Courts have refused to interfere.

The lands are valued at 2,000,000 pesos.

NO MEXICAN SENATE YET.

Dispute Over Who Was Legally Elected Still Rages.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 12.—The Mexican Senate is still unformed and the majority of those claiming election refuse to accept proposals to call substitutes. Politicians say that without a Senate the present Congress is illegal and that the Government should take steps to call substitutes so that both chambers can function.

The controversy over the personnel of the Senate arose out of conflicting election returns.

Attempts are now being made to arrive at an agreement that will permit the installation of the Senate before Sept. 15, in order that both houses may take part in the national independence celebrations on Sept. 15 and 16.

The celebrations this year will be held by civil societies and the Department of Education. No troops will be used for parades.

MEXICAN COTTON IS RUINED.

Growers Report \$2,000,000 Flood Loss—Ask Government Dams.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 12.—Two million dollars' worth of cotton has been lost in the Laguna region through floods, according to reports to the Secretary of Agriculture. The cotton growers request the Government to build dams to prevent the Nazas River from overflowing.

Seven large haciendas are under water and the entire crops have been destroyed, the cotton growers say.

Unless dams are built the entire cotton region will continue to face the danger of floods which will destroy the industry, they declare.



Mexico to Study Immigration Plan.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 12.—The Mexican Government is planning serious study of a project to bring immigrants to Mexico and to place them on national lands. It will study the United States homestead law with a view to passing a law here which will bring in a large flow of settlers.

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Nueva York, septiembre 13 de 1926

A TRAVES DE MIS GAFAS

Por ALVARO

Otra perla...

"El próximo número de la orquesta del "Rose Room", será la obra de Padilla "El Relicario", que es la traducción española de "The Toreador".

¡Qué diccionario!
¡Qué diccionario,
Me voy a hacer!

* * *

Nuestros colegas de la prensa italiana anuncian en sendas columnas la temporada del teatro italiano de la calle 14, y mencionan las obras sobresalientes del repertorio de la compañía.

La gran actriz italiana Mimi Aguglia es la protagonista de las obras más populares "dei fratelli Quintero" y será la "Raimonda" de "La Malamata"— un altro lavoro spagnuolo di Bonavente.

Podrían haber suprimido la frase "un altro lavoro spagnuolo" y dejar creer al público que "La Malquerida" era una traducción de "La Malamata" italiana.

Han sido sinceros y han dado— y dan— crédito al autor y a su nacionalidad.

Agradecemos la cortesía, tanto más cuanto que en tiempos pasados...

Pero en fin, aquellos tiempos eran anteriores a la "entente cordiale" que existe entre las dos grandes naciones mediterráneas.

Cuando se es amigo hay que serlo en todas partes y ocasiones.

Hasta en la escena...

* * *

Los cables de México nos anuncian que los católicos esperan reunir trece millones de firmas, al pie de su petición al congreso federal, requiriendo la modificación de la legislación religiosa.

¿Trece millones?

Lápiz, papel y la tabla de Pitágoras, nos van a decir lo que hay de verosímil en esas cifras.

Un uno, un tres y seis ceros.

¿13.000,000?

Veamos.

* * *

Cincuenta por ciento de la población de una nación es una buena mediana para calcular el número de sus habitantes mayores de 21 años.

En 1920, los Estados Unidos tenían una población de 105.710,620 habitantes, de los cuales 54 millones eran mayores de 21 años.

En 1921, México tenía 14.234,790 habitantes, lo que presupone una población de algo más de 7 millones mayores de 21 años.

Treinta por ciento de la población mayor de 12 años de edad sabía leer y escribir.

Quedan pues, 2.135,220 personas capaces de poner su firma al pie de una petición al congreso, contando hombres y mujeres de 21 años o mas de edad.

No sabemos cuál será el método que se empleará para renovar el milagro del pan y los peces.

Pero si creemos que el que ha calculado poder obtener 13.000,000 de firmas mejicanas, ha hecho un cálculo tan mental como erróneo.

Y optimista en extremo.

* * *

La mejor manera de escribir una noticia, es la de no exagerar los hechos.

Es humano que se busquen argumentos, no en favor de la verdad, sino en pro de los prejuicios—que llamamos creencias—del que quiere discutir y probar.

En el mismo caso está el fiscal que trata de convencer de un crimen al acusado, y que considera un triunfo si le envía a la silla eléctrica.

El abogado defensor, en cambio, trata de salvarle la vida, y si posible hacerlo absolver.

Aunque los dos tienen el deber de buscar la Verdad—con mayúscula— sin prejuicios ni animosidad.

Pero esa hipótesis es del dominio de la Utopía—también con mayúscula...

* * *

Media docena de cifras acusan un resultado que arriesga poner en ridículo las pretensiones de los anticallistas mejicanos.

También se han puesto en ridículo los que han lanzado noticias de "revolución" en España, representándola en estado de guerra civil, con todo el cortejo de humo de pólvora y muertos y heridos.

Y mientras el corresponsal del New York Times veía caer tranquilamente la bola del ministerio de la Gobernación, y tomaba el sol en la famosa Puerta del mismo, leía el cable que acababa de recibir, pidiéndole fotografías de las cargas de caballería, de los remolinos de gente que huían como gorriones espantados, y de los muertos y heridos que dejaban sembrados en la calle Mayor, en la del Arenal, y en la de Alcalá...

Tuvo que contestar que Madrid estaba como una balsa de aceite.

Y después de enviar su cable, y de sonreír de las exageraciones que causan la distancia y las patrañas profesionales de Hendaya, Biarritz y París, se fué tranquilamente a tomar su aperitivo a la calle de Sevilla...

Los desesperados de no poder tener la sartén por el mango, que viven del otro lado de la barrera de los Pirineos, deben estar siguiendo el precepto canallasco del carente de escrúpulos Mazarino:

"Mentid, mentid... siempre quedará algo", decía el pequeñísimo sucesor del gran Richelieu.

* * *

No había prensa, en tiempos del pequeño cardenal, capaz de borrar la última traza de la babosa mentira; siempre quedaba "algo".

Hoy día no queda nada, más que el recuerdo de una "plancha" fenomenal y un poco más de descrédito para los que querían pescar en el río revuelto de la revolución.

La evolución ha reemplazado a la revolución.

Sigamos evolucionando.



MEXICAN CATHOLICS TURN TO CONGRESS

Puebla Deputies to Lead Fight Soon
Against the Government's
Religious Policy

Special to THE WALL STREET JOURNAL

MEXICO CITY—The long awaited Catholic memorial to Congress, seeking abrogation, or at least temporary suspension, of the reforms in the penal code affecting exercise of religious denominations, has been deposited and will be brought to the floor of the Chamber of Deputies by deputies from the state of Puebla. In Puebla there is more feeling than in other states regarding the Catholic question, and its deputies are expected to provide fireworks during the debate. Meanwhile the church situation is peaceful.

There has been a drop in Mexican production, especially in agricultural lines, which has been largely responsible for greater imports of foodstuffs than ever before. The result has been a constant flow to foreign countries, mainly to the United States, of Mexican gold, and in consequence premium on gold against silver currency is now running at around 5½%.

GOVERNMENT'S AGRARIAN POLICY SCORED

While admitting serious floods and generally unfavorable agricultural conditions have been important in causing the serious economic situation, many insist the government's agrarian policy has been partly responsible. They argue the government has parceled out more than 1,000,000 hectares of land to small holders and that results have been disappointing. The land, they say, would probably have been more intensely and productively developed if in the hands of large landholders.

Remedy for present conditions, most observers agree, is to prevent exit of gold by increasing prices of domestic products over those of imported products. Chambers of commerce are seeking a means, but suggestions differ widely. The loudest cry is for a tariff wall; but most experts hold that, with national production at so low an ebb, launching of a tariff war at present would be suicidal. Apparently the first step toward solution is stimulation of national agriculture; but that would require foreign machinery, so any protective tariff would have to be a modified one.

BANKS LENDING CAUTIOUSLY

Meanwhile banks are lending to a small extent only, although they would prefer a larger accommodating movement if the security of local trade would warrant it. Deposits at sight or for less than three months are heavier in Mexico City banks than in years, while long-term deposits have shown no substantial increase. This is taken to show that until the future trade situation is clearer merchants prefer to leave their money practically idle, rather than invest in stocks of goods. Lack of movement in long-term money is taken as an indication that the national wealth of the republic is not on the upgrade.

Accompanying the general trade depression comes a big drop in petroleum production for August. Production taxation in that month reached 1,900,000 pesos, against 2,400,000 pesos in July. For the same periods export taxation amounted to 750,000 pesos and 990,000 pesos, respectively.



New 225-Mile Highway for Mexico

Special to THE WALL STREET JOURNAL

CHIHUAHUA—Construction of a modern highway between Chihuahua and Juarez, 225 miles, will be started about September 15, the contracts for the work having already been awarded to American construction companies. The cost will be divided among federal, state and municipal governments, and the amount, which will be approximately \$2,000,000, has already been appropriated. This road is to be a link in the trunk highway which is to run south from El Paso to Queretaro, where intersection will be made with the highway that is now being constructed between Laredo, Texas, and Mexico City.



Banana Growing in Mexico

VICTORIA, Mex.—Governor Portes Gil of the state of Tamaulipas is promoting the growing of bananas for export to the United States and believes the industry will show great development in the next few years. As a nucleus for plantations to be established there have been shipped to the Tamesi River valley in the southern part of the state 10,000 small banana plants from the state of Tabasco. Considerable quantities of bananas are exported to the United States from southeastern Mexico. These shipments for 1925 aggregated 3,051,924 bunches, valued at \$1,231,785.

Mexican Seaboard

Special to THE WALL STREET JOURNAL

TAMPICO—After cessation of drilling operations for almost a year, Mexican Seaboard Oil Co. is preparing to drill 10 wells in the Cacalilao district. The work will be to test certain acreage so that unproductive leases may be dropped and leasing expenses cut down. The work will be in Cacalilao, Tanchecuin and Corcovado. In addition, activity is being increased in Toteco with the same purpose. Two rigs will be kept operating in heretofore unexplored areas.



NEW YORK HERALD TRIBUNE, MONDAY, SEPTEMBER 13.

Mexican Senators' Deadlock Imperils Chamber Measures

Minority Rejects Efforts to Conciliate the Political Differences Threatening Functioning of Congress

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.
MEXICO CITY, Sept. 12.—With the strike of the minority bloc in the Senate entering its thirteenth day and no intention of breaking the deadlock in sight, "Excelsior" raises the point as to whether the Chamber of Deputies can legally function and doubts whether any legal status can be given measures passed by the Chamber.

The law requires that a majority of the members of both houses be present on the opening day, which was September 1, when President Calles read his message. Enough Senators attended to make it legally possible for the President to convene Congress, but since

then the minority faction in the Senate has consistently refused to attend.

Opinions gathered by "Excelsior" from leading jurists here are that the Senate's action incapacitates the Congress from functioning, while others say that the Chamber of Deputies can function but such bills as they approve will have to wait until the deadlock in the Senate ends. These argue that the constitution, although it stipulates that Congress shall be composed of both upper and lower houses, also states that when in one of these bodies a quorum cannot be obtained within thirty days, the members may reach an understanding that if the deadlock still persists, substitutes may be elected and the regular members formally called upon to take their seats. If after thirty days they refuse to do so then the new elections may be held.

Since September 1 all efforts to conciliate the majority and minority leaders in the Senate have failed, with the minority leaders claiming they have been eliminated from membership on dominating committees. The majority leaders, however, state they are willing to grant concessions, but have been unable to present a proposal to the minority, who remain away from the sessions and prevent a quorum. The reasons motivating both sides are political.



NEW YORKER SEIZED BY MEXICAN BANDITS; AUTO PARTY ROBBED

Jacob Rosenthal of Woodmere,
Retired Merchant, Is Carried
Off Into Mountains.

DIPLOMAT EVADES ATTACK

Lane, Embassy Secretary, Be-
lieved to Be Intended Victim,
Was Warned in Time.

MANY TROOPS IN PURSUIT

Calles Government Moves With
Vigor as America Makes
Urgent Representations.

Copyright, 1926, by The New York Times Company
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 13.—Jacob Rosenthal, a well-to-do retired business man of Woodmere, Long Island, suburb of New York City, was kidnapped last night by bandits near Cuernavaca. Mr. Rosenthal at the time was in an automobile returning to the capital from Cuernavaca with Jack Zahler, an American and a leading candy manufacturer of Mexico City; Mrs. Zahler, and Joseph Ruff of New York, a son-in-law of Rosenthal, who has business interests here. The bandits carried off Mr. Rosenthal after holding up the party and robbing them of their valuables.

The armed group forced Mr. Rosenthal, who is 62 years old, to accompany them into the mountain fastnesses of the State of Morelos.

Arthur Lane, Secretary of the American Embassy, narrowly escaped capture through a warning by an American who escaped the bandits' trap. The warning caused Mr. Lane to return to Cuernavaca, where he spent the night. The statement made by the bandit chief when he selected Mr. Rosenthal as a captive is believed to show that the bandits were in search of a prominent American who was known to be in Cuernavaca.

Rosenthal, who is on a visit to Mexico for the second time in twenty years, is unable to speak Spanish, and except for his son-in-law and a few friends, is unknown here. The fact that he has been only about two weeks in Mexico City and that Sunday was the first time that he had visited Cuernavaca in ten years, causes the belief that the bandits made a mistake in their victim.

Mr. Lane left Cuernavaca five minutes after the automobile carrying the Rosenthal party.

Bandits Appear Before Auto.

The Rosenthal car slowly moved up a long hill, the Americans laughing and chatting, when at a turn of the road near the village of Huichilac a group of bandits armed with rifles stepped into the glare of the auto headlights, motioned the car to stop, at the same time leveling their rifles in a threatening attitude. The driver, realizing that owing to the heavy grade it was impossible to escape, came to a halt.

Six bandits, with their faces covered with red handkerchiefs and dressed in the usual white clothes of the native Indian of the State of Morelos and wearing large straw sombreros, stepped up to the car, and the leader of the gang, a small, thin, dark-skinned native, the only one without a mask, leveling his pistol, ordered the occupants of the automobile to climb down and step to the side of the road.

As the victims stood lined up at the roadside the bandits carefully searched their clothes, taking money, jewelry and papers. When the pockets of the party had been emptied the chief of the bandits, brandishing his revolver and pointing at Rosenthal, said:

"That is the man we want."
He then ordered Mr. Rosenthal to follow the band to a narrow path leading from the road to the hills.

As the bandits were searching the Americans the noise of another automobile was heard. The bandits spread themselves along the road with rifles ready to open fire. The machine was driven by Ed Quirk, an American employee of the Anglo-American Bank. As he saw the holdup Quirk immediately put on speed, running by the bandits, who opened fire on the car.

Dashing through a rain of bullets Quirk shot past and continued toward Cuernavaca.

As Quirk rushed down the road he saw an automobile, occupied by Arthur Lane, who was accompanied by his wife and children, slowly climbing up the grade. Quirk shouted to Lane to turn back, as bandits were nearby. Mr. Lane did so and drove back to Cuernavaca.

As the bandits started off with Rosenthal into the brush both Ruff and Zahler pleaded to be permitted to accompany the elder man, realizing

NEW YORKER SEIZED BY MEXICAN BANDITS

Continued from Page 1, Column 3.

that through Mr. Rosenthal's lack of knowledge of the Spanish language he might fare badly.

This request aroused the bandit leader to fury. Shouting at the top of his voice and waving his heavy revolver in the air, he said that unless the automobile was under way within one minute he personally would kill the whole party.

Alarmed by the threat the others slowly started the automobile, and as the car gathered speed the bandit leader thrust a letter into the hand of Mr. Zahler, shouting to him to read it carefully. Opening the letter Zahler read a warning not to inform the Federal troops of the kidnapping or the life of the victim would be endangered.

Arriving at the first small town where a detachment of Federal troops were stationed, Mr. Zahler gave the letter and a full description of the bandit leader to the officer in charge, and continued on to Cuernavaca, where he complained to the authorities.

Ten automobile loads of soldiers were at once started in pursuit of the bandits, but owing to the late hour and the intense darkness no traces of them were found. The troops, however, are continuing the search.

Mr. Zahler and Mr. Ruff returned to Mexico City at midnight and visited Police Headquarters where they gave the details of the kidnapping. Soldiers and detectives were immediately sent to the scene.

Early this morning Zahler visited the American Embassy where the Chargé d'Affaires, Mr. Schoenfeld, listened to the story and personally visited the Mexican Foreign Office to make an official complaint.

Up to this evening no news of Mr. Rosenthal had been received. Ruff and Zahler have returned to the scene of the kidnapping in order to give all possible assistance to the officials. It is believed that a letter demanding ransom will be received in a few days.

Strategic Point for Hold-Ups.

Huichilac, the nearest village to the scene of the kidnapping, is a small typical Indian village formed of a few palm thatched huts. The inhabitants occupy themselves with farming and selling fruits to passers by. The Cuernavaca-Mexico City road at this point is a steep grade, as Cuernavaca is at an elevation of 5,000 feet and the road crosses the divide at Tres Marias at an elevation of 10,000 feet. From there

it drops down to the valley of Mexico at an elevation of 7,500 feet.

Owing to the grade cars are obliged to crawl, as they must climb 5,000 feet in thirty miles. The road which slowly winds around the mountains dividing the valley of Mexico from the hot country, is well paved and is well traveled, as Cuernavaca is a favorite week-end resort of wealthy Americans and other foreigners who live in Mexico City.

The Indians of the State of Morelos are said to be quiet now but have the reputation of being utterly regardless of human life. When Zapata started his movement known as the Zapatista rebellion he was followed by the Indians of the State of Morelos who quickly became notorious for cruelty.

The State of Morelos was the scene of the famous kidnapping of Bruce Bielaski, former head of the Criminal Investigation Bureau of the Department of Justice, who was held for three days, finally escaping from his captors.

Some See Political Motive.

Chief of Police Robert Cruz, who is searching for the kidnappers, stated before leaving here that the question of jurisdiction would not enter and that he personally would take charge of the investigation, no matter to what part of Mexico it might lead. He said the culprits would be arrested and punished in such a manner as to throw fear into the hearts of any others with similar aims.

It is believed here that the men who captured Mr. Rosenthal are connected with the band which a few months ago assaulted and killed two students who formed a party which gave over Sundays to exploring the near-by mountains. The criminals were never captured.

It also is believed in some quarters that the kidnapping of an American who is unknown and is a man well along in years was due to certain influences which are trying to cause trouble for the present Government.

The general belief in the American colony is that Mr. Lane had a narrow escape, as it is believed he was selected as the victim, owing to his connection with the American Embassy.

Detectives say they believe the band has headquarters in a cave in the mountains of Tuxtepec near Barranca de San Pedro. Many small groups of former Zapatistas still roam the hills, robbing small towns and villages. Owing to their intimate knowledge of the mountains capture has been impossible.

Some believe that an element of minor officials in the Zapatista forces when Zapata ruled the State of Morelos are behind this kidnapping, as a large number of Zapatista officials were refused admittance in the ranks of the Federal army, as they could not pass the grades as captains, majors, &c. The Mexico City police have hope

that with the assistance of the Federal forces Mr. Rosenthal will soon be at liberty.

Official Representations Made.

Special to The New York Times.

WASHINGTON, Sept. 13.—Confirmation of reports that Jacob Rosenthal was kidnapped in Mexico reached the State Department late today in a dispatch from F. Arthur Schoenfeld, American Chargé d'Affaires in Mexico City.

Immediate and urgent representations were made to the Mexican Government by Mr. Schoenfeld, in an attempt to obtain the release of Mr. Rosenthal, who is reported to be in poor health.

Ruff Sends Reassuring Message.

Jacob Rosenthal, for many years proprietor of the Excelsior Market in Arverne, L. I., is well known there and in the Rockaways. He retired from business about ten years ago, having become moderately well-to-do through investments made in real estate in the vicinity. His only daughter married Joseph Ruff, head of the merchandising export house of Joseph Ruff & Co. of 621 Broadway.

On Aug. 23 last, when Mr. Ruff went to Mexico City on a business trip, his father-in-law accompanied him.

The following cable was received by Mrs. Ruff from her husband last night: "Pappa kidnapped. No danger. Expect release today. Will advise further."

Alfred D. Lind of 12 East Forty-first Street, attorney for Mr. Rosenthal, wired the State Department at Washington immediately upon receipt of word of the kidnapping, urging it to take official action in the matter.

NEW YORK Herald Tribune

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New York Tribune Inc.)

TUESDAY, SEPTEMBER 14, 1926



N.Y. Merchant Kidnaped by Mexican Band

Jacob Rosenthal Carried Off in Hills Near Capital After Gang Robs Three Others in Motor Party

Indians Lay Siege To Obregon Train

Ex-President Holds Off Attack in Sonora for 21 Hours Before Rescue

By Jack Starr-Hunt

By Cable to the Herald Tribune
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MEXICO CITY, Sept. 13.—Bandits and Indians in different parts of the republic yesterday and to-day have resorted to the kidnaping of wealthy or prominent persons in the time-honored fashion of discontented elements in the country of expressing their grievances.

A gang of brigands in the State of Morelos has as a captive Jacob Rosenthal, a wealthy retired New York merchant, whom they kidnaped yesterday afternoon as he and three other Americans were motoring to Mexico City from Cuernavaca, the capital's health and rest resort. The bandits also robbed Mr. Rosenthal's companions of money and jewelry.

Obregon Besieged by Yaquis

On top of this news, which has deeply stirred the foreign colonies here, "El Universal Grafico," in an extra edition this evening, reports that former President Alvaro Obregon was besieged by Yaqui Indians in the State of Sonora, who attacked his train and prevented his escape for twenty-one hours until General Manzo, the federal commander in the state, came to his rescue with 1,000 men. The former President personally directed the defense of himself and his escort until the troops arrived.

An official statement was issued at President Calles's office to-night, which said that General Obregon's train was besieged from 11 o'clock yesterday morning until 4 o'clock this morning. The statement adds that the Indians believed an injustice had been committed against one of their chieftains and that a large federal force would be mobilized to subdue the Yaquis and re-establish order.

Mistaken Identity Believed

It is believed that the bandits mistook Mr. Rosenthal for Arthur Bliss Lane, first secretary of the American Embassy, who for the week end was with his family at Cuernavaca, or for James Ashton, an Englishman and president of the El Aguila Oil Company, or Erik Ostlund, a Swedish subject and general manager of the Ericsson Telephone Company here.

Both Mr. Ashton and Mr. Ostlund correspond more with the description of Mr. Rosenthal than does Mr. Lane, although Mr. Lane, with Mrs. Lane and their small daughter and another American woman, with her two children, would have reached the spot where the hold-up occurred at the time it did if they had left Cuernavaca yesterday, as they originally had planned, instead of waiting over until this morning.

Woman Hides \$8,800 Gems

With Mr. Rosenthal at the time of his capture were Joseph Ruff, his son-in-law, and Jack J. Zahler, owner of the largest candy factory here, and his wife, who was Miss Dorothy Barth, of San Antonio, Tex. Mrs. Zahler, who is young and exceptionally attractive, had \$8,000 worth of jewelry with her, but was able, as she explained this morning, to hide it just in time before the brigands started searching the car and with leveled rifles robbed all the others in the party of money and jewelry.

H. F. Arthur Schoenfeld, the American Charge d'Affaires, who has just returned from the United States, passed an hour at the Foreign Office this morning laying information of the hold-up before Foreign Secretary

(Continued on page six)

N. Y. Merchant Kidnaped by a Mexican Band

(Continued from page one)

Saenz, who promised that the Morelos civil authorities would be instructed to comb the mountains where Mr. Rosenthal, who is sixty-five years old, is being held, and that every effort to obtain the prisoner's release would be made.

Information reached the American Embassy this afternoon that General Dominguez, the military commander at Cuernavaca, personally had taken command of a strong cavalry detachment sent out in search of the bandits. Advances from Cuernavaca and other sources say that the mountains between here and Cuernavaca and the automobile road on which the kidnaping took place are being scoured for the outlaws and that all military detachments stationed at small intermediate villages have sent scouts into the mountains to look for the brigands' lair.

Students Killed There Recently

"El Universal Grafico" says that the bandits holding Mr. Rosenthal are those who recently attacked a group of students at almost the same spot, killing some of them. The newspaper also says that, in addition to the soldiery sent in pursuit of the brigands, General Roberto Cruz, Chief of Police here, has sent a number of his best secret service operatives to assist in the search for Rosenthal.

Zahler and Ruff, leading a party of troopers placed at their disposal, left at noon to-day for the scene of the hold-up, where the Americans will indicate the exact spot from which the brigands carried off Rosenthal and help to trace the outlaws.

Considerable apprehension is felt for Mr. Rosenthal, because of his weakened health and age, as the hold-up took place during a downpour of rain which lasted all night, with the prisoner exposed to the elements in the mountain wilderness.

Six Masked Men Halt Car

According to Mrs. Zahler and others in the party, they left Cuernavaca about 4 o'clock yesterday afternoon and began a several miles long climb up a mountain road which, at the point where the kidnaping occurred, presents a 45 per cent grade and is close to the peak of the mountain, where the road straddles its greatest height of 12,000 feet before starting down toward Mexico City.

As their car was climbing the cobble stone in the downpour, six men wearing large sombreros, their eyes masked and blankets wrapped around the lower portions of their faces, dashed in front of the machine from underbrush on the roadside, leveled their rifles and ordered the car to halt. The order was obeyed because the steep grade made escape impossible.

The brigands showed little interest in any one other than Rosenthal, whom two of them marched off into the underbrush and up the mountainside, while the other bandits looted the other captives of all the money and jewels they had not been able to hide.

British Banker Escapes

While thus engaged another car, coming down the grade from Mexico City, appeared and the brigands ordered it to stop, but the machine, speeding up, raced down the mountain at a perilous speed, the brigands firing several shots, two of which were later found to have penetrated the automobile. This car carried several foreigners, among them Hedley Quick, a British banker, who later, near Cuernavaca, met Mr. Lane's party and informed them of the holdup.

One bandit handed Zahler a letter in which it was said that Rosenthal would be killed if the hold-up was reported, but in which there was no demand for a ransom. The brigands then disappeared, following the direction of the two who had taken off Rosenthal. Ruff and the chauffeur remained at the spot while Mr. and Mrs. Zahler drove to the Indian village of Huitzilac, where Zahler reported the affair to the authorities. He returned with soldiers, who showed a disinclination to penetrate the wilderness in pursuit of the brigands, as darkness now had fallen and the downpour was intensified.

Reports to Cuernavaca

Meanwhile, Zahler missed a valuable watch which he had hidden when the hold-up took place. He then returned to Huitzilac with Ruff and the chauffeur, picked up Mrs. Zahler and went back to Cuernavaca, where he reported the episode to the authorities, who said that the members of the American Embassy had been requested always to report any intended visit to Cuernavaca in order that precautionary measures might be taken to prevent a possible attack on them on the way.

Lieutenant-Commander Donald Hamilton, the Naval Attaché of the Embassy; Mrs. Hamilton and Robert Hinkley, the Third Secretary, were the other members who delayed their return until this morning when informed of the hold-up. Zahler's party returned to Mexico City at 10 o'clock last night and Zahler and Ruff reported to Mr. Schoenfeld early this morning.

The Cuernavaca Road long has been known as a stamping ground for bandits. Several years ago A. Bruce Bielaski, of the United States Department of Justice, was held up in this road. Prior to that Major Burr, Assistant Military Attaché of the American Embassy, had a similar experience, and, like Bielaski, was carried off into the mountains, both eventually effecting their own escape.

Ambassador Schoenfeld is a frequent

visitor to Cuernavaca when he is here and is generally accompanied over the road by a military escort. Cuernavaca is a popular resort with Mexico City's foreign residents.

Mr. Quick's part in yesterday's attack led to a rumor that Heriberto Weldon, superintendent of the Bank of Montreal here, was marked for a victim of the kidnapers, and as Mr. and Mrs. Ostlund also had made the journey at about the time the hold-up occurred, it was believed that the brigands were probably lying in wait for him, as he is a weekly visitor to Cuernavaca.

Washington Gets Report

From the Herald Tribune Washington Bureau
WASHINGTON, Sept. 13.—The kidnaping of Jacob Rosenthal, of New York City, by Mexican bandits near the Mexican capital yesterday afternoon was reported to the State Department late to-day by Arthur Schoenfeld, American Charge d'Affaires at Mexico City.

Mr. Rosenthal was traveling between the capital and Cuernavaca in an automobile of J. J. Zahler, also an American citizen, who was accompanied by his wife and Joseph Ruff, son-in-law of Mr. Rosenthal. All except Mr. Rosenthal were released after being robbed. The Americans' car was held up by six masked bandits.

Mr. Schoenfeld's message to the State Department said he had made urgent representations to the Mexican government to obtain the immediate release of Mr. Rosenthal, who is in ill health.

Husband Cables Mrs. Ruff

Mrs. Joseph Ruff, of Woodmere, L. I., received a cablegram last night from her husband indicating his belief that her father, Jacob Rosenthal, kidnaped by Mexican bandits Sunday afternoon would be released shortly. The cablegram read:

"Papa kidnaped. Expect release to-day. Will advise later."

"I can account for it only with the suggestion Mr. Ruff made to the authorities that the bandits may have believed they were kidnaping Mr. Lane, of the American Embassy," she said. "My father went to Mexico three weeks ago with my husband, who has an office in Mexico City. We did not expect him to be away even this long."

AMERICAN CAPTIVE, OBREGON HELD UP

Mexican Bandits Take Jacob
Rosenthal and Threaten
Him With Death

Indians Capture General, but
He Is Soon Released

By Arthur Constantine

Staff Correspondent of The World
Special Cable to The World

MEXICO CITY, Sept. 13.—News that Jacob Rosenthal, sixty-two, a retired merchant of Woodmere, L. I., was held prisoner by bandits in the mountains of the State of Morelos was followed to-night by information that former President Alvaro Obregon had been kidnapped from a train Sunday night at Lencho, State of Sonora, by 2,000 rebellious Yaqui Indians and held captive until 4 o'clock this afternoon.

Five thousand troops have been sent into the Yaqui Valley to deal with the tribes, and it is believed their threat brought Obregon's release. But the military commander of Cuernavaca received a message from the bandits that Mr. Rosenthal would be killed if they were pursued. The American is reputed to be wealthy and ransom is believed to be the bandits' motive.

Mr. Rosenthal was captured early yesterday evening while returning to Cuernavaca. The hold-up took place in the heart of the dense mountain fastnesses near Huichilac, fifteen miles from Cuernavaca and forty miles from the capital.

Lane Avoids Capture

Arthur Bliss Lane, First Secretary of the American Embassy, missed capture by five minutes, because he stopped at a wayside inn before passing through Huichilac. Occupants of another automobile fleeing from the scene turned him back with their warnings. Mr. Lane was accompanied by his wife and children.

Cuernavaca is a favorite week-end resort for Americans in Mexico City. Mr. Rosenthal had gone there as guest

(Continued on Fourth Page)

AMERICAN CAPTIVE, OBREGON HELD UP

(Continued from First Page)

of Jack J. Zahler, Vice President of the American Chamber of Commerce. Other members of the party were Mrs. Zahler and Joseph Ruff, son-in-law of Mr. Rosenthal.

Near Huichilac the road curves sharply around the mountain and descends at a steep grade. As the car, driven by Mr. Zahler, rounded the curve there came a fusillade of shots and six men rose from the bushes and advanced toward the car with leveled rifles. Mr. Zahler stopped the machine.

"Get out!" the leader called, menacing the Americans with his revolver. The bandits searched the party and took their valuables, including money and jewelry. When the search was over the bandit chief ordered the others into the car, but prevented Mr. Rosenthal from joining them, saying:

"This is the man we want."

Asked to Take Victim's Place

Ruff and Zahler remonstrated, the latter leaping from the car in the face of the leveled guns, and shouting:

"You've got our valuables, what more do you want?"

In reply he got the muzzle of a revolver against his chest and the remark:

"Shut up and get out of here quick!"

Ruff begged to be allowed to accompany his father-in-law or to take his place. At this the chief became violent, waving his revolver at the chauffeur who was seated in the car. As the machine moved off he handed Mr. Zahler a note for the military commander at Cuernavaca. It read:

"If we are pursued we will shoot our prisoner."

The bandits seized Mr. Rosenthal and dragged him into the bushes, and the party returned to Cuernavaca at top-speed. The commander there at once despatched soldiers after the bandits and telegraphed the Mexico City war office for more men.

Other Americans Attacked

One party of Americans, made up of Fred Davis, a prominent Mexico City merchant, and a group of friends, reported having been fired on by bandits, but said they escaped by putting on speed. Later in the evening a cavalcade of fifty cars and an escort of troops made its way into Mexico City.

Mr. Zahler described the bandits as apparently Indians, clad in cotton blouses, straw hats, short zarapes and sandals. They carried carbines and half filled cartridge belts, he said.

There is a disposition in some quarters to suspect the bandits were after Secretary Lane to provoke international complications, but Mr. Zahler's family did not share in this. They expect a demand for 10,000 or 20,000 pesos.

Mr. Ruff laid the facts before the American Embassy this morning and Charge d'Affaires Schoenfeld reported them to the State Department.

Huerta Men Said to Be in Plot

Obregon had stopped at Port Guaymas on his way home from Los Angeles, and proceeded on his way Saturday on a Southern Pacific train. Saturday night at Pitahuaya Station the Yaquis opened fire on the train. An escort of 150 men with him returned the fire. During the night Obregon got a message through to Guaymas. Five hundred troops were sent to aid him and President Calles was notified.

Obregon's train got under way, but at Lencho it was surrounded by an overwhelming number of Indians. The Yaqui chief entered his car and told him he was under arrest.

Agents of former Provisional President Adolphe de la Huerta are reported to be behind a plot against Obregon. Huerta is credited with possessing extraordinary influence with the Yaquis.

When news of the capture got out in Mexico City to-night it was denied by the War Office, but later an official statement of the facts was issued at the National Palace. President Calles received a message this afternoon signed by Obregon, saying he had arranged for his release and would proceed immediately on his journey.

All troops available in neighboring states are being rushed into the Yaqui Valley. Lencho is a small station about thirty miles east of Port Guaymas.

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Family in Woodmere Notified of Kidnapping by Telegram

At their home in Woodmere last night Mrs. Joseph Ruff, daughter of Jacob Rosenthal, said she had had a telegram from Mr. Ruff telling her that her father had been kidnapped but giving no details.

"We expect to have him ransomed shortly," the telegram read.



KIDNAP NEW YORK MAN

OUTLAW BAND FAILS TO TRAP U.S. OFFICIAL

Friends, Who Approach as Men Capture Jacob Rosenthal, Warn Embassy Secretary

Arthur B. Lane Party Wheels Car About Within Hundred Yards of Robbers' Position

By GEORGE W. HINMAN, JR., Universal Service Staff Correspondent.

MEXICO CITY, Sept. 13.—Foiled by the barest chance in carrying out a plan which would have resulted in capturing



JACOB ROSENTHAL, Held by Mexican Bandits Who Robbed Party.

Lane's automobile, containing himself and family, and two children of some friends, was saved from attack when warned by friends who had escaped by defying orders of the bandits and fleeing under fire.

Barely 100 yards from the scene of the attack, around a curve, Lane's car swung about and raced back to Cuernavaca.

TROOPS ACTIVE.

On urgent representations, Federal troops were immediately ordered out to effect the release of Rosenthal. This morning Arthur Schoenfeld, charge d'affaires in the absence of Ambassador Sheffield, called at the Foreign Office and received a pledge that every measure would be taken to release Rosenthal and punish his captors.

The fact that the outrage was perpetrated on the main highway between Mexico City and the fashionable resort, has made necessary certain strenuous repressive measures, as the road is constantly travelled by high Mexican officials and prominent residents of the capital.

The Lanes were saved by the

Continued on Page 2, Column 5.

Obregon Taken as 2,000 Indians Capture Train

By Universal Service. MEXICO CITY, Sept. 13.

GENERAL OBREGON was captured Saturday and held prisoner by 2,000 revolting Yaqui Indians, according to advices received here tonight.

The train in which Obregon and 150 armed soldiers were riding was attacked near Pitahaya, in Sonora, a small town between Guayman and Cajeme, Obregon's home.

The soldiers are reported to have been overpowered by the Indians, but no one was injured.

Obregon, in reporting the incident to President Calles, said that no harm had come to him. The General added that he expected to be released within a few hours and would be able to go to his home tomorrow.



MEXICAN OUTLAW BAND KIDNAPS NEW YORK MAN

Continued from First Page.

fact that on their return from Cuernavaca to Mexico City they stopped on the outskirts of the resort community for a brief visit at the home of a sick friend.

During their few minutes in the house, they were overtaken and passed by the automobile containing Rosenthal, Jack Zahler, an American business man of Mexico City, and Rosenthal's son-in-law, Joseph T. Russ.

About five miles outside of Cuernavaca, enroute to Mexico City, the Rosenthal car was stopped by six masked and armed bandits. The occupants of the car were stripped of their outer clothing and robbed of all their money and valuables.

Then while others were permitted to return to the automobile, the bandit chief, pointing to Rosenthal, the eldest of the party, said:

"This is the man we want."

With the others back in the car and Rosenthal standing in the road with his hands high above his head, another automobile coming from the opposite direction (Mexico City) rounded the curve approaching the scene. This machine carried Herbert V. Quick, of the Anglo-South American Bank, and a party of friends.

Four of the bandits immediately sought to stop Quick's car, but the chauffeur, sensing danger, threw on all power in an attempt to race through to safety. The bandits immediately opened fire as the car passed, one of them armed with a pistol fired point blank into the tonneau, the bullet passing through the top.

Speeding around the curve, Quick's machine encountered Lane's car coming up from Cuernavaca. Quick shouted a warning about the bandits. The warning and the sound of the firing caused the Lane party to about face and speed back.

The bandits in the meantime compelled Rosenthal to accompany them. Zahler's car returned to Cuernavaca to urge immediate action by troops against the outlaws. Despite the almost instant move-

ment of the pursuit the bandits have not been located.

While the bandits appeared to be Indians not attached to any organized group, many believe that they planned to seize Secretary Lane, and that they failed in their purpose only because the diplomat's car unexpectedly paused for the visit while leaving the resort centre. Others profess seeing a plan to capture the bank official and hold him for high ransom.

That the bandits masked their faces is declared to be evidence of more important motives and higher connections, as ordinary Indian highwaymen seldom resort to such concealment.

While the chief bandit gave Zahler a note saying that if they were pursued by troops Rosenthal's life would be in danger, no direct demand for ransom was made, although that is the practice after the capture of Americans.

Especial concern is felt on account of the bitter feeling of some Indians against the United States in connection with the religious controversy.

Mrs. Joseph Russ, daughter of Jacob Rosenthal, retired New York business man kidnaped yesterday by Mexican bandits, was near collapse last night when she learned of the raid on the American party.

First word was given her by newspapermen when she returned to her home at Woodmere, L. I., after an afternoon of golf. Then she found a wire from her husband, a member of the party, which follows:

"Papa kidnaped. No danger. Expect release today."

Mrs. Russ communicated at once with her attorney, who will take the matter up with authorities at Washington. She said that her husband, who is in the importing and exporting business, had left for Mexico on a commercial trip more than a month ago. Her father decided to accompany him.

Real estate, wisely selected, pays big profits. Attractive offerings of lots in well-located developments now listed in American Classified Ads. Classification 91.

Embajada de EE. UU. en Méjico hace representaciones sobre un secuestro

El gobierno mejicano envía tropas en persecución de los bandidos que secuestraron a Mr. Rosenthal

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 13. — Jacob Rosenthal, neoyorquino retirado de los negocios, que vino a Méjico como turista, fué hecho prisionero por unos bandidos, que atacaron a una comitiva automovilística ayer al mediodía, a cuarenta millas de esta capital.

En la comitiva formaban Mr. Jack J. Zahler, prominente norteamericano residente en Ciudad de Méjico, su esposa y Joseph Ruff, yerno de Mr. Rosenthal, quien también reside en la capital.

La comitiva volvía de Cuernavaca después de pasar el fin de semana, cuando fué detenida por los bandidos. Todos fueron robados y Mr. Rosenthal, que cuenta más de 60 años de edad, fué secuestrado.

Mr. Zahler dijo que él creía que los bandidos intentaban secuestrar a Arthur Lane, subsecretario de la Embajada de los Estados Unidos, quien pasó los últimos días de la semana en Cuernavaca, pero que se equivocaron.

Soldados federales están en persecución de los bandidos. La Embajada norteamericana investiga el asunto.

Mr. Lane y su comitiva debían llegar en todo el día de hoy de Cuernavaca y las tropas vigilan la ruta. Se proveyeron escoltas militares para otros automóviles entre Cuernavaca y la capital después que se supo del asalto.

Cuernavaca es un sitio de recreo muy popular entre los extranjeros.

Mr. Zahler está confundido con el hecho de que se hubiera escogido a Mr. Rosenthal para la captura, mucho más cuando no le pidieron rescate de ninguna clase. Mientras se llevaban a Mr. Rosenthal, los bandidos entregaron una carta a Mr. Zahler en que le decían: "Si usted se calla la boca, nada le sucederá a él".

"Estábamos—refiere Mr. Zahler—cerca del pueblo de Huitzilac, cuando cinco hombres saltaron al camino. Eran como las cinco de la tarde y el día estaba claro. Alzaron sus rifles y nos ordenaron apartarnos, lo que hicimos.

"Mr. Rosenthal tenía una sortija de diamantes y mi esposa algunas de sus joyas, que recuperamos después. Los bandidos se apoderaron de nuestro dinero y nuestras joyas, pero no se ocuparon mucho del asunto y así salvamos algunos de nuestros valores.

"Los bandidos señalaron a Mr. Rosenthal, diciendo: 'Ese es el hombre que queremos.'

"Luego lo metieron en el bosque. Cuando tratamos de seguirlos, montaron el gatillo y nos dijeron que nos matarían si los seguíamos.

"Mr. Ruff les rogó que se lo llevaran a él en vez de su suegro, pues

(Sigue en la 2a. pág.)



LA EMBAJADA DE EE. UU. EN MEJICO

(Continuación de la 1a. pág.)

era demasiado viejo y podía morir-se en la intemperie. Cuando se les preguntó porqué deseaban a Mr. Rosenthal, los bandidos no replicaron, sino reiteraron sus amenazas. Luego se perdieron en la maleza."

El encargado de negocios de los Estados Unidos, Mr. H. F. Arthur Schonfeld, hizo hoy representaciones sobre el asunto a la cancillería mejicana, pidiendo que se dieran los pasos adecuados para poner en libertad a Mr. Rosenthal y aprehender y castigar a los bandidos.

El secretario Lane llegó de Cuernavaca sin que experimentara dificultades en su viaje. En los círculos de la Embajada no se cree que los bandidos trataban de capturar a Mr. Lane o que estuvieran a caza de alguna persona determinada, sino que únicamente querían secuestrar a algún extranjero con propósitos de obtener una suma por su rescate.

Minas paralizadas
ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 13. — Aunque los diarios hacen conjeturas sobre la suspensión, alegándose agotamiento, de las minas de plata y oro de la Oro Mining Company, en el estado de Méjico, los empresarios dicen que el cierre no tiene significación especial.

AMERICAN KIDNAPED BY MEXICAN BANDITS

**Long Islander, Son-in-Law
and Two Others Held Up;
Stripped of Valuables.**

MEIXCO CITY, Sept. 13 (AP).—Mexican bandits yesterday held up at the point of rifles an automobile containing Jacob Rosenthal, of Woodmere, Long Island; his son-in-law, Joseph Ruff, a resident of Mexico City, and Jack Zahler, also an American resident of the capital, and his wife.

The party was returning from Cuernavaca, a short distance from Mexico City, when the bandits appeared. Mr. Rosenthal, who is sixty years of age, was carried off after the bandits had stripped the other members of the party of their valuables.

Today, heavily armed and accompanied by a picked squad of Mexican soldiers, Zahler and Ruff left the capital for the scene of the highway robbery, with the purpose of trailing the bandits and rescuing Rosenthal.

Federal troops from Cuernavaca are also scouring the woods and hills near the town of Huitzilac, State of Morelos, where the outrage took place. The Federal authorities in Mexico City have promised to use their utmost efforts to apprehend the bandits and release Rosenthal, and they granted the request of Ruff and Zahler for an escort, so that the Americans themselves could take part in the pursuit.

No demand for ransom has been made, but nevertheless it is believed the bandits are holding Rosenthal, who is said to be a well-to-do business man, for the purpose of exacting a ransom.

Before the bandits disappeared after the hold-up they handed a letter to Mr. Zahler, the contents of which have been somewhat mystifying. The letter said: "If you keep this quiet, nothing will happen to him." There was no mention of money in the letter.

In the opinion of Mr. Zahler, the bandits intended to kidnap Arthur Lane, Under-Secretary of the American Embassy, who also spent the week-end at Cuernavaca, but that they stopped the wrong automobile. This was not the opinion of Embassy circles, however, and Mr. Lane returned safely to his post this afternoon.



MEXICO'S CHIEF TELLS OF WORK TO BUILD NATION

Gains Under Government's
Social Reforms Outlined
for American Group

1000 NEW SCHOOLS
SET UP ANNUALLY

Peons Receive Land and Funds
to Work It—Reclamation
Projects Are Described

The following is the fourth of a series of articles based on the observations of the Good Will Mission, composed of 32 writers, educators, and clergymen, which recently visited Mexico. Mr. Taylor, who headed that mission, is secretary of the Board of Temperance and Social Welfare, with headquarters in Indianapolis.

By ALVA W. TAYLOR

The first part of our interview with President Calles was devoted to the religious problem. Something of what he said has already been told the readers of The Christian Science Monitor. He had referred to religious fanaticism, and when we asked him regarding the Government's program for social reform, he said: "Now that is where I am almost a fanatic myself."

The following is a verbal report of his answer as recorded by his own stenographer in Spanish and translated for us by a competent interpreter:

"The Mexican Government's social program is very intricate and difficult to carry out, but we are working toward its realization with great faith. Its most difficult phase is that which refers to the masses, meaning by this the workers both of the city and of the country—especially the latter, who are chiefly Indians. These peasant masses have been, from the colonial times until a short time ago, under conditions of slavery; we can almost say they did not own the air they breathed.

Land Held by Conquerors

"Landed property in Mexico was held by the conquerors and has been handed down from generation to generation so that the owners of the land have been only a few privileged mortals, while the millions of human beings that live on the land have been subjected to a condition of slavery. They have not owned land on which

MEXICAN SOCIAL REFORMS CITED

(Continued from Page 1)

question has also been tackled through the organization of financial associations.

Government Finances Peasants

"As the peons were in direct poverty, they had not the wherewithal for starting to work and making the land given them by the Government fruitful, so we established the Bancos Ejidales for financing those who have been given land by the Government, with a central unit in the Banco Nacional de Crédito Agrícola (National Bank of Agricultural Credit), and it is these banks that are intrusted with the duty of obtaining for the peasants farming implements, machinery and the necessary live stock.

"At the same time, much attention is being given to the social organization of these masses. Young people especially trained for this work in the Government schools are organizing the former peons into co-operative groups to free them from being economically exploited. In this manner we desire to attain economic independence for the peasants. . . .

"But, at the same time, we are developing a very intense cultural effort. We are establishing schools in all centers of population, no matter how small they are, because we believe that it is absolutely indispensable that the intellectual level of the people should be raised—especially that of the working people. This is the best help that can be given the masses and the best way of making ours a great and respected people.

Building of Schools

The Government's program calls for 1000 additional schools every year throughout the Republic. This year we opened 1000 schools above the number that were functioning last year and in next year's budget we are providing for 1000 schools besides those that are now in operation. My idea is that wherever people have settled down, wherever there are 20 resident children or more, there should be a public school.

"This work that we are carrying on in the country is matched with the effort that we are likewise making in the cities, where we are giving special attention to the laboring classes. It is my belief that it is these classes who need most immediate help, considering that the well-to-do can defend themselves.

"In this country labor organization has developed intensely within the last few years; almost all the trades are unionized, and the Government is engaged in an effort to make it possible for these organizations to have the benefit of acquiring all possible culture; schools and libraries have been established especially in the trade unions, and education lectures are being given constantly to them. This very important work has made possible already the great evolution that has taken place in the minds of the working classes who have advanced ideas. You can see for yourselves that Mexican Labor is backing the program and the policies of the Government.

Economic Independence First

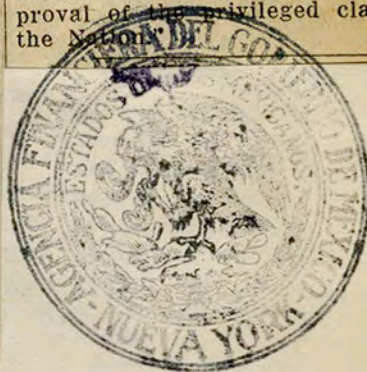
"As I said before, the fulfillment of this program is very difficult because everything has to be done for the first time. Our task is arduous. We are in a period of rapid development. The Government's first aim has been the economic independence of the country. We have overlooked no effort that can be effectively made toward having Mexico become self-sufficient. The struggle to attain this is intense, but after two years of such work we find ourselves near the realization of our purpose.

"The budget is well balanced, and the Government is fulfilling every obligation, both domestic and foreign; it is opening highways and

carrying out large irrigation works; the irrigation works planned provide for the rehabilitation of 1,000,000 hectares of land. These plans will be realized within four years at the latest, and thereafter Mexico will be in condition to produce not only all that is required for its own needs, but also a surplus with which to come to the aid of other peoples. We have achieved the complete reorganization of our finances, with the result that we have now all the resources that we need for our national life.

"At this very moment there are great schools under construction for the agricultural education of the peasants. In September we shall inaugurate four of these large schools, whose purpose it will be to train men into able agriculturists. These schools are not only practical, but they will offer all of the comforts and all the facilities that universities can offer.

"The Government's work has for its purpose the greatest welfare possible for the masses. Its aim is to make for the happiness of the greatest number of homes. Naturally this work does not meet with the approval of the privileged classes of the Nation."





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MEXICAN HUNT FAILS TO FIND ROSENTHAL

Troops and Police Search in Vain for the Bandits Who Kidnapped New Yorker.

HIS FRIENDS ARE FEARFUL

Captured Man's Wife Will Leave Today for Mexico City, Hoping for Husband's Release.

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MEXICO CITY, Sept. 14.—The whereabouts of Jacob Rosenthal of Woodmere, L. I., who was kidnapped by bandits Sunday night near Cuernavaca, is still unknown, but Federal troops and the police of Mexico City and Cuernavaca are still searching for the six armed men and their 62-year-old captive.

In the automobile with Mr. Rosenthal when he was captured were Jack Zahler, an American candy manufacturer here; Mrs. Zahler and Joseph Ruff of New York, a son-in-law of Mr. Rosenthal.

All were robbed, but the presence of mind of Mrs. Zahler saved some jewelry. When the bandits stopped the automobile she slipped her rings off her fingers and removed her pendant and put them down between the seat and the side of the car. It is reported that the money loss was considerable, as both Mr. Ruff and Mr. Zahler carried large sums with them. The amount carried by Mr. Rosenthal is unknown. He usually used checks.

Friends Are Anxious About Him.

The failure of the searchers to find any trace of Mr. Rosenthal and the gang has increased the fear felt for the safety of the American visitor.

Hustled out of the car by the bandits, Mr. Rosenthal was forced to leave his overcoat behind, and when the driver started to take the coat to him the bandits ordered him back under the penalty of being shot.

Mr. Rosenthal is clad in an ordinary summer suit. As this is the rainy season, the retired butcher will suffer from the cold, which at this time of the year is intense in the mountains, unless he is taken to some house.

Heavy rains have been falling since Sunday, and if he is imprisoned in one of the numerous caves in the mountains he will be exposed to the danger of illness.

Mr. Rosenthal's friends are greatly worried, for, they say, he is more than sixty years old and unaccustomed to hardships.

A report from Cuernavaca states that one of the kidnappers has been identified as a man with one eye who is well known in the State of Morelos as a bad character. This report, however, has not been confirmed.

Both Messrs. Zahler and Ruff are at Cuernavaca trying to assist the police and military authorities, who are determined to capture the kidnappers and punish them to the full extent of the law.

Insufficient Police Alleged.

The Universal today states editorially that the majority of visitors to Mexico always speak badly of it when they return home.

"The truth is," the paper says, "that one simple assault or kidnapping causes more damage and more noise than a thousand statements of travelers who have suffered only the simple assaults of the lottery ticket sellers."

"The first thing we learned on receiving news of the assault on the Cuernavaca road was that the police service along that traveled road is very deficient."

"The best police of the world could not prevent assaults, but on the Cuernavaca road there has been a specialty of kidnapping. Criminals have organized a real industry and, after a period

Continued on Page Twenty-seven.

SAYS KLAN IS READY TO DEFEND MEXICO

Evans Warns League of Nations Against Interference in Church Dispute.

WORLD COURT DENOUNCED

Klansmen Cheer Admonition of a Delegate to "Keep Al Smith in New York."

WASHINGTON, Sept. 14 (P).—An immediate offensive against "Romanism, alienism, Bolshevism and anti-Americanism of all kinds" was the battle cry sounded here today to the Ku Klux Klan by its Emperor and Imperial Wizard, Dr. Hiram W. Evans.

A warning to the League of Nations and to Europe that the Klansmen will resist any invasion of Mexico was part of the address.

"I have heard it said that the League of Nations would interfere in the internal affairs of Mexico," Evans said. "If Europe, or what is left of it, undertakes to interfere with the Western Hemisphere it will meet with trouble."

"If any European nation lands an armed force in Mexico, if the United States is not ready to act, thank God there are enough Klansmen in America to repel them."

After the Imperial Wizard had concluded his address he announced that he had delayed acceptance of his reelection by the Grand Dragons for four years because he wanted the assurance of a united Klan behind him in the program he had determined upon.

A Cyclops from Alabama moved the endorsement of the Imperial Wizard's platform and administration and his reelection, and a Klansman from Texas seconded the motion.

With the restoration of order the motion was carried by a rising vote, and Dr. Evans accepted the endorsement with the promise to fight for Klan principles to the end of his time.

While Dr. Evans was cheered again and again during his address, the greatest outbreak came when he urged Klansmen to use every effort to "take the United States out of the World Court."

The principal speaker at the first business session of the Klan declared that the recent Eucharistic Congress in Chicago was a challenge to America.

"Keep Al Smith in New York," was his parting admonition as the delegates broke into a demonstration, with applause, catcalls and whistling.

ARGUE STRIKE WRIT TODAY.

Counsel for Employers to Insist Injunction Covers Whole Union.

The misunderstanding which caused the arrest of 480 garment strike pickets on Monday will be threshed out in Part I, Special Term of the Supreme Court, this morning, when argument will be heard on a motion to make permanent the temporary injunction granted by Justice Charles M. Guy on Saturday.

Three strike leaders, Joseph Fish, Morris Sigman and Louis Hyman, were named in the injunction, which

was directed against the International Ladies' Garment Workers' Union and which contained an affidavit by Henry H. Finder, the manufacturers' head, charging that the strike now going on was illegal.

Despite the remarks of Magistrate Abraham Rosenbluth on Monday, when he discharged most of the 480 strikers brought before him, William Klein, the manufacturers' counsel, insisted yesterday that the injunction "covers every officer and member of the labor organization."

Twenty strikers, arrested for disorderly conduct and for obstructing traffic, were fined \$1 each.

MEXICANS PUSH HUNT TO FIND ROSENTHAL

Continued from Page 1, Column 2.

of calmness, they have now resumed. This crime was probably committed by members of the same gang as committed previous ones.

"A lone case of assault might be explained, but a repetition of them makes us believe that the bandits have never been punished."

"Through excessive benevolence dangerous criminals have been allowed to join the troops in time of rebellions, and later it is impossible to subject them to law. It is very dangerous to expel them from the forces and permit them to return to the mountains, where they live by the law of the rifle."

"We hope that the police will capture the bandits and release the victim. They must use superhuman efforts to do so. This is the only way that they can do their duty. Public opinion demands this."

Mexico Promises Full Aid.

WASHINGTON, Sept. 14.—The Mexican Government will do all it can to apprehend the kidnappers of Jacob Rosenthal, the Mexican Minister of Foreign Affairs has notified the United States.

Mrs. Rosenthal Going to Mexico.

Mrs. Jacob Rosenthal of Woodmere, L. I., plans to leave today for Mexico City to await the hoped-for release of her husband.

She has made arrangements to take the 4:40 P. M. train at the Pennsylvania Station, and will make the trip unaccompanied.

Mrs. Rosenthal's decision to go to

Mexico came after a day of anxious waiting, following receipt of a brief message Monday telling of the kidnapping of her husband and of his expected release yesterday. Up to last night no further news of Mr. Rosenthal had been received.

Mrs. Ruff, the only daughter of the kidnapped merchant, told yesterday of their anxiety.

"It has been a long, anxious day," she said, "with no word from anybody. I wanted to go to Mexico, but my mother insists that she shall go and has made all arrangements for the trip."

"It is her intention to go direct to Mexico City, as she wants to be there to join my father when he is released."

"She visited there about twelve years ago and is familiar with the country."

"We were greatly worried over the report that troops were to pursue the bandits who kidnapped my father. The message from my husband stated that there was no danger. We have waited all day for further word from him, but no message has been received."

State Department Takes Action.

Alfred D. Lind of 12 East Forty-first Street, attorney for Mr. Rosenthal, who telegraphed to the State Department at Washington urging it to take action, received yesterday the following message:

"Your telegram, Sept. 13, American Embassy at Mexico City, telegraphed Sept. 13, 11 A. M., that Mr. Rosenthal was kidnapped by a group of masked bandits between Mexico City and Cuernavaca about 5 o'clock on 12th instant. Embassy added that it had made urgent representations looking to the early release of Mr. Rosenthal."

"A further telegram has just been received from the embassy reporting that the Mexican Minister for Foreign Affairs has promised to bring the case to the attention of the military authorities immediately, and that every effort would be made to apprehend the criminals and release Mr. Rosenthal."

"Embassy has been instructed to telegraph promptly important developments and you will be kept advised."

"JOSEPH C. CREW,

"Acting Secretary of State."

Mexico to War On Yaquis for Obregon Raid

**Government Says It Will
Quell Indians Who Be-
seiged His Train and
Fought His Rescuers**

No Trace of Rosenthal

**Search for Kidnaped Amer-
ican Futile; 15 Suspect-
ed Bandits Are Arrested**

By Jack Starr-Hunt

By Cable to the Herald Tribune
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MEXICO CITY, Sept. 14.—That the sanguinary tribes of Yaqui Indians in the State of Sonora present to Mexico the same problem that the Rifians have presented to Spain was asserted in an official explanation of the situation at the President's office last evening in connection with the government's report of an attack on former President Alvaro Obregon, who, after withstanding a Yaqui siege for fifteen hours, was rescued by Federal troops.

A result of the attack on General Obregon has been the government's determination to renew hostilities against the Yaquis with a view to permanently eliminating this problem that has bothered more than one government for fifty years. Federal forces have been mobilized in Sonora, and it is intended to re-establish order among the bellicose tribesmen.

1,000 Besiege Obregon Train

A train in which General Obregon was traveling was besieged by a force of 1,000 hostile Yaquis from 11 o'clock Sunday morning until 4 o'clock Monday morning. He left Hermosillo, capital of Sonora, on Saturday, bound for his headquarters at Cajeme. As the train reached Vicam it was held up and surrounded by the Yaquis. The official explanation of the affair is based on reports received from General Francisco R. Manzo, military commander in Sonora, and Alejo Bay, Governor of the state.

On Saturday morning Juan Rivera, interpreter and confidential secretary to the Yaqui chieftan, Luis Matu, reached Termosillo, where, with an escort of fifty picked Indian soldiers, he remained to transact business with Governor Bay. Rivera did not inform Matu, who was at Vicam, that he intended to remain at Hermosillo. General Obregon, it was explained, left Hermosillo about the same time Rivera arrived.

For some unexplainable reason General Manzo furnished the former President with an escort of 150 men, although General Obregon usually travels without an escort. When Obregon's train reached Vicam he found Matu waiting for him. Matu feared that some ill had befallen Rivera and could not understand why General Obregon traveled with such a heavy escort. Matu ordered Obregon's train surrounded and would not allow the convey to proceed.

During the night General Obregon took personal command of the situation and was able by a ruse to communicate by telegraph with General Manzo at Hermosillo and ask for assistance. Meanwhile he made preparations to resist an attack. Barricades were erected as the Indians drew in a cordon about the train, awaiting word from Matu to attack. Manzo ordered troops from Hermosillo and other points, himself commanding one detachment of 1,000 men, to rescue Obregon, under whom he served as Sub-Secretary of War.

While the official explanation deals only briefly with the reports received

Finds Body of Drowned By Setting Bread Afloat

Special to the Herald Tribune

NEW LONDON, Conn., Sept. 14.—Sergeant W. E. Bushy, of the state police, remembered a custom of his childhood to-day when he was asked to search the waters of Lake Zoar for the body of Mrs. George Lewis, of Bridgeport, so he set five loaves of bread adrift and one of them, after floating about a few minutes, came to a stop, while the others went on. Assistants grappled where the loaf of bread stopped and found the body.

Mark Twain had Tom Sawyer hunt a body in a similar way, although Tom put quicksilver in his bread. Sergeant Bushy used only bread.

Mrs. Lewis, who was the wife of the chief inspector for the United States Aluminum Company at Fairfield, went fishing alone on Saturday. Sunday morning the boat was found floating half full of water.

from other sources, that during the night Obregon fought a stubborn battle with the Yaquis, it was said that one troop train sent to Obregon's rescue was derailed and two soldiers were killed. The train was commanded by Generals Bernal and Montano.

It was said at the President's office that the incident had served to awaken the government to the fact that the Yaquis had again assumed the war-path after a year's armistice and that the government would retaliate with a full military campaign with a view to eliminating or subduing, once for all, the 7,000 or 8,000 warriors forming the fighting unit commanded by Matu. The Yaqui problem is declared to be the last one still to be solved by the government.

Huerta Is Blamed

The renewal of hostilities by the Yaquis is blamed on Adolfo de la Huerta, former revolutionist, who is charged with furnishing money and arms to the Yaquis while he was Governor of Sonora. It was said that lately some 3,000 Yaquis living in Sonora on the Sierra Madre range had demanded sums ranging from 60,000 to 70,000 pesos monthly from the government and that the government had determined to employ its entire military strength in Sonora against the Indians, "who had been given their chance to live in peace and tranquillity, and had chosen otherwise."

Klan Warns All Europe to Keep Out of Mexico

**League Also Told Trouble
Awaits Any Meddler in
the Internal Affairs
of Southern Republic**

Plans Offensive Program

**Americanism Is Its Slogan
and Support Pledged to
the Cause of Prohibition**

From the Herald Tribune Washington Bureau
WASHINGTON, Sept. 14.—The Ku-

Klux Klan threatened to-day to inject itself into the Mexican situation should the League of Nations or any European country send armed forces into that republic. The knights of the klan are "ready to repel any such invasion of religious-torn Mexico," Hiram W. Evans, imperial wizard of the hooded and white-robed order for another four years told the biennial "klonvocation" to-day.

"I have heard it said," he declared in a long address to the delegates gathered from every state in the Union, "that the League of Nations would interfere in the internal affairs of Mexico. If Europe—or what is left of it—undertakes to interfere with the Western Hemisphere it will meet with trouble."

Enough Klansmen to Repel

"If any European nation lands an armed force in Mexico, if the United States government is not ready to act, thank God there are enough Klansmen in America to repel them."

That was the imperial wizard's pronouncement as he urged the Klan to make a militant fight for Americanism. Acclaimed as the order's head for another term, Evans outlined its objectives:

"To save America from alienism, to prevent the mongrelization of our race, and to promote a steady nationalism rather than to permit the strength of America to be dissipated through an insipid cosmopolitanism."

"To restore Protestantism to full and unquestioned supremacy in the spiritual spotlight of America and to make spiritual freedom the undoubted possession of every citizen of this country."

"To assist America toward the fulfillment of her God-given destiny protecting the fundamental policies of Americanism that have made us the most respected nation in the world."

Despite the waning display of organization strength shown, in the long-heralded parade of yesterday, the Klan regards itself no longer on the defensive, and prediction was made during the convention session that thousands of new members will soon be enrolled "to work for America," with the 5,000,000 klansmen and 1,500,000 klanswomen now claimed in the order.

Klan to Take Offensive

and non-Klansmen will know that our so-called prejudices and intolerances are not only justified but righteous; that they spring from the deepest racial instincts, from righteous and patriotic convictions and from sound judgment, for if the things against which we fight are allowed to take deep root here, America could not fulfill her destiny."

For Strict Neutrality

The Klan, if it carries out the mandates of Evans, will urge a policy of isolation and strict neutrality in our foreign relations. The head of the order warned his listeners against foreign entanglements and attacked the World Court.

Evans pleaded for continuance of the free school system, predicted passage by Congress of a broad alien registration act and laws deporting criminal aliens and pledged support of the order to prohibition.

The imperial wizard's address was an official pronouncement of his program. For the first time in the history of the order, the public, represented by newspaper men, was permitted to witness the proceedings. They were asked, however, not to identify speakers except Dr. Evans.

Comb Mexico's Hills In Vain for Bandits And N. Y. Merchant

**Federals Follow Kidnapers
of Jacob Rosenthal to
Scene of Ambush, but
the Trail Then Vanishes**

By Cable to the Herald Tribune

Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 14.—Jacob Rosenthal, wealthy New York retired merchant, who was kidnaped Sunday afternoon on the Cuernavaca road, is still a prisoner of the bandits somewhere in the mountains between here and Cuernavaca. Advices received late to-day from Cuernavaca and villages along the automobile road reported no success in locating the band of captors.

Military forces sent out from Cuernavaca passed the entire day combing the mountains without avail. Secret Service men sent from here, accompanied by Jack Zahler, American candy manufacturer, of Mexico City, and Joseph Ruff, of New York, Rosenthal's son-in-law, assisted in the search of the mountains and villages between here and Cuernavaca, but Zahler and Ruff returned to-day discouraged with the hunt.

The agents and the soldiers arrested virtually every resident of the village of Huitzilac, located in the heart of the bandit district, where the holdup and kidnaping took place. They found a number of rifles among the villagers which corresponded in caliber to those used by the brigands. The Mayor of Huitzilac and all his village officials were put through a rigorous cross-examination, but all disclaimed knowledge of the holdup.

Ruff returned to the scene of the hold-up this afternoon, accompanied by Jose Mascorro, chief of Mexico's Secret Service. Every effort is being made both by Mexico City authorities and those of the State of Morelos to find Rosenthal. Although the bandits' trail through the underbrush to a point along the road where the hold-up took place has been found, they seem to have vanished into the clouded heights of the mountains without leaving any sign.

The country is most difficult to travel in and the town of Huitzilac is in a mountain wilderness at an altitude of several thousand feet. It was the detectives' plan to arrest the residents of the village of Santa Mara this afternoon and submit them to a similar examination.

FEAR MEXICO GANG WILL KILL VICTIM

Observers Say Rosenthal, Who
Was Kidnapped, Has One
Chance in Ten to Escape

SEARCH PROVES FUTILE

Ex-President Obregon Reported
Injured by Yaqui Indians

By Arthur Constantine
Staff Correspondent of The World
Special Cable to The World

MEXICO CITY, Sept. 14.—One chance in ten is given Jacob Rosenthal, wealthy retired business man of Woodmere, L. I., to escape with his life from the bandits who captured him Sunday near Cuernavaca. The authorities searching for him expect his captors to shoot him and then scatter among the mountain fastnesses.

Up to late this afternoon the soldiers had failed to locate the bandits. Mr. Rosenthal's relatives here telegraphed his wife at Woodmere to keep up hope and informed her that every effort was being made to find her husband. They themselves were gloomy, however.

Sure to Suffer from Exposure

Even if Mr. Rosenthal escapes or is rescued it is feared here he may suffer grave consequences from exposure. Huitzilac is 7,000 feet above sea level, the nights are cold and this is the rainy season in the plateau. He was taken without an overcoat. When his chauffeur attempted to hand it to him the bandits drove him back to the car. Mr. Rosenthal is sixty-two and unaccustomed to hardships.

The police cannot understand why the bandits carried off Mr. Rosenthal and let the other two Americans with him escape.

Ex-President Alvaro Obregon was reported to-day to be at his headquarters in Cajeme, Sonora, undergoing surgical treatment made necessary by the presence of a bullet in his remaining arm, received during a fight between his escort and Yaqui Indians near Pithuaya, Sonora, Saturday afternoon and Sunday. Government officers refused to confirm these reports.

Report of Uprising Confirmed

Gen. Jose Alvarez, Chief of Staff under President Calles, announced the former President's safe arrival at Cajeme, but added that he was without details of his rescue. He confirmed the news, however, that the Yaquis have risen against the Federal Government but ascribed their action to Catholic intrigue among them. He said the Government will take active measures to put them down.

A persistently circulated version of the former President's capture on Sunday by the Yaquis at Lencho, Sonora, givesb ransom as the motive. Chief Matus of the Yaquis is said to have demanded 300,000 pesos for the former President's release.

The money was handed over, and they departed for Lencho, it is said, but in the mean time Gen. Rafael Manzo, military commander of Sonora, started for Lencho with 1,000 soldiers from Guaymas. A horde of Yaquis is reported to have given way before machine gun fire, leaving 100 dead on the field.



MEXICO HUNTS KIDNAP VICTIM

By GEORGE W. HINMAN, JR.,

Universal Service Staff Correspondent

MEXICO CITY, Sept. 14.—Growing anxiety is felt for the welfare of Jacob Rosenthal, New York business man, with the passing of another twenty-four hours since his kidnaping by Indian bandits near Cuernavaca Sunday evening.

Troops have scoured the hills in a vain hunt for him or the kidnapers who took him from the automobile containing a party of relatives and friends five miles out of the Mexican resort city.

After representations made by the American embassy, the Mexican Government has given assurance that every effort is being made to rescue the missing American, and to apprehend and punish the bandits. The military chieftain of the region is personally directing the pursuit.

It is feared that even if Rosenthal is unharmed by the bandits, the elderly New Yorker may be unable to survive the hardships of life in the open at the great altitude, where it is now cold and raining.



El Eco de las Aulas

¿Ciudad de Méjico destinada a desaparecer?

La capital de Méjico desaparece. Iglesias y hoteles, palacios y teatros se hunden paulatinamente, pero de tal notable manera que cuando un marcado mal estar entre los habitantes de la República Azteca. Los pantanosos terrenos en que los primitivos pobladores fundaron la ciudad no son el mejor cimiento para los modernos edificios de hierro y cemento, que pesando miles de toneladas ejercen enorme presión sobre los subsuelos en que están llamados a descansar.

Han de saber nuestros lectores que la capital de Méjico celebra este año seiscientos años de edad. Nadie puede predecir cuántos centenarios más podrá cumplir, a menos de que andando el tiempo se descubra algún procedimiento de ingeniería que permita detener definitivamente los hundimientos que amenazan hacer desaparecer sus más notables monumentos.

¿Por qué vueltas del Destino fundóse la ciudad de Méjico, capital del más grande imperio indígena a la llegada de Colón, en terrenos tan inestables?

El error originó cien años antes de que viniera al mundo el famoso Almirante cuya hazaña había de transformar totalmente los destinos del mundo. Allí por el año de 1325, llegó a través de las altas montañas que rodean el valle de Méjico, una tribu de aztecas, huyendo de las múltiples vicisitudes caídas sobre sus lejanas tolderías del norte del país. El paisaje que se desarrolló ante sus ojos debe haber sido encantador. Rodeado por una incomparable cadena de volcanes y montañas, extendíase un majestuoso lago, en el cual distinguíanse varios islotes. Bajos, pantanosos y de difícil acceso, los colonizadores modernos no hubieran seleccionado el lugar como sitio apropiado para fundar una gran ciudad, pero para los viajeros, reunían incomparables condiciones de seguridad.

El motivo por el cual escogieron el sitio es fácil de adivinar: Estos aztecas no eran una tribu guerrera en busca de ricas ciudades que saquear ni grandes reinos que conquistar. Llegaban sencillamente en busca de un refugio, de un lugar propicio donde establecer sus hogares, ocultos a la vista de sus sanguinarios enemigos. Durante su viaje al través de las montañas, otras tribus los habían combatido y despojado. Tales son por lo menos las más acertadas suposiciones, pues los detalles exactos de la emigración azteca no se han conservado

hasta nuestros días; al llegar a las deshabitadas llanuras, y admirar las naturales fortificaciones de tierra y agua, deben haber supuesto con algún fundamento que al fin podrían vivir en paz y al abrigo de invasiones extranjeras.

Las antiguas leyendas indígenas, grabadas en multitud de monumentos de piedra, cuentan como el dios Huitzilopochtli les ordenada detener su marcha al encontrar una roca donde creciera un nopal, en el cual vieran un águila devorando una serpiente.

Los mismos documentos relatan también como los altos sacerdotes de la tribu vieron de lejos una piedra, en medio de una de las islas más pantanosas, y sobre la roca se hallaba un nopal, el cual a su vez servía de pedestal a una majestuosa águila devorando ávidamente una serpiente. Por consiguiente no quedaba más remedio que dar por terminado el viaje y tal hicieron sin más tardar.

Siguiendo a través de los siglos y el espacio los pasos dados por los primitivos habitantes de Venecia que buscaron localidad semejante en las márgenes del Adriático, también por protección, la tribu azteca construyó sus cabañas de cañas y barro. Hicieron diques en el lago de manera a establecer comunicación con las orillas, así como entre las diferentes islas, teniendo sin embargo cuidado de dejarlos tan reducidos que podían defenderse sin gran trabajo. No les preocupó lo inestable de los cimientos en que descansaba su pueblo, ni lo que sobrevendría a las generaciones venideras.

Como es natural, nadie podía en aquellos lejanos días prever el inmenso desarrollo de la actual capital de la República Mexicana, cuyos grandes edificios de piedra y cemento desaparecen poco a poco en el barroso subsuelo en que floreció el primer grupo de frágiles cabañas.

El pueblo pronto se convirtió en una verdadera Venecia. Abriéronse canales en vez de calles y lujosas canoas eran el medio corriente de locomoción. La ciudad creció rápidamente debido a su posición privilegiada, que la hacía prácticamente inmune de ataques. Debido a sus cualidades estratégicas puede asegurarse sin temor a equivocación que no existía población indígena de más fácil defensa a la llegada de los europeos en el siglo XVI.

En 1521 llegó Cortés con su puñado de aventureros, y durante

trescientos años, permaneció la ciudad bajo la dominación de España. Construyéronse multitud de edificios nuevos, pues más de las tres cuartas partes de la antigua ciudad había sido destruida en el asalto librado por las huestes invasoras, y el Mexitli antiguo, como se llamaba entonces extendióse aún más.

Tampoco tropezaron con grandes inconvenientes los nuevos edificios, pues el estilo colonial, con los grandes patios rodeados de columnas, no ejercían gran presión en los subsuelos, y su peso no era comparable con el de las construcciones de hoy. Sin embargo, los habitantes tuvieron grandes dificultades con las aguas del lago, las cuales invadían con frecuencia los islotes. Indígenas y españoles tuvieron que emigrar con frecuencia a las colinas cercanas cuando las lluvias torrenciales inundaban sus viviendas. La inundación más grave que registra la historia de Méjico es la del año de 1629, y tardó cinco años. Durante todo ese período, la ciudad estuvo cubierta por una vara de agua. Veinte mil familias españolas huyeron en busca de refugio y se dice que perecieron en los escombros de sus viviendas más de treinta mil indígenas.

(Continuará.)





Acusados de propaganda sediciosa en materia religiosa ejecutados en Méjico

tropas continúan persiguiendo a los secuestradores de Mr. Rosenthal.—Los indios yaquis en rebelión

Conmemórase hoy aniversario del "Grito de Dolores"

La gloriosa efemérides será celebrada solemnemente por los mejicanos de E. U.

Conmemórase hoy el CXVI aniversario de la declaración de la independencia de Méjico, gloriosa efemérides histórica, que señaló la fundación de la república que ha crecido desde entonces y a pesar de los innumerables obstáculos y hechos revolucionarios, en una marcha decisiva hacia el progreso, siendo en la actualidad una de las naciones de América que más adelantado ha conseguido, ocupando un lugar privilegiado entre las naciones cultas del orbe.

El 15 de septiembre de 1810, don Miguel de Hidalgo y Costilla, jefe de Dolores (Guanajuato), pronunció la famosa "campana de la libertad", lanzando el célebre grito de independencia que ha pasado a la historia desde entonces con el nombre de "Grito de Dolores".

Hoy fué proclamado capitán general de los 20,000 hombres que componían sus huestes y más tarde generalísimo de ellas cuando ya el movimiento por la libertad era general en todo el territorio de la Nueva España, movimiento que culminó en la independencia de aquella nación el 27 de septiembre de 1821 en el que Iturbide hizo su entrada triunfal en Méjico, cesando desde entonces el poderío español en ella.

Con ocasión de la gloriosa efemérides que hoy se conmemora y haciendo votos por la prosperidad de Méjico, LA PRENSA se complace en hacer constar su respetuoso saludo a los dignos representantes de aquella república en los Estados Unidos, señor don Manuel C. Téllez, embajador en Washington y don Arturo Elías, cónsul general en Nueva York, como a la culta colonia mejicana aquí residente, digna representación del heroico pueblo mejicano.

Para celebrar dignamente tan fausto acontecimiento el consulado

(Sigue en la 6a. pág.)

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 14.— Los indios yaquis rebeldes en el estado de Sonora, han asaltado un tren uno de cuyos pasajeros era el expresidente general Alvaro Obregón.

Al dar la noticia, la oficina presidencial dice que como 1,000 indios yaquis detuvieron el tren cerca de Vicamano y que los 150 soldados que acompañaban al general Obregón se dispusieron a defenderse. Sin embargo, los yaquis no atacaron el tren.

La locomotora del tren militar enviado a proteger al expresidente se descarriló y volteó, a consecuencia de lo cual murieron dos personas. Si fueron los indios quienes hicieron descarrilar la locomotora, es cosa que no se sabe. El general Obregón procedió hacia su casa en Cajeme.

Se dice que los yaquis se encuentran en rebelión declarada y se han enviado tropas federales a someterlos.

Dos ejecuciones

CIUDAD DE MEJICO, septiembre 14.— (A. P.) Despachos especiales dicen que dos individuos de nombre Samuel Melgarejo y Joaquín de Silva, han sido juzgados sumariamente y ejecutados en Tinguindín, acusados de propaganda sediciosa en conexión con la cuestión religiosa.

Persiguiendo a los secuestradores

CIUDAD DE MEJICO, septiembre 14.— (A. P.) El presidente Calles ha expedido instrucciones formales a todas las autoridades concernientes a no omitir esfuerzos para capturar y castigar a los bandidos que secuestraron a Mr. Jacob Rosenthal, de Woodmere, L. I.

Mr. Rosenthal fué sacado de un automóvil por los bandidos el domingo último, cuando venía de Cuernavaca a Ciudad de Méjico con su yerno, Mr. Joseph Ruff, residente de Ciudad de Méjico, y Mr. Jack Zahler y su esposa, también residentes allí.

El general Domínguez, jefe de operaciones militares en el estado de Morelos, donde ocurrió el secuestro, dirige personalmente la cacería de los bandidos.

El general Roberto Cruz, jefe de policía del distrito federal, ha enviado tropas a Morelos. Si bien el lugar del secuestro se encuentra fuera de la jurisdicción del general Cruz, él declara que en las circunstancias él no reconoce fronteras. Ha encargado a las tropas capturar los bandidos a toda costa.

Sábase que el automóvil que pasó delante del de Zahler mientras los

(Sigue en la 5a. pág.)

2 ACUSADOS DE PROPAGANDA SEDICIOSA

(Continuación de la 1a. pág.)

bandidos lo robaban y se preparaban a secuestrar a Mr. Rosenthal, estaba ocupado por Mr. H. V. Quick, súbdito británico empleado por el banco sudamericano de Ciudad de Méjico.

Mr. Quick trató de parar su automóvil, pero los bandidos lanzaron dos disparos, por lo cual continuó hacia Cuernavaca y previno a Mr. Arthur Lane, subsecretario de la embajada de los Estados Unidos, que precisamente salía para la capital, a que regresara a Cuernavaca.

CONMEMORASE HOY EL ANIVERSARIO

(Continuación de la 1a. pág.)

general de Méjico, con la acertada cooperación de la Cámara de Comercio Mejicana, la sociedad de la Cruz Azul y la Sociedad Mutualista Mejicana, ha organizado una magnífica fiesta que tendrá lugar esta noche a las nueve en el "Roof Garden" del Hotel McAlpin y a la que ha sido invitado el cuerpo consular de los países de habla española y asistirá distinguida representación de nuestras colonias.

Estando ausente el señor Elías, pronunciará el discurso de ocasión el señor Manuel G. Prieto, cónsul adscripto y habrá actos variados y selectos de música, canto y baile, conforme el programa que dimos a conocer en días anteriores.

La fiesta, para la que existe ya grande entusiasmo, promete resultar, como las similares ofrecidas en años anteriores, excepcionalmente brillante.

La embajada mejicana dará en Washington un almuerzo a los altos oficiales del estado y al cuerpo diplomático recibiendo en los salones de la embajada a las representaciones consulares y de la colonia, acto que damos a conocer en otro lugar de esta misma edición.

El Ku Klux Klan y Méjico

ASSOCIATED PRESS

WASHINGTON, D. C., septiembre 14.—El doctor Hiram W. Evans, Mago Imperial del Ku Klux Klan, ha advertido a la Liga de Naciones y a Europa que los K. K. K. de los Estados Unidos opondrán resistencia a cualquier invasión de Méjico.

"He oído decir que la Liga de Naciones tomaría mano en los asuntos interiores de Méjico", dijo el Mago: "Si Europa o lo que queda de ella, trata de entrometerse en el hemisferio occidental se encontrará metida en un jaleo."

"Si cualquier nación europea desembarca una fuerza armada en Méjico y si los Estados Unidos no están dispuestos a actuar, gracias a Dios hay suficientes "klansmen" en los Estados Unidos para repeler el desembarque."

El Eco de las Aulas

¿Ciudad de Méjico destinada a desaparecer?

(Conclusión)

A estas inundaciones se debe que Méjico no sea hoy una nueva Venecia. Tras mucho sufrimiento y discusión, decidieron los habitantes que no querían verse siempre expuestos a tales peligros, logrando abriese un desagüe a través del valle para darle salida al excedente de aguas. Este corte tiene doce millas de largo, y empleáronse dos siglos en su construcción; al terminarse, las aguas del lago disminuyeron rápidamente. Hoy día, debido a eso y a ciertas circunstancias naturales, la capital se halla completamente en seco y a dos millas del más cercano de los lagos vecinos, que es el de Texcoco.

Las grandes inundaciones han sin embargo dejado profundas e imborrables huellas. Casi en toda la ciudad puede hallarse agua a dos o tres pies bajo la superficie. El suelo es poroso, y poco apropiado para soportar grandes pesos.

La construcción de algunos grandes edificios en los tiempos contemporáneos ha puesto en relieve el peligro que corre la capital, pues estos se han ido hundiendo paulatinamente. Lo peor del caso es que estos hundimientos no son uniformes, pues puede verse en algunos casos que parte del edificio se hunde más que otra, ya sea por hallarse sobre una faja subterránea más porosa, y la construcción se va inclinando más y más cada día. Estos fenómenos, hechos famosos por las características de la célebre torre de Pisa, en Italia, son frecuentes en Méjico, mas diferenciándose con dicha maravilla arquitectónica, que pudo ser salvada a tiempo en la Edad Media gracias al afianzamiento del subsuelo, los de la capital azteca no han podido ser remediados, continuando su caída que ha de venir de irremediable manera.

Uno de los más hermosos edificios del Méjico moderno, el famoso Teatro Nacional, es una de las víctimas del mal incurable. Construido de mármol blanco, y cubriendo una superficie de ciento siete mil pies cuadrados, causa la admiración de los extranjeros que lo visitan. Desgraciadamente, el decorado y ciertos detalles nunca se terminaron debido a circunstancias de todos conocidas, y la suspensión temporal de los trabajos se impuso, en la esperanza de que más tarde podrían reanudarse, mas la naturaleza, inconforme con los proyectos humanos, atacó la mole de mármol y hierro que se ha ido hundiendo más y más en el suelo.

Dicho hundimiento no ha sido uniforme, y la inclinación adquirida puede notarse a simple vista. Los más prominentes arquitectos y constructores del país han tratado en vano de combatir el mal. Todos los remedios preconizados han fracasado lamentablemente.

Se inyectaron en el suelo miles de toneladas de cemento líquido, en la esperanza de que al solidificarse quedaría momentáneamente dete-

nida la desaparición del edificio. Hasta la fecha se ignora si esto dará resultado. Todo Méjico sigue ansiosamente la marcha del tiempo, esperando que no llegará el día de ver caer en ruinas el teatro más bello del continente.

El primer piso del Palacio Nacional también se ha hundido de tal manera que hoy día es cóncavo. Se halla alojada allí la Escuela de Minas e Ingeniería, que contiene muchos aerolitos, y el peso de éstos, unido al edificio en sí ha hecho que se hunda de manera muy visible. Mirándolo desde fuera, la línea de los balcones forma una curva bastante pronunciada.

La famosa iglesia de Nuestra Señora de Loreto está todavía peor que los dos edificios anteriormente citados. Sus cimientos han cedido en todo el costado oeste, y hasta la fecha tampoco ha sido posible detener el hundimiento.

Otro síntoma del mal puede verse en un pequeño hotel de la Avenida Juárez, una de las principales avenidas de la ciudad. Al construirse, la entrada del hotel estaba al nivel del piso de la calle, mas ahora, los huéspedes deben bajar dos gradas, tal ha sido el hundimiento del edificio. El propietario todavía no ha mandado a hacer una grada más, pero piensa indudablemente ordenarla pronto.

Cerca de este hotel está el ministerio de Relaciones Exteriores, cuya desaparición sólo ha progresado unas cuantas pulgadas, pero como este edificio sólo fué terminado hace pocos meses, la fuerza de gravedad no ha tenido aún tiempo de hacerse sentir con todo vigor.

Lo poroso del subsuelo pone hoy en peligro lo viejo y lo nuevo. La maravillosa catedral, construida hace siglos, cuando las aguas del lago rodeaban la ciudad, se hunde de manera alarmante. Su pérdida sería una calamidad nacional. El viejo edificio está de tal manera unido a la historia de Méjico, que puede aseverarse que sus muros han presenciado cuanto acontecimiento notable registra la ciudad desde la conquista.

El riesgo corrido por la Catedral no es tan apremiante como el del Teatro Nacional, y no es probable su desaparición en un futuro inmediato, mas a pesar de su lentitud, no deja de ser un hecho su hundimiento, y nada prueba que éste no se acentúe en vez de estacionarse.

La desaparición más rápida registrada en los anales de la capital mejicana ha sido la de una estatua erigida en el Paseo de la Reforma. Comenzóse la construcción hace cosa de quince años, y al estar medio terminada, notóse que había disminuido ya más de una vara. Tuvo que hacerse de nuevo todo el trabajo.

Estos son ejemplos típicos de lo que la capital de Méjico tiene que combatir hoy día, debido a la ocurrencia de los aztecas de hace seiscientos años. Escogido el sitio gra-



cias a las naturales defensas de que gozaría la población, deja mucho que desear para el desarrollo de una ciudad moderna.

¿Está pues llamada a desaparecer la ciudad de Méjico? A primera vista, la hipótesis parece arriesgada. Es empero un hecho que los hundimientos progresan paulatinamente y no se ha descubierto manera alguna de remediarlos. Las sencillas cabañas de los indígenas primitivos podían permanecer sin riesgo en terrenos esponjosos, mas los grandes edificios de cemento y hierro decretados por la civilización moderna presentan un problema que deberían apresurarse a solucionar los hijos de la República Azteca si quieren salvar su capital de la ruina.

David Correa.



CARDINALS CHEER CATHOLIC MEXICO

Four Join in Message Urging
Resistance to Calles Gov-
ernment's Regulations

RELIEF WORK CO-ORDINATED

By a Staff Correspondent

Washington, Sept. 16.—Signed by Cardinals Hayes of New York, Dougherty of Philadelphia, O'Connell of Boston and Mundelein of Chicago and by four Archbishops and fifty-one Bishops of the Roman Catholic Church of the United States, the following message to the Archbishops, Bishops, Priests and Laity of Mexico has been issued from the Catholic University:

"In these days of your severe trials and persecutions, we, the bishops of the United States of America, assembled in conference, send our greetings of sympathy and affection to you, dear brethren, bishops of the United States of Mexico, and to your heroic people. We, our clergy and laity, are watching with eagerness and entire sympathy your magnificent fight against a tyrannical government.

"We applaud your wisdom, moderation and firmness, and are filled with admiration at the calmness, courage and endurance of the Mexican people. You are showing to the whole world the true spirit of martyrs, ready to endure and suffer all for the sake of Christ.

"You are also showing yourselves the real champions in Mexico of religious and civil liberty. You are fearlessly resisting armed forces in defense of the inalienable rights of men.

"The fight may be long; it may give many martyrs to the Church and to mankind. It will end only with the victory of liberty and justice. The long-suffering and peace-loving Mexican people, too long the victim of ruthless militarism, will emerge from this trial a stronger and purer nation, with a constitution founded in true principles of justice and liberty and a government that honestly respects the rights of the people.

"Be comforted, therefore, dear brethren; we Catholic bishops and priests and people of America pledge our prayers and deepest sympathy in this your hour of sorrow. With God's blessing, we shall be with you to the end and to victory."

The "message" was the product of the first meeting of a two-day session of the hierarchy of the Roman Catholic Church of the United States.

While several of the bishops had previously extended words of comfort to the Catholics of Mexico, the message was the first that had been sent out in the name of the Church as a whole. It speaks for 20,000,000 or more Catholics in the United States.

THURSDAY, SEPTEMBER 16, 1926

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FINAL SPORTS

THREE 3 CENTS

MEXICAN CAPTORS SLAY ROSENTHAL, N. Y. MAN; EMBASSY IS INFORMED

MERCHANT KILLED AS KIDNAPERS FLEE TO ESCAPE TROOPS

Soldiers Recover Body After
Slaying Two of Band That
Took Man From Auto

ABDUCTORS WERE HOLDING
HIM FOR \$10,000 RANSOM

Telegrams Inform Lawyer of
Tragedy—Wife of Victim
on Way to Mexico

Mexico City, Sept. 16 (A).—Jacob Rosenthal of Woodmere, L. I., was murdered by his bandit captors Wednesday night when the pursuit grew close, the American Embassy was officially informed today.

Rosenthal's body was recovered and taken to Cuernavaca for burial.

The Federal soldiers, in hot pursuit of the bandits, had killed two of them when the others stabbed their victim and escaped.

Rosenthal's captors had demanded from his relatives a ransom of \$10,000.

Jacob Rosenthal, retired merchant of Woodmere, N. Y., who was kidnaped by Mexican bandits last week, has been killed by his captors, according to a telegram received today by Alfred D. Lind, Mr. Rosenthal's attorney, from Lucien Ruff of Mexico City.

The message gave no details and did not say in what manner Mr. Rosenthal had been killed.

A dispatch from Mexico City received by the New York News Bureau and sent out over the financial ticker also stated that Mr. Rosenthal had been slain, and said that his kidnapers had stabbed him.

The telegram from Mr. Ruff was sent, Mr. Lind said, to a relative of Mr. Rosenthal in this city named Metzger. It was relayed at once to Mr. Lind.

Lucien Ruff, is a cousin of Joseph Ruff, son-in-law of Mr. Rosenthal. Joseph Ruff was in the party of which Mr. Rosenthal was a member when the bandits captured him near Cuernavaca.

Mrs. Rosenthal was on her way to Mexico City today.



Mexicans Hope To Free Captive N.Y. Man To-day

Police Announce Kidnapers' Lair Is Located; Paper Says Gang Sought Lane, Diplomat, in Plot on U. S.

Formal Note Presented

Troops Converge on Sonora to Suppress Yaqui Rising Laid to Work of Huerta

By The Associated Press
MEXICO CITY, Sept. 15.—Police Headquarters announced to-night that the police had located the place in the wild mountain region of the State of Morelos, where Jacob Rosenthal, of Woodmere, L. I., is being held captive by bandits. It was said that the authorities were hopeful that they would obtain Mr. Rosenthal's release to-morrow.

By Cable to the Herald Tribune
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MEXICO CITY, Sept. 15.—That Jacob Rosenthal, a retired New York merchant, who was kidnaped on the Cuernavaca road last Sunday, was the innocent victim of a political plot directed at Arthur Bliss Lane, First Secretary of the American Embassy, is asserted in an article published in "Excelsior" to-day. Mr. Lane narrowly escaped capture by turning back to Cuernavaca after starting for Mexico City at about the time Mr. Rosenthal's party was held up by six bandits.

While the kidnapers of Mr. Rosenthal are being sought, troops are being sent from various military centers of the Republic to quell the uprising of Yaqui Indians in the State of Sonora, following the capture by Indians of that tribe of former President Alvaro Obregon last Sunday.

Tourists Not Frightened

While it was expected that the Rosenthal kidnaping would scare away the yearly influx of Americans to Cuernavaca from Mexico City who are in the habit of passing the national holidays in the capital's popular health resort, the hold-up has had the opposite effect, as a long line of automobiles, most of them carrying Americans, has been arriving at Cuernavaca all day, their occupants apparently lured by the thrill of a possible encounter with brigands along the road on which the kidnaping occurred.

Halts are being made at the spot where Mr. Rosenthal disappeared into the underbrush, where ambitious Indian boys are reaping a harvest in tips as self-appointed guides, describing Sunday's attack.

See Plot to Involve U. S.

"Excelsior's" article quotes Secret Service operatives as saying that they are convinced that a plot to kidnap Mr. Lane was laid and it is officially intimated that the outlaws may have formed part of a conspiracy to involve the Mexican Government in difficulties with the United States through the capture of the American diplomat and that this was avoided only by the bandits' supposed mistake in identifying Mr. Rosenthal as Mr. Lane.

The article says five men who resembled those being sought as Mr. Rosenthal's captors were seen in an automobile near the scene of the hold-up. Jack J. Zahler, an American candy manufacturer, in whose car Mr. Rosenthal was riding when he was kidnaped, and who was robbed of money and jewelry himself, agrees with the Secret Service men that the bandits had marked their victim, and asserts that when the bandits saw Mr. Rosenthal they said, "That's him," but the fact that Mr. Lane is a younger man than Mr. Rosenthal leads to the belief that the bandits were after some one else or had a poor description of Mr. Lane.

The plans of the government's punitive expedition against the Yaqui Indians in Sonora include the sending of forces from distant sections of the republic who are not in any way influenced by sentimental reasons in favor of the Yaquis. Two Mexican

merchant ships have been ordered held at Salina Cruz, where they will load infantry, artillery, cavalry and airplane units and then proceed to Guaymas or some other Sonora port.

At the Foreign Office to-day it was said that Senor Tellez, the Mexican Ambassador at Washington, had presented a request of the Mexican government for permission to pass 600 troops from Ciudad Juarez to Nogales, Sonora, through American territory. It is expected here that permission will be granted. The troops are to be used in the Yaqui campaign.

Sonora politicians here again point to Adolfo de la Huerta as responsible for the Yaqui uprising, saying that he furnished them with money to acquire arms and war material and that Sunday's alleged misunderstanding between the Yaqui tribal leaders and the Sonora authorities was only a pretext for an uprising.

The Yaquis acquired most of their arms at Tucson, Ariz., it is said here. De la Huerta is reported to have promised the Yaquis he would rid their district of all white persons and turn over the Yaqui Valley entirely to the Indians if they would back him.

Barricaded in Mountains

The mountain fastnesses where the Indians now are barricaded present a difficult military problem. The terrain is almost inaccessible and is lacking in water resources, necessitating elaborate preparations for the advance of the federal troops. Some military leaders feel that the government ought to make use of local Yaqui units, saying that the Yaquis themselves are the only persons able to endure the hardships of such a campaign. The government may cut off the Indians' supply paths, with a view to starving them into submission.

Dispatches in papers from Patzcuaro, in Michoacan, say that General Valente de la Cruz was executed after a summary court-martial in which he was found guilty of rebellion. Other dispatches from Vera Cruz say that several bandit leaders of minor importance have been caught and executed.

A dispatch from Mazatlan says that one infantry regiment left Mazatlan for Sonora and that another is preparing to leave to-day.

The same message says that Colonel Edgar H. Smuts, who has just been granted a concession to build harbor works at Mazatlan and who is associated in business with General Obregon, was with the former president during the Yaqui attack on his train, but that he was rescued by the federal troops along with General Obregon. Colonel Smuts is an American and a large Mexican investments.

A dispatch from Guadalajara reports that several troop trains left there yesterday afternoon, apparently bound for the west coast and Sonora. The dispatch says that Guadalajara is awaiting the arrival of troops from here and that these will be sent to Sonora by way of Manzanillo and by boat as well as overland, over the gap the Southern Pacific Railroad is building between La Quemada and Tepic.

U. S. Presents Formal Note

MEXICO CITY, Sept. 15 (AP).—The United States Embassy presented to-day a formal note to the Mexican Government regarding the kidnaping by bandits of Jacob Rosenthal of Woodmere, Long Island, N. Y. This note indorses the representations made by the Embassy immediately upon hearing of the kidnaping.

Mr. Rosenthal's friends fear that the hardships and exposure may kill the American held captive in the mountain country. He was not in the best of health his friends said.

Mrs. Rosenthal, wife of the kidnaped Woodmere, Queens, resident, left for Mexico late yesterday afternoon, following receipt of a cablegram from Joseph Ruff, her son-in-law. Mrs. Rosenthal departed at 5:50 o'clock and expected to be in Mexico City by Sunday night.

The cablegram said that Mr. Ruff had just returned from a search through the mountains, but that no trace of Mr. Rosenthal was found. He said that the authorities were doing their utmost to prosecute the search and that results might be expected hourly.

Mr. Rosenthal wore no overcoat when he was kidnaped and his wife and daughter fear that he will suffer from exposure. His age and lack of habitual open air life, coupled with the approach of the rainy season in Mexico, cause them to hold apprehension for his health.

Klan Demands U. S. Hands Off Mexican Policy

Readiness to Help Calles by Force in Case of Armed Foreign Intervention Seen in Resolution Adopted

New Offensive Program

Imperial Wizard 'Struts His Stuff' and 'Cuts Some Dog,' Delighting Delegates

From the Herald Tribune Washington Bureau

WASHINGTON, Sept. 15.—The Ku-Klux Klan plunged into the Mexican-Catholic Church conflict to-day, adopting resolutions commending the attitude of the Calles government and asking the United States to maintain a hands-off policy in the religious strife.

The action, interpreted here as a manifestation of the expressed desire of the hooded order to have a free rein to act, forcibly if need be, should rumors of armed intervention by European powers materialize, followed the pronouncement of yesterday that there are enough Klansmen in the United States to "repel" armed invaders of the Southern republic.

Wizard for Aggressive Action

Adoption of the resolution created a stir in the closing sessions of the first step in the new offensive the Klan has been urged to take under the renewed leadership of Imperial Wizard Evans.

The delegates to the Invisible Empire conclave could hardly contain themselves when the resolutions were offered. The auditorium was thrown into a tumult. Vociferous demand was made for immediate adoption. The resolutions, however, were referred to a resolutions committee, which reported them favorably.

Michigan delegates took the initiative in lining the Klan up against the Catholic Church and its protests as to the way the Mexican government was

treating it. There was thunderous applause.

Text of Resolution

The resolution follows: Whereas, For more than one hundred years the people of Mexico have been struggling for independence from European political and religious influences, such influences being largely, if not entirely, responsible for the ignorance and squalor in which the masses of Mexicans have lived and continue to live; be it

Resolved, by the Knights of the Ku-Klux Klan, in convocation assembled, that we sympathize with the present government of the Republic of Mexico in its efforts to free the people from stultifying foreign influences, to popularize education of the masses and to establish a government of the people, by the people, and for the people. Be it further

Resolved, That it is the sense of the Knights of the Ku-Klux Klan that the government of the United States of America should in no way interfere with the internal affairs of Mexico except for the protection of the rights of American citizens guaranteed by international law or for the preservation of the Monroe Doctrine from infringement by European powers.

This formal exhortation of the Klan is to be conveyed to Secretary of State Kellogg by a special committee to be appointed by the Imperial Wizard.

The Klansmen wound up their business sessions, at times excluding newspaper men from their deliberations. One of these periods was when the financial report of the order was submitted. Indications, evidenced by loud acclaim, were that the Klan is financially in good condition.

Dr. Evans, as head of the order, admittedly has always "put on a fine front commensurate with the dignity of his position," hiring suites of rooms in the best hotels, riding in the best cars and taking the best of everything, and the Klansmen assured him he was doing the right thing.

"All right, boys," said Evans, "I'll strut my stuff."

The delegates yelled. Dr. Evans assured his listeners that his policy has led the public to respect the Klan.

"When I make an appearance around here," he laughingly said, "I sure do cut some dog."

The Imperial Wizard from now on will also sail around in a launch which the order has owned, but which it turned over to him to-day in commemoration of his birthday anniversary on September 26.

Delegates to the Klonsvocation, who were here from every state, began leaving town to-night.

Arrest Mexican Bishop Opposing Calles Edict

Tried to Prevent Parents Sending Children to Government Schools; Two Executed

By Cable to the Herald Tribune
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MEXICO CITY, Sept. 15.—Monsignor Jesus Maria Echevarria, Bishop of Saltillo, has been arrested in that city and is being brought to Mexico City under an escort, according to press dispatches. Francisco Ortiz, chief of police at Saltillo, and an army captain are conducting the prelate. The order for his arrest was issued by the Governor of the state of Coahuila.

Bishop Echevarria is charged with having distributed leaflets instructing parents not to send their children to the government schools.

The execution on Monday at Zamora, in the State of Michoacan, of Joaquin de Silva and Manuel Melgarejo, young men who were members of prominent Catholic families, has caused a sensation in Roman Catholic circles, as both were active in their district as members of the Association of Mexican Catholic Youths in directing Catholic propaganda. A report from Zamora says that both were tried before a courtmartial. General Tranquilino Mendoza, the military commander at Zamora, is quoted as saying that seditious documents were found on them, in addition to maps of the republic and other papers showing their complicity in an anti-government plot.

Mexico's Liberty Bell Put in National Palace

Rung by Calles Marking 116th Anniversary of Nation's Freedom; 5,000 Children Celebrate

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 15.—Mexico's historic Liberty Bell, which a priest, Miguel Hidalgo, rang to herald freedom from Spain at the village of Dolores Hidalgo, in the State of Guanajuato, in 1810, to-day was placed in its new resting place above the center balcony in the national palace. The ceremony was part of the celebration to-day and to-morrow of the 116th anniversary of the country's independence.

At noon President Calles, high army officers and other government officials witnessed the placing of the bell between two stone-carved figures, one a Spanish soldier and the other an Aztec warrior, with the emblem of the sun of Liberty in the background.

At midnight President Calles rang the bell, while the crowd raised its

thunderous cry of "Long live Mexico!" This morning 5,000 children gathered at the national stadium, where President Calles attended the patriotic celebration, which was featured by an orchestra composed of 2,000 children, who played the national airs. To-morrow President Calles will preside at the military maneuvers in the stadium.



NEW YORK HERALD TRIBUNE, THURSDAY, SEPTEMBER 16, 1926



CARDINALS MEET TO DISCUSS MEXICAN CHURCH QUESTION. Here are three of America's four at the church's annual conclave at the Catholic University in Washington, D. C., where the troubles stirred up by the Calles' edict disrupting theological affairs in Mexico are being considered in full. From left to right, they are Cardinal Hayes of New York, Cardinal Dougherty of Philadelphia and Cardinal O'Connell of Boston. Others in attendance include nine American archbishops and fifty-one bishops.

F. & A. Photo

INDEPENDENCE BELL IS RUNG BY CALLES

'Long Live Mexico,' He Cries as
He Re-enacts Hidalgo's Call
to Rise Against Spain.

THOUSANDS RE-ECHO CRY

Diplomats Attend Ceremony in the
Capital—Spectators Searched for
Arms to Prevent Fatalities.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 15.—The "Campana de Dolores," the famous Mexican bell which summoned the Indians of the small town of Dolores in the State of Guanajuato to the revolt which ended in the overthrowing of the Spanish régime, was rung by President Calles at 11 o'clock tonight, the anniversary of the start of the war by which Mexico won her independence.

"Long live Mexico!" the President shouted as he tugged at the bellrope, and thousands of Mexicans in the square below the National Palace repeated his cry.

Hidalgo Called Indians With Bell.

It was at 11 o'clock on the night of Sept. 15, 1810, that Padre Hidalgo, a former priest in a small church at Dolores, gave the signal for the revolt against the Spanish, who had dominated Mexico since the conquest by Cortez.

The wild clamor of the bell speedily aroused the inhabitants of the town and crowds of natives rushed to the church door, where they were met by the padre, who appealed to them to follow him against the Spaniards.

Armed with muskets, pitchforks and other crude weapons, the small crowd of Indians started out with Hidalgo to win the independence of Mexico.

Although Hidalgo was captured and executed by the Spaniards his work was carried on and Mexico eventually won her freedom from Spain.

In honor of Hidalgo the town of Dolores was afterward named Dolores Hidalgo. The old bell was taken from its tower in the parish church and hung in the National Palace in Mexico City, where at 11 P. M. on every Sept. 15 the President of Mexico re-enacts the ringing of the bell.

Bell Placed in New Position.

When repairs were started recently on the National Palace the honored bronze symbol of independence was carefully lowered to the ground and placed in safety until a niche was prepared for it in the centre of the facade of the building. At each side of the bell a bronze figure of an Indian guardian stands.

At noon today the bell was raised to its new position amid the ringing of the bells of the cathedral.

Just before 11 o'clock tonight President Calles appeared on the principal balcony of the palace, and when the clock sounded the first stroke of 11 he grasped the rope that sent the notes of the bell undulating away on the night air.

Members of the diplomatic corps were present at the ceremony, and down below, in Zocalo Square, fifty thousand people re-echoed the President's cry of "Long Live Mexico."

Police Search for Arms.

The Police Department took extra precautions to prevent any disorder in the square.

Lines of police and soldiers formed a cordon around it and all who attended were searched for arms and liquor.

All saloons closed at 6 o'clock this evening and they will not reopen until Friday morning. All permits to carry pistols were cancelled and only military officials in uniform and police officers were permitted to carry arms.

These precautions were taken to prevent a repetition of scenes common in previous independence celebrations, when drunken men discharged pistols in the air, with the result that on every anniversary of Mexico's independence several dead and wounded were found in the national square.

STERN WAR ON YAQUIS IS PLANNED BY MEXICO

Planes and Gas Bombs Will Be
Used in Determined Effort to
Subjugate the Indians.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 15.—Modern military science will be used in the campaign against the rebellious Yaqui Indians in the State of Sonora.

The Mexican Government is determined to subdue this tribe which has been a constant threat to the peace of the State.

The attack of the Yaquis on the train of former President Obregon on Sunday has aroused the anger of the Government, which intends to put an end to the depredations of these semi-savages who have terrorized Sonora for hundreds of years.

The War Department plans to use airplanes, bombs and gas against the Yaquis. Ten thousand troops will be also dispatched to the State of Sonora to be ready at the opening of the dry season to begin a campaign which, officials declare, will end only when the Yaquis have been completely subjugated and placed in such a position as never again to constitute a danger.

Mountain batteries are now being prepared along with machine guns by hundreds and field pieces for shelling the mountain strongholds of the Yaquis.

Two of the leading Generals of the Federal army are spoken of as commanders in the Indian campaign. One is Roberto Cruz, Chief of Police, who is noted for his daring in action. With a large body of Indian cavalry he swam across the river at Ocotlan during the Estrada rebellion and turned the rebel flank, thereby permitting General Obregon to capture the City of Guadalajara.

The other possible leader is Eugenio Martinez, commander of the garrison of Mexico City. He is one of the oldest soldiers in point of service in the Federal army and he knows the terrain of the State.

These two, it is expected, will direct the offense against the Yaquis.

General Obregon, who is reported safe on his farm at Cajeme, will also assist in the campaign, probably in an advisory capacity.

The Yaquis have been a source of trouble since the time of the Spanish Conquest. Those now in rebellion charge that they have not been reimbursed for tribal lands expropriated from them.

BISHOPS OF AMERICA LAUD MEXICAN FIGHT

From Washington They Send
Sympathy to Fellow-Catholics
in Religious Struggle.

KLAN WOULD KEEP US OUT

Asks America to Avoid Interference
in Church Conflict of Other
Republic.

Special to The New York Times.

WASHINGTON, Sept. 15.—The Catholic Bishops of the United States at their annual meeting here today addressed a message of sympathy to the Archbishops, Bishops, priests and laity of Mexico, predicting that the Church would win in the struggle with the Mexican Government.

The meeting was held at the Catholic University of America.

The message of sympathy read:

To the Archbishops, Bishops, Priests and Laity of Mexico:

In these days of your severe trials and persecutions, we, the Bishops of the United States of America, assembled in conference, send our greetings of sympathy and affection to you, dear brethren, Bishops of the United States of Mexico, and to your heroic people.

We, our clergy and laity, are watching with eagerness and entire sympathy your magnificent fight against a tyrannical Government. We applaud your wisdom, moderation and firmness, and are filled with admiration of the calmness, courage and endurance of the Mexican people.

You are showing to the whole world the true spirit of martyrs, ready to endure and suffer all for the sake of Christ. You are also showing yourselves the real champions in Mexico of religious and civil liberty. You are fearlessly resisting armed force in defense of the inalienable rights of man.

The fight may be long; it may give many martyrs to the Church and to mankind. It will end only with the victory of liberty and justice.

The long-suffering and peace-loving Mexican people, too long the victim of ruthless militarism, will emerge from this trial a stronger and purer nation, with a legislation founded on the true principles of justice and liberty, and a government that honestly respects the rights of the people.

Be comforted, therefore, dear brethren. We, the Catholic Bishops and priests and people of America, pledge you our prayers and our deepest sympathy in this your hour of sorrow. With God's blessing, we shall be with you to the end and to victory.

WASHINGTON, Sept. 15 (AP).—Wind-up its third biennial convention, the Ku Klux Klan today adopted unanimously a resolution requesting the American Government not to interfere in the religious controversy between the Calles Government and the Catholic Church in Mexico.

Dr. Hiram W. Evans, Imperial Wizard of the Klan, will appoint a special committee to present a copy of the resolution to Secretary Kellogg at the State Department this week.

The Michigan delegation presented the resolution which expressed sympathy with "the present Government of Mexico in its efforts to free the people from stultifying foreign influences, to popularize education of the masses and to establish a Government of the people, by the people and for the people."

Besides adopting this resolution, the Klan made several changes in its constitution to make that instrument more workable.

The delegates also bound themselves by solemn oath to go home and worship in Protestant churches every Sunday.

Dr. Evans described this as perhaps the most important act of the convocation, explaining that it would put millions of men in the churches on Sundays.

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LOCATE ROSENTHAL; RELEASE EXPECTED

Mexican Police Hope to Free
New Yorker From His
Kidnappers Today.

FOURTEEN ARRESTS MADE

Secretary Lane of the American
Embassy Inquires of the Progress
Made by the Police.

MEXICO CITY, Sept. 15 (P).—Police headquarters announced tonight that the police had located the place in the wild mountain region of the State of Morelos where Jacob Rosenthal of Woodmere, L. I., is being held captive by bandits.

It was said that the authorities were hopeful that they would obtain Mr. Rosenthal's release tomorrow.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 15. — Fourteen men have been arrested in connection with the kidnapping of Jacob Rosenthal of Woodmere, L. I., by bandits on the Cuernavaca Road Sunday night. The police say that two of these suspects have been identified by natives as having been on the Cuernavaca Road a few hours before the kidnapping.

Chief of Police Robert Cruz of Mexico City, who has taken personal charge of the search for Rosenthal, stated this morning that he would have some good news later in the day.

First Secretary Lane of the American Embassy visited Police Headquarters today to inquire about the progress of the search.

Jack Zahler and Joseph Ruff, son-in-law of Mr. Rosenthal, who were in the car with him when he was captured, are still at Cuernavaca trying to assist the police. They will remain on the ground until the kidnappers are captured or Mr. Rosenthal is released.

The authorities here are optimistic. They say the bandits will be captured and Mr. Rosenthal will soon be released.

Mrs. Rosenthal left yesterday afternoon for Mexico City to await the hoped-for release of her husband.

Alfred D. Lind, Mr. Rosenthal's attorney, announced that a close friend of the captured man had appealed to President Coolidge, and had sent the following message to the President at Paul Smith's, N. Y.:

"Honorable Sir:
"Search for Mr. Jacob Rosenthal, captured by Mexican bandits, is in vain. We respectfully appeal to you for aid. His family and his friends think of offering to the Mexican Government the use of American airplanes in hunt for bandits. Respectfully submitted to you by his friend,
"LOUIS SCHULMAN."

Two Mexican Bandits Executed.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 15.—Two bandits have been executed near Tecolo by Federal troops, who captured them while pursuing a band who attempted to rob a train.





THE NEW YORK TIMES, THURSDAY, SEPTEMBER 16, 1926.

MEXICO EXECUTES GENERAL.

De la Cruz, Former Officer, Was
Accused of Sedition.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 15.—A telegram in the Grafico states that Federal forces have executed a former General, Valente de la Cruz, who was charged with sedition. With three friends, he was arrested by Federal forces at Patzeuaro in the State of Michoacan, immediately tried, and executed by a firing squad.

His companions were sent to the city of Morelia, where they will be tried.

De la Cruz was well known, and it is reported that express orders for his execution were sent from Mexico City.



MEXICO MOBILIZES TO COMBAT YAQUIS

Gen. Martinez, Ablest Military
Leader, Heads Well Equipped
Army of Ten Thousand

AIRPLANES TO BE USED

Police Hope to Effect Release
of Rosenthal To-Day

From The World's Bureau
Special Cable to The World
MEXICO CITY, Sept. 15.—Gen.
Eugenio Martinez, military com-
mander in the Valley of Mexico, re-
garded as the ablest soldier in the
Mexican Army, will head the cam-
paign against the rebellious Yaqui
tribes in the State of Sonora. An
army of more than 10,000 men,
equipped with all modern devices of
warfare, including gas, will be mobil-
ized under Gen. Martinez.

Plans of the War Department call
for a rapid roundup of the Yaquis.
Airplanes will be employed to locate
them, and once the troops leave the
the Southern Pacific Railway they will
be transported in trucks. Tractors
will haul heavy ordnance.

Gen. Martinez is a soldier of forty
years' experience. He rose to his pres-
ent rank of General of Division from a
bugler boy.

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Publishing Company, 1926

Police Say They Know Where Rosenthal Is Held

MEXICO CITY, Sept. 15 (A. P.)—
Police Headquarters announced to-
night that the police had located the
place in the wild mountain region of
the State of Morelos where Jacob
Rosenthal of Woodmere, L. I., is
being held captive by bandits. It was
said the authorities hoped to obtain
the American's release to-morrow.



MEXICO PUSHES WAR ON YAQUIS

By GEORGE W. HINMAN, JR.

Universal Service Staff Correspondent.

MEXICO CITY, Sept. 15.—Repetition, on a small scale, in the mountains of northwestern Mexico of the French campaign against the Rifians in Morocco, was seen today in the plan of action against the Yaquis, carrying out the Government's programme for "extermination" following the detention of former President Obregon by Indian forces.

The plans call for the use of airplanes and other weapons against all targets.

The Government's determination to rid the country of the Yaqui problem seems stronger today than ever, with further troop movements and orders for a stern campaign. The belief prevails that the prompt action of President Calles and troops under his direction prevented possible serious consequences after the interception of the Obregon train.

No news has been received of Jacob Rosenthal, New York business man kidnaped Sunday. The victim is believed to be held in some hiding place while the troops search the country. It is understood here that Rosenthal's wife is leaving New York for Mexico City tonight.

K. K. pide que EE. UU. no intervengan en la controversia religiosa de Méjico

Un orden misteriosa se dispone a clausurar sus reuniones celebradas en Washington

Los yaquis serán bombardeados con gases asfixiantes

Esta noche era infructuosa la búsqueda del secuestrado Rosenthal

ASSOCIATED PRESS
CIUDAD DE MEJICO, septiembre 15.—Despachos especiales de la noche dicen que el obispo católico don Jesús María Echeverría, deportado del estado de Coahuila y enviado a Ciudad de Méjico, acusa de haber publicado boletines prohibiendo a los sacerdotes que asistan a las sesiones del gobierno.

Los despachos dicen que el obispo hace hacia la capital bajo escolta que a su llegada será entregado a las autoridades del departamento del Interior.

La rebelión yaqui
CIUDAD DE MEJICO, septiembre 15.—(AP).—El departamento de Guerra ha dado órdenes para que cuerpos adicionales de aviación, artillería, infantería y caballería de las fuerzas de Ciudad de Méjico, Guadalajara y otros puntos, se dirijan hacia Sonora para continuar la campaña contra los indios yaquis en rebelión.

Reservanse, por razones militares, los detalles exactos sobre las unidades que toman parte en la campaña.

El estado mayor general tiene fe en la labor de los aeroplanos; probablemente usarán bombas de gases, artillería de montaña y caballería para localizar a los indios rebeldes en sus posiciones montañosas.

Los yaquis rebeldes se quejan de que gran parte de las tierras de las tribus han sido expropiadas y que se han ignorado todas las demandas pidiendo el reembolso.

Nota de la embajada sobre el secuestro

ASSOCIATED PRESS
CIUDAD DE MEJICO, septiembre 15.—La embajada de los Estados Unidos presentó hoy una nota formal al gobierno mejicano respecto del secuestro, por bandidos, de Mr. Jacob Rosenthal, de Long Island, New York, en la cual se reitera las representaciones hechas por la embajada inmediatamente que tuvo conocimiento del suceso.
Los amigos de Rosenthal temen (sigue en la 2a. pág.)

ASSOCIATED PRESS

WASHINGTON, septiembre 15.—El Ku Klux Klan elevó hoy una solicitud al gobierno pidiendo que los Estados Unidos no intervengan en el problema religioso que actualmente se está desarrollando en la república de Méjico.

La solicitud de los Ku Klux Klan estaba comprendida en una resolución que había sido presentada por la delegación del estado de Michigan y que fué aprobada unánimemente.

La resolución

ASSOCIATED PRESS

WASHINGTON, septiembre 15.—Una resolución expresando el sentido del Ku Klux Klan de que el gobierno norteamericano no debería intervenir para nada en la controversia religiosa en la república de Méjico fué presentada hoy en la tercera convención bienal de los caballeros por un "klansman" del estado de Michigan.

La convención y los convocados dieron a entender con aplausos y gritos que estaban dispuestos a aprobar la resolución del hermano, pero el funcionario de la orden que estaba presidiendo la reunión dió órdenes para que el asunto fuera referido al comité de las resoluciones.

Bajo otra sección de la resolución el klan expresaría su simpatía con el gobierno actual de Méjico en sus esfuerzos "para liberar el país de una influencia extranjera embrutecedora". Si la resolución es aprobada tal como ha sido presentada se nombrará un comité especial para que la presente al secretario de Estado Mr. Kellogg.

Ceremonias fúnebres

ASSOCIATED PRESS

WASHINGTON, septiembre 15.—Los caballeros de la sociedad de los Ku Klux Klan se prepararon hoy para clausurar su tercera convención bienal tomando acción sobre el informe del comité de resoluciones de la orden.

Las sesiones que habían sido inauguradas el lunes con una vistosa procesión a lo largo de la Ave. Pennsylvania alcanzaron anoche una elevación impresionante en el servicio conmemorativo titulado "la klonvención de pena" y cuya ceremonia fué presenciada por una audiencia considerable en el auditorio de Washington.

El servicio de anoche fué realizado en honor de los "klansmen" que fallecieron en el último año, especialmente en los motines de Heroin y otros que perecieron de una manera violenta. Los fallecidos estaban representados por un ataúd engalonado que fué puesto en el escenario y al lado del cual había sido puesta una cruz de flores rojas como símbolo de la "fiera cruz" de la orden. La lectura de los

(Sigue en la 2a. pág.)



K. K. K. PIDE QUE EE. UU. NO INTERVENGAN

(Continuación de la 1a. pág.)

rituales y la celebración de toda la ceremonia corrió a cargo del gran dragón del estado de Virginia y de todo su estado mayor, todos ellos ayudados por un grupo entrenado compuesto de 36 miembros.

Al dar fin a las fúnebres ceremonias, todos los "klansmen" que se encontraban presentes se levantaron de sus asientos y repitieron las palabras que componen el juramento religioso.

El servicio religioso por los fallecidos fué seguido de una reunión comercial en cuya sesión, el doctor Hiram W. Evans, escogido de nuevo por los componentes del K. K. K. como mago imperial de la orden, cual expuso la plataforma y normas que debía seguir la orden durante los próximos cuatro años.

LOS YAQUIS SERAN BOMBARDEADOS

(Continuación de la 1a. plana)

que las durezas y la intemperie puedan producir la muerte al norteamericano cautivo de los bandidos en las montañas del país. No estaba completamente bien de salud, dicen sus amigos, y su vida a la intemperie en las regiones montañosas puede resultar fatal.

Policías y tropas del gobierno están recorriendo toda la región, pero hasta aquí ha sido en vano.

LA PRENSA, JUEVES 16 DE SEPTIEMBRE DE 1926.

MEXICO DEFINES NEW OIL ZONES

Decree Issued Under Petroleum Law
as Result of Cooperation with
Private Interests

Special to THE WALL STREET JOURNAL

MEXICO CITY—Under provisions of the new Petroleum Law, the Mexican Government has undertaken with the cooperation of private interests to provide legislation fixing zones within the republic coming under the head "new zones." As a result of conferences between representatives of the Ministry of Finance, Department of Industry and Commerce and one representing private oil interests operating in Mexico a decree has now been issued defining such zones as follows:

Explored zones comprise the famous Huasteca, Vera Cruz, Tampico and other well-known producing areas and any land known to be oil bearing, but unopened, within 10 kilometers of any existing well in such sections is considered new. Under the decree, all wells known to have produced twenty cubic meters of oil within one day (about 130 barrels) are considered outside the category of new zones.

To fix the new zones three categories were decided upon at the last conference. Zone 1: Between coast line and a parallel line inland extending 50 kilometers from the coast. Zone 2: Between 50 kilometer line and a second parallel line extending 150 kilometers from that line. Zone 3: All land further inland than a parallel line extending 200 kilometers from the coast.

The decree provides a reduction of 15% in oil production tax on oil produced in the first zone compared with tax in zones already opened. In Zone 3 reduction is 50%.

The new rates of taxation will continue until the total production of new wells in the specified zones shall reach 6,000,000 cubic meters (about 40,000,000 barrels) and will count from date when first well produces 50 cubic meters daily (about 330 barrels). The privileges mentioned shall last during the whole terms of concessions granted.

In local oil circles the decree is considered somewhat contradictory for the policy of the government recently as officially announced has been conservative, that is working already producing fields plus exploration of new areas to discover if oil bearing, but not with the object of immediate working, but rather to guard same as reserves.

Presumably the object of distinguishing the new zones as described is to offset freight and pipe line expense from points of prospective production, in that new zones nearest the coast benefit to a lesser extent than those further inland, while those furthest inland are best treated.

MEXICAN CRUDE OUTPUT DECLINES DURING JULY

Special to THE WALL STREET JOURNAL

TAMPICO—Production of light and heavy crude oil in the Tampico district in July totaled 6,835,945 barrels, a decrease of 477,083 barrels from June and the smallest monthly production in several years.

Pan American Petroleum Co. continued to lead as the greatest producer but showed a decline of 236,634 barrels, totaling 2,684,073 barrels for June.

Continued intrusion of salt water in the northern district was reflected in production losses of practically every company. New wells in Las Delicias were responsible for a 59,899-barrel gain for the New England Fuel Oil Co., while slight gains were also shown by Marland, East Coast (Southern Pacific) and the National Railways in the heavy crude section.

Light and Heavy crude oil production of the major companies follows:

Company: Crude	Light Crude	Heavy Crude	Total July	Total June
Huasteca ..	1,247,612	1,199,827	2,447,439	2,684,073
Transcontin'l	83,189	568,425	651,614	736,292
Dutch Shell.	34,829	438,711	473,540	518,070
Sinclair ...	12,691	416,871	429,562	457,905
Mexican Seab	80,244	438,314	518,558	502,604
Gulf	193,906	246,288	440,194	446,654
Mex. Eagle.	503,087	10,701	513,788	531,446
Agwi	88,976	.....	88,976	90,252
Texas	25,880	31,412	57,292	59,904
Miscellaneous	186,482	1,028,500	1,214,982	1,285,823
Totals ..	2,456,896	4,379,049	6,835,945	7,313,028



MEXICAN OIL EXPORTS SHOW BIG DECREASE

August Shipments from Tampico District
Were 6,245,935 Barrels, Off 1,316,-
038 from July Total

Special to THE WALL STREET JOURNAL

TAMPICO—Exports of light and heavy oil, topped crude and distillates from Tampico district for August totaled 6,245,935 barrels, a decrease of 1,316,038 barrels from July, and the smallest amount shipped during a monthly period since November, 1925.

Huasteca Petroleum Co. (Pan American) continued to lead the shippers with 2,048,233 barrels, a decrease of 1,117,324 barrels from June loadings. This was the smallest total of exports by Huasteca since September, 1925. In addition to exports, Huasteca sold 264,686 barrels of light and heavy crude and fuel oils, 1,939,650 litres of gasoline, 186,304 litres of crude kerosene, and 509,698 litres of refined kerosene for consumption in the Republic.

Transcontinental Petroleum Co. (Standard of N. J.) exported 1,301,607 barrels, an increase of 242,394 barrels, while Mexican Eagle loaded 1,112,453 barrels at its Tampico and Tuxpam terminals. Gains over July were likewise made by the Mexican Gulf, Southern Pacific and Pierce Oil Corp.

Details of shipments by companies for July, together with June figures and increases and decreases follow:

Company:	July	August	Changes
Huasteca	3,165,558	2,048,233	Dec. 1,117,325
Transcontinental ...	1,059,213	1,301,607	Inc. 242,394
Mexican Gulf	233,331	340,547	Inc. 107,216
Dutch Shell	611,690	380,981	Dec. 230,709
Sinclair	602,661	584,194	Dec. 18,467
Mexican Eagle	1,066,454	1,112,453	Inc. 45,999
Southern Pacific ...	49,691	78,354	Inc. 28,663
Texas	277,989	153,290	Dec. 124,699
Freeport Sulphur ...	131,561	.....	Dec. 131,561
Panuco Boston	40,751	.....	Dec. 40,751
Pierce	105,289	135,511	Inc. 30,222
Empire Gas & Fuel.	63,284	62,378	Dec. 906
Mex Oil Prod Corp..	58,111	14,937	Dec. 43,174
Montezuma Terminal	51,176	.....	Dec. 51,176
Mexican Atlas	45,214	33,450	Dec. 11,762

Totals 7,561,973 6,245,935 *1,316,038

*Net decrease.



THE WEATHER

Mostly cloudy and possibly showers today and tomorrow.
Temperature yesterday—Max, 77, min, 60.
For weather report see Page 25.



TWO CENTS in Greater New York | THREE CENTS Within 200 Miles | FOUR CENTS Elsewhere in the U. S.

MEXICAN BANDITS MURDER ROSENTHAL TO ESCAPE TRAP TROOPS SET FOR THEM; AMERICA DEMANDS SLAYERS BE PUNISHED

Coolidge Made Anxious by Killing of Rosenthal; State Department Acts Quickly on Murder

Special to The New York Times.

PAUL SMITH'S, N. Y., Sept. 16.—President Coolidge, notified by the State Department late this afternoon of the murder of Jacob Rosenthal of Woodmere, L. I., is watching developments in Mexico and will insist that the State Department demands for the arrest and punishment of the bandits be complied with without delay by the Mexican authorities.

This latest turn in the relations between the United States and Mexico is a source of much anxiety to the President, who hoped that the Mexican Government had reached a point of stability and that order existed in the country.

He hoped, too, that the Calles Government would approach the oil and land law disputes with the intention of making recessions that would be satisfactory to American property owners in Mexico.

WASHINGTON, Sept. 16 (AP).—Secretary Kellogg tonight instructed Mr. Schoenfeld, Chargé at Mexico City, to make representations to the Calles Government to leave no stone unturned in apprehending and punishing the slayers of Jacob Rosenthal of New York.

The Secretary's action shows that the State Department is prepared to exert every effort to establish responsibility for the killing and to take a firm stand in demanding the punishment of those guilty.

While the text of the instructions was not made public, the announcement indicates that the Washington Government feels that such an offense against its nationals warrants prompt action by the Mexican authorities.

Pending further developments, State Department officials refused to forecast what additional steps might be necessary.

NEW YORK MAN STABBED

Body Found by Soldiers After Fight in Which Two Brigands Fall.

DECOYS CARRIED "RANSOM"

Police Refused to Let Friend of Victim Take \$10,000 the Kidnappers Demanded.

STRAINED RELATIONS LOOM

Killing of American First in the Coolidge Regime—Widow Cancels Trip to Mexico.

Copyright, 1923, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 16.—Jacob Rosenthal of Woodmere, L. I., was murdered last night by the bandits who kidnapped him on Sunday night while he was on his way in an automobile from Cuernavaca to Mexico City.

Federal troops and police who had been pursuing the kidnappers since Monday found the body of Mr. Rosenthal.

Retarded in their flight by the weakness of their captive, who was more than 60 years old, and having failed to get the \$10,000 ransom they demanded, the bandits killed him with machetes and blows from their rifle butts.

The pursuing forces, after a short battle with the bandits, found the body of the American lying on the grass in the deep brush near the Cuatla Road.

The bandits had held their victim for nearly three days before seeking ransom, and yesterday they sent a letter to Joseph Ruff, son-in-law of Mr. Rosenthal, demanding that 20,000 pesos be delivered by two mounted men at a spot on the Cuatla road several miles east of where Mr. Rosenthal was taken captive.

Offer to Pay Bandits Refused.

Joseph Ruff was in Cuernavaca, but Lucien Ruff, a cousin, informed the American Embassy and the police of the letter and asked to be permitted to carry the ransom money to the bandits. But the Chief of Police and the chief of military operations had another plan, and sent two soldiers dressed in civilian clothes as decoys. Instead of the 20,000 pesos ransom demanded by the bandits the disguised soldiers carried a bag filled with iron rings.

As the mounted decoys rode along the road to the spot designated by the bandits the Federal troops made a wide swing around the road in an effort to capture the entire gang.

When the troops approached the spot the bandits opened fire, which was returned by the troops. After a short skirmish the bandits fled, first killing Mr. Rosenthal. His body was found in the brush near the bodies of two dead bandits.

The rest of the band escaped to the mountains.

All three bodies were taken to Cuernavaca.

The American Embassy retained Dr. Priestly to represent the United States at the autopsy on the body of Mr. Rosenthal at Cuernavaca. Dr. Priestly arrived there tonight. The body will be brought to Mexico City tomorrow and forwarded from here to his home.

Rosenthal Wrote Letter.

Part of the letter sent to Mr. Ruff demanding the 20,000 pesos ransom was written in English by Mr. Rosenthal and part of it in Spanish by one of the bandits. Mr. Rosenthal wrote: "I am held here in the forest about two miles from where we breakfasted. I have slept in the rain. My captors want 20,000 pesos ransom."

The Spanish section of the letter gave directions for sending the money. It read:

"Send the money from Cuernavaca by two mounted men, who will ride along the Cuatla road until they reach a spot where we will meet them and deliver the captive."

After capturing Rosenthal on Sunday evening the bandits crossed the Cuernavaca road and entered the forests to the east near the road which leads to the Summer resort of Cuatla.

The military authorities believe that when the bodies of the bandits are shown to the citizens of Cuernavaca they will be readily identified and that clues will be provided that will insure the prompt capture of the remaining members of the bandit gang.

Plan to Trap Bandits Kept Secret.

Telegrams from Cuernavaca are vague. The Police Department, in the hope of capturing the kidnappers, had requested the American Embassy not to advise the American reporters of the request for ransom lest the bandits learn from the American press details of the plan for their capture.

The death of Mr. Rosenthal, however, caused the American Embassy to give out what few details were

KING CHECKS HELPED TO PAY G. O. P. DEFICIT

Ex-Secretary Tells of \$5,000 Gift in 1922 to Daugherty for Ohio Campaign Losses.

\$5,000 SENT IN 1920 ALSO

\$25,000 Check From Politician to Jess Smith Revealed, but Court Bars It From Evidence.

The late John T. King sent two checks of \$2,500 each in 1922 to Harry M. Daugherty, then Attorney General, as contributions to the Republican campaign deficit in Ohio, it was revealed yesterday at the seventh day of the trial in Federal Court in which Mr. Daugherty and Colonel Miller are charged with fraudulent conspiracy. This was testified to by John D. Durkin, formerly Mr. King's private secretary.

Mr. Durkin also testified that Mr. King had sent a check for \$5,000 to Mr. Daugherty in 1920, also for the

AIMEE M'PHERSON ORDERED ARRESTED

Evangelist With Four Others Accused of Conspiracy to Support Kidnapping Story.

ONE TO MAKE CLEAN BREAST

Ormiston Expected to Clear Up Cottage Mystery—Evangelist's Mother Among the Accused.

LOS ANGELES, Sept. 16 (AP).—The arrest of Aimee Semple McPherson, Angelus Temple evangelist; Mrs. Minnie Kennedy, her mother; Kenneth G. Ormiston, former Angelus Temple radio operator; John Doe Martin and Mrs. Lorraine Wiseman-Sielaff was ordered late today by District Attorney Asa Keyes.

Complaints charging the five persons with conspiracy to defeat justice in connection with Mrs. McPherson's disappearance last Spring were ordered drawn by the District Attorney. The complaints will bear the signature of Charles Reimer, Assistant Chief of Detectives under Keyes.

Ormiston, according to his attorney, S. S. Hahn, will accept service of the warrant here in Los Angeles. Hahn, in conference with District Attorney Keyes, said that he would produce Ormiston immediately. He indicated that he had been in touch with the former radio operator near Alhambra, a suburb of Los Angeles.

Orders for the five arrests grew out of a third official investigation into the strange disappearance of the evangelist on May 18 at Ocean Park, near here, and her reappearance on June 23 at Douglas, Ariz., with a story of having been kidnapped.

Elements of this third investigation were revelations by Mrs. Wiseman-Sielaff that money had been furnished to her from Angelus Temple to produce a woman to be identified as the occupant of a cottage at Carmel, Cal., immediately after the evangelist's disappearance, to show that it was not Mrs. McPherson who occupied the cottage, and revelations by Miss Bernice Morris that money had been paid from the temple in an apparent effort to manufacture evidence to support the kidnapping story.

Counsel for Angelus Temple informed the District Attorney that Mrs. McPherson and her mother would be surrendered as soon as the warrant for their arrest was prepared.

Statement by District Attorney.

District Attorney Keyes issued this statement:

"Legal action to place before the public of this community all of the facts and circumstances of this case and to prosecute before the bar of justice this woman and her associates is imperative.

"As the District Attorney of this county and its chief law enforcement officer, I have proceeded from the beginning with the thought in mind that Mrs. McPherson's position as the religious leader of a considerable number of people and the custodian of their Christian faith entitles her to protection from hasty or ill-considered action.

"From the time that the story of the finding of Mrs. McPherson was broadcast to the country there has been an atmosphere of a gigantic hoax surrounding it. As time progressed this increased with the unbelievable story of the kidnapping and the brazen activities of Mrs. McPherson and her friends to build up a false alibi for her.

"It is my duty and I can do no less than to exert the full power of my office to bring this woman before the bar of justice in order that she may have a fair and public hearing. It is with regret that I take action against a person so high in the religious esteem of many persons, but the community and the upright members of all religions would welcome a fair and open hearing of a situation which has become a national scandal."

Ormiston to Turn State's Evidence.

Ormiston, who has been sought by officials for several months, will turn

Continued on Page Eighteen.

known to it, but the advice which the embassy has received have been scanty.

First Secretary Lane, who narrowly escaped being captured himself by the same bandits on Sunday night, has been active in this case, working under the instructions of Chargé d'Affaires Schoenfeld.

Mr. Lane frequently visited the Foreign Office and police headquarters to learn the latest developments, not waiting until the Mexican officials sent the embassy formal notice.

Mr. Ruff arrived in Mexico City this morning from Cuernavaca. He did not then know of the death of his father-in-law, and when he heard of it he was deeply grieved. It was on his invitation that Mr. Rosenthal had come to visit Mexico City.

For three days Mr. Ruff was with the searchers. He went without sleep and ate little during this time. When reports of the murder of Mr. Rosenthal arrived in Cuernavaca friends of Mr. Ruff, by a subterfuge, managed to prevail on him to return to Mexico City.

Mr. Ruff Patient in Hospital.

When informed of the tragedy Mr. Ruff collapsed. He was taken to a hospital, where he is now under medical care.

The report of the murder of Mr. Rosenthal has shocked the American colony here. Its members have been accustomed to visit the city of Cuernavaca for the week-ends.

Although Mr. Rosenthal was known to only a few Americans here the whole colony is deeply stirred. The Americans have decided to boycott Cuernavaca until the three-hour trip there can be made in safety.

Members of the colony are displeased over the refusal of the military authorities to permit Lucien Ruff to carry the ransom. They believe that the life of Mr. Rosenthal might have been saved if the authorities had complied with the instructions of the bandits.

The failure of the searchers to locate the bandits sooner may be explained by the fact that the region where the kidnapping took place is covered with heavy semi-tropical bush, and except by the trails known only to the Indians it is impossible to penetrate the region.

A large body of troops might hide within 100 yards of the road and remain unseen.

Mystery in Capture Unsolved.

One mystery of the kidnapping remains to be solved, namely, why did the bandits select Mr. Rosenthal, an unknown American, for capture?

Among those in the automobile with him at the time of his capture was Jack Zahler, the "Candy King of Mexico," who has made a large fortune in the candy business and who would have appeared the logical victim for the kidnappers. He is well known here as a prominent member of the American colony and Vice President of the Chamber of Commerce.

The fact that the bandits had a letter already written in which they warned Mr. Rosenthal's companions not to inform the military authorities, as failure to obey this admonition would bring grave danger on the victim, is interpreted by some to mean that the bandits were expecting some prominent person and that the capture of Mr. Rosenthal was a case of mistaken identity.

Political Plot Is Suspected.

The kidnapping, coming upon the heels of the statement of President Coolidge that Americans were comparatively safe in Mexico, has caused an impression in some quarters that behind this gang of bandits is some figure who instigated the kidnapping with the hope of causing trouble for the Calles Government.

The activities of the Federal troops and the refusal of the authorities to permit the terms of the bandits to be met, these circles say, indicate that this theory is sound, because they show that the Federal authorities tried desperately to find the whereabouts of the bandits and to capture them alive in order to learn the true reasons for the kidnapping.

Some observers believe that the kidnapping was the result of a deep laid plot by politicians and that Mr. Rosenthal was selected as a victim through a mistake.

Three prisoners were brought to Mexico City this afternoon charged with complicity in the kidnapping. They are expected to give the names of the plotters and to reveal the motive that impelled the Indians to kidnap the American.

Extermination of Bandits Ordered.

MEXICO CITY, Sept. 16 (AP).—Troops have been ordered to redouble their efforts to exterminate the bandits who killed Jacob Rosenthal. American officials are convinced that the Mexican Government made every effort possible to rescue Rosenthal and capture the outlaws.

The instructions of General Cruz were issued in the presence of Arthur Lane, First Secretary of the American Embassy, and included, "Take necessary measures upon finding the bandits," which meant kill them on the spot.

Word of the tragic end of Mr. Rosenthal came while both Americans and Mexicans were participating in the celebration of Mexico's Independence Day, which made the horror all the greater.

KELLOGG PLANS INQUIRY.

He Will Have Full Investigation Into American's Murder in Mexico.

Special to The New York Times.

WASHINGTON, Sept. 16.—A possibility of an acutely disturbing incident in the diplomatic relations of Mexico and the United States was presented today when the State Department received a telegram from its Embassy in Mexico City saying that Jacob Rosenthal of Woodmere, L. I., had been beaten to death by the bandits who captured him last Sunday.

This is the first murder of an American citizen in Mexico in the Coolidge Administration. Nothing has appeared to indicate that the Mexican Government was in any way responsible for the tragedy through failure to afford proper protection to Mr. Rosenthal, but the State Department will have a thorough investigation made as to the circumstances.

The only comment obtainable at the department this afternoon after Mr. Schoenfeld's telegram arrived was that any statement would be reserved until full information was at hand.

In all the recent controversial exchanges between Mexico and the United States, most of which have grown out of the proposed confiscation of American-owned mining, oil and ranch lands in Mexico, the difficulties of the diplomatic situation were not increased by any crimes against American citizens.

The latest case that might have caused complications was the murder of Mrs. Evans, American-born, but a British subject through her marriage to an Englishman.

On account of her American origin the United States Government made representations to the Mexican Government in the interest of bringing her murderers to justice, but the case was handled officially by the British Chargé d'Affaires in Mexico City, whose activities so displeased the Mexican Government that it forced his withdrawal.

WIFE WILL RETURN HERE.

Mrs. Rosenthal Hears of Tragedy in St. Louis on Way to Mexico.

Official confirmation of the death of Mr. Rosenthal came from Washington yesterday in a telegram from Sec-



© P. & A. Photos.
JACOB ROSENTHAL,
New Yorker Who Was Slain by
Bandits in Mexico.

retary of State Frank B. Kellogg to Alfred D. Lind of 12 East Forty-first Street, the slain man's attorney. The telegram follows:

"It is with deep regret that I have to inform you that the State Department has just received a telegram dated Sept. 16, 10 A. M., from the American Embassy at Mexico City, reading as follows:

"The Inspector General of Police has just shown the Embassy two telegrams from Federal officials at Cuernavaca, stating that two of the bandits were killed at 10 o'clock last night by a pursuing force, but that the other bandits fled and beat Rosenthal to death.

"The Inspector General states that no efforts will be spared to apprehend and punish the remaining members of the band. I will telegraph further details on receipt."

"You will be promptly advised as soon as further details are received."

"FRANK B. KELLOGG."

First Word Reaches Family.

This, however, was not the first intimation of Mr. Rosenthal's fate to reach members of his family yesterday. Earlier in the afternoon Sylvain Metzger, a brother of Mrs. Rosenthal who conducts a market at 238 Ninth Avenue, received the following telegram from Mr. Ruff in Mexico City:

"Prepare Rosie (Mrs. Rosenthal) for worst. Rosenthal lost his life."

Mrs. Rosenthal was on a train bound for Mexico when word of her husband's death reached New York. Mr. Lind immediately communicated with friends in St. Louis who succeeded in meeting her and notifying her as she stepped from her train there. She started back to New York at once and is expected here this evening.

Lind Writes to Kellogg.

Mr. Lind then sent a letter to Secretary Kellogg, in which he said:

"I acknowledge the receipt of your telegram of this date, addressed to my firm, advising of the sad death of Jacob Rosenthal. In all our broad land there could not be found a finer type of American citizen.

"From what I gather not only from your telegram but from press dispatches, some agreement appears to have been reached to pay a ransom for Rosenthal's release, and that while pretense was made of paying the ransom the Mexican troops surrounded the parties to the transaction and opened fire on the bandits, with the result that they, in desperation and revenge, killed their captive.

"Rosenthal's life was worth far more than any ransom which could have been demanded. The question may be a debatable one, but I feel that if a bargain was made to pay ransom it should have been carried out, the captive rescued and the bandits could have been pursued and captured.

"Your department seems to have done all that it reasonably could, and from all reports which have thus far come to me the Mexican Government has rendered every assistance in its power.

"Of course, we will want the body of Mr. Rosenthal returned to New York, in connection with which I feel assured that our diplomatic representatives will furnish to the relatives and friends of the family every measure of assistance."

Mrs. Ruff, Mr. Rosenthal's daughter, was at her home in Woodmere, L. I., last night, with other members of the grief-stricken family.

Rosenthal Saw 1913 Revolution.

Mr. Rosenthal was not unacquainted with violent happenings in Mexico, according to Norman L. Marks of Lind & Marks, 12 East Forty-first Street, Mr. Rosenthal's attorneys.

During the revolution of February, 1913, in Mexico City, when Francisco Madero overthrew the régime of Porfirio Diaz, Mr. Rosenthal and his son-in-law were in the capital and were eyewitnesses of some of the sanguinary fighting at that time.

The apartment house in which they were living was invaded by Federal troops, who planted artillery on the roof and ordered all the occupants to the street.

The two Americans took refuge in the American Embassy after dodging bullets and shells in the city. When they returned after the bombardment they found their furniture splintered, all their clothing and valuables stolen and their rooms in ruins.

Later they instituted legal action against the Mexican Government for several thousand dollars damages, but their claims are still unpaid.

Mr. Rosenthal accumulated a moderate fortune from his marketing business in Arverne, L. I., and from valuable real estate holdings in the Rockaways.

Ten years ago he retired from business and began a series of long trips which took him all over the world.

When he was not traveling he lived in Woodmere with his wife and his son-in-law and daughter, Mr. and Mrs. Joseph Ruff. He was sixty-two years old.

WANTS CALLES PLEA DENIED.

Mexican Asks Sheffield to Prevent Army Crossing American Soil.

Ignacio Moran y Mariscal, former Mexican Consul General in Hamburg, sent a telegram last night to Ambassador Sheffield in Washington asking him to inform President Coolidge of all the circumstances surrounding the Mexican Government's request that its troops be permitted to cross American territory to subdue an uprising of the Yaqui Indians in Sonora.

Mr. Moran said that the Calles Government intended to exterminate the Indians for protesting the confiscation of their lands.

The telegram read as follows: "I have been instructed by Mexican political leaders representing 90 per cent. of the Mexican people to bring to your attention the following:

"The uprising of the Yaqui Indians

in Sonora, Mexico, is an illustration of what is taking place all through the Republic and marks the general policy of tyrannical injustice which is being inflicted upon the Mexican people.

"Six thousand Yaqui Indians have taken a stand against the confiscation of their lands without due compensation. These lands have been given to ex-President Obregon.

"Calles has been claiming to be the upholder of the poor Mexican Indians and now proposes to exterminate a whole race by sending 10,000 troops equipped with gas and all modern war material in order to protect the man who put him in power, Alvaro Obregon.

"Calles proposes to request permission from the American Government to cross troops through American territory in order to complete this infamous act.

"Your cooperation is requested in order that President Coolidge may not be misinformed on this subject and made a partner in exterminating the Yaqui Indians.

"The Mexican people hope that President Coolidge will hold to his policy of hands off in Mexican internal affairs which he lately has repeatedly signified.

"I am at your command if you desire further information.

"111 West Sixteenth Street."
IGNACIO MORAN.

PLAN PASTORAL ON MEXICO.

American Bishops Will Give Church Side of Controversy With Calles.

WASHINGTON, Sept. 16 (AP).—Issuance of a pastoral letter to familiarize the American people with the Catholic side of the Mexican religious controversy between the Church and the Calles Government, was decided upon today at the concluding session of the annual meeting of the Catholic Episcopacy of the United States.

The general pastoral letter, a document but seldom issued, will appear in the near future. It will be composed by a committee of five prelates and then sent to the others for approval. Cardinal Hayes of New York will head the committee.

The letter, it was said, will go into the history of the religious controversy and outline the principles involved but contain no suggestion that the United States Government interfere in the situation.

REPORT OBREGON KILLED.

Dispatches to Washington Bring Story of Yaqui Attack.

Special to The New York Times.

WASHINGTON, Sept. 16.—Reports of an unofficial character that former President Alvaro Obregon of Mexico had been killed by revolting Yaqui Indians at Blicam, in the State of Sonora, were received here today in private telegrams via Nogales.

The rumors have led to speculation as to the fate of General Obregon, from whom nothing has been heard for some time. One theory was that the Yaquis had not killed him, but were holding him as a hostage.

Dispatches from Mexico indicate a serious situation in Sonora between the Yaquis and Government troops.

In view of the strained relations between the Calles Government and the Catholic Church, it is believed here that any long continuation of the revolt might menace the stability of the Calles Government.

NOGALES, Ariz., Sept. 16.—Dispatches to The Herald today from Guaymas, Sonora, Mexico, confirmed reports that a battalion of Mexican infantry had suffered a crushing defeat at the hands of Yaqui Indians south of Vienna.

The Yaquis, the dispatches said, ambushed the battalion and, killing the larger part, put the remainder to flight. The fight occurred in a small, closed-in valley carpeted with heavy underbrush.

Church Thief Hanged by Mexicans.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 16.—A thief was hanged in a public square by citizens of Acambaro, according to a report published here today. The thief was discovered robbing a church and in his dash for liberty he stabbed a policeman. He was seized by a crowd and hanged from a tree in the main square. The body was left hanging for several hours as a warning.

Saves Mardi Gras Crowd From a Runaway; Mounted Policeman Leaps on Galloping Horse

A mounted patrolman, the son of a once noted jockey and a former jockey himself, thrilled Coney Island Mardi Gras crowds last night by a spectacular leap from his own mount to halt a runaway horse that, darting to and fro in the dense festival traffic on Surf Avenue, endangered several hundred persons and frightened thousands, including many women and children.

The patrolman was George Chandler of Traffic A, the son of "Nick" Chandler, who held the reins of many a stake winner in former times. The son was a steeplechase jockey for a time, and his brother was killed on the track.

Chandler was seated on his horse on West Eighth Street, a short distance from the Coney Island Station, about 8 o'clock untangling a traffic snarl when the runaway horse, attached to a Brighton Laundry wagon, with Louis Borchiver, 16 years old, of 365 Dumont Avenue, Brooklyn, vainly trying to

stop it, galloped toward him. As the crowds scattered the runaway sped past the patrolman and, spurring his own horse, he pursued.

The chase led into Surf Avenue, where dense throngs were lined up for the evening parade. Women and children screamed and ran for safety as the patrolman chased the galloping runaway. Near Tenth Street the frightened animal bolted straight for a thick knot of persons on the sidewalk. Just as it mounted the curb and prepared to dart into the sidewalk crowd Chandler came abreast.

Amid the cries of the excited crowd he leaped from the saddle. The leap, born of long experience, carried him straight to the back of the runaway. Quickly grasping the bridle, he pulled the animal up short and in a moment the danger was over.

Chandler, bruised and cut, was treated by a doctor from the Coney Island Hospital.

3 DEAD, 68 HURT IN MEXICAN FIESTA

Street Rows Mark Celebration of 116th Anniversary of Independence War.

MIDNIGHT CROWD PARADES

President Calles and His Cabinet Attend the Manoeuvres of Federal Troops and Cadets.

Copyright, 1926, by The New York Times Company.

Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 16.—Three have been killed and sixty-eight wounded, mostly in street fights, so far during the two-day celebration of the 116th anniversary of the start of the Mexican struggle for independence from Spain, according to the Imperial today.

The celebrations began last night when President Calles rang the same bell with which Hidalgo called the natives to join his revolution against the Spanish rulers.

In spite of the order prohibiting the carrying of firearms by those who attended last night's ceremony, five persons were wounded by celebrants firing pistols. Owing to the noise of the bells and the fireworks, the police were unable to detect those who fired the pistols.

The celebration suffered a setback this morning when a heavy semi-tropical storm broke up a parade and forced the crowds to run for shelter.

Earlier in the day Federal troops and vets dressed in gala uniforms held athletic and military manoeuvres in Stadium. President Calles and Cabinet Ministers attended.

The cadets were greeted with a storm

MASONS IN FRANCE ATTACK DICTATORS

Grand Lodge Sympathizes With 'All Those Who Have Come

of cheers as they marched through difficult formations.

Both the Federal troops and the cadets physically were a great surprise to visitors. The days of compulsory service in the army have passed and today the Mexican Army is well clothed, well drilled and well armed with the latest fighting implements.

Following the ringing of the independence bell last night, crowds marched through the streets with bands until early this morning.

ACTS ON LONDON MILK.

Food Council Wants to Know Why Winter Prices Are Charged Now.

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By Wire to THE NEW YORK TIMES.

LONDON, Sept. 16.—The watchful eye of the British Food Council, which recently forced London bakeries to adopt a scale of prices for bread whereby they automatically dropped whenever the price of flour fell, today asked dairymen why the winter price of milk—about 14 cents per quart—was adopted for September.

The dairymen admit they are paying the same wholesale price to the farmers as in April, but declare that the price should have been increased then.

The smaller dairies are still selling their product at the old price of 12 cents per quart.

CABLEGRAM BEATS RADIO.

Message From Copenhagen Circles the Globe in 38 Minutes.

Copyright, 1926, by The New York Times Company.

Special Cable to THE NEW YORK TIMES.

COPENHAGEN, Sept. 16.—The newspaper Politiken today tested the respective speediness of a radiogram and a cablegram in traveling round the world. Both messages were sent 1:07 this afternoon. The cablegram returned via Irkutsk, in Siberia, and Moscow to Copenhagen at 1:45 P. M., having circled the world in 38 minutes.

The radiogram had not arrived at a late hour tonight.

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Mexican Bandits Murder Captive N.Y. Realty Man; U.S. Calls for Punishment

Speedy Capture of Rosenthal Slayers Demanded by Kellogg

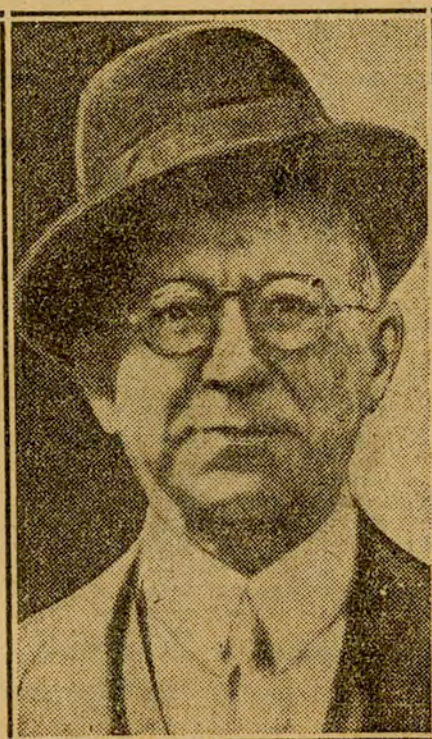
State Department Awaiting
Fuller Details; Believes
Mexican Government Did
Everything in Its Power

From the Herald Tribune Washington Bureau
WASHINGTON, Sept. 16.—Mexico was called upon by Secretary of State Kellogg to-night to leave no stone unturned to apprehend and punish the slayers of Jacob Rosenthal, wealthy retired New York merchant.

Assurances were received to-day by the State Department that the murder would be followed by the apprehension and punishment of the assassins. The department received from American Charge d'Affaires Schoenfeld at Mexico City the following dispatch on the killing of the American citizen:

"The Inspector General of Police has shown the embassy two telegrams from a Federal official at Cuernavaca stating that two of the bandits were killed at 10 o'clock last night by a pursuing force, but that the other bandits fled and beat Rosenthal to death. The Federal official states that no efforts will be spared to apprehend and punish the remaining members of the band."

State Department officials said that when the kidnaping of Rosenthal was



Jacob Rosenthal

reported Monday by the American Embassy at Mexico City, Charge Schoenfeld had made urgent representations to the Mexican government to bring about the prompt release of the American.

Jacob Rosenthal Stabbed
to Death as 2 Soldiers
With Decoy Ransom Bag
Kill Brigand Messengers

President Asks Full
Details of Kellogg

'For God's Sake Hurry,'
Last Plea of Man Who
Had Said He Felt Safer
Than Along Broadway

By Jack Starr-Hunt

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 16.—Jacob Rosenthal, well-to-do retired New York realty man, visiting Mexico for the first time on a pleasure trip and who less than a fortnight ago declared to friends in the American Club here that Mexico was safer than Broadway any day, was stabbed to death by bandits who kidnaped him last Sunday on the road between this city and Cuernavaca. He was killed in plain sight of the federal soldiers, who were attempting his rescue.

Confirmation of Mr. Rosenthal's death was received to-day at the American Embassy. The attaches were visibly concerned over the affair and would not discuss the possible effect Mr. Rosenthal's murder may have on relations between the United States and Mexico.

"It is a dreadful thing," was a remark made at the embassy. It was explained that the Mexican government had exerted every effort to obtain Mr. Rosenthal's release and safe delivery to his son-in-law and friends here.

3 Bandits Reported Captured

An official statement issued by General Police Headquarters on the crime reads:

"Police Headquarters received this morning from Jose Mascoro, chief of the Surety Commissions, and from General Jesus Palomera Lopez, special agents sent to the State of Morelos to direct the release of Mr. Rosenthal, the report that he was killed by stab wounds by the bandits, while these sustained an exchange of shots with their pursuers. Two bandits were killed.

"The Chief of Police has issued orders to subordinate officials in the State of Morelos that they proceed energetically with the capture of the bandits. Three of them, having already been identified by Mr. Ruff, son-in-law of the victim, are now held in the cellars at these headquarters. General Cruz will turn over to the courts all those responsible for this repugnant crime in order that the full force of the law be applied to them."

First Death Threat Carried Out

This is the first time that bandits in the State of Morelos have carried out the threat they always have made in a kidnaping and killed their prisoner. Major Burr, former assistant attache of the American Embassy, when kidnaped under similar circumstances several years ago, was able to escape, as did A. Bruce Bielaski, former chief of the division of investigation of the United States Department of Justice.

Both had thrilling tales to relate of hardships among the bandits. Mr. Rosenthal's murder is told only in a report given the American Embassy by the Mexican authorities.

"For God's sake, hurry!" were the last words Mr. Rosenthal wrote. Yesterday morning a letter was received by Joseph Ruff, son-in-law of Mr. Rosenthal, written partly in Spanish by the brigands, in which they said that they would release Mr. Rosenthal for a ransom of 20,000 pesos. Instructions were given as to how the money was to be delivered. The rest of the letter was in English in Mr. Rosenthal's handwriting, in which he said he was not well and was suffering from exposure in the mountains and from bad food. He ended with the plea: "For God's sake, hurry with money."

Two Were to Deliver Ransom

The bandits instructed that the money be carried from Cuernavaca along the road leading to Cuautla, another mountain resort, frequented by residents of the capital. It was explained that only two persons were to undertake the delivery and that they were to walk around the road and would be met by bandits who would make themselves known and would bring Mr. Rosenthal out of his hiding place when the money was handed over.

This information was relayed to General Roberto Cruz, Chief of Police here. He ordered General Lopez with a picked detachment of men to work from Cuernavaca. They arrived there yesterday at noon. Two soldiers disguised as civilians, carrying a bag filled with iron rings, started along the road to Cuautla, while the others stayed behind out of sight.

The men had orders to "do the need"

Trace \$25,000 From King to Daugherty Aid

Smith, Fidus Achates of De-
fendant in "Little Green
House," Got Money, Says
the Sender's Secretary

essary" when the bandits appeared. The plan was carried out as the bandits ordered, and as two of them stepped into the road the two soldiers shot them dead. The other bandits, some distance away, immediately fled for the hills, forcing Mr. Rosenthal along with them. The soldiers in the rear began a man to man pursuit. It was then that the bandits stopped and stabbed Mr. Rosenthal. The soldiers recovered his mutilated body and continued in pursuit of the bandits.

Jose Masoro, chief of the Mexico City detectives, and General Lopez, in reporting Mr. Rosenthal's death, said that the fight with the bandits occurred at 10 o'clock last night. The American Embassy was informed of the occurrence about 9 o'clock this morning and H. F. Arthur Schoenfeld, Charge d'Affaires, immediately called a full report to the State Department.

From private sources it is learned that Mr. Rosenthal's body was moved to Cuernavaca this morning and that it probably will be brought here to be sent to the United States.

The grief-stricken family and possible international complications over the death of Mr. Rosenthal are the outstanding factors in connection with his murder as additional information arrived from Cuernavaca this afternoon.

Joseph Ruff, Mr. Rosenthal's son-in-law, who has passed sleepless nights since Sunday, was led to believe last night that his father-in-law would be rescued during the night and would be brought to Mexico City by another route. Mr. Ruff therefore left Cuernavaca early this morning, expecting to greet his relative at the home of his cousin, Lucien Ruff. When told of the tragedy he collapsed and has been in a critical condition since.

Autopsy To Be Performed

Two American physicians representing the American Embassy left for Cuernavaca this afternoon to perform an autopsy on Mr. Rosenthal's body. It will be their report which is likely to play an important part if Rosenthal's death becomes a subject of diplomatic correspondence between the Mexican and American governments. Friends of the family say that if the bandits' instructions had been followed Rosenthal probably would be alive today.

The money was ready and Joseph Ruff last night believed that payment would be made. Mexico's contention in the case is that the government cannot be a party to any scheme involving the payment of a ransom to bandits, as this would establish a precedent encouraging banditry, so the ruse was used and failed.

Private advices say that Rosenthal's body contains fourteen stab wounds, and one message says that reports are current in Cuernavaca that he died of heart disease and was later stabbed with a machete. It is to establish, if possible, just how Mr. Rosenthal met his death that the embassy is sending the doctors to Cuernavaca.

Ruff Leaves to Meet Widow

Lucien Ruff left for the United States to-night to meet Mrs. Rosenthal, who probably will continue her trip to Mexico City and return to the United States with the body of her husband. A message has been sent to San Antonio, Tex., advising Mrs. Rosenthal of her husband's murder.

Dispatches from Hermosillo, in the state of Sonora, say that the Yaqui General Mori, who several months ago was displaced as the Indians' tribal chieftain by Luis Matu, has recruited a force of 400 Yaquis and offered to support the government against the rebellious tribes. A majority of the Yaqui villages are held by loyal Indians or government forces, with the insurgent warriors barricaded in the mountains.

United States to Press Case

WASHINGTON, Sept. 16 (AP).—The American government will make every effort to establish responsibility for the killing in Mexico of Jacob Rosenthal, of New York.

Pending their inquiry, State Department officials would not forecast what action might be found necessary. It was indicated, however, that it might be found advisable further to impress on Mexico City officials the necessity of providing adequate protection for American citizens within Mexican borders.

It is evident that American officials will weigh the results of their investigation with great deliberation, and that if a change in American policy is decided on, it will be only because the most serious considerations appear to demand it. The Administration of President Coolidge has been making a studied effort to maintain friendly relations with Mexico, so far as they are possible, and even the fundamental differences that have arisen over the new Mexican oil and land laws have not been permitted to reach a critical stage.

In their examination of the facts in the present case, officials will take notice that as soon as representations were made after the kidnaping of Rosenthal, the Calles government sent a detachment of troops in pursuit of the bandits. This evidence of good will is expected to have much weight in the final decision reached here, although the lack of details makes it impossible to forecast what that decision will be.

President Asks All Data

PAUL SMITH'S, N. Y., Sept. 16 (AP).—All available information on the murder of Jacob Rosenthal, the American business man, by bandits in Mexico was sought of the State Department to-day by President Coolidge.

Beyond a brief statement at the summer executive offices, however, that the President was following the situation closely and keeping in direct touch with the State Department, no announcement of the course he would follow was forthcoming.

Mr. Coolidge was informed of the

Wife of Slain Man



Mrs. Jacob Rosenthal, of Woodmere, L. I., whose husband was murdered yesterday by Mexican bandits.

murder by The Associated Press. Later he received the following telegram from the White House at Washington: "Secretary of State has received telegram from embassy that two of the bandits were killed by federal forces, but that other bandits fled and beat Rosenthal to death. Bandits are being pursued. Secretary has directed embassy to make urgent representations not only to see that bandits are arrested and punished, but that Rosenthal's body is recovered."

Only recently the entire Mexican policy of the Washington government was reviewed here in behalf of the President and in the presence of James R. Sheffield, the American Ambassador to Mexico. At that time the view was expressed that the condition of banditry which had characterized Mexico in years of revolution and civil war had subsided to a considerable degree. At the same time it was made clear that the American policy toward Mexico centered upon the adequate protection of Americans in life and property.

Whether any statement will be forthcoming from the President on the murder before his return to Washington Saturday was not indicated.

Texas Inquiry Widened As Tax Fraud Is Hinted

Oil and Sulphur Companies Included in Investigation of Ferguson Administration

AUSTIN, Tex., Sept. 16.—It is provided in a resolution which was adopted by the House of Representatives to-day, that not only shall an

'No Matter Now' Cries Daughter Of Rosenthal

'Don't Care What Government Does,' Sobs Mrs. Ruff at Home in Woodmere After Word of Crime

Mother on Way to Border

Slain Man's Widow Left Wednesday With Lawyer to Direct Ransom Plans

Mrs. Joseph Ruff, daughter of Jacob Rosenthal, received the news of her father's death at the hands of Mexican bandits at her home in Woodmere, Long Island, yesterday afternoon. No details of the tragedy had penetrated to the peaceful little house set in its shady garden, where Mr. Rosenthal had expected to end his days in the peaceful relaxations of a retired merchant.

Mrs. Ruff, with tear-stained cheeks, confirmed the report that the "worst had happened," but knew nothing about her husband's plans in Mexico. Mr. Ruff was traveling with his father-in-law when the latter was captured by the bandits Sunday afternoon.

"It is too late now, I don't care what the government does. It won't matter," said Mrs. Ruff.

Widow on Way to Mexico

Mrs. Rosenthal, her mother, left New York for Mexico on Wednesday with Alfred D. Lind, of Manhattan, attorney for the family.

Jacob Rosenthal was sixty-two years old. He went to the Rockaways years ago as a salesman for a meat packing firm. Later he bought out Murray Brothers' meat shop in Beach Eighty-sixth Street and the Boulevard, in Rockaway, and prospered. Ten years ago he sold his shop to a chain store at considerable profit and entered the real estate business.

Mr. Rosenthal purchased an entire block on the Boulevard at Eighty-sixth Street, tore down all the frame shacks there and erected modern bungalows and apartment houses. Later he moved to Woodmere and engaged in the real estate business. He retired from active business several years ago, but maintained his holdings, living on the income.

Mr. Rosenthal lived in Woodmere with his wife, his daughter, Rose, and her husband, Joseph Ruff. The latter is with a large confectionery firm in Mexico and it was while touring Mexico with his son-in-law that Jacob Rosenthal was taken by the bandits.

Mr. Rosenthal was a member of Olympic Lodge, F. and A. M., and Klismet Temple Shrine, in Brooklyn. Mr. Rosenthal, in Mexico on a pleasure trip, was captured by a bandit gang on Sunday less than forty miles from the Mexican capital. His party were returning from Cuernavaca, where they had spent a week-end holiday, when stopped by the outlaws. In the party were Jack J. Zahler, an American resident of Mexico City; his wife and Joseph Ruff, Mr. Rosenthal's son-in-law, also a resident of the Capital. All were robbed of their money and jewels and the outlaws disappeared into the brush with Rosenthal as a captive. He was weak from a recent illness, but the bandits would not explain why they chose to take him rather than one of the others.

When the outrage was reported in Mexico City the government immediately dispatched troops to the scene and a vigorous pursuit was maintained until the end.

Americans Lead in Death List Laid To Mexican Bandits in Last 4 Years

Two other kidnapings of Americans have occurred on the Cuernavaca Road, where Jacob Rosenthal was taken. A. Bruce Bielaski, formerly of the American Department of Justice, was captured and held for 10,000 pesos ransom in June, 1922, and Major Edgar W. Burr, an American cavalry officer, was kidnaped in 1919. Other kidnapings and murders by Mexican bandits in the last few years follow:

1923
O. W. Krull, held for 30,000 pesos ransom by Juan Galindo for two weeks in April.
Robert A. Newman, Englishman, held by Galindo in Durango from May to October.

M. Marion, manager of a power company, killed by radical workmen at Orizaba, July 30.
Holly Herring, ranch foreman, killed at Chihuahua, September.
Elmer Mead, slain by bandits at Concepcion del Oro in December.

1924
Miss Maria Adammoska, held near Texas border for two weeks in January for \$275 ransom.
C. G. S. Mackenzie, Canadian, held for \$200,000 ransom by notorious Hippolite Villa in February.
B. D. Bassett, mining man, freed on payment of 5,000 pesos to Villa band in February.

Frederick G. Hart, murdered at Oaxaca by rebels in April.
Charles F. Sturtevant, murdered in Sinaloa June 5.
W. G. Hill, held for \$1,000 ransom by bandits in Durango in July.

Mrs. Rosalie Evans, British subject, murdered by bandits in Puebla in August.

W. J. Eaton, mining, kidnaped by Villa bandits in Chihuahua in September; ransom demanded.
Paul Anospide, killed by bandits in September.
William B. Massey, oil man, killed in October.

Paul Newell, mining manager, kidnaped in Chihuahua in October.

B. F. Barker, El Paso, and eight others killed in \$15,000 train robbery.

Eugene Marcus Barnes, Texan, killed by bandits in Vera Cruz in October.

1925
George Jarri, ranchman, found dead in May.

Paulino Madrazo, Spaniard, killed by bandits in August.

Robert Maurer, Frenchman, slain by bandits at Puebla in August.

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The Perfect Spot Remover

Brush the hat—lightly moisten a clean rag with Nacto—then wipe over the entire hat.

Nacto removes grease, grime, tar, paint and chewing gum. Harmless to material or color. No 'ring.'

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at Auto Supply and Drug Stores.
Gallon cans \$3.50

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But if your dealer can't supply you, send us check or stamps for desired size. "Just rub the spot and it's—GONE!"

We pay postage.

NactoCleaner Corp., 2176 Madison Ave., N.Y.

American Slain by Mexican Bandits

Stabbed as Rescuers Appear

Jacob Rosenthal Victim of Military Plot to Trap Kidnapers.

By GEORGE W. HINMAN, JR.
Universal Service Staff Correspondent.

MEXICO CITY.—Trapped by soldiers pretending to comply with a demand for \$10,000 ransom, the bandits, who kidnaped Jacob Rosenthal, of Woodmere, L. I., last Sunday, killed their prisoner and fought their way out with the loss of two men, according to official reports received from Cuernavaca yesterday.

The slaying occurred within a few miles of the spot where Rosenthal was kidnaped, while returning to Mexico City from the most fashionable resort in the vicinity of the capital, and marked the failure for a carefully laid plan for catching the bandits and freeing the prisoner without the payment of ransom.

BODY RECOVERED.

Rosenthal's body was recovered and taken to Cuernavaca. The widow, already en route from New York to Mexico City, is due to reach the border at Laredo Saturday morning, where she will be met by friends from the Capital.

Rosenthal's last word was a pitiful message received at Cuernavaca yesterday, telling how the elderly man was suffering hardships in the forests with the bandits.

With Rosenthal's plea was delivered a note from the bandit chief demanding \$10,000 ransom.

The bandit directed that a "reliable man" should leave Cuernavaca at six in the evening on the road to Cuautla, carrying the \$10,000 in gold in a bag, and should proceed along the highway until met.

TRAP DISCOVERED.

On orders from Mexico City, two trusted soldiers were disguised as civilians. One carried a bag of rapiron to simulate gold in bulk.

The disguised soldiers were trailed under cover at a distance by armed detachments for the purpose of surrounding and wiping out the bandits when located.

The ransom bearers were met a short distance outside of Cuernavaca by the bandits, while the Government detachments moved to carry out their part of the program.

About 10 o'clock, after the disguised soldiers had reached Rosenthal, the plan of the authorities miscarried, and upon discovery of the deceit the bandits stabbed Rosenthal and sought to flee.

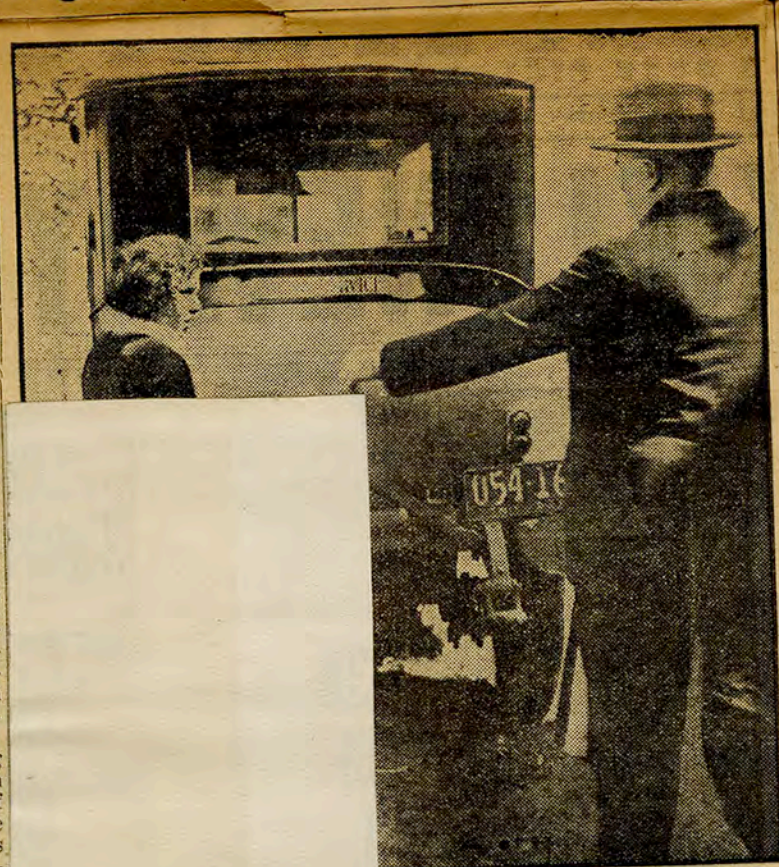
Two bandits were killed, while the others scattered. President Calles is reported as deeply regretful that the military failed to rescue Rosenthal from the bandits.

Jacob Rosenthal was for many years proprietor of the Excelsior Market in Arverne, L. I., and was well-known in the Rockaways. He retired from business 10 years ago and was considered moderately wealthy.

Rosenthal's only daughter married Joseph Ruff, head of the export house of Joseph Ruff & Co., No. 621 Broadway. It was with his son-in-law that Rosenthal made his second trip to Mexico, Aug. 23, last.

The murdered man was 62 and for a number of years had made his home at Woodmere, L. I.

Mysterious Note Follows Girl Kidnaping



the taxi, in which her sister, cced by Lillian Babuso (shown rrest, which followed, was due

(International Newsreel)

Florence Pratt to Wed Englishman

LONDON.—The engagement of Miss Florence Gibb Pratt, daughter of Herbert L. Pratt, president of the Standard Oil of New York and Francis E. Powell, of Weybridge, England, was announced in the Times yesterday.

Arrested in Girl

"Stay Happy!" Says Word to Father; Abducted at Point of Knife.

The alleged abduction of Mary Babuso, 19, shortly after she and her sister, Lillian, left their home, No. 1013 E. 83d St., Brooklyn, on their way to work yesterday morning, was complicated last night by a mysterious letter received by the girl's father.

The note, written in pencil on cheap paper, reads as follows:

"Dear Father:

Daugherty Bank Cashier, a Woman, Quizzed in Trial

Refuses to Identify Jess Smith's Signatures; Little Green House Figures.

It was virtually "old home town" day in Federal Court yesterday, where the Miller-Daugherty trial for conspiracy to defraud the Government is proceeding through a mass of documentary and verbal testimony.



MEXICAN BRIGANDS KILL NEW YORKER; U. S. ACTS AT ONCE

Kellogg Orders Representations to Be Made to the Calles Government.

RANSOM OF \$10,000 HAD BEEN DEMANDED.

Captors of Aged Man Stabbed Victim to Death as Military Rescuers Approached.

WASHINGTON, Sept. 16 (AP).—Secretary Kellogg tonight instructed Charge Schoenfeld at Mexico City to make representations to the Calles Government to leave no stone unturned in apprehending and punishing the slayers of Jacob Rosenthal, of New York.

The Secretary's action came shortly after the receipt of news from Mexico telling of the death of the American at the hands of the Brigands. It shows that the State Department is prepared to exert every effort to establish responsibility for the killing and to take a firm hand in demanding the punishment of those guilty.

Promptness Warranted.

While the text of the instructions was not made public the brief announcement clearly shows that the Washington Government feels that such an offense against its nationals warrants prompt action by the Mexican authorities.

Pending further developments, State Department officials refused to forecast what additional steps might be necessary, but it was made clear that officials here believe the Calles Government has shown good faith in its attempt to capture the brigands who were holding Rosenthal for ransom.

The kidnapping of Rosenthal was another of a long string of similar crimes committed against Americans over a period of years. Several of the abductions have been in the Cuernavaca district. Repeated protests have been made from Washington, for a long time there has been no cause for complaint. The extent to which the latest outbreak may indicate a recurrence of outlawry remains to be established.

Question of Policy.

It is evident that American officials will weight the results of their investigation with great deliberation, and that if a change in American policy is decided on, it will be only because the most serious considerations appear to demand it. The administration of President Coolidge has been making a studied effort to maintain friendly relations with Mexico, so far as they are possible, and even the fundamental differences that have arisen over the new Mexican oil and land laws have not been permitted to reach a critical stage.

In their examination of the facts in the present case, officials will take notice that as soon as representations were made after the kidnapping of Rosenthal, the Calles Government sent a detachment of troops in pursuit of the bandits. This evidence of good will is expected to have much weight in the final decision reached here, although the lack of details makes it impossible to forecast what that decision will be.

MEXICO CITY, Sept. 16 (AP).—Jacob Rosenthal, an American, was murdered

MEXICAN BRIGANDS KILL NEW YORKER; U. S. ACTS AT ONCE

(Continued from First Page.)

by his bandit captors on Wednesday night when the troops closed in upon them.

Having failed to receive the \$10,000 ransom demanded and being hampered in their flight by the weak old man, the criminals killed him rather than let him be rescued alive by the Federal troops, with whom they were engaged in a running fight.

The tragedy occurred in a wild country less than forty miles from Mexico City. The Federal troops had tracked down the gang and had killed two of the bandits, when the pursuit was halted by the recovery of the body of the captive. Later the pursuit was resumed after the bandits, who are believed to be only a small group.

Officials admitted in Mexico City, after news of the murder had reached here, that ransom had been demanded and that it had been planned to trap the bandits by pretending to send the money. Soldiers were posted to capture the bandits when they appeared, but the ruse failed. It is possible that the criminals, angered by this attempt, viciously killed Rosenthal rather than allow him to be rescued.

Rosenthal a New Yorker.

Jacob Rosenthal, of a Woodmere, L. I., retired business man, who was in Mexico on a pleasure trip, was captured by a bandit gang on Sunday less than forty miles from the Mexican capital. His party was returning from Cuernavaca, where they had spent a week-end holiday, when stopped by the outlaws. In the party were Jack J. Zahler, an American resident of Mexico City; his wife, and Joseph Ruff, Mr. Rosenthal's son-in-law, also a resident of the capital.

All were robbed of their money and jewels and the outlaws disappeared into the brush with Rosenthal as a captive. He was an old man and weak from a recent illness but the bandits would not explain why they chose to take him rather than one of the others.

When the outrage was reported in Mexico City the Government immediately dispatched troops to the scene and a vigorous pursuit was maintained until the end.



CARDINALS DISCUSS MEXICAN SITUATION. Three of the leading dignitaries of the Catholic Church in the United States are pictured here as they attended the Catholic conference at the Catholic University at Washington Wednesday, at which the Mexican situation and other problems confronting the Church were discussed. Left to right are Cardinals Hayes, of New York; O'Connell, of Boston, and Dougherty, of Philadelphia.

Herald Tribune Photo—Acme



U. S. CATHOLIC CHURCH ENCOURAGES MEXICANS

*Sure to Win in Struggle With
State, Hierarchy Says, in
Message of Sympathy*

WASHINGTON, Sept. 16 (A. P.)—Although the fight may be long and may "give many martyrs to the Church and to mankind," the controversy between the Catholic Church and the Mexican Government will end in victory for the Church, the Catholic Hierarchy of the United States has declared in a message of sympathy sent to the Catholics of Mexico.

The communication, drawn up at a meeting at Catholic University here, is signed by the four Cardinals, the nine Archbishops and the fifty-one Bishops attending the meeting. It was sent to the Archbishops, Bishops, priests and laity of Mexico.

Plans for an ambitious program of welfare and relief work in Russia and the Near East were adopted by the Hierarchy. All Catholic societies in this country doing such welfare work will be consolidated, the unified organization to be known as the Catholic Near East Welfare Association. The Rev. Edmund A. Walsh will be President of the association. Cardinal Hayes of New York will be protector, and with the three other Cardinals will form the Board of Governors.



←
WHILE KLAN
was meeting
in Washington,
three of four
American
Cardinals,
Hayes,
O'Connell and
Dougherty
(l. to r.),
foregathered
in same city
to discuss
Mexican
Catholic
problem



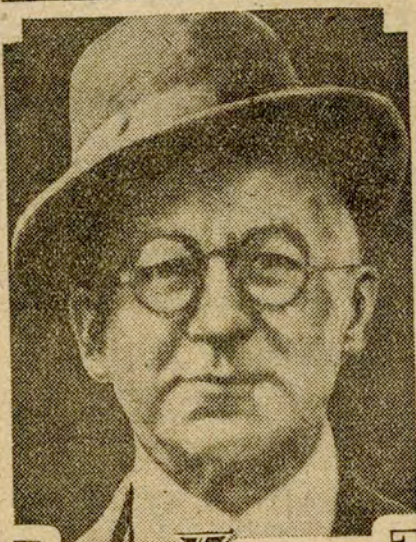
KELLOGG ACTS WHEN MEXICANS KILL ROSENTHAL

Retired Long Island Merchant,
Kidnapped Last Sunday,
Stabbed by His Captors
When Troops Attempt
to Rescue Him

WASHINGTON DEMANDS
PUNISHMENT OF BANDITS

Calles Government Called Upon
to Prove Good Faith by
Prompt Action

MURDERED by Mexican Bandits
When Ransom Is Refused



JACOB ROSENTHAL

By Arthur Constantine
Staff Correspondent of The World
Special Cable to The World
MEXICO CITY, Sept. 16.—Jacob Rosenthal, retired Long Island merchant, who was captured near Huitzilac, Morelos, by bandits on Sunday, was murdered by them late last night when a body of troops trailing the bandits attacked them. His captors first stabbed him and then crushed his skull with the butts of rifles. Mr. Rosenthal's body was found three miles from where he was taken prisoner. Two of the bandits were killed in the fight with the troops, but the others escaped. The body was brought to Mexico City late this afternoon and will be held here until the arrival of Mrs. Rosenthal, who is en route from New York. She will take it to Woodmere for burial.

Demand for Ransom Made

The soldiers who attempted to recapture Rosenthal bungled their duty. The bandits returned the fire of the attacking forces, and seeing that they were outnumbered, killed their prisoner and scattered. They had notified the authorities previously that they would kill Rosenthal if an attempt at rescue were made.

A demand for 20,000 pesos ransom gave the authorities their first clue to the bandits' whereabouts. It was delivered to Rosenthal's son-in-law, Joseph Ruff, in Cuernavaca yesterday. Ruff at once forwarded it to H. F. Arthur Schoenfeld, American Charge d'Affaires, who turned it over to Gen. Roberto Cruz, Chief of Police for the Federal District.

Gen. Cruz decided to try to capture the bandits and sent Gen. Mariano Lopez to Huitzilac to take command of the searching parties. Two detectives were sent to meet the bandits, as if they were carrying the ransom, and the soldiers followed. When two bandits appeared on the Cuautla Road the soldiers fired on them.

Kill Prisoner and Escape

The remaining bandits remained in hiding, and when the soldiers fired they killed their prisoner and vanished.

Gen. Lopez notified Gen. Cruz, who sent word to the American Embassy of the finding of Rosenthal's body. J. J. Zahler, who was with Rosenthal when he was kidnapped, was advised that the body was to be brought to Mexico City.

The theory is that his captors took Rosenthal to the peak of Cerro de Tuxtepec, a mountain overlooking Huitzilac. American residents here abandoned hope yesterday of seeing Rosenthal alive again. Knowing the character of the bandits in Morelos, they expected him to be killed when the pursuit got too hot.

The last words of Rosenthal were in the message demanding ransom, which was received last night. It read:

"I am held in the forest two miles from where we ate Sunday night. I am sick and have slept in the rain.

(Continued on Fourth Page)

MEXICAN BANDITS KILL N. Y. CAPTIVE

(Continued from First Page)

They want 20,000 pesos ransom. Hurry up!"

A letter from the bandits accompanying this specified that two men should leave Cuernavaca with money and proceed along the Cuautla Road until they met the bandits. Americans who have lived here for years expressed the belief to-night that Rosenthal might have been saved had the ransom been paid at first and the troops not sent after the bandits until he was back in Mexico City.

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Washington Demands Punishment of Bandits

WASHINGTON, Sept. 16 (A. P.)—Secretary Kellogg to-night instructed Charge Schoenfeld at Mexico City to make representations to the Calles Government to leave no stone unturned in apprehending and punishing the murderers of Jacob Rosenthal of New York.

While the text of the instructions was not made public the brief announcement clearly shows that the Washington Government feels that such an offense against its nationals warrants prompt action by the Mexican authorities.

Pending further developments, State Department officials refused to forecast what additional steps might be necessary, but it was made clear that officials here believe the Calles Government has shown good faith in its attempt to capture the brigands who were holding Rosenthal for ransom.

Coolidge Gets Report Of Outrage From Kellogg

Special Despatch to The World

WHITE PINE CAMP, N. Y., Sept. 16.—President Coolidge was advised by Secretary Kellogg to-day that the State Department has instructed the American Embassy at Mexico City to urge upon Mexico capture and punishment of bandits who killed Jacob Rosenthal, New York business man. Information on the murder was received at the Executive Offices.

The President expects the Mexican Government to act with expedition but word from the State Department that two of the bandits had been killed by Mexican troops caused the impression here that the Government was following up the outrage as rapidly as possible. The State Department has asked that his body be recovered.

There was much concern over the killing of the New York merchant because of the announcement for the President a few days ago that there had been no recent complaints of murder of Americans in the republic and that a fair degree of order was being preserved by the Calles Government.

Mrs. Rosenthal Departs With Attorney for Mexico City

Mrs. Jacob Rosenthal, wife of the victim of Mexican bandits, left New York for Mexico City yesterday with Alfred D. Ling of Manhattan, attorney for the family.

Jacob Rosenthal was sixty-two. He went to the Rockaways twenty-five years ago as a salesman for a meat packing firm. Later he bought out Murray Bros. meat shop on Beach 86th Street and the Boulevard in Rockaway, and prospered. Ten years ago he sold his shop to a chain store at a large profit and entered the real estate business.

Rosenthal purchased an entire block on the Boulevard at 86th Street, tore down all the frame shacks there and erected modern bungalows and apartment houses. Later he moved to Woodmere, L. I., and engaged in the real estate business. He retired from active business several years ago but maintained his holdings, living on the income.

Rosenthal lived in Woodmere with his wife, his daughter, Rose, and her husband, Joseph Ruff. Ruff is connected with a confectionery firm in Mexico.

Rosenthal was a member of Olympe Lodge, F. and A. M., and Klismet Temple, Ancient Order of the Mystic Shrine, in Brooklyn.



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New York American

FRIDAY

NEWS OF THE DAY IN PICTURES

SEPTEMBER 17, 1926

**ROSENTHAL SLAIN!**

—Reports from Cuernavaca, Mexico (above), near where Jacob Rosenthal, of New York, was held captive by bandits, tell of soldier-bandit battle in which Rosenthal was killed by bandits as they fought way out of trap.

International Newsreel Photo.
Story on Pages 1 and 2.

**OBREGON HELD?**

—Dispatches indicate that former Mexican President Alvaro Obregon, whose train was intercepted, is held by Yaqui Indian bandits, though he may have escaped to safety.

International Newsreel Photo.



WHOLE YACUI COUNTRY IN REVOLT!—Yaqui Indian bandits, fiery troublemakers for Mexico for 300 years, now having slain Rosenthal, are reported in general uprising. Government soldiers are reported in severe defeat. Above picture shows type of Yaquis who joined Obregon's loyal troops when Yaquis were once friendly to him.

International Newsreel Photo.

MEXICAN BANDITS SLAY NEW YORKER

'SCENE'—SIMPSON *Arrest Expected*

Sharp U. S. Note Asks Killers' Punishment

By JOHN T. LAMBERT,
Universal Service Staff Correspondent.

PAUL SMITHS, Sept. 16.

THE United States Government tonight served a summary demand upon Mexico to capture and punish the bandits who murdered Jacob Rosenthal, the New York merchant.

President Coolidge's determination to protect American life and property in Mexico was seen in this, the strongest note yet sent by his Administration to the Mexican Government.

Secretary Kellogg sent positive instructions to the Embassy at Mexico City, and then informed the President of his quick action. It met with the complete approval of the President.

The following dispatch from the State Department was received here by the President this evening:

"Secretary of State has received telegram from Embassy that two of the bandits were killed by Federal forces, but that other bandits fled and beat Rosenthal to death.

JACOB ROSENTHAL.

"Bandits are being pursued.

"Secretary has directed Embassy to make urgent representations, not only to see that bandits are arrested, but that Rosenthal's body be recovered."

WASHINGTON, Sept. 16 (AP).—Secretary Kellogg tonight instructed Charge Schoenfeld at Mexico City to make representations to the Calles Government to leave no stone unturned in punishing the slayers of Jacob Rosenthal.

RANSOM PLOT FOILED, GANG KILLS CAPTIVE, ESCAPES TRAP

Troopers Shoot Down Two
of Kidnapers in Battle Few
Miles From Week-End Resort

Abductors Stab Rich Butcher
on Discovery Bag of Scrap
Iron Is Not \$10,000 in Gold

By GEORGE W. HINMAN, JR.,
Universal Service Staff Correspondent.

MEXICO CITY, Sept. 16.—

Trapped by soldiers pretending to comply with a demand for \$10,000 ransom, the bandits who kidnaped Jacob Rosenthal, of New York, last Sunday, killed their prisoner and fought their way out with the loss of two men, late last night. Official reports from Cuernavaca, fashionable week-end resort, today told of the murder.

The slaying occurred within a few miles of the spot where Rosenthal was kidnaped while returning to Mexico City from Cuernavaca, and marked the failure of a carefully laid plan for catching the bandits and freeing the prisoner without the payment of ransom.

There is great excitement here over the incident, and all sorts of rumors are flying about the Rosenthal case and the attempted capture Sunday of former President Obregon by Yaqui Indians who surrounded his train.

It is even rumored that the former President is still surrounded and that troops have been sent to his rescue.

Rosenthal's body was recovered and taken to Cuernavaca. The widow, already en route from New York to Mexico City, is due to reach the border at Laredo Saturday morning where she will be met by friends from the capital.

"ILL, PLEASE HURRY."

Rosenthal's last word was a pitiful message received at Cuernavaca yesterday telling how the elderly man was suffering hardships in the forests with the bandits, barely two miles from the spot where he was kidnaped and only seven miles from the resort.

Saying he was sleeping out of doors in the cold at a great alti-

Smith to Head Sta

BANDITS KILL N. Y. MAN IN RANSOM PLOT

Mexican Kidnapers, Foiled in Demand for \$10,000, Stab Jacob Rosenthal and Flee

tude, the prisoner asserted he was already ill from exposure and concluded with a plea to "please hurry up".

With Rosenthal's plea was delivered a note from the bandit chief demanding \$10,000 ransom and prescribing details for the delivery of the money.

The bandit directed that a "reliable man" should leave Cuernavaca at six in the evening on the road to Cuautla, carrying \$10,000 in gold in a bag, and should proceed along the highway until met.

TRAP CAREFULLY LAID.

Guarding with the greatest secrecy all the information received and plans made, the police and military feigned to comply with the demand. On orders from Mexico City two trusted soldiers were disguised as civilians and one carried a bag of scrap iron to simulate gold in bulk.

The disguised soldiers were trailed under cover at a distance by armed detachments for the purpose of surrounding and wiping out the bandits when located. The two pseudo messengers were counted upon to protect Rosenthal.

The supposed bearers of the gold ransom were met in accordance with agreement a short distance outside of Cuernavaca and taken under escort by the bandits, while the Government detachments moved to carry out their part of the programme.

TWO BANDITS KILLED.

About 10 o'clock, after the disguised soldiers had reached Rosenthal and the refuge of the captors, the plan of the authorities miscarried and, upon discovery of the deceit, the bandits stabbed Rosenthal and sought to flee.

The government report says that two bandits were killed, while the others scattered, closely pursued through the dark wilderness.

Rosenthal's body was abandoned by the bandits. It was recovered and taken to Cuernavaca, where it was delivered to Jack Zehler, an American business man of Mexico City, with whom the New Yorker was traveling on the ill-starred motor trip.

The Mexican authorities promptly advised the American Embassy which had made urgent representations in the case. The officials expressed keenest regret at Rosenthal's death and promised summary justice to the slayers.

CONFIDENT OF SAFETY.

A strange feature of the tragedy was Rosenthal's own confidence in his security up to the last hours before he was killed. Just before leaving the United States for Mexico he deprecated talk that he might be going into any danger.

Even on Sunday when the bandits stopped the car, he sought to reassure his companions by saying there was no danger and expressing confidence that the \$500 he carried would be sufficient to satisfy the highwaymen and buy the freedom of all unharmed.

The very fact that he carried such a sum is regarded now as being indirectly responsible for his death. The bandits singled him out as the most prosperous member of the party, and the bandit chief's remark that "this is the man we want" revealed their determination to profit by the kidnaping.

Hence those best informed were confident that Rosenthal would suffer no injury as long as there was the slightest prospect of the collection of the ransom.

The incident also emphasizes the narrow escape of First Secretary Arthur Bliss Lane, of the American Embassy, with his wife and two children of friends. They were saved by the barest chance when intercepted by a British banker of Mexico City who was fleeing from the scene of the hold-up.

Rosenthal Daughter Faints Death News Blow to Friends

News of the death of Jacob Rosenthal at the hands of Mexican bandits yesterday prostrated his daughter, Mrs. Joseph Ruff, and brought grief to hundreds of friends along Rockaway Beach, where the retired merchant operated a market for more than twenty years.

Rosenthal's attorney and friend, Alfred D. Lind, of No. 12 West Forty-first street, announced that plans had been made to head off Mrs. Sarah Rosenthal, the widow, who left for Mexico, Tuesday, when word of the kidnaping reached New York.

WIDOW MAY RETURN.

Friends of the family at St. Louis were waiting at the railroad station to meet Mrs. Rosenthal with the sad tidings, when the transcontinental train halted there. She will probably return to the Rosenthal home at Woodmere, L. I., the lawyer said.

Lind laid the blame for his friend's murder, indirectly, upon the officials who undertook to capture the bandits while Rosenthal was in their hands. He said warmly:

"It seems a pity, indeed, that a man like Jacob Rosenthal should lose his life over \$10,000. I would have gladly paid the ransom myself if it would have saved him. Mrs. Ruff has lived in Mexico and asked that no ef-

fort be made to take her father away from the bandits. She knew they would kill him if pressed by the troops."

Weak from anxiety over her father's fate, Mrs. Ruff collapsed when she received word of his death. She was under the care of a physician last night.

BURIAL HERE.

Rosenthal's body will be returned to New York for burial, according to the attorney.

The retired merchant left for Mexico on July 23, accompanying his son-in-law, Joseph Ruff, of Joseph Ruff & Company, merchandising exporters, on a business trip.

Mrs. Rosenthal and the daughter, who is their only child, remained behind with the Ruffs' two small children.

MADE WAY TO TOP.

Rosenthal, who owned a small fortune, earned success through years of hard work as a butcher in Arverne, L. I. He was born in Germany in 1864 and came to America while a boy. In time he became the owner of the Excelsior Market, which supplied meat to hotels and restaurants along Rockaway Beach.

He was known to hundreds in the Rockaways and had a host of friends.

About six years ago he retired from business, selling his market. He and Mrs. Rosenthal had been married for more than forty years.

Yaquis Still Hold Obregon, Say Reports of Uprising

By Universal Service.

WASHINGTON, Sept. 16.—The entire Yaqui country in Mexico is in revolt and former President Obregon is still a prisoner in that district, a private dispatch from Nogales, Ariz., stated today.

The State Department could not confirm this report, but revealed that reports from American Consular agents at border points said that Yaquis in some sections were on the warpath. The reports gave no indication of the numbers involved, or the nature of the possible uprising.

STILL A PRISONER.

The private telegram received from railroad agencies in Nogales, the terminus of the Southern Pacific's extension in Mexico, were more alarming. It was declared that when General Obregon was taken from his private train by Yaquis at the little town of Bican, he was not released the same day, as reported from Mexico City.

On the contrary, they declare that he has not yet reached his home at Cajeme, but is still a prisoner in the Yaqui country, and may have come to harm.

NOGALES, Ariz., Sept. 16 (AP). Dispatches to the Herald today

from Guaymas, Sonora, Mexico, confirmed reports that a battalion of Mexican infantry had suffered a crushing defeat at the hands of Yaqui Indians, south of Vienna.

The Yaquis, the despatches say, ambushed the battalion and killing the larger part, put the remainder to flight. The country in which the fight occurred, a small, closed-in valley carpeted with heavy underbrush, is an ideal setting for Yaqui warfare.

With most of the telegraph facilities in the hands of the military, the border today continued to depend upon persons returning from the affected area for word of troop movements and encounters between the insurgent natives and federal soldiers returning to the garrison were rife at Guaymas.

The military is advancing on the Sierra de Bacetete, Yaqui mountain stronghold, in small bodies, setting out from stations along the main line of the Southern Pacific of Mexico Railroad. General Francisco Nzo, Sonora corps area commander, is said to be leading a body of 4,000 soldiers from Vicam, with scouting parties numbering more than five hundred men, executing a flank movement.

CACCO DEFENCE DETROIT TIMES

Se casa a los sesenta y cinco
HABANA, septiembre 16.—Fermina Calvo Morales, anciana de 65 años de edad, se casará con su pri-

mo, ha llegado a ésta vía Florida, adonde fué en viaje de negocios.
Hoy habrá gran comida y baile en (Sigue en la 2a. pág.)

Con el entusiasmo de costumbre, Méjico celebra la fecha de la independencia

La pandilla yaqui asesinó a Mr. Rosenthal cuando se vió alcanzada por las tropas del gobierno

El fascismo sigue acusando a Francia de foco enemigo

La prensa italiana reclama el cumplimiento de la ley de 1895

ASSOCIATED PRESS
ROMA, septiembre 16.—Además del restablecimiento de la pena de muerte en Italia para castigar ciertos crímenes, tiénese entendido que el parlamento hará cambios radicales.

CON EL ENTUSIASMO DE COSTUMBRE

(Continuación de la pág. 1a)
Los bandidos la semana última ya no quedaban en libertad. Se dijo haberse descubierto el lugar en que los bandidos lo tenían oculto en la región montañosa de Sonora y que las autoridades tratan inmediatamente de obtener su libertad.

Destrucción de un batallón
GUAYMAS, Méjico, septiembre 16. (A. P.)—Informes recibidos anoche hablan de la destrucción parcial de un batallón de infantería mejicana por merodeadores yaquis, los que se emboscaban a ochenta kilómetros al norte de Guaymas.

El general Obregón en Cajeme
CIUDAD DE MEJICO, septiembre 16. (A. P.)—Despachos especiales de Mazatlán dicen que el ex presidente Obregón, cuyo tren fué asaltado por los indios yaquis el último lunes en el estado de Sonora, se encuentra en el kilómetro 93, estación ferroviaria en la línea que va a Cajeme.

El general Obregón envió un telegrama de Cajeme deplorando que se propusiera poner a salvo todos los pasajeros que iban en el tren asaltado, lo impidiera cumplir con su compromiso de asistir a la celebración del día de la independencia en Mazatlán.

A pesar de la situación crítica del tren—dice el general Obregón—los pasajeros civiles sólo sufrieron inconvenientes de menor importancia. Los muertos y heridos pertenecen a las tropas federales.

El telegrama no dice si las bajas resultaron del descarrilamiento de la locomotora del tren militar enviado en auxilio del general Obregón, o del de pasajeros, ni si provino de un encuentro con los yaquis.

El departamento de Guerra ha anunciado su intención de bombardear a los indios en sus posiciones de las montañas desde los aeroplanos y continuar la campaña con la artillería, la caballería y la infantería para completar la tarea. Anunciase que la intención es exterminar a las tribus rebeldes a menos que se rindan inmediatamente.

Despacho de Pastzcuaro dice que el general Valente de la Cruz, alegado peligroso jefe revolucionario de bandidos, ha sido ejecutado por orden del presidente Calles, a causa de sus actividades sediciosas. Tres compañeros de Cruz han sido capturados y enviados a Morelia.

ASSOCIATED PRESS
CIUDAD DE MEJICO, septiembre 16.—A pesar del boicoteo proveniente de la situación religiosa, el día aniversario de la independencia de Méjico, hoy, comenzó a celebrarse desde ayer de manera entusiasta. El presidente Calles presidió las ceremonias del traslado de la campana que dió el toque de independencia, al nuevo palacio nacional reformado.

Anoche hubo grandes multitudes en la plaza frente al palacio nacional y el presidente Calles, como de costumbre, tocó la campana entre demostraciones patrióticas, a la misma hora que fué tocada por el Padre Hidalgo en 1810.

ASSOCIATED PRESS
CIUDAD DE MEJICO, septiembre 16.—Mr. Jacob Rosenthal, de Long Island, fué asesinado por los bandidos que lo secuestraron el miércoles en la noche, cuando las tropas que los perseguían los alcanzaron, según fué informada oficialmente hoy la embajada de los Estados Unidos.

El cadáver de Mr. Rosenthal fué recuperado y llevado a Cuernavaca para darle sepultura.

Los soldados federales que perseguían a los bandidos habían matado a dos de éstos cuando los otros apuñalaron a su víctima y escaparon.

Los secuestradores habían pedido por la libertad de Rosenthal, a sus parientes, \$10,000 como rescate.

La lucha religiosa continuará
ASSOCIATED PRESS

WASHINGTON, septiembre 16.—“Aunque la lucha sea larga y haga muchos mártires de la iglesia y la humanidad”, la controversia entre la iglesia católica y el gobierno mejicano terminará en una victoria para la iglesia, según declara hoy en mensaje de simpatía a los católicos mejicanos la cabeza de la jerarquía católica en los Estados Unidos.

La comunicación, redactada en una reunión en la universidad católica de aquí, está firmada por los cuatro cardenales, nueve arzobispos y cincuenta y un obispos que asistieron a la reunión. Fué enviada a los arzobispos, obispos, sacerdotes y católicos mejicanos en general.

Esperanza de libertar a Mr. Rosenthal

CIUDAD DE MEJICO, septiembre 16. (A. P.)—Las autoridades de policía tenían anoche esperanza de que Mr. Rosenthal, que fué capturado cerca de Cuernavaca por

La colonia mejicana celebra con grande entusiasmo el día de su independencia

El cónsul señor Prieto recuerda a los mejicanos sus deberes cívicos para con la patria

¡Viva la Independencia! ¡Viva Méjico! ¡Viva la Libertad! Los mismos patrióticos gritos que fueron lanzados con cívico entusiasmo hace 116 años cuando fueron escuchados los tañidos de la “campana de la Libertad”, bajo el impulso del ardor apostólico con que inició el movimiento libertario el venerable cura de Dolores, don Miguel de Hidalgo y Costilla, gritos que conmovieron los ámbitos de la nación azteca en 1810, fueron lanzados con idéntico fervor ardiente por los numerosos miembros de la colonia mejicana de Nueva York en la noche del miércoles 15 del presente en el Roof Garden del hotel McAlpin con motivo de conmemorarse esta magna efeméride de la historia nacional.

La fiesta mejicana organizada en magnífica forma por el consulado general, la cámara de comercio mejicana con la cooperación eficiente de la Sociedad la Cruz Azul y la Mutualista Mejicana, en celebración del aniversario del “Grito de Dolores”, congregó en el elegante salón del McAlpin una nutrida concurrencia que disfrutó en un ambiente típico y recordatorio de la patria distante horas de sano regocijo y amenas en extremo. Inicióse la fiesta a los acordes del himno nacional mejicano que fué cantado por la notable soprano señora Luz P. de González y coreado entusiastamente por toda la concurrencia.

Acto seguido el señor Manuel G. Prieto, pronunciada la introducción de rigor y dado un cordial saludo a las familias presentes, hizo la presentación del inspirado poeta mejicano y notable hombre de letras, don José Juan Tablada, quien con elocuente facilidad y sonoro verbo pronunció un inspiradísimo discurso, parte del cual, tomado a vuelo de pluma aparecerá en nuestra edición de mañana; el distinguido literato mejicano fué interrumpido repetidas veces por las salvas de

aplausos unánimes y cariñosos que se le tributaron, aplauso que llegó al límite al dar término su magnífica peroración.

Volvió luego a tomar la palabra al señor Prieto, quien una vez hecho un ligero recuento de la magna efeméride que se conmemoraba habló con sincera emoción de la patria amada, dijo de sus glorias y del amor que debe llenar los corazones de los buenos patriotas para laborar por su continuo engrandecimiento, con la unión y la cooperación de grandes y chicos, y terminó pronunciando vivas a la independencia, a Méjico y a la libertad, al par que levantaba en alto el tricolor mejicano que fué saludado por un clamoroso estruendo de vivas cálidos, sinceros, inflamados de amor a la patria.

Mariquita Flores y Rosita Ortega, las primorosas y ya celebradas artistas infantiles, dieron comienzo con la Rapsodia Valenciana a la ejecución de varios números que



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componían el programa que se había preparado, bailando las “pequeñas” futuras notables artistas con garbo, gracia y donaire, conquistando la atención y el corazón de toda la concurrencia que las aplaudió repetidamente.

El maestro Ortega en sus bailes flamencos, gitanos y otros de su repertorio, hizo alarde una vez más de sus conocimientos coreográficos poniendo en el acto de esta noche la nota genuinamente castiza, como la puso la típicamente mejicana, la gentilísima artista Mary que en unión del señor Viniegra se lució enteramente en la ejecución del “Jarabe Tapatio” y otros bailes y canciones del solar exótico y vistoso de la tierra de los charros que recibieron la ovación delirante de sus paisanos y la admiración genuina de los hijos de otras tierras que acompañaban a los mejicanos en la celebración de su fiesta nacional.

La cantante doña Luz P. de González que ya había sido merecidamente aplaudida al cantar el himno nacional volvió a cosechar palmas y floreos en las canciones típicas mejicanas que ofreció. Muy lucida y atinada gustó con énfasis la pareja de bailarines Deymier, que actuaron en el tango argentino, el tango apache y otros de gran movimiento, bien ejecutados y largamente aplaudidos.

Dieron terminación al magnífico programa varias parejas de bailarines “amateurs” que despertaron sincera admiración y cumplieron con su cometido como veteranos del arte.

Bailóse luego a los acordes de la excelente orquesta “Los Bagdad”, músicos todos de la “mera” nación azteca que fueron muy cumplimentados, señor cónsul de Inglaterra, Luis Robles, José Riestra, vicecónsul de Méjico, Francisco Archaveleta, Rodolfo Salazar, Enrique Caro Bravo, Sebastián Carranza, Gerardo Chiriboga, Felipe Revuelta, Germán Novoa, Dr. Goskel, David y Fernando Reyes Retana, Ramón Martínez Perdomo, J. J. Bonilla, Ernesto González, Louis Betancourt, Charles Vender, Dr. Luis Méndez, José Martínez, José Piñero, Francisco Tobías, Francisco Alba, Emilio Pleites, Lic. Salomón Herzog, Raúl Reyes Espíndola, Leopoldo Pérez, Gregorio Castillo, Pablo Frezco, José B. López, Salvador López, Víctor Gómez Belmont y muchos otros.

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THRE

HALL'S BAIL RAISED TO \$400 SEY TICKET FRAUD UNCOVERED 13 Slain in Rosenthal Reprisals



TROOPS WIPE OUT LEADERS OF BRIGANDS

Rebel General and Ex-Mayor
Among Kidnapers Shot for
Killing New York Merchant

Autopsy Reveals Three Knife
and Bullet Wounds Caused
Abducted American's Death

MEXICO CITY, Sept. 17 (AP).—
Three additional men have been
killed, making a total of thirteen,
in connection with the capture and
slaying by bandits of Jacob Rosenthal,
of Woodmere, N. Y.

Today seven suspected outlaws
were killed by Federal soldiers in
a clash near Huitzilac, where
Rosenthal was kidnaped last Sunday.
Three suspects were killed
the night before in the same district.

THREE IDENTIFIED.

Three prisoners were brought to
this city today after being captured
near the scene of the outrage. They
were picked out by Joseph Ruff,
Rosenthal's son-in-law, from a line-up
of fifty prisoners and identified by
him as members of the gang that
robbed his party on Sunday and
kidnaped his elderly relative. It is
believed the three prisoners will be
executed promptly.

By Universal Service.

MEXICO CITY, Sept. 17.—The
kidnapers slain for the death of
Jacob Rosenthal, of New York, include
former General Bonifacio Hindjosa,
of the Zapata forces, former Mayor
of the village of Huitzilac, and Miguel
Garcia, warden of the jail in the same
village.

AUTOPSY HELD.

More detailed reports show that
Rosenthal was slain within three
miles of Cuernavaca during the encounter
between the kidnapers and the troops.
Two knife wounds were found in his
body and a bullet hole in his forehead.

Two physicians from the American

Continued on Page 2, Column 6.

Ten Mexican Bandits Die in Rosenthal Reprisals

Continued from First Page.

can Hospital at Mexico City made
the autopsy.

An official statement from the
General Police Headquarters in
Mexico City states:

"Rosenthal was killed by stab
wounds by bandits during an exchange
of shots with their pursuers.

"The chief of police has issued
orders to subordinate officials in
the State of Morelos, where the
killing occurred, that they proceed
energetically for the capture of
the bandits. Three of them have
already been identified by Joseph
Ruff, son-in-law of the victim, and
are now held.

"General Cruz, chief of police,
will turn over to the courts all
those responsible for this repugnant
crime in order that the full force
of the law may be applied to them."

CAPITAL AROUSED.

The entire population of Mexico
City, natives and foreigners alike,
are aroused over the killing of
Rosenthal.

The Mexico City newspaper,
Universal, commenting on the
murder, says:

"The tragedy could not do less
than arouse the Mexican public,
not only because the victim of
the nefarious crime was an hon-

orable foreigner, but also because
such crimes call for vigorous and
efficacious repression."

Rosenthals Grief-Stricken on Day Set for Return

A joyous homecoming had been
planned for yesterday by Jacob
Rosenthal when he left for Mexico.
Instead, he lay murdered in
Mexico City; his daughter was
prostrated in her room; his wife
was on a train coming from St.
Louis, where she learned of his
death, and his son-in-law was ill
in a hospital in Mexico City.

Mrs. Rosenthal will reach the
home at Woodmere, L. I., some
time this morning. As soon as his
son-in-law, Joseph Ruff, is able to
leave the hospital he will bring Mr.
Rosenthal's body home for burial.
No definite arrangements have been
made, but it is expected that the
funeral services will be at Temple
Beth El of United Community
Center, at Woodmere.

It was to Rabbi Moses J. S. Abels,
of Temple Beth El, that Mr. Rosenthal
announced his intention of returning
yesterday. He said he would be
back in time for the start of the
Day of Atonement services, which
began at sundown. When the
congregation gathered in the
synagogue Mr. Rosenthal's name
was reflected in the light that
burned on the memorial tablet.

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NEW YORK
Herald Tribune



Saturday, September 18, 1926



Mexican Outlawry

Kidnaping for ransom is an ancient industry in Mexico. It has been pursued with added freedom in the troubled times since the Madero revolution. The abducted have frequently been killed, and even more frequently Mexican bandits have preferred assassination to abduction.

A long list could be made of Americans—including American officials—who have suffered from Mexican brigandage. Our government has demanded damages as well as punishment for the criminals and naturally has not always obtained the latter. The wide extent of disorder has been an important factor in aggravating ill feeling between Mexico City and Washington. Along with attacks on American property rights it has kept the two countries on uneasy terms for the last fourteen years.

The Rosenthal abduction and murder are deplorable. They compel further insistence on protection to Americans traveling in Mexico or living there. Yet in this latest case it cannot be charged, apparently, that the Mexican authorities were inactive. They intervened energetically, perhaps too energetically for the safety of the abducted man. It is reported, however, that three bandits were shot—one of them the Mayor of a village and another his assistant.

The Mexican government suffers in prestige from the prevalence of lawlessness outside the cities. It is doubtless anxious to protect life and preserve order. We can ask no more than that it make the sort of effort to do so which is incumbent on every civilized government. In this case some rough justice has already been done. But conditions in Mexico remain too much of a menace to good relations with the United States, and no effort should be spared to improve them. Friendship is hard to maintain when guaranties of personal and property protection repeatedly fail and international obligations are voluntarily or involuntarily dishonored.

Mexico Slays 13 Bandits for Part in Killing Of Rosenthal

Troops Pursue Outlaws
as U.S. Note Demanding
Punishment of Kidnap-
ers Is Handed to Calles

3 Shot to Death as
Band Tries Rescue

American Fell in Battle
With Abductors After
Ransom Ruse Failed,
Police Official Reports

By The Associated Press
MEXICO CITY, Sept. 17.—Three additional men have been killed, making a total of thirteen, in connection with the capture and slaying by bandits of Jacob Rosenthal, of Woodmere, N. Y. Three bandits were shot and killed when the party which was supposed to have the ransom money for Mr. Rosenthal's release came in contact with them yesterday. Later seven other men, suspected of being bandits, were shot.

Confessed to the Killing
The three men killed to-night had confessed participation in the hold-up of Mr. Rosenthal's automobile party after they had been brought to Mexico City and identified by Joseph Ruff, Rosenthal's son-in-law.

The men were killed near Huitzilac, near the scene of the hold-up and capture of Mr. Rosenthal. An official statement given out at police headquarters says that the three confessed bandits were being taken under military escort from Mexico City to Huitzilac for the purpose of examining them at the scene of the crime, and added:

"A party of men, presumably their bandit friends, attempted to rescue them, and in the ensuing fight they were killed."

By Jack Starr-Hunt
By Cable to the Herald Tribune
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MEXICO CITY, Sept. 17.—Following the deliverance to the Mexican government to-day of a courteous but firm note from the United States demanding that every effort be exerted to capture and punish the bandits who kidnaped Jacob Rosenthal, of New York, and killed him Wednesday night, the government announced that ten of the outlaws already have been killed and that troops still are searching for others in the mountains.

Seven of the outlaws were killed to-day, it was announced, when federal troops met them in a pitched battle near Huitzilac, where Rosenthal was captured last Sunday in a hold-up. Three bandits were killed when the soldiers surprised the captors Wednesday night after they had murdered Rosenthal rather than free him without ransom.

Ruff Identifies Three Suspects

Three other suspects were captured and brought here to-day, where they were identified by Joseph Ruff, Mr. Rosenthal's son-in-law, who picked them out of a line-up of fifty prisoners.

The American Embassy to-day said it had no information of the reported death or capture of former President Alvaro Obregon, explaining that if such had taken place Consuls would have reported it. General Obregon was held up by Yaqui Indians in Sonora last Sunday.

That the Yaqui revolt is serious is admitted here, although all reports are being withheld. One newspaper says that the campaign against the Yaquis is likely to last two years.

Acts on Washington Orders

H. F. Schoenfeld, the Charge d'Affaires at the American Embassy, delivered the United States note of protest to the Mexican Foreign Office. He received his instructions in a dispatch from Washington sent a few hours after news of Mr. Rosenthal's murder reached Secretary of State Kellogg. Special interest in the note is displayed by observers here because it follows so soon after the recent conferences between President Coolidge and James R. Sheffield, American Ambassador to Mexico, in which Mr. Coolidge was reported to have supported the Ambassador's insistence on a firm policy regarding the protection of American lives and property in Mexico.

At the same time Mexico has pre-

(Continued on page five)

Third Mexican Bishop Is Arrested in Sonora

Monsignor Juan de Dios Navarette Will Be Taken to Capital for Hearing

Copyright, 1926, New York Tribune Inc.
By Cable from the Herald Tribune Bureau
MEXICO CITY, Sept. 17.—The Mexican Episcopate received word to-day that Mgr. Juan de Dios Navarette, Bishop of Sonora, had been arrested at Hermosillo and would be brought here. This makes three Bishops now arrested but free on bail pending proceedings under the new religious laws. The others are Mgrs. Jesus Maria Echeverria, Bishop of Saltillo, and Manrique Zarate, Bishop of Hejulia.

Under Fire in Rising



Alvaro Obregon

13 of Rosenthal Killers Slain by Mexican Troops

(Continued from page one)

sented a note to the American State Department which, while not a protest, is believed to demand that those guilty of the deaths of several Mexicans ambushed last week at Raymondville, Tex., be punished. The Mexican note, however, was presented before Mr. Rosenthal was killed.

Just as he was kidnaped in a drenching downpour on the mountain road between here and Cuernavaca on Sunday afternoon, just as he died, water soaked, stabbed to death and shot in the back on Wednesday night, so Mr. Rosenthal's body arrived here at 6 o'clock this evening. A terrible rain-storm delayed it en route over the Cuernavaca road, the skies hurling torrents of water on the plain wooden casket borne in the tonneau of an automobile driven by Jack J. Zahler, American candy king of Mexico, Mr. Rosenthal's host before the kidnaping, who since then has spent all of his time in assisting the authorities in pursuit of the bandits.

The mud-bedecked machine ploughed its way through flooded streets to the Pan-American Undertaking Parlors, where the ready hands of those who unsuccessfully strove for Mr. Rosenthal's release and safe return carried his body to a pyramid of flowers, where it will rest to-night. It will be started for New York to-morrow.

The rain let up as the strange cortege reached the undertaker's in the center of Mexico City and a curious crowd gathered about bareheaded to watch its arrival.

Silent on Autopsy

Both of the American physicians who went to Cuernavaca yesterday to perform an autopsy have returned. Neither will speak of his mission.

While one of them is the family physician of Joseph Ruff, the victim's son-in-law, it is learned that the embassy has arranged all details to allow him to be present at an autopsy to be performed by the government's doctor at Cuernavaca. He has informed acquaintances here that the authorities facilitated his work in every way.

The direct cause of Mr. Rosenthal's death was a knife wound. There are other cuts and a bullet wound in the back, the bullet having pierced the body directly in the track of the knife stab.

General Jesus Palomera Lopez, of the Police Department, who was sent to Cuernavaca Wednesday by the Chief of Police, General Roberto Cruz, to carry out instructions in the bandits' letter as to how the ransom money was to be delivered to them in exchange for Mr. Rosenthal, returned last evening and explained to newspaper men how Mr. Rosenthal was found and how his death occurred.

General Lopez said that, complying with the bandits' instructions, two men, each on horseback, one riding fifty paces ahead of the other and carrying a brakeman's lantern and the other an ordinary light, left Cuernavaca with instructions that if they did not meet the bandits by 8 o'clock Wednesday night they were to return, and if they did meet them they were to plead for twenty-four hours' grace on the pretext that time was necessary to raise the money. This was intended to give the police time to lay a trap to catch the outlaws at the second meeting.

At 9:30 Wednesday night, General Lopez continued, after his men had abandoned the search for the bandits, a detachment of soldiers patrolling the district where the meeting between the outlaws and the detectives was planned observed a group of men on the side of a hill near the roadside and ordered them to halt. They fled into the darkness. The soldiers then fired at the group, who were the bandits with Mr. Rosenthal. The outlaws returned the fire.

It was then that Mr. Rosenthal was killed. According to General Lopez, Mr. Rosenthal kept on his feet for a distance of ten yards, when he fell, trying to support himself against a tree. Mr. Rosenthal was dead of two knife and bullet wounds when the soldiers reached him. The three bandits killed have been identified as the former General Bonifacio Hinojosa, who was Mayor of Huitzilac; Miguel Garcia, jail warden of the same village, and Juan Ortiz.

Press Demands Punishment

Mr. Rosenthal's murder was virtually the sole topic of conversation in English-speaking circles here to-day. "El Universal" says editorially that, although the crime has caused indignation among Mexicans and that justice should be applied to those guilty, it cannot reflect on Mexico's good name. The article explains that as soon as Mr. Rosenthal's capture became known the authorities exerted every effort to punish the bandits, as evidenced by the fact that three were killed and others were captured.

"This painful incident must result in the extermination once and for all of the gang of kidnapers and thieves who have been operating in the State of Morelos," the paper says.

"El Universal" pleads that the authorities do everything possible to make the road between here and Cuernavaca safe for travelers. It asks that no mercy be shown those found guilty, as the authorities will be fully backed by public opinion if they pursue a relentless warfare against banditry, which, the paper says, no longer should have a place in Mexico's national life. Mexican society will be satisfied and the country's honor upheld if the full force of the law be applied to those guilty of Mr. Rosenthal's death, the editorial concludes.

Mexico Masses Troops

A dispatch from Guaymas says that General Manzo, the Federal commander in the punitive expedition against the insurgent Yaquis, is rapidly repairing the railroad north of Guaymas toward the American border which the Yaquis destroyed at certain points, and that, once this is done, the Federals will move into the Indians' territory.

Later editions of the evening news-

papers here announce that the government will use 15,000 men in the Yaqui campaign and that troops are being moved north continually. The Fifth and 13th Artillery Battalions left here this morning for Sonora. At the War Office it was said that additional troop trains would report to-morrow for Manzanillo, where they will embark for Guaymas.

Strong contingents of troops are expected here from the southern section of the country next week. The Navy Department has ordered all Mexican ships in Pacific ports to concentrate at Manzanillo, where they will be rapidly converted into troop transports.

Obregon Likely to Command

It is reported here that General Eugenio Martinez, military commander of the Valley of Mexico, who in 1913 commanded the federal forces operating against Adolfo de la Huerta and his insurgent general, Guadalupe Sanchez, in Vera Cruz, may replace General Manzo in Sonora, although it is intimated that the real man behind the guns in the Yaqui campaign will be General Obregon. Dispatches from the United States this afternoon on the reported death of Obregon are still unconfirmed here, official circles maintaining that the ex-President is safe at his home at Cajeme.

Loyal Yaqui scouts will be used by the Federals in their advance into the Indians' mountain fastnesses, where the territory is desolate, waterless and dangerous and where the Indians are perfectly at home. As yet, Federal activities are limited to preparations for an invasion of the Indians' stronghold, it being explained that no move into the danger zone will be made until supply communication with the base at Guaymas and other large points is established.

Washington Awaits New Word

From the Herald Tribune Washington Bureau
WASHINGTON, Sept. 17.—The State Department to-day awaited word from the American Embassy at Mexico City on the investigation of the murder of Jacob Rosenthal in response to the urgent demand conveyed to the Mexican authorities for the apprehension and punishment of the bandits who assassinated the American.

American Charge d'Affaires Schoenfeld reported that two American doctors had been sent to Cuernavaca yesterday afternoon to perform an autopsy on the body of the New Yorker before shipment to the Mexican capital.

It was disclosed that the State Department may soon receive a protest from Manuel Telles, the Mexican Ambassador here, in the case of the murder of two Mexican citizens recently in Texas. The Mexican Ambassador is understood to have been directed by his government to take the matter up with the State Department, but he has not yet visited Secretary Kellogg on this mission. According to the Mexican story, the murders occurred when two Mexicans were in the hands of Texas jail authorities.

Unofficial reports here are that General Obregon is a prisoner in the hands of the Yaquis. The circumstances are that General Obregon, who has recently been in Los Angeles, started for Mexico, Saturday. He passed through Nogales and arrived at Bican, seventy-five miles from his estate. The train was attacked by Yaquis and there are conflicting reports as to what occurred. One report was that Obregon's body-guard had a sharp battle with the Yaquis and that he escaped. On the other hand, it was said he had an engagement to attend a celebration at Mazatlan and that he has not appeared there.

If it proves true that General Obregon is a prisoner of the Yaquis, who are Catholics and opposed to the Calles government, it is believed here the purpose is to bring pressure on the Calles government to make concessions or to abdicate.

Mrs. Rosenthal's Return Awaited

Mrs. Joseph Ruff, daughter of Jacob Rosenthal, who was killed by Mexican bandits, passed an anxious day yesterday at her home in Woodmere, L. I., awaiting word from her mother, Mrs. Jacob Rosenthal, who had started for Mexico City on Wednesday and was expected home late last night. No

Slaying of Gen. Obregon Denied by Army Official

Ex-Mexican President Reported Killed by Yaquis, Said To Be in Field in Drive Against Indians

NOGALES, Ariz., Sept. 17 (AP).—Denial that General Alvaro Obregon, former President of Mexico, had been killed by rebellious Yaqui Indians in Sonora was forthcoming to-day from General Antonio Ancheta, stationed in Nogales, Sonora, across the international line here. General Ancheta said he had had a telegram from the south last night which dispelled rumors of Obregon's death. The former President is in the field in a military offensive against the tribesmen.

A dispatch to "The Nogales Herald" to-day from Guaymas stated that eighty Federal soldiers were killed and an unknown number wounded in a night attack on the military outpost of Vicam by Yaqui Indians Wednesday. A few of the marauders were killed before they retreated, the message said.

The insurgent natives have torn up twenty-five miles of railroad tracks and burned telegraph poles, thus destroying all communication across the reservation. Americans were reported making for the border by means of any transportation available.

Yaqui squaws and their papooses were reported fleeing toward isolated border points with the intention of crossing into the United States. Another rumor was that a large quantity of ammunition destined for the Indians had been seized twenty-five miles south of the international line.

Menken Asserts Restraint Of Mexico Is U. S. Duty

Security League Founder Says Monroe Doctrine Places Heavy Responsibility on America

PHILADELPHIA, Sept. 17.—"Civilization demands that Mexico maintain order or admit the fact that it is unable to do so," said S. Stanwood Menken, former president and founder of the National Security League, in a Constitution Day address to-night. "If Mexico is unable to do so it should allow others to aid in suppressing brigandage. A continuance of disorder and confiscation in Mexico may become a serious problem requiring positive action to preserve the constitutional rights of our people."

"We Americans are much concerned with affairs in Mexico. We have raised the bar of the Monroe Doctrine against other nations interfering there and, therefore, have a direct duty not alone to ourselves but to all civilized powers, as long as we prevent them from entering there at the times when, even with the best intentions, its rulers are unable to maintain order."

"Mexico, to-day, is a serious danger to all our people and our policies."

"Although not generally known, in 1914, just before the outbreak of the World War, England, France and Germany had agreed to disregard the Monroe Doctrine and send an armed force of 100,000 men to protect their citizens and to restore order there. The World War shattered this plan."

NEW NOTE TO MEXICO URGES ACTION OVER ROSENTHAL MURDER

Embassy Receives Assurances That Everything Possible Is Being Done.

VICTIM'S BODY GASHED
THRICE IN BACK.

Ten Suspected Bandits Already
Killed by Federal Troops as
Result of Outrage.

MEXICO CITY, Sept. 17 (AP).—The American Embassy today sent another formal note to the Foreign Office asking the Mexican Government to apprehend and punish the bandits who on Wednesday night murdered their elderly American captive, Jacob Rosenthal, as troops closed in upon them.

The Embassy received official assurance that the Mexican authorities have been doing and will continue to do everything possible to punish the murderers. AKRON, Ohio, Sept. 17.—After two
(Special to The Journal of Commerce.)

TIRE PRODUCTION STARTS SEASONAL DECLINE

The Soviet Paper Syndicate has ordered from a German firm a paper-making plant capable of producing 25,000 tons of paper per annum and three wood pulp plants. These will be installed in Soviet Karelia. The paper mill will be fully mechanized and electrified. An Austrian firm has secured an eighteen-year concession from the Soviet Government to operate the former Gorbachev knitting mill, near Moscow. Under the terms the concessionary will equip the plant with machinery of the latest type. During the period of the concession the firm will enjoy the same privileges with respect to necessary imports, taxes, etc., as State textile mills operated for profit.

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ing large orders for machinery with German firms, according to official reports received by the Russian Information Bureau. The Southern Ore Trust of the Soviet Union has voted to purchase full equipment for a large electrostation in Germany. The trust is arranging with a German firm for the construction in the Ukraine of several plants for the dressing of manganese ore.



MEXICO CITY, Sept. 17.—Reports from the State of Sonora say that the rebellious Yaquis are retreating to the mountains and that all danger of attacks upon the small villages near Guaymas and other cities has disappeared.

Large bodies of Federal troops are en route to Sonora and are expected to arrive within the next few days. More than 10,000 Federal soldiers will be concentrated in Sonora in the campaign to subdue the Indians.

It is estimated that this campaign will take about two years. Although it will cost many lives, the resultant benefit from the complete subjection of these semi-savages will justify the cost, it is said.

The Yaqui chief Mori, who is a personal enemy of Chief Matus, will fight against him, it is reported. Chief Mori has a following of more than 400 Yaquis who are anxious, according to reports, to fight against the other Indians.

The whereabouts of Former President Obregon is still a mystery. Although telegrams have stated that he had arrived at his ranch in Cajeme, no confirmation of this can be obtained in Mexico City.

When questioned about a report from the Arizona border that General Obregon had been killed, the officials reply that he is safe, but they admit that they have not heard from him directly.

Many friends of the General are worried for they fear that if he was captured by the Indians when they held up his train on Sunday he is in great danger, probably wounded if not dead.

The Yaqui campaign is expected to cause a large number of Yaquis now working in mines in Arizona and on American farms to return home to fight with their brothers against the Federal army.

The campaign will be the best organized in the history of military operations in Mexico. Gunboats will be stationed along the coast of Sonora to prevent smuggling of arms and munitions to the Indians. Artillery, cavalry, machine guns, gas bombs and airplanes will all be utilized.

NOGALES, Ariz., Sept. 17 (P).—Denial that General Alvaro Obregon had been killed by Yaqui Indians in Sonora was forthcoming today from General Antonio Ancheta, stationed in Nogales, Sonora, across the international line.

General Ancheta said he had a telegram last night which dispelled all rumors of Obregon's death. The former President is in the field in a military offensive against the tribesmen, he said.

A dispatch to the Nogales Herald today stated that eighty Federal soldiers were killed and an unknown number wounded in an attack on the military outpost of Vicam by Yaqui Indians Wednesday. A few of the marauders were killed before they retreated, the message said.

Americans today were reported making for the border by means of any transportation available.

MEXICO EXECUTES 7 IN ROSENTHAL DEATH

Continued from Page 1, Column 3.

group of men in a clearing. This was about 9:30 o'clock Wednesday night.

When the soldiers approached the group they were ordered by the bandits to halt. The troops opened fire and the brigands retreated into the forest. The soldiers followed them up until they came upon the body of Rosenthal, who had been killed by the bandits when the troops attacked.

The American had been shot in the chest and stabbed in the stomach. The 62-year-old victim apparently had tried to support himself against a tree but crumpled to the ground and died.

Near the body of Mr. Rosenthal lay three dead bandits who had been killed by the rifle fire of the soldiers. The body of the Long Island man was taken to Cuernavaca, where an autopsy was held. It will be brought to Mexico City, whence it will be shipped to his home.

American Demands Delivered.

The American Embassy at noon today delivered its third note on the Rosenthal case to the Mexican Foreign Office.

When the report of the kidnapping arrived at the American Embassy, Chargé d'Affaires Schoenfeld, without waiting for instructions from the State Department, advised the Mexican Foreign Office.

Later he delivered the first formal note from the State Department, which declared that the United States expected the Mexican Government to take active measures to obtain the release of the American and to insure the prompt punishment of the kidnappers. The second formal note, which was delivered today, repeated the demand for punishment, it is understood, but the embassy declined to make public its contents.

Foreign Colonies Alarmed.

Both Mr. Schoenfeld and First Secretary Lane have been active in the case and have kept constantly in touch with the Foreign Office. Secretary Lane made daily visits to the Police Headquarters to hear the reports of the detectives who had been sent to Cuernavaca.

The outrage has alarmed the foreign colonies here, whose members have been accustomed to visit Cuernavaca for the week-ends. It also stirred the Government, and President Calles himself issued orders to make examples of all the bandits and to make travel safe on the road from Cuernavaca to Mexico City, on which the kidnapping took place, about forty miles from the capital.

The Universal in an editorial today declares that the capture and murder of Mr. Rosenthal have aroused the indignation of all Mexico.

"The kidnapping," the paper says, "should not affect the good name of Mexico, as it was a clear case of banditry. From the outset the authorities have tried to capture the criminals and have arrested various individuals suspected of complicity in the crime."

The Chief of Police seems to indicate in his statement that there are several groups of bandits located near the Cuernavaca Road. Although we do not know whether this band had any hand in previous assaults perpetrated on that road, which is continually used by tourists, we hope that the Government will completely eliminate them and that not one will escape. "Mexican society has much reason for indignation, for the acts of these bandits disturb the country, which is returning to peace and prosperity, and retard the work of civilization. Toward them no mercy should be shown, but harsh measures that will end such outrages should be adopted."

"The Government has sufficient means to eliminate all bandits in Mexico, and the precedent established by the punishment of the Cuernavaca Road gang will serve both as an ex-

ample and as eloquent proof that the Government is inflexible in upholding law and order."

Troops Question All Armed Men.

MEXICO CITY, Sept. 17 (P).—All armed men are being stopped and interrogated by the searching troops in the region where Jacob Rosenthal was murdered on Wednesday. Under a recent law the carrying of arms is forbidden.

The Mexican officials repeated their assurance to the American Embassy that they are using every endeavor to capture and punish the guilty parties.

CRIME STIRS COOLIDGE.

He Talks on Telephone With Washington on Rosenthal.

Special to The New York Times.

PAUL SMITH'S, N. Y., Sept. 17.—President Coolidge evinced so much interest in the Mexican situation that he returned to his dismantled office here late this afternoon, where he received the latest reports from Mexico City and talked over the telephone with the State Department.

The President is represented as inclined to believe that the Mexican authorities made every attempt to capture the kidnappers and obtain the release of Jacob Rosenthal, who was later killed by the bandits.

The Administration will not go beyond its first demand on the Mexican Government unless developments show that it is not proceeding sincerely to capture and punish all those responsible for the murder.

The executive offices had been stripped of furnishings when the President returned. His own office was vacant. It was necessary to bring a green rocker from the porch to accommodate him during his stay, which lasted from 2:30 o'clock until 5:45.

Seated in the rocker, he read the dispatches from Washington, held his telephone conversation and read the New York newspapers, which arrived at 3:30.

Washington Watches Closely.

Special to The New York Times.

WASHINGTON, Sept. 17.—The State Department was keeping a careful watch today over developments in Mexico in connection with the efforts of the Calles Administration to apprehend and punish the slayers of Jacob Rosenthal.

A full report of the case is awaited at the State Department from H. F. Arthur Schoenfeld, American Chargé d'Affaires at Mexico City, who was instructed last night by Secretary of State Kellogg to make an urgent request to the Mexican Government for the speedy arrest and punishment of the criminals.

If reports from Mexico City to the effect that the Mayor of the Village of Huitzilac was a member of the bandit gang should be confirmed, it would seem, some declare, that the Mexican Government would bear a greater degree of responsibility for the outrage.

According to advices received here, the Mexican authorities appear to have done everything possible so far to bring about the capture of the bandits, and officials here hope that they will continue their efforts relentlessly to round up the entire gang and see that justice is done.

Demand Viewed as Strict One.

The Mexican Government is believed to be strong enough to deal with the situation. It is pointed out that the case would be entirely different if the murder had been committed by rebels or revolutionists, or if there had been no recognized or constituted authority in Mexico, as has sometimes been the case in the past.

If, however, the Mexican Government should not deal with the situation in a manner satisfactory to the American Government, it seems likely that the United States Government will take

firm measures to see that justice is done.

It is believed that Secretary Kellogg intends that his request, conveyed to the Mexican Government through the American Chargé d'Affaires at Mexico City, shall be met.

Should any change of policy be brought about, however, through the failure of the Calles Administration to carry out the request of this Government, although no such failure seems likely at present, this step would probably await the return to Washington of President Coolidge and would be considered at that time.

MRS. ROSENTHAL IS HOME.

Friends Meet Widow at Buffalo and Accompany Her Here.

Mrs. Jacob Rosenthal, widow of the Mexican bandits' victim, returned from St. Louis to New York last night and went at once to the home of her daughter, Mrs. Joseph Ruff, at Woodmere.

When news of Mr. Rosenthal's capture arrived here, Mrs. Rosenthal started for Mexico City. Meanwhile word came that Mr. Rosenthal had been slain and relatives of Mrs. Rosenthal telegraphed her to St. Louis to return.

She started back for New York on the next train. Friends of the family went as far as Buffalo to meet her and accompanied her here. Mrs. Ruff and a few friends were waiting at the Grand Central Station last night when Mrs. Rosenthal arrived.

Mrs. Ruff said her mother was too overcome to discuss the tragedy. She explained that nothing had been said to Mrs. Rosenthal regarding the circumstances of her husband's death.

MEXICAN ANSWERS BISHOPS.

Acting Consul Here Asserts Church Always Aided Reactionaries.

In a reply issued yesterday to a recent statement by the Catholic Bishops of the United States which declared that the present Administration in Mexico was a "tyrannical Government" and that the Catholics were the "real champions of religious and civil liberty in Mexico," M. G. Prieto, Acting Mexican Consul General here, asserted that both these declarations were without foundation in truth.

Saying that the only possible basis on which the Catholic Bishops of this country could charge the Mexican Government with being tyrannical was the insistence of President Calles that the laws dealing with religion be observed, Señor Prieto declared that no statement had ever been made by the Catholic Episcopate of Mexico that these laws were in any way extralegal.

He went on to assert that not one priest had been driven out of a place of worship and that not one attempt had been made by the Mexican Government to interfere with the spiritual functions of the Church.

Referring to the statement about the Mexican Catholics being the real champions of liberty, he declared that the Catholic Bishops in Mexico had always been on the side of reaction.

"Always has the Catholic Hierarchy been arrayed on the side of the huge landowners who kept the peons in a state of virtual slavery," he said. "Every liberal principle has been anathema to them."

Señor Prieto charged that as late as 1800 the Mexican Bishops were conducting an inquisition, and declared that Father Hidalgo, who raised the banner of revolt against Spain in 1810, had been excommunicated by the Bishops, as had been Father Morelos, who took Father Hidalgo's place.

He asserted also that when it seemed that the liberal elements in Mexico were about to triumph under Juárez, the Archbishop of Mexico went to Europe, intrigued with Napoleon III, brought a French army to Mexican soil and placed Maximilian on the throne as Emperor.

For years, he said, the soil of Mexico "was drenched with the blood of its people by the French army whose presence there would have been impossible without the influence of the Catholic Hierarchy."

MEXICO EXECUTES 7 IN ROSENTHAL DEATH; FOUR OTHERS TO DIE

Bodies of Kidnappers of the New York Man Will Hang From Trees as Warning.

DEAD MAYOR ONE OF BAND

General Hinojosa Was Killed, With Jail Warden and Third Bandit, by Pursuing Force.

PURSUIT OF GANG GOES ON

Coolidge, Keenly Interested In the Crime, Returns to Bare Offices to Telephone Washington.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 17.—The murder of Jacob Rosenthal of Woodmere, L. I., is being avenged by the swift punishment of the bandits who kidnapped him on Sunday and killed him Wednesday night.

Seven Indian members of the gang were executed this morning near the village of Huitzilac, where the bandits had their headquarters.

Four more, who are now in prison in Mexico City, have been identified by Joseph Ruff, son-in-law of Mr. Rosenthal, who was with the victim when he was captured. These will be taken this afternoon to Cuernavaca road, where they will be executed.

The bodies of the kidnappers will be left hanging from trees near Huitzilac as a warning to other Indians. Thus in one day eleven bandits will have paid with their lives for kidnapping and murdering the American.

One of the three Indians killed Wednesday night by Federal troops who were trying to rescue Mr. Rosenthal has been identified as General Bonifacio Hinojosa, President of the Municipality of Huitzilac, who was a General in the Zapatista army during the revolution.

The other two were Miguel García, warden of the town jail, and Juan Ortiz. Their bodies were found lying near that of Mr. Rosenthal when the police and soldiers reached the spot in the woods where the bandits had been encamped.

Other Indians to Be Punished.

José María Rodríguez, Romulo Rojas, Angel Davila and an unknown young Indian are the prisoners now in Mexico City who will be executed this afternoon.

President Calles is taking a personal interest in the case. He ordered the arrest of all the kidnappers and also of all the Indians in Huitzilac who knew of the plot and failed to inform the authorities. Prompt punishment will be meted out to all in an effort to stamp out the brigandage which is rife in the State of Morelos.

The official report of the killing of Mr. Rosenthal has been made by General Palomera Lopez, chief of the forces sent to capture the kidnappers. He states that the two mounted soldiers dressed as civilians who were sent as decoys with a bag of iron rings instead of the 20,000 pesos ransom demanded by the bandits had orders to continue on the road until they met the kidnappers at the place appointed by the latter. The decoys were to request a twenty-four-hour delay on the plea that relatives of Mr. Rosenthal could not obtain the 20,000 pesos on such short notice.

Soldiers Rout the Bandits.

This plan was agreed to by Joseph Ruff, according to the report of General Lopez. But while the decoys were traveling along the road a body of soldiers, who had been searching the hills for traces of the bandits, saw a

Continued on Page Two.

Court Reservations With League Members

New York Times Company.
NEW YORK TIMES.

The proposed note is understood to express the willingness of the signers to leave it to the World Court itself to decide the manner in which the council should vote in asking for its opinion. Where unanimity is required, of course, the United States would have a veto power. In cases where a majority vote sufficed, the note is said to state that it would not be expected that the United States would expect a greater voting power than a member of the Council.

I am told that there is an interesting paragraph in the draft which says that it is presumed that the United States would in no case wish to prevent recourse to the Court through the Council by any two nations adhering to the pact who had agreed in advance to leave the Court to settle their difference.

GENEVA, Sept. 17 (P).—It is understood that at the final meeting of the drafting Committee of the World Court Delegate Conference today it was agreed to recommend to the main committee of fourteen that the United States be granted a position of perfect equality with members of the League of Nations Council in all matters pertaining to requests for advisory opinions by the Court.

David Hunter Miller, who was legal adviser to the American peace delegation, unofficially suggested to the committee that the American reservations be accepted without any condition for a period of five years, after which, if they were found impracticable, negotiations could be reopened.

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MEXICAN BANDITS KILLED "IN FLIGHT"

Traditional "Ley de Fuga"
Deals Justice to Three Ros-
enthal Assassins

DEAD STRUNG UP BY ROAD

Thirteen Killed by Police; Many
Others Believed Dead

From The World's Bureau
Special Cable to The World

MEXICO CITY, Sept. 18.—In its endeavor to placate the United States Government for the murder by bandits of Jacob Rosenthal, retired merchant, the authorities had recourse to the ancient "Ley de Fuga"—"the law of flight."

The police took three bandits, who had been captured alive, out on the Cuernavaca road, toward Huitzilac. Friends of the prisoners attacked the little cavalcade, which was proceeding in two automobiles, and when the captives tried to flee they were shot down. That is, briefly, the police report.

The deaths of the three bring the number of those killed by the police up to thirteen. Charge d'Affaires H. F. Arthur Schoenfeld reported to the State Department to-day that justice had been done.

The official police version of the execution of the bandits reads:

"Under orders of Chief of Police Gen. Roberto Cruz, about 5 o'clock yesterday afternoon, Gen. Jesus Palomera Lopez, Chief of Mounted Police, accompanied by three aids and ten soldiers, took Romero Rojas, Jose Maria Rodriguez and Angel Davila to Huitzilac. They made the journey in two automobiles. Their prisoners were under oath to deliver up the accomplices in their hold-up of the Rosenthal party.

"When the automobiles were passing a point between La Cima and Topilejo, a band of about twenty armed men suddenly appeared on the road. In an attempt to rescue the prisoners they began firing. A brisk clash with the assailants ensued. Rojas, Rodriguez and Davila attempted to escape into the mountains. They were shot and killed."

A cordon of troops was thrown around Huitzilac, Police Headquarters announced to-day, and was engaged in searching for three other accomplices in the kidnapping, who are believed to be hiding in the mountains near there. Third degree methods applied to the late prisoners revealed the identity of their friends in the plot.

Apparently the entire town government of Huitzilac is mixed up in the affair. All the prisoners insist there was no intent to capture Arthur

Bliss Lang, First Secretary of the American Embassy, who narrowly missed Rosenthal's fate. They say they went after the first prosperous looking foreigner who came along.

According to stories of the prisoners, the plot was hatched at a festive gathering in Huitzilac last Saturday afternoon.

The body of Rosenthal will be shipped to New York early next week. Its departure was delayed by the Mexican law, which requires permission of the Governments of all states through which it must pass en route to the United States.

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Dead Strung to Trees Near Murder Scene as Warning

MEXICO CITY, Sept. 18 (A. P.)—As a ghastly warning against banditry, dead prisoners have been strung to trees along the road to Cuernavaca near the spot where Jacob Rosenthal, American tourist, was kidnapped and murdered.

This gruesome sight is designed as an object lesson to the natives of that mountainous region that the National Government will suppress banditry with ruthlessness.

Six men known to have been of the bandit gang guilty of the outrage have been executed and seven perspective men have been killed resisting the soldiers who are searching the country. Many believe there has been a larger number of "unofficial" executions, because there is little doubt that troops and the Federal police are fulfilling to the letter positive orders to exterminate bandits from the regions so near the national capital.



Itzamnal, Holy City of the Ancient Mayas

By JAMES C. BARDIN

NO matter where the traveler may go in Yucatan, he is constantly haunted by memories of the gods of the ancient Mayas; and evidences of their former influence are ever present before his eyes. In the great ruins, such as Chichén Itzá, Lab-pak, Tulum, Uxmal, and a score of others, immense temples, broken and silent, with their altars polluted by bats and their holiest of holies buried under the debris of a millennium of decay, testify to the strength of the Maya religion and the power of its gods. Countless bits of legend repeated by the Indians recall the glory and pride and wisdom and kindness of the priests and wise men who served those temples aforetime.

Old and New Gods In One Shrine

In the present day Indian villages, where live the melancholy descendants of the clever, vigorous race that conceived the ancient gods in their spiritual imagination and then built exquisite shrines to honor them, the passer-by often sees suspended from the eaves of the houses calabashes filled with food and bits of bright colored ribbon, and pitiful little brassy trinkets that are purchased from the wandering Turks who peddle such things throughout the Peninsula. Inside a house with such things hanging from its eaves will be a crucifix and the crude image of a saint, with candles lighted before them; and in a hammock will lie some poor, hollow eyed, emaciated Indian who is burning up with fever. The cross and the image and the lighted candles are pleas for the favor of the gentle Christ and His saints. The calabashes, the ribbons, the poor trinkets are offered to Ah Puch, the ancient Maya Lord of Death, in the hope that he will be satisfied with them and will not call his servants, the ghostly owls whose flight is as silent and as swift as a puff of smoke, to bear away the soul of the sick man.

The old gods live to-day, as such observances indicate. And when one visits the ruined cities one sometimes finds offerings—a bunch of wild flowers brought by some lovelorn maiden, or a couple of candles made of the black wax of Yucatan, the sacrifice of hunters to the Lords of the Chase—laid on the broken altars of the temples.

In ancient times, in addition to the temples in all the towns and cities, there were several special centers of religious devotion in the Peninsula which attained great importance in the lives of the people, and attracted annual pilgrimages of thousands of Indians. One of these centers was the Island of Cozumel, off the northeastern coast. A magnificently paved highway from the interior of the country to the seashore and a regular ferry service was maintained to take the pilgrims across the narrow strait that separated the island from the mainland. Another great center was the Chichén Itzá, the sacred city of the Itzaes. So holy was this city, and so numerous and rich and beautiful its temples that to-day it is the most important site of archaeological research in the Peninsula.

But the religious center that was most distinctive of the Maya people, that developed very early in their history in Yucatan and became the object of the veneration of all the Mayas, was Itzamal, the holy city of Itzamná, Supreme Lord, God of the Sky, and cultured hero of the Yucatan Mayas.

The Mayas were not original inhabitants of Yucatan, but were immigrants. According to their own traditions, their migration was effected by two groups, one of which entered the Peninsula from the east and the other from the west. Modern archaeological research more or less confirms the ancient story.

The history of the Maya peoples, so far as it has been studied out, indicates that they built up a great civilization, known as the Old Empire, in Guatemala, British Honduras and the western fringe of Spanish Honduras. The Old Empire reached its most flourishing stage about the year 500 A. D., and then—for reasons not yet understood—began to decline.

The extraordinary feature of the decline was that the people abandoned one after another the immense cities they had built in the pleasant, well-watered lands of Guatemala, and in successive movements that lasted, it is believed, for about two hundred and fifty years, migrated northeastward to settle in the almost barren country of Yucatan. There, after several centuries of readjustment, a renaissance occurred and the splendid culture period, known as the New Empire, began.

When they left Guatemala the Mayas appear to have followed two main routes: one, along the Hondo River to the sea in the Bacalar region, thence up the east coast, and finally, at about the level of Tulum or the modern Valladolid, they turned westward into the interior, into the fertile country north of the Serrania—the low hills that separate the northern third of the Peninsula from the rest. The other route was northward from Guatemala to the coast near the Laguna de Términos, and thence eastward into Yucatan.

Some archaeologists, notable among them being Dr. Thomas Gann, whose interesting descriptions of the great Maya City of Coba discovered by him during the present year were recently published, believe that Itzamná, the Sky God, may have been incarnated in the person of Lakin Chan, who was the leader and high priest of the Mayas who entered Yucatan from the east. Under him, according to this theory, the great migration was safely initiated and the foundations laid on which the New Empire culture was later to be built up. When Lakin Chan died, a grateful people deified him and identified him with Itzamná; and in the course of centuries there grew up, to cluster like fragrant flowers about his memory, a group of fascinating legends.

Legend of Itzamna, Lord of the Sky

These legends tell us that Itzamná was Lord of the Sky and the special patron of Medicine, the inventor of the hieroglyphic writing of the Mayas, and the teacher of the sciences and philosophy for which the ancient Mayas were so noteworthy. To aid his favorite people he took on human form, and came to live on earth, where he taught the people the arts and crafts and religious tenets that would raise them up from barbarism.

Associated with and aided by his companion god, Kinich Kakmó, Lord of Fire, the God of the Sun Disk, he spent many years instructing the people, making them wise in mind and serene in spirit, and healing all their afflictions by touching them with his divine hand.

When he at last believed that he had taught the people enough to insure their happiness he announced that he was going back to resume his residence in the palaces of the sky, from whence he would forever watch over and aid those who remained faithful to him. To rid himself of his mortal investiture he passed—as all must do whose spirit is enveloped in the transitory garments of the flesh—through the gates of death, calling upon Ah Puch and his owls to show him the way. His body was left behind while his spirit winged its way again to the upper heavens. In

obedience to his commands, the priests of Itzamal removed the heart from his body and cut off the head and the right hand.

The ancient city of Itzamal was centered about an immense plaza, on each of whose four sides stood (and still stands to-day) an immense artificial pyramid. Scattered about through the other parts of the city were other and smaller pyramids. Tradition declares that there were twelve of them in all, but to-day only five can with certainty be identified. On the east side of the great central plaza rose a pyramid which bore on its summit a temple dedicated to Itzamatul—one of the names of Itzamná. Under this temple the sorrowful priests buried the heart of Itzamná. Opposite, on the west side, rose a pyramid surmounted by a temple called Kabul—"The Hand that Comes." Under this temple was buried the right hand of Itzamná.

To the north of the plaza soared the largest pyramid of them all—one of the largest structures of its kind in America. On its top was the temple of Kinich-Kakmó, God of Fire. Tradition tells us that the offerings of the people were placed on an altar that stood on the lofty esplanade in front of the doors of the temple, and that at noon a ray of fire descended from the sun and set them ablaze. Under this temple the priests interred the head of Itzamná.

All Was Not Peace In Maya History

To the south of the plaza was an enormous mound topped by a structure called Ppapp Hol-Chac, which was the residence of the priests who served the altars of Itzamná; while near by, but beyond the main plaza, was a mound surmounted by a palace in which dwelt the Humpictok, commander of the eight thousand soldiers who guarded the holy shrines. The presence of such a large body indicates that in the latter years of the Maya period Itzamná had rivals who were not above trying to displace him by force of arms!

After the death of Itzamná and the burial of his relics under the three great pyramids the city of Itzamal became the centre of Maya religious life. To it streamed pilgrims by the tens of thousands. Those who desired advice and practical aid in their worldly affairs resorted to the temple of Kinich-Kakmó, beneath which was the head of Itzamná: It was believed that from his divine lips came words of wisdom and counsel. Those who were in spiritual distress or overcome by grief and in need of consolation sought the eastern temple, called Itzamatul, beneath which rested the compassionate heart of the God; here, also, it is said, came the kings of the three great cities—Chichén Itzá, Mayapán and Uxmal—to be purified before ascending their thrones. To the temple on the west side of the plaza, the one called Kabul, under which was interred the right hand of Itzamná, went the sick. In this temple was a large representation of a hand, carved in stone; and the sick believed that if they touched the image they would be healed.

When the Spaniards conquered Yucatan about the middle of the sixteenth century they soon realized the importance of Itzamal as a religious center and they understood that if the Christian religion was to prevail and displace forever the worship of the ancient gods of the Mayas the power of Itzamná would have to be destroyed. Hence, they removed from the northern, eastern and western pyramids every vestige of the temples that had crowned them; and after destroying the Maya structure on the

Ppapp Hol-Chac they erected in its stead, atop the south pyramid, a Christian church and monastery. In the church they installed a miraculous image of the Virgin, who came to be called "Our Lady of Itzamal"; and toward her and toward her divine Son the Spaniards began their attempt to turn the religious thought of the Mayas.

The importance attributed by the Spanish priests and monks to the task of driving Itzamná from his holy city is shown by the great thoroughness with which they destroyed the temples under which the Indians believed his head, his heart and his hand were buried, and by the fact that they erected a church and a monastery on the south pyramid—the only case known to the writer in which the conquerors erected a church on a Maya pyramid. It is true that in Merida, now the capital of the State of Yucatan, built on the site of the ancient city of T'Ho, the Spaniards built a monastery on one of the pyramids there; but there was no church associated with it, apparently. Furthermore, as evidence of the strength of Itzamná's influence, the Spaniards installed in their pyramid church one of the most venerated images of the Virgin in all America, Our Lady of Itzamal.

To-day Itzamal is a sleepy little rural town, inhabited principally by folks of Maya origin. In the midst of its pleasant gardens and streets and plazas rise the four great pyramids that enclosed the ancient civic center—three of them now immense, grass-covered mounds that look like natural hills; while on the south side of the town stands the lofty mound crowned by the crumbling church and monastery. The church is in fairly good repair, and still shelters Our Lady of Itzamal; but the monastery is quite ruined, nothing but its marvelous cloisters remaining in good preservation. No longer the object of the veneration of the people—who seem to have adopted the anti-religious principles of the Bolsheviks at the same time that they embraced their political and economic dogmas—the Christian structures seem destined to lapse into the same oblivion which swallowed up the Maya temples that preceded them.

The government of Mexico to-day frowns upon religion, repeating after the Russians the severe phrase that Lenin is said to have ordered placed over the doors of the Cathedral of Moscow: "Religion is the opium of the people"—and officially, at least, the Indian of Yucatan makes a great show of not believing in any supernatural power. However, many a simple-minded fellow who dwells in a picturesque palm-thatched hut in sight of the Ppapp Hol-Chac, crowned by the Church of Our Lady of Itzamnal, feels deep down in his heart that there is something divine in the universe—something that takes an interest in his welfare and is willing to help him, official pronouncements of the government to the contrary notwithstanding.

Influence of Ancient Gods Still Lives

Consequently, he sometimes steals out at night and ascends the pyramid of Kinich-Kakmó to leave an offering and perhaps to linger a while in the hope that he will hear some word of advice from the lips of the head of the god buried there beneath the summit platform. Or he makes his way to the pyramid where stood the temple called Kabul, thinking that perhaps Itzamná will lay his divine hand upon him and heal him of his infirmities.

And this same Indian, with honesty of soul and simplicity of faith, will go, next day, to pray fervently at the feet of Our Lady of Itzamal!



500 Mexicans Pursue Killers Of Rosenthal

U. S. Diplomat, in Report to Washington, Says Calles Is Making Every Effort to Capture Kidnapers

13 of Band Now Dead

Executives Orders Commanders to Rid Country of Marauders and Robbers

From the Herald Tribune Washington Bureau
WASHINGTON, Sept. 18.—The State Department believes "commendable efforts" are being made by the Mexican government to apprehend and punish the slayers of Jacob Rosenthal, well-to-do New Yorker, who was stabbed to death by bandits after being kidnaped and held for ransom, it was said to-day. In the pursuit of the bandit gang, 500 Mexican troops under General Dominguez now are being employed, the State Department was advised to-day in a message from H. F. Arthur Schoenfeld, charge d'affaires in Mexico City.

Charge Schoenfeld advised the Department of the moves made thus far by the Mexican authorities in the Rosenthal case, with details of the efforts made by the Cuernavaca police to capture the bandits by a ruse.

Mexico Seeks Redress in Murders

Meanwhile the Mexican government to-day formally requested the American Government to punish those it says broke into the jail at Raymondville, Tex., several months ago, and killed Thomas Nunez and his two sons, Mexican citizens.

Ambassador Tellez was instructed to make the representations in the case before the murder of Rosenthal occurred, and the fact that he made them at a time when the American government was pressing for punishment of the Mexican bandits was not considered in official circles as significant as a counter move by Mexico.

Following the usual course, the State Department is expected to ask the Governor of Texas for information on the case complained of. It has been asserted by those seeking redress that a mob tortured and shot the Mexicans and beheaded the elder Nunez.

Police Trap Revealed

The American Charge reported that he was informed yesterday by the Inspector General of Police that it had been decided, before Mr. Rosenthal was slain, to dispatch from Cuernavaca two soldiers in native dress to inform the bandits that it would be impossible to collect 20,000 pesos, demanded by them, before twenty-four hours. This decision was made by General Palmero Lopez at Cuernavaca.

"This was done," Mr. Schoenfeld's dispatch said, "in order to give the Chief of the Secret Service opportunity to follow the bandits and to endeavor to locate their hiding place. The bandits had given directions concerning the route to be traversed by the persons bringing the ransom. These directions were explicitly carried out. The two soldiers left Cuernavaca at the time stipulated by the bandits and followed the route indicated in their directions, but no bandits were encountered by these emissaries. The soldiers thereupon returned to Cuernavaca."

"Later, General Lopez, with five or six soldiers, set out from Cuernavaca and followed the route indicated by the bandits. They saw a group of men on a nearby hill about 9:30 on the night of September 15. Challenged by a

sentry, the bandit party replied with rifle shots.

"The bandits fled, but were followed by the Lopez party, who killed three of the bandits accompanying Rosenthal. Mr. Rosenthal apparently been stabbed twice and shot in the head. He walked about ten minutes before falling dead. Three of the bandit group were later and were identified by Mr. Rosenthal's son-in-law on the morning of September 17. The identification was made by having the son-in-law pick the three from a large group of men. These three were held pending further investigation."

Concluding his dispatch, Mr. Schoenfeld stated:

"The Inspector General stated that every possible step was being taken to apprehend the other people involved in the kidnaping, and that a detachment of 500 Federal troops under General Dominguez is now on the ground with this end in view."

Ten Killed Trying to Flee

By Cable to the Herald Tribune
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MEXICO CITY, Sept. 18.—Thirteen of the bandit gang which kidnaped and

plan, but it is understood to be a compromise between the earlier proposal of the road for a terminal in its Sunnyside yards, Long Island City, and that of the Transit Commission for a terminal under the bridge plaza in Long Island City.

It was expected the proposal would be for a terminal at a point where it would be accessible to both the existing transit lines between Manhattan and Long Island City, and heavily guarded automobile road before dark to a spot on the vaca road where they said the others in the band could

Once in their own district police say, they attempted to escape. Mr. R. Davila, eighteen years old, the youngest of the trio, as a bandit who threatened to cut his finger unless he turned over

Ruff Begs to Kill Kidnap

Another, Romulo Rojas, a butcher at an insane asylum, order to halt the machine, fired a revolver from within a basket he over his arm. The third man, Rodriguez, was identified by

new subway from Fifty-tenth street to the vicinity of Woodside, make connection with the subway out of Broadway. This plan that would meet with opposition from merchants men of the Elmhurst. A plan which has been by the Long Island engineering the proposed Queens terminal at White Pot just north of Winfield, where the railroad from the join the lines extending to the Pennsylvania terminal.

2 New Army Transp

WASHINGTON, Sept. 18.—The War Department will be asked to appropriate two ships for the purchase of two ships for the War Department. The ships needed to replace on the run the Thomas and the which were acquired during the Spanish-American war. The nearly thirty years old ships used much longer. The satisfactory because of capacity and high cost of

20 Killed in Mexico As Flood Buries Train

Heavy Rains Cause Bridge to Collapse on Laredo Main Line; Relief Groups Lost

By Cable to the Herald Tribune
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MEXICO CITY, Sept. 18.—What is referred to in press dispatches from San Miguel de Allende, in Guanajuato, on the Laredo main trunk line as "the shipwrecked train" was an accident in which twenty persons were killed or drowned when the train was derailed by floods which have been sweeping the line in that region.

According to meager reports, the passenger train, while making its way over the flooded zone, suddenly "collapsed into the earth" as a low bridge gave way and the waters rushed over the sunken roadbed, submerging some of the cars, which turned over, killing the occupants or drowning them.

Further confusion is caused here by the interrupted telegraph lines, which have been washed away, and at the railway offices it was said that two

relief trains sent to the flooded district have not been heard from. Trains leaving here for the North are making long detours.

Additional information received at the railway offices to-night is that accidents have occurred at at least a half-dozen points on the system in various parts of Central Mexico, all due to heavy floods, from eight days of rain.



MEXICO ASKS U. S. TO PUNISH TEXAS MOB WHICH SLEW 3

**But Request Is Not Considered
Counter to Rosenthal De-
mand—Boylan Lashes Calles.**

Washington, Sept. 18 (AP)—While troops are scouring the country about Cuernavaca for more of the bandits who murdered Jacob Rosenthal of Woodmere, L. I., the Mexican Government today formally requested the American Government to punish those it says broke into the jail at Raymondsville, Texas, several months ago, and killed Thomas Nunez and his two sons, Mexican citizens.

Ambassador Tellez was instructed to make the representation in the case before the murder of Rosenthal occurred, and the fact that he made them at a time when the American Government was pressing for punishment of the Mexican bandits was not considered in official circles as significant as a counter move by Mexico.

Following the usual course, the State Department is expected to ask the Governor of Texas for information on the case complained of. It has been asserted by those seeking redress that a mob tortured and shot the Mexicans and beheaded the elder Nunez.

Charge Schoenfeld at Mexico City reported to the State Department today that 500 Mexican federal troops were engaged in pursuing the bandits involved in the Rosenthal murder.

Charge Schoenfeld's report said the Mexican soldiers who first encountered the bandits were led in person by General Lopez.

Praise Quick Justice.

"They saw a group of men on a nearby hill about 9:30 on the night of Sept. 15," the report said. The bandits replied with rifle shots and fled, but were pursued by the Lopez party, who killed all three of the bandits accompanying Mr. Rosenthal. Mr. Rosenthal apparently had been stabbed twice and shot through the head. He walked about ten metres before falling dead." The leaders, including Bonifacio Hinojosa, Mayor of Huitzilao, and a number of men have been executed.

State Department officials expressed the opinion that the Mexican authorities had made a "commendable effort to punish those responsible for Mr. Rosenthal's death."

Boylan Adds Rebuke.

Congressman John J. Boylan, author of the resolution at the last session of Congress for withdrawal of recognition of Mexico, yesterday characterized here the murder by Mexican bandits of Jacob Rosenthal as "the natural culmination of the lawlessness which prevails under the radical Calles regime. Mexico has placed herself in the same category with Russia, both international outlaws."

"The Administration's more vigorous policy toward Mexico's disregard of American rights is reassuring. It is to be hoped, however, that this will take a more determined form than another note, which President Calles seems to neglect and refuse to answer."

"In my opinion, the United States ought to break relations with Mexico immediately. That Mexico has punished the perpetrators of the Rosenthal murder is hardly sufficient. That the Mexican Government is unable to prevent such occurrences is important."

"Mexico has flouted the United States in many ways—by retroactive land laws inimical to American property holders and by its outrageous conduct toward ministers and priests."



Jacob Rosenthal One of Long List of American and Foreign Victims of Mexican Bandits

By CLINTON L. MOSHER.

All that is mortal of Jacob Rosenthal, murdered by Mexican bandits, will be laid to rest probably this week in the quiet Long Island village where he lived with his wife and daughter and her husband.

The body of the retired Woodmere merchant was found in the underbrush of a mountainous region in the State of Morelos, Mexico, where he had fallen when his captors surprised the Mexican federal troops in ambush and shot their victim for fear he would hinder their escape.

The comparative good fortune that eventually made escape possible for three other Americans, two of them kidnaped in 1919 and the other in 1922, passed by this 62-year-old man whose life was lost when the troops bungled the paying of the \$10,000 ransom the bandits asked.

Other Americans Held.

Those who lived to tell of the harrowing experiences they encountered after the outlaws had taken them captive include, among others, Dr. Charles T. Sturgis and his wife, and A. Bruce Bielaski, formerly of the Department of Justice.

The doctor and his wife were held captive eight months. During that time they worked for the bandits, the doctor carrying messages to other bandits. Mrs. Sturgis they held to insure her husband's return. Finally they were released.

Bielaski crawled to freedom while the bandits commissioned to watch him nodded and slept over their guns. The Sturgises and Bielaski brought thrilling tales back to civilization.

The sufferings Rosenthal went through will never be known. When the bandits sent the ransom note, another accompanied it. It was in English and written by Rosenthal. It was pitiful. He said he was cold, had slept in the rain and concluded, "For God's sake hurry."

Held Eight Months.

Dr. Sturgis and his wife were captured on June 26, 1919, and released the next February. Dr. Sturgis was a retired dentist, living a peaceful sort of existence with his family on a farm near Copanala, Chiapas.

That year the Zapatista rebellion that had its beginning in the State of Morelos where Rosenthal was killed was in full swing. One June afternoon a man on horseback drove up to Dr. Sturgis' front door with a letter from Cal y Mayor, a Zapatista general.

It directed the doctor to proceed at once to the rebel camp where his services were needed. The doctor was between the devil and the deep sea. If he went, the Government would have grounds for confiscating his farm.

If he refused, the possibility of an attack and capture by the bandits was inevitable. Hoping to escape such a fate he carefully worded a letter to Mayor, telling him of his predicament and declaring he could not possibly answer the summons.

Seized by Bandits.

A few days later the expected happened. A party of bandits entered the Sturgis home, seized the doctor and his wife and mother-in-law, and captives through the jungle to the outlaws' camp on the Rio de la Venta.

The doctor had a reputation for working wonders with toothaches, and he was soon occupied with fixing the bandits' teeth. Mrs. Sturgis was sent out with the native women to cut wood. Her mother had to labor with the other women and, being frail, soon died.

When there wasn't another tooth left to be fixed, the bandits made a messenger out of the doctor, chasing him through the wild underbrush of that mountainous region and keeping his wife at the wood-cutting business so there would be no doubt about his coming back.

Finally Released.

For weeks the outlaws promised to release the couple. When Dr. Sturgis became so weak from his travels that he could hardly walk, the bandits released them. The doctor was given a horse on which to ride the six miles out of the wilderness.

They were given five tortillas for food. At the end of six days they reached the end of the forest. Mrs. Sturgis' feet were swollen three times their normal size, for an old pair of shoes with which she started out had fallen to pieces the second day.

Had it not been for the mangos and other tropical fruit they found, the couple probably would have perished in the mountain fastnesses that make almost impossible the capture of these bandits by Federal troops.

Bielaski Luckier.

Bielaski fared considerably better, but probably would have died as did Rosenthal had not fortune smiled on him. He was kidnaped on the Mexico City-Cuernavaca rd. as he was motoring in June, 1922. He was held for 10,000 pesos ransom.

His capture parallels that of Rosenthal. Both were held up while traveling along the road that has gained an unsavory reputation because of the numerous outrages committed there.

With Mrs. Bielaski and another couple the former attache of the Department of Justice was on his way to visit the mammoth caves near Cuernavaca when six bandits stepped in front of their car.

After searching the occupants for valuables they marched Bielaski back into the woods and sent the others away in the car, directing them to return with \$5,000.

Hidden in Cave.

They took Bielaski to a small cave to await the arrival of the ransom. It arrived, but much to the horror of Bielaski, so did the Federal troops as occurred in the Rosenthal tragedy. The bandits rushed him farther back into the mountains and picked one of their number to go for the money.

The messenger consulted with those who had brought the ransom and another place and date was picked for its payment, since the bandits were wary of doing business then with soldiers on every side.

In order to protect Bielaski the authorities agreed, but the outlaws

were so thoroughly scared that they went even farther back into the hills to decide just what they would do with their captor.

About to Kill Captive.

If they handed him over and took the ransom they stood a good chance of being held themselves. If they kept him captive and refused the ransom his money value was reduced to nil.

The whole thing was a pretty big problem for Mexican bandits and they had just about decided to solve the matter by assassinating Bielaski when his guards dozed off to sleep and he crawled to safety on his stomach.

Following is a list of other kidnappings and murders by Mexican bandits in recent years:

O. W. Krull, held for 30,000 pesos ransom by Juan Galindo for two weeks in April, 1923.

Robert A. Newman, Englishman, held by Galindo in Durango from May to October, 1923.

M. Marlon, manager of a power company, killed by radical workmen at Orizaba, July 30, 1923.

Ranch Foreman Killed.

Holly Henning, ranch foreman, killed at Chihuahua, September, 1923.

Elmer Mead, slain by bandits at Concepcion del Oro, December, 1923.

Miss Maria Adammoska, held near Texas border two weeks in January, 1924, for \$275 ransom.

C. G. S. Mackenzie, Canadian, held for \$200,000 ransom by Hipolito Villa in February, 1924.

B. D. Bassett, mining man, freed on payment of 5,000 pesos to Villa band in February, 1924.

Frederick G. Hart, murdered at Oaxaca by rebels in April, 1924.

Charles F. Sturtevant, murdered in Sinaloa, June 5, 1924.

W. G. Hill, held for \$1,000 ransom by bandits in Durango in July, 1924.

Mrs. Rosalie Evans, British subject, murdered by bandits in Puebla in August, 1924.

Miner Kidnaped.

W. J. Eaton, mining expert, kidnaped by Villa bandits in Chihuahua in September, 1924.

Paul Anosplide, killed by bandits in September, 1924.

William B. Massey, oil man, killed in October, 1924.

Paul Newell, mining manager, kidnaped in Chihuahua in October, 1924.

B. F. Barker, El Paso, and eight others killed in \$15,000 train robbery.

Eugene Marcus Barnes of Texas killed by bandits in Vera Cruz in October, 1924.

George Jarri, ranchman, found dead in May, 1925.

Paulino Madrazo, Spaniard, killed by bandits in August, 1925.

Robert Maurer, Frenchman, slain by bandits at Puebla in August, 1925.



ROSENTHAL SLAYERS STILL HANG ON ROAD

Bodies of Mexicans Who Killed
New York Man Are Left as a
Warning to Bandits.

ROUND-UP OF GANG GOES ON

American Embassy Sends Official
Version of Crime Showing Victim
Was Stabbed and Shot.

MEXICO CITY, Sept. 18 (P).—As a ghastly warning against banditry, dead prisoners have been strung to trees along the road to Cuernavaca near the spot where Jacob Rosenthal of Woodmere, L. I., was kidnapped and murdered this week.

This gruesome sight is designed as an object lesson to the natives of that mountainous region that the National Government will suppress banditry with ruthlessness.

Six men known to have been members of the bandit gang guilty of the outrage have been executed and seven suspected men have been killed resisting soldiers who are searching the country.

Many believe there has been a larger number of "unofficial" executions because there is little doubt that troops and the Federal Police are fulfilling to the letter positive orders to exterminate bandits from the regions so near the national capital.

Three Believed Shot by Police.

The laconic statement from police headquarters that three confessed bandits, who had been identified by Joseph Ruff, son-in-law of Mr. Rosenthal, had been killed last night during an attempt of friends to rescue them is interpreted here as an euphemistic manner of announcing their summary execution.

Mr. Rosenthal's body will be taken to New York by Joseph Ruff and Lucien Ruff, a cousin of Joseph, as soon as the necessary arrangements can be made.

F. L. Clark, an American undertaker here, denied the report that the present laws prevented religious ceremonies being held here for Mr. Rosenthal.

"No religious ceremonies were planned here by the relatives," he said. "The ceremonies will be in New York. Such ceremonies are usually held at the cemetery, and if the burial were here ceremonies would be held as usual."

Secretary Lane of the United States Embassy, who narrowly escaped the bandits who captured Mr. Rosenthal, has received cablegrams of congratulation from friends in the diplomatic services from nearly all the capitals of the world.

Charge Sends Official Version.

Special to The New York Times.

WASHINGTON, Sept. 18. — Jacob Rosenthal was stabbed twice and shot through the head by bandits, according to the version of the crime forwarded to the State Department by H. F. Arthur Schoenfeld, Chargé d'Affaires at Mexico City.

According to this report the Mexican police sent two soldiers to the locality named in the bandits' letter demanding ransom with instructions to inform them that it was impossible to pay the sum for another twenty-four hours.

This was done in order to give the Mexican police more time to endeavor to locate the bandits in their hiding places. The stratagem failed.

The State Department made public the following report:

"The American Chargé at Mexico City, H. F. Arthur Schoenfeld, reports under date of Sept. 17, 1 P. M., that on the morning of the 17th he was informed by the Inspector of Police that it had been decided to dispatch from Cuernavaca two soldiers in native dress to inform the bandits who captured Jacob Rosenthal that it would be impossible to collect 20,000 pesos before twenty-four more hours. This decision was made by General Palmero Lopez at Cuernavaca.

"This was done in order to give the Chief of the Secret Service opportunity to follow the bandits and to endeavor to locate their hiding place.

"The bandits had given directions concerning the route to be transversed by the persons bringing the ransom. These directions were explicitly carried out.

"The two soldiers left Cuernavaca at the time stipulated by the bandits and followed the route indicated in their directions, but no bandits were encountered by these emissaries. The soldiers thereupon returned to Cuernavaca.

"Later General Lopez, with five or six soldiers, set out from Cuernavaca and followed the route indicated by the bandits. They saw a group of men on a near-by hill about 9:30 on the night of Sept. 15.

"Challenged by a sentry, the bandit party replied with rifle shots. The bandits fled, but were pursued by the Lopez party, who killed all three of the bandits accompanying Mr. Rosenthal. Mr. Rosenthal apparently had been stabbed twice and shot through the head. He walked about ten meters before falling dead.

"Three other members of the bandits' group were captured later and were identified by Mr. Rosenthal's son-in-law on the morning of the 17th. The identification was made by having the son-in-law pick the three from a large group of men. At the time the telegram was filed these three men were being held pending further investigation."

Mr. Schoenfeld further reported to the State Department that he had been assured by the Inspector General of Police that every step possible was being taken to apprehend all the members of the gang which had kidnapped Mr. Rosenthal, and that a detachment of 500 troops under General Dominguez was now on the ground in an effort to round up the remaining members.

Officials of the State Department expressed the opinion today that the Mexican Government was doing everything possible to fulfill the request of Secretary Kellogg that the slayers should be speedily apprehended and punished.

DETAILS KEPT FROM WIDOW.

Rosenthal Death Moves Boylan to Urge Again Break With Mexico.

Arrangements for the funeral of Mr. Rosenthal will not be made until the arrival here of Joseph Ruff, who is bringing the body home, it was learned yesterday.

Mrs. Sarah Rosenthal, who had started to Mexico City after receiving word of her husband's capture and who returned to New York from St. Louis Friday night, is at the home of her daughter, Mrs. Ruff, at Woodmere, L. I. The tragic details of the retired merchant's death have been kept from his widow.

The family received no word yesterday from Mr. Ruff, who is now in Mexico City attending to the formalities necessary to bringing the body home.

Old-timers in Long Island City recalled yesterday that several years ago Mr. Rosenthal lived at 124 Third Street, Long Island City, and had a butcher business on Jackson Avenue, near Third Street.

Representative John J. Boylan, au-



thor of a resolution at the last session of Congress for withdrawal of recognition of Mexico, yesterday gave out the following statement on the murder of Mr. Rosenthal:

"The murder of Jacob Rosenthal by Mexican bandits is the natural and to-be-expected culmination of the lawlessness which prevails in that country under the radical Calles régime.

"It is additional evidence, if any were needed, that Mexico has placed herself in the same category with Russia, both international outlaws, and not deserving of recognition by any civilized nation.

"It is reassuring news that the Coolidge Administration has decided to pursue a more vigorous policy toward Mexico's disregard of American rights and the ordinary decencies.

"It is to be hoped, however, that this will take a more determined form than another note, which President Calles seems to neglect and refuses to answer.

"In my opinion the United States ought to break relations with Mexico immediately, if only to bring that nation to a realization that it is outside the pale of humanity. Such a movement may well put an end to a régime comparable with that in Red Russia.

"That Mexico has punished the perpetrators of the Rosenthal murder is hardly sufficient. That the Mexican Government is unable to prevent such occurrences is the important question. It is sure proof that Mexico has not yet established a Government worthy of the name or fit to mingle in the family of nations.

"Mexico has flouted the United States in many ways by retroactive land laws inimical to American property holders and by its outrageous conduct toward ministers and priests of the gospel.

"It is high time for the American people, through their Government at Washington, to express its disapproval of such a standard of national conduct."

MEXICO CHARGES MURDERS.

Asks Punishment of Texas Mob She Says Killed 3 of Her Citizens.

WASHINGTON, Sept. 18 (P).—While Mexican troops are scouring the country about Cuernavaca for the bandits who murdered Jacob Rosenthal of Woodmere, L. I., the Mexican Government today formally requested the American Government to punish those it says broke into the jail at Raymondsville, Texas, several months ago and killed Thomas Nunez and his two sons, Mexican citizens.

Ambassador Tellez was instructed to make the representations in the case before the murder of Mr. Rosenthal occurred.

Following the usual course, the State Department is expected to ask the Governor of Texas for information on the complaint. It has been asserted by those seeking redress that a mob tortured and shot the Mexicans and beheaded the elder Nunez.



MEXICAN OIL DECREE ON ZONES RECEIVED

American Companies Get Order
on Taxation and Limits
of Production.

ONE RATE CUT 50 PER CENT.

Policy Is Considered Contradictory
In Mexico City Due to Recent
Conservative Attitude.

American oil companies with interests in Mexico have received details of the Mexican Government's decree defining new oil zones. The decree was issued under the provisions of the new petroleum law and followed a series of conferences between representatives of the Ministry of Finance, the Department of Industry and Commerce and private oil interests operating in the republic.

Explored zones comprise the celebrated Huasteca, Vera Cruz, Tampico and other well-known producing areas, and any land known to be oil-bearing, but unopened, within 10 kilometers of any existing well in such sections is considered new. Under the decree all wells known to have produced twenty cubic meters of oil in one day (about 130 barrels) are considered outside the category of new zones.

In fixing the new zones three categories were determined upon at the final conference. Zone 1 is defined as follows: Between the coast line and a parallel line inland extending 50 kilometers from the coast. Zone 2: Between 50-kilometer line and a second parallel line extending 150 kilometers from that line. Zone 3: All land further inland than a parallel line extending 200 kilometers from the coast.

The decree provides a reduction of 15 per cent. in oil production tax on oil produced in the first zone as compared with the tax in zones already opened. The reduction in Zone 3 is 50 per cent. The new rates of taxation will continue until the total production of new wells in the specified zones shall reach 6,000,000 cubic meters, or about 40,000,000 barrels, and will count from the date when the first well produces 50 cubic meters daily, or about 330 barrels. The privileges referred to are to extend during the entire period of the concessions granted.

Presumably, according to reports from Mexico City, the object of distinguishing the new zones as described is to offset freight and pipe line expense from points of prospective production, in that new zones nearest the coast benefit to a lesser extent than those further inland, while those furthest inland are best treated.



THE NEW YORK TIMES, SUNDAY, SEPTEMBER 19, 1926.

YAQUIS ARE ONLY INDIANS UNTAMED

Wild as Coyotes, These Mexican Aborigines Must Now Resist Government Airplanes and Gas Bombs—Have Long Defied Authorities

THE Yaqui Indians of Mexico, who went on the warpath again last week and held up the train on which former President Obregon was a passenger, are about the last unsubdued tribe in North America. For centuries the Spanish and Mexican rulers of the country have endeavored to subjugate them by force of arms and by deportation, but never with complete success. Always the remaining tribes have returned to their untamed life. Periodically they attack the settlements below their mountain fastnesses, and now another punitive expedition is to be sent against them.

The Yaquis live to fight, and when not engaging in independent warfare of their own they join current revolutions. In 1920 they backed Obregon when he started the revolution which was to lead him to the Mexican Presidency. Obregon is a native of the State of Sonora, where the Yaquis live, and he understands them, as does President Calles, who was in command of the "Republic of Sonora," which the followers of Obregon proclaimed when he was a prisoner in Mexico City.

Unsurpassed Fighters.

The Yaquis are too undisciplined to make good soldiers, but as fighters they are unsurpassed. It is their legendary boast that they are descended from the wolf, and they fit the description which one writer has given them: "Centuries of tyranny in starvation, of exposure to burning heat, to thirst, to mountain storms and

to suffering have produced a man almost as hardy as a cactus, as fertile in defense, as swift of foot and as distinctly a type of the desert and the wilds as his brother, the coyote."

Their endurance and fleetness are phenomenal. A Yaqui runner is able to make ten miles an hour ten hours a day. As long ago as the days of Montezuma, who ruled Mexico at the time of the Spanish Conquest, their abilities as runners were recognized. The old Spanish chronicles (which have been called "too old to lie") relate that Montezuma employed Yaquis not only as messengers, but to travel to the "Vermilion Sea," as they called the Pacific, to bring back sea food to his capital on the high plateau of central Mexico.

Brutality of Yaquis.

Many are the tales of brutality and torture practiced by the Yaquis in their warfare, and the other side of the score is not less bloody. Year after year the Government used to send expeditions to exterminate them, and, although the Federal troops were not successful, they always did their best—and worst. It is related that in 1861 Pesquiere, Governor of Sonora, offered a bounty of 100 pesos for each Yaqui scalp that was brought in. But like all mountaineers, the Yaquis are stubborn and brave fighters, and even the offer of blood money could not wipe them out.

In the first decade of this century President Diaz, the dictator who ruled Mexico for thirty years, made a deter-

mined effort to end the incessant problem of the marauding Yaquis. Selected troops were sent against them. Besides the regular Federal soldiers, rurales—the constabulary made up of picked fighters, some of whom were former highwaymen expiating their crimes by fighting officially—were sent; and, finally, Indians from among tribes which were hereditary enemies of the Yaquis were recruited. The war dragged on for years and the Yaqui stock was depleted if not subdued.

Sent Into Peonage.

Finally, the practice of deportation was applied to the Yaqui problem during the Diaz régime. Captured Indians were shipped to the tierras calientes, the "hot countries" of Yucatan, where they were apprenticed to the planters under conditions of peonage often horribly cruel. Many of them died from the treatment, many more from the climate, and numbers of them attempted to commit suicide.

The Calles Government stopped the practice, which became a scandal in the civilized world, and was attempting to help the Yaquis to adjust themselves to the civilization which surrounds their mountain retreats. Now dispatches report that the Government "is determined to subdue these tribes" and will send against them 10,000 troops, airplanes and gas bombs. Their present revolt is based on non-receipt of reimbursement for tribal lands seized by the Government. The Yaquis were long ago converted to the Catholic faith by the early missionaries, and each year they have a great fiesta, a celebration which lasts several days, in honor of their patron saint, San Francisco Xavier.

The ceremonies and merrymaking are held in Magdalena, a town in the centre of their territory, early in October. For days beforehand the Yaqui warriors and their families make the pilgrimage down the mountains to deposit coins before the image of their saint.

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THE NEW YORK TIMES, SUNDAY, SEPTEMBER 19, 1926.

**PAN-AMERICAN TESTS
MEXICAN OIL AREAS**

***Company Seeks to Gain Exact
Knowledge of Subsurface
Conditions.***

The exploratory activities of the Pan-American Petroleum and Transport Company in Mexico have attracted wide attention in American oil circles. The company has undertaken extensive investigations of a scientific nature to obtain exact information on subsurface conditions in various localities.

The Pan-American's present management has followed a policy of closing in or choking down to a small percentage of the full flow all wells brought in. It is also taking steps to

determine well locations and drilling possibilities in such areas as promise to prove up the largest amounts of surrounding acreage. Relatively little increased activity will be required, it is pointed out, to increase very materially its production when needed.

The northern properties are receiving particular attention, as they have been little exploited. The company has 1,500,000 acres of semi-proved territory in the northern fields, its Ebano tract alone being thirty-three miles wide. This tract adjoins Limon hacienda, on which the Marland Oil Company recently brought in a 5,000-barrel initial well.

Pan-American's Cacalilao property, to the east of Limon hacienda and also adjoining the Ebano tract, has yielded more than 300,000,000 barrels of oil for the company to date and is expected to produce 200,000,000 barrels more. Within the last sixty days the Gulf Oil Company has brought in two wells at Los Esteros, to the northeast of Pan-American's properties, so that this tract has proved production on several sides.



Mexican Government Vows Annihilation of Bandits

MY ACTS TO PROTECT AMERICANS

Hands Hanged by Roadside
Grim Warning in Re-
sults for Rosenthal Death

By Universal Service.
MEXICO CITY, Sept. 18.—Mex-
icans are the world grim notice to-
day of the value placed upon an
American life within her borders.
Yesterday, this afternoon, it was
announced that six men already
paid the supreme penalty for
the killing of Jacob Rosenthal, New
York businessman.

Official reports stated that the
hills of the avenging raids
the hills where banditry held
at least double that figure.

SOME WARNING.
Some warnings are said to
be by the roadside — hanged
and gazed at by all passers-

bandit gangs appear pre-
pared to fight for their lives, de-
fying the government's show of
activity.

The prisoners led government
troops to a rendezvous of a lawless
band. The Federal force was am-
bushed. The guides made an at-
tempt to escape. The rifles of
the captors ended the flight. All
killed.

Remnant of the bandit gang
fought today, with the troops
in pursuit.

Official report of General
Lopez, commanding the
detachment of govern-
ment troops which was ambushed
yesterday, was given out tonight.
Three prisoners, all of whom
were killed, already had been iden-
tified by Joseph Ruff, son-in-law of
Rosenthal, as being in the party
kidnaped Rosenthal on Sun-
day. They were shot when they
attempted to escape into the brush
during the fighting between the
troops and the bandits.

General Lopez's official report
reads:
"Under orders from General
Cruz, chief of police, and accom-
panied by three of my aides and
ten policemen, in two automo-
biles, we took Romulo Rojas,
Jose Maria Rodriguez and Angel
Davila (three identified men), to
Huitzilac, where they were to
deliver some of their accomplices
in the hold-up of the Rosenthal
party.

KILLING TOLD.

"While our automobiles were
passing a point between Lacima
and Topilejo, a group of about
twenty armed men suddenly ap-
peared on the road, firing their
arms in an attempt to rescue the
three prisoners. My men left the
automobiles to fight, and during
a brisk engagement the prison-
ers attempted to escape into the
mountains and were shot and
killed."

Vigorous government measures
for dealing with banditry in the
Cuernavaca are forecast as a result
of the bitterness growing out of the
clashes between the troopers and
the outlaws.

By Universal Service.
DURANGO, Mexico, Sept. 18.—
John Galindo, noted rebel chieftain,
is again in the field with a formid-
able marauding force.

The announcement of Galindo's
renewed activity came just at the
time when the Government was
concentrating its forces on a
cleanup of the bandit gang which
kidnaped and murdered Rosenthal.
Two hundred Federal troops were
immediately despatched from Du-
rango to pursue Galindo.

DEMANDS FUNDS.

The rebel chieftain appeared yester-
day at the Promontorio Mining
Company's camp near here and de-
manded funds with which to pay
off fifteen men. When the camp
safe was found to contain but seven
hundred dollars Galindo announced
his intention of visiting other min-
ing camps to commandeer funds.
In addition to the cash, he carried
off a case of dynamite.

Galindo is reported to be prowling
about in the neighborhood of a
large cattle ranch owned by Her-
bert D. Mellohan and R. W. Higgin-
botham, of Dallas, Tex., and the
American consul here, David J. D.
Meyers, has asked the authorities
for protection for American mining
and cattle men.

Notwithstanding the general dis-
armament order, American con-
cerns have been allowed to retain
their arms and private guards in
the mining camps and on the
ranches until the danger from the
bandits is removed.

U. S. FINANCE INSTITUTION QUITS MEXICO

Take Concern Over as Branch
of Montreal Group; Nation
Loses Sole American Bank

By GEORGE W. HINMAN, JR.,
Universal Service Staff Correspondent.
MEXICO CITY, Sept. 18.—With
the closing today of the Mexico
City Banking Corporation, the only
American financial institution in
Mexico, this country became the
most important new world republic
to be without American bank-
ing facilities.

Americans doing business in this
country now must rely on foreign
banks. The Mexico City Banking
Corporation, which has functioned
for a quarter of a century from its
offices in the heart of the business
district of the city, will be re-
opened on Monday as a branch of
the Bank of Montreal, which has
taken over all the accounts of the
closed institution.

The passing of the last American
financial institution in Mexico fol-
lowed months of negotiations, after
the announced decision of its chief,
Vernon L. Beck, to retire from busi-
ness. Various financial groups in
the United States, including the
National City Bank of New York,
considered the situation, but each
eventually found itself unwilling to
undertake the operation of the
enterprise.

The dissolution of the Mexico
City Banking Corporation is viewed
with regret by American business
interests here. The existence of
an American institution, through
which American enterprise might
deal, is generally regarded as of
the greatest importance in the pro-
motion of American commercial
undertakings abroad.

Daughter Blames Mexico for Death of Rosenthal

Sending of Soldiers With Fake
Ransom Tragic Mistake,
She Sobs.

Her eyes reddened by weeping,
Mrs. Joseph Ruff, daughter of
Jacob Rosenthal, retired New York
merchant murdered by Mexican
bandits, yesterday criticized the
Mexican Government for its
method of dealing with the kid-
naping.

Mrs. Ruff and Mrs. Rosenthal,
wife of the murdered New Yorker,
refused themselves to all callers.
Briefly commenting on the tragedy,
Mrs. Ruff said:

"I feel that the Mexican Gov-
ernment did all that it could in
punishing the murderers of my
father. But I think it made a
tragic mistake in dealing with
the kidnaping.

"Instead of allowing my cousin,
Lucian Ruff, to take the ransom
money of 20,000 pesos to the
bandits, it sent two soldiers dis-
guised as civilians. It was this
move, I feel sure, that meant
dear father's death. If they had
allowed Lucian to go, father
would have been alive today."

ARRIVES HOME.

Mrs. Rosenthal arrived at her
Woodmere, L. I., home early yester-
day from St. Louis, where she
had progressed on her journey to
Mexico before she was informed
of her husband's death. She still
believes that Rosenthal died from
heart shock. Her daughter is
afraid to tell her of the murder
for fear Mrs. Rosenthal's tortured
nerves will give way.

More harsh criticism of the Mex-
ican Government came yesterday
from Congressman John J. Boylan,
of New York, author of the reso-
lution in the last session of Con-
gress for withdrawal of recognition
of Mexico. Speaking of the Rosen-
thal murder, he said:

"The murder is the natural cul-
mination of lawlessness which
prevails under the radical Calles
regime. It is additional evidence
that Mexico has placed herself in
the same category as Russia, both
international outlaws. In my
opinion, the United States ought
to break relations with Mexico
immediately."

CLUE GIVEN.

A possible clue for the murder of
Rosenthal was furnished yesterday

Envoy Asks U. S. Punish Slayers of Mexican Trio

By Associated Press.
WASHINGTON, Sept. 18.

WHILE Mexican troops are
scouring the country
about Cuernavaca for the
bandits who murdered Jacob
Rosenthal, New York banker,
the Mexican Government to-
day formally requested the
American Government to
punish those it says broke
into the jail at Raymonds-
ville, Tex., several months
ago and killed Thomas Nunez
and his two sons, Mexican
citizens.

Ambassador Tellez was in-
structed to make the repre-
sentations in the case before
the murder of Rosenthal oc-
curred.

The State Department is
expected to ask the Governor
of Texas for information on
the case.

It has been asserted by
those seeking redress that a
mob tortured and shot the
Mexicans and beheaded the
elder Nunez.

by Louis Schulman, a business
friend of the slain man, of
Arverne, L. I.

Schulman said that he had wired
Rosenthal a few days before the
latter was kidnaped, offering to
invest a large sum of money with
him in an enterprise in which
Rosenthal and Joseph Ruff were
interested.

The telegraph message, Schul-
man feels, may have been relayed
to the bandits by someone with
access to the telegraph office in
Mexico City and may have led them
to single Rosenthal from the group
held up as the person for whom
the greatest ransom might be ex-
pected.

Expert Sees Mexico Crisis

SAN ANTONIO, Texas, Sept. 18
(AP).—Economic conditions in
Mexico, aggravated by the Catholic
boycott, are critical, Dr. Walter
Wolff, German political economist,
declared here today.

Dr. Wolff announced a survey of
conditions in the southern republic
had just been completed. The re-
sults will be reported to the Uni-
versity of Heidelberg. The find-
ings may have an influence on the
investment of German capital in
Mexico, he said.

Figures revealing that only two
per cent of the land of Mexico is
under cultivation, and that Ameri-
can capital far exceeds that of any
other nation in oil investments,
were quoted by Dr. Wolff.

He estimated the United States
had \$850,000,000 invested in the
Mexican oil industry, England
\$200,000,000, Holland \$40,000,000,
and Mexico \$11,000,000.

Mr. Hergesheimer Offers A Mexican Melodrama

In "Tampico" He Spoils a Good Yarn for an Indifferent Novel

TAMPICO. A Novel. By Joseph Hergesheimer. New York: Alfred A. Knopf. \$2.50.

By H. I. BROCK

THESE are things which remind one of something else. This latest story of Mr. Hergesheimer is one of them. When you read it you think of "Nostromo," a book counted by Joseph Conrad—a book counted by Conrad himself among his highest achievements, yet one which some of the most ardent admirers of that great distiller of enchantment were never able to read through, though the enchantment was double-distilled. There lies the immense difference between Mr. Hergesheimer's book and that other; it is no enchantment.

Conscious imitation is not imputed to Mr. Hergesheimer. It is not even suggested that he has challenged comparison. But the comparison is inevitable. And it operates automatically to subject Mr. Hergesheimer's work to a higher criticism than he could have hoped—or feared—to encounter otherwise. Whether he did it blindly, by chance, or greatly daring, does not matter. The result is the same.

Like the other, his is a story of the seacoast. Like the other, it is a story of frustration. Like the other, the mechanics of it are a bit confusing. Mexican oil fields are as good as mines of silver, Latin-American politics distempered with assassination are as easily stirred into a dish of melodrama with North American as with British greed. But it is not melodrama which works the magic. It is the quality of humanity mixed in the melodrama. It is the men

and the women, the high of heart and the scoundrels, the creatures that are neither or both, the mean and the mighty, all entangled in the mess. Mr. Hergesheimer's woman, whose assignment is to be the spell-caster of the set, discovers about midway that the strong, violent man of the piece is not quite real. She tells him he is common. With that clue you presently discover that nobody is real—that everybody is common.

Common is a strong word in the vernacular. It means a great deal more than it says. Just as the surviving late-Victorian lady who describes certain people as "ordinary" means a great deal more than she says. But there is in both words, with their trick of reducing to the lowest denominator which covers a multitude of sins, a power of logic. What it comes to here is that Mr. Hergesheimer has provided great occasions and the performances have been those which belong to small occasions. He has lovers and sinners turned loose outside the law and then everybody—except for a few unconvincing shootings—performs perfectly in the manner of the effete who let the police do it. Perhaps he desires to register his opinion that great behavior does not go with great occasions—that everybody is distressingly common in his performance anyhow. Perhaps all the melodrama of the background is merely put there to accent the poor quality of average human behavior in any sort of stress.

The present writer has no quarrel with anybody's conclusions on the essential inferiority of the creature who is the proper study of us all. As a matter of theology, sociology

Joseph Hergesheimer.

From a caricature by Covarrubias in "The Prince of Wales and Other Americans." (Knopf.)



or natural history each of us may, of course, think what he pleases. But what we have before us is none of these things—it is a work of fiction. Following Mr. Hergesheimer's recipe—supposing he has one—is a procedure which takes the heart out of fiction. It is not, mind you, that the characters are bad, not that they are weak, not even that they are base. All these things are permitted and even vaunted in their heroes and heroines by our most admired novelists. It is that the persons of the drama are inadequate. They are inadequate to the situations which the novelist has created for their expression. You get a novel of frustration, of course. But what

is borne in upon you is the conviction that the fundamental inadequacy is in the novelist, that the frustration is in the novel itself.

What has happened after all, I fancy, is no more than this: Mr. Hergesheimer, who is able to spin a pretty good yarn—and has done so more than once—has ventured into water too deep for him. As a tale or yarn Tampico does not amount to much in spite of the appearance in it of passionate slender young persons who dance in Mexican cafes and pull knives out of their garters, of brigand generals who casually let their lady friends shoot their aids to death, of hired gunmen with sleek hair, of a beautiful lady

with a bobbed head turning toward red who is coolly exchanging a husband for a lover and that lover a person with a lurid past. There is also a villain—quite an orthodox villain. In short, there is plenty of material. Only the yarn does not come off.

What is left is the novel—which Mr. Hergesheimer says it is on the title page. It is the novel with which we have been dealing. Aside from the fatal comparison which it invites, it does not come off as a novel. The matter with it at bottom is an artificiality which is unable to conceal itself. The basic trouble would appear to be that Mr. Hergesheimer does not really know his extra-hazardous terrain and the life of it—the thing he is writing about—sufficiently well—or rightly understand the inwardness of direct action ethics. He must project, therefore, into an imperfectly comprehended sphere an imagination not equipped to create an authentic substance to connect the incidents out of which he has constructed his plot. The incidents, no doubt, are often observed incidents, and perfectly authentic in themselves. But they are not enough to create the magic illusion over the whole. Some of the incidents, by the way, are much less convincing than others, but some of them have dramatic quality, and if they had been strung together in the spirit of the yarn instead of in the aspiration of the novel, they might very well have made a much more readable tale—not, perhaps, quite in Mr. Hergesheimer's best manner.

Speaking of manner, it may be urged that a certain ambitious style which Mr. Hergesheimer affects operates to heighten the total impression of inadequacy. Where you are obviously floundering a bit, an artificial style is more of a hindrance than a help. *Il y a toujours la manière*, said Conrad himself, quoting high precedent authority. There is a way of doing it which is almost everything. Yet Conrad really has nothing to answer for in these premises. He has a style, indeed, which has presumably had its effect upon the fashion of literary composition used by Mr. Hergesheimer. But the Pole, translated Englishman, was master of an extraordinary art—an art of sculpture with words—sculpture which deals both in form and color. The thing Conrad saw and felt took visible shape in words like a Rodin statue in stone. The art of the mere story-teller is not properly concerned with the monumental art of literary sculpture.

As I said in the beginning, Mr. Hergesheimer, by accident or design, has let himself in for the kind of critical examination the mere story-teller is not often subjected to. Obviously, as a mere story-teller, it is unfair to Mr. Hergesheimer to impose upon him standards that belong to another plane. It does not seem unfair, however, to say that to this reviewer he seems to have spoiled a good yarn by trying to make a novel of it.

22

MEXICO TO SET UP AIR MAIL SERVICE

Express and Passenger Traffic
Also Included in Ten-
Year Contract

NEW POLICY IS ADOPTED

Enterprise to Be Exempt From
All Taxation

Details of a ten-year contract between the Mexican Government and the Compania Mexicana de Aviacion, whereby an air mail, express and passenger service will be established between Mexico City, Tampico and Matamoros, with an "irregular" service between Ciudad Victoria, Tampico and Tuxpam, has just been received here by the Fairchild Aviation Corporation of America, parent organization of the Mexican operating company.

The project is a first step in Mexico's new policy of fostering commercial aviation for building up a potentially strong national air defense. Negotiations have been opened for several Fairchild folding-wing cabin monoplanes, equipped with 200-horse power Wright Whirlwind motors.

A feature of the concession, which provides tax exemption and the free use of available Government-owned lands for airdromes, &c., is that the rates that may be charged are prescribed in the contract, and the aviation company has been required to deposit \$11,650 in the Bank of Mexico as a guarantee it will fulfil all obligations assumed.

Passenger Rates Fixed

The company also is required to contribute a certain percentage of its earnings to a fund for regular inspection, by Government experts, of its aerial transportation equipment.

Still another phase of the concession is the award of full radio rights to the Mexican Aviation Company for the routes involved and the guarantee by the Government that no other commercial air service will be allowed to operate between the points allotted to this organization. An exception to this ruling is that the other companies will be permitted by the Government to use the Mexican Aviation Company's routes, landing fields, &c., if they turn over to that organization 50 per cent. of their tariffs. Military airplanes will have free access to all airdrome facilities, and officials of the Government must be carried at 10 per cent. discount from regular rates.

Under the contract schedules, passengers must be carried at 40 cents a kilometre (a kilometre is five-eighths of a mile, and all money references are in Mexican currency) for the first 400 kilometres and 30 cents a kilometre for the next 400. In irregular service or on special trips, with a minimum distance of 100 kilometres, the rate will be double the regular service charge, and as many tickets must be paid for as there are seats for passengers in the plane.

Reverts to Government

The company is not obliged to accept less than a \$20 fare from any passenger, regardless of the distance he may be carried. Half-fare will be charged for children from three to ten, and nothing for those under three. Twenty kilograms (about forty-four pounds) of baggage are allowed for each passenger free of charge, with a special price for excess baggage and a fee for the transportation of valuable matter.

A charge of \$10 per gross kilogram is allowed for first class mail, with the understanding the Post Office Department is not obliged to provide any given amount of air mail other than that the public may desire to send at the rate of 20 cents for each twenty grains or fraction thereof. There is a fixed charge, also, for radiograms and radio telephone conversations to be carried on over the company's stations, established primarily for communication with planes in flight. These tariffs are proportional to the distance covered.

Another provision is that public employees who pay the regular passage shall have preference over ordinary civilians.

At the end of ten years the full equipment of the company is to be acquired by the Government or the life of the concession extended another decades, but must purchase the flying second expiration of contract, the Government will receive free of cost the fields, hangars, shops and dependencies but must purchase the flying equipment, tools, furniture and fixtures.



HE FOUGHT IN FIVE WARS

American, Wounded in Four Conflicts, Observes 96th Birthday

Special Cable to The World

MEXICO CITY, Sept. 19.—One of the world's oldest war veterans, Gen. Charles M. Agramonte, dean of the American colony, observed his ninety-sixth birthday to-day at his home in the suburb of Tacuba. He is a veteran of five wars. He fought with the English and French in the Crimea, in the Indian Mutiny, the Maori uprising, the American Civil War and in the first Cuban Insurrection.

He received a sabre thrust in the Crimean War, a slashed shoulder in the Indian Mutiny, was shot through the lungs in the Civil War and was wounded several times in the Cuban Insurrection.

At ninety-six he is hale and hearty and as active as a man thirty years younger. He goes to his law office every day and does a full day's work.

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LA PRENSA

UNICO DIARIO ESPAÑOL E HISPANO AMERICANO DE ESTADOS UNIDOS

NUEVA YORK, LUNES 20 DE SEPTIEMBRE DE 1926.

El gobierno mejicano reprime con mano fuerte el bandolerismo de los yaquis

Una misión de dignatarios y religiosos mejicanos se embarca mañana en Veracruz parece que en misión ante el Vaticano

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 19.— El general Alvaro Obregón, expresidente de Méjico, se encuentra salvo en su residencia de Cajema y no es cierto que esté en el campo de batalla en la campaña contra los indios yaquis, como se había informado aquí, según el general Pina, subsecretario de Guerra.

El general Pina aseguró a la Associated Press hoy que el gobierno no tenía confirmación de la noticia de un serio encuentro entre los indios yaquis y las fuerzas federales. No ha habido noticia en absoluto de tal batalla, agregó.

Los yaquis derrotados

CIUDAD DE MEJICO, septiembre 19.— (A. P.) Las tropas federales derrotaron a los indios yaquis en rebelión cerca del campamento del Oro, según noticia del general Manzo.

Asegúrase que los yaquis sufrieron grandes bajas y que entre las tropas federales hubo también varias bajas.

Comunican de Veracruz que las fuerzas federales acantonadas allí se han enviado a Sonora contra los yaquis sublevados.

Nueva sociedad anónima

VERACRUZ, septiembre 19.— (A. P.) La legislatura local autorizó al gobernador para formar una sociedad anónima de cuatro millones de pesos para la ampliación y mejoramiento de la planta de luz eléctrica de Texolo y del ferrocarril de Teocelo, que adquirió el gobierno después de la incautación del ferrocarril hecha en Jalapa.

Misión religiosa mejicana
ASSOCIATED PRESS

VERACRUZ, septiembre 19.—

Llegaron a este puerto para embarcarse el martes a bordo del "Alfonso XIII", el arzobispo de León, monseñor Emeterio Valverde Téllez, los obispos monseñores Genaro del Río y Antonio Aranda Rodríguez, el sacerdote señor José María González y los señores Raimundo Escalona, Amado Villanueva, Pedro Castillo y Rafael Figueroa Ortega.

Se dice que los mencionados señores llevan una misión religiosa ante el Vaticano, pero ellos guardaron absoluta reserva sobre el particular.

Castigando a los asesinos de Rosenthal

CIUDAD DE MEJICO, septiembre 19.— (A. P.) Con el objeto de hacer una advertencia a las personas inclinadas al bandolerismo, los cadáveres de los muertos en relación con el asunto de Mr. Rosenthal, penden de los árboles a lo largo del camino cerca del escenario del crimen.

Sábase que el número de miembros de la pandilla responsable por el secuestro de Mr. Rosenthal que han sido muertos hasta ahora, se eleva a seis.

Otros ocho bandidos sospechosos fueron muertos mientras opusieron resistencia a los soldados que están recorriendo el país en su persecución.

El cadáver de Mr. Rosenthal, traído a Ciudad de Méjico del lugar donde fué asesinado, se enviará a su residencia de Long Island, Nueva York.

En réplica a la nueva nota norteamericana enviada por la embajada a la cancillería, la primera ha recibido seguridades de que las autori-

(Sigue en la 6a. pág.)

EL GOBIERNO MEJICANO NO REPRIME

(Continuación de la 1a. pág.)

dades mejicanas continuarán haciendo todo lo posible para capturar y castigar a los asesinos.

Los bandidos matados confesaron que ellos eran miembros de la pandilla que robó a los norteamericanos y se llevó a Mr. Rosenthal, pero negaron que ellos lo hubieran asesinado. Los otros miembros de la banda, declaran, cometieron el crimen. Dijeron llamarse tres de ellos Rómulo Rojas, José María Rodríguez y Angel Dávila.

El examen del cadáver de Mr. Rosenthal reveló que había recibido tres heridas de puñal y un disparo en la frente. El doctor F. E. Presley, médico norteamericano residente en Ciudad de Méjico, practicó la autopsia para el gobierno mejicano.

ACCIDENTE FERROVIARIO EN MEJICO

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 18. (Atrasado).—Un maquinista, un fogonero y el revisor perecieron ayer cuando las dos máquinas que arrastraban el tren de viajeros de Laredo-Ciudad de Méjico se volcaron cerca del pueblo de Obregón en el estado de Guanajuato. Los coches del tren también volcaron, cayendo en las cunetas que estaban llenas de agua.

El descarrilamiento fué ocasionado por las inundaciones motivadas por la rotura de un embalse.



Germany Obtains Data On Mexican Business

SAN ANTONIO, Tex., Sept. 19 (AP).—Economic conditions in Mexico, aggregated by the Catholic boycott, are critical, Dr. Walter Wolff, German political economist, declared here.

Dr. Wolff announced that a survey of conditions in the Southern republic had just been completed, the results of which will be reported to the faculty of the University of Heidelberg. The findings may have an influence on the investment of German capital in Mexico, he said.

Figures revealing that only 2 per cent of the land of Mexico is under cultivation and that American capital far exceeds that of any other nation in oil investments were quoted by Dr. Wolff.



Today

Florida, Don't Worry!
The Fighting Yaquis.
Lloyd George Sees Hope.
Work for Rickenbacker.
—By Arthur Brisbane—

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THE whole nation sympathizes with the city of Miami, swept by a severe hurricane.

But the people of Florida will not be discouraged or Florida's prosperity set back by it, no matter what the extent of the disaster. Every region is subject to attack by earthquakes, tidal waves, cyclones or hurricanes.

What nature destroys, man swiftly repairs. Within a few months the "high wind" will be forgotten and Florida will be going ahead as usual.

Spanish conquerors of Mexico would read today's newspapers amazed.

Mexican Indians that had Christianity forced upon them, often with horrible brutality and massacre, are now the aggressive defenders of that religion in Mexico, the Mexican Government with weapons and written denunciations curtailing the liberties and privileges of the Catholic Church.

The cry "Viva Mexico y Mueran los Tiranos" (Long Live Mexico and Death to Tyrants) is the battle cry, not of European Bolsheviks or Communists, but of Matus, chief of the Yaqui Indians.

Yaqui warfare is not to be despised. They, savage fighting Indians, operate, well armed, in small bands, harassing the Mexican soldiers.

Mexico's rulers, seeking to discourage banditry, turn back to methods adopted by Louis the Eleventh in the fifteenth century.

Louis decorated branches of great oak trees with swinging bodies of those he hanged and walked smiling among them.

The Mexican Government allows the bodies of captured bandits to hang from the trees "to discourage the others."

BLOODY BATTLE ROUTS YAQUIS

By GEORGE W. HINMAN, JR.,
Universal Service Staff Correspondent.
Special Cable to Universal Service.

MEXICO CITY, Sept. 19.—Defeat of the rebellious Yaquis in a spirited engagement involving serious losses to both sides has been reported to President Calles by General Francisco Manzo, commanding the Government forces in Sonora.

At the same time President Calles received a telegram from General Obregon dated at Cajeme congratulating the President on his victory and avowing confidence in the Government's ability to soon have the situation in hand.

Cajeme is General Obregon's headquarters in Sonora. Indications of difficulties in the situation are noted in press reports from the region telling of the suspension of service between Nogales and Guaymas on the Southern Pacific as a result of the hostility of the Yaquis.

General Manzo's report states that the engagement with the Indians involved more than an hour of fierce fighting before the Yaquis were dispersed and fled to the hills. General Manzo expresses pride in the "way the troops carried themselves" and regret "at our losses of both officers and men." The Yaqui losses are described as heavy. The battle occurred on Friday.

NO LACK OF ZEAL BY MEXICO.

In connection with the murder of an American citizen, Mr. ROSENTHAL, by Mexican bandits, the Mexican Government appears to be doing everything that the Washington Administration is entitled to demand. All that one Government may require another to do in such a case is to put forth every effort to bring the guilty men to justice. There may be also a question of an indemnity if it can be shown that there was official negligence in protecting a foreign citizen. When Mr. ROSENTHAL was carried off by the Mexican bandits, and a ransom demanded for his release, it is possible that an error was committed by the commander of the Mexican troops sent in pursuit. He refused to allow the ransom to be paid, believing that he could both free Mr. ROSENTHAL and round up all the bandits. But the latter, discovering the operation directed against them, slew their captive and dispersed after two or three of their number had been killed.

Since then the Mexican authorities have been acting with even an excess of zeal. They have executed several men whom they believe, with or without conclusive evidence, to have been implicated in the Rosenthal plot. His murder has been made the occasion for an attempt to clear up the whole district infested by robber bands. If Washington again asks Mexico City what has been done with the slayers of Mr. ROSENTHAL, the Mexicans can point to the men already shot and others strung up along the road near where the crime was committed. There is something reminiscent of Chinese methods in this drastic and not too discriminating punishment of crime against a foreigner, but it is an old story in Mexico, and is at least strong prima-facie proof that the Mexican Government has moved with energy to make the only redress now within its power.

Our own withers would not be unwrung if we were to set up the claim that all of our citizens temporarily under a foreign jurisdiction must be guaranteed absolute safety. We ourselves cannot and do not guarantee that for foreigners on our soil. Crimes of violence against the subjects of other Governments are not unknown in the United States. Mexico has a long list of Mexicans illegally done to death on American territory. One such case had been made the occasion of a formal protest to our State Department just before the Rosenthal affair. There is no reason for crying out for vengeance, or for asserting that this cruel murder of an American shows that the Mexican Government is hostile to ours or is not disposed to do its international duty. The whole matter is one open to settlement by diplomatic negotiations, to which there is happily every evidence that it will be confined.

The New York Times

"All the News That's Fit to Print"
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MONDAY, SEPTEMBER 20, 1926.



REPORTS OBREGON SAFE.

Mexican Under Secretary of War
Says General Is at His Home.

MEXICO CITY, Sept. 19 (AP).—General Obregon has arrived safely at his home in Cajema and is not in the field fighting the Yaqui Indians, according to General Pina, Under Secretary of War.

General Obregon's train was held up last Sunday by Yaqui rebels and for a time fears for his safety had been felt.

NEW MEXICAN RULES LIMIT OIL DRILLING

Provisional Permit Holders Must
Prove Right to Lands Not
Later Than Dec. 31.

\$50,000 BOND REQUIRED

Drillers Must Reimburse Nation for
Oil Extracted if They Fail to
Establish Title to Wells.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 19.—The Secretary of Industry and Commerce has issued a circular announcing the conditions under which oil companies may drill wells on lands to which they have not fully established their rights. The circular states:

"Permits (to drill) will be provisional and subject to the condition that owners and holders legally prove their rights within the time limit, which will be stated in each case, and which cannot in any manner be extended beyond the 31st of December of this year.

"In order to obtain this permission companies or persons who are soliciting permits must give a bond of 100,000 pesos in Mexican currency (about \$50,000) satisfactory to the Secretary for each well they wish to drill on the lands to which they have not fully justified their rights.

"This is to guarantee to the nation the value of the oil which may be extracted from each well drilled in these lands in case the claimant or holder or owner of the permits does not prove his legitimate rights within the time limit mentioned in Article 1.

"In consequence of what is stated in the foregoing articles, if permits are canceled the holder of them is obliged to reintegrate the value of the rights of the nation to the oil that has been extracted, and if he does not comply with this condition the Secretary will make the bond effective, using the economic faculty to which the permit-holders must agree.

"These permits are authorized with the purpose of not interrupting the oil exploitation and maintaining it in its present condition during the time within which the holders have not proved their legal rights.

"The granting of a permit does not confer any rights in favor of the holder. By using the permits the holders accept absolutely the conditions stated in this circular.

"The agreement issued on June 8, 1926, is hereby derogated."

MEXICAN OIL PERMITS.

Huasteca Company's President Says
It Has Received Many.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 19.—El Universal this morning publishes on its first page the following telegram from F. H. Wickett of the Huasteca Oil Com-

pany in New York, directed to President Calles:

Hon. P. E. Calles, President of Mexico:

I have learned that El Universal has published an article attributing the decline in oil production to the refusal of the Secretary of Industry and Commerce to give drilling permits and mentioning the Huasteca Oil Company as having a number of permits for well drilling pending which have not been considered. The truth is that the Secretary of Industry has given the Huasteca Company many permits during the last two months, and with these permits we are carrying out an intense campaign of drilling. For this reason I have ordered our representative in Mexico City to publish the truth, and in this manner we rush to correct false information.

F. H. WICKETT.



FLOOD DAMAGE IN MEXICO.

Train Service Disrupted and the
Town of Acambaro Inundated.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 19.—Heavy floods have disorganized train service in many parts of Mexico.

Telegrams from the town of Acambaro report that the rising waters of the Lerma River have covered the streets to a depth of two feet. The inhabitants have fled to higher ground.

From the City of Queretaro it is reported that heavy rains have caused the Queretaro River to overflow. Railway tracks are covered with water and traffic is suspended.

Trains in many parts of the republic will continue to be delayed, due to the routing of them around the flooded sections.

RUFF THREATENED BY MEXICAN BAND

He Says Bandits Disguised as
Aids in Rosenthal Search
Tried to Kill Him.

ZAHLER PREVENTED THEM

Enemies of Calles Government Were
Behind Kidnapping of New
Yorker, Police Believe.

Copyright, 1923, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 19.—Their investigations into the kidnapping and murder near Cuernavaca last week of Jacob Rosenthal of Woodmere, L. I., have led the authorities to believe that political influences antagonistic to the Calles Government were behind the bandit gang.

The police expect to arrest suspects in Mexico City and in other towns and it is whispered that the names of these suspects will cause great surprise in both social and political circles.

Although there have been many rumors, the police refuse to affirm or deny the report that the kidnapping of Mr. Rosenthal was the result of a deep plot to cause American people to turn against the Administration.

Joseph Ruff, son-in-law of Jacob Rosenthal, who identified four of the bandits, gave THE NEW YORK TIMES further details of the kidnapping today. He said that the bandits who forced Mr. Rosenthal to leave the automobile and follow them into the forest, in spite of the pleas of himself and Jack Zahler to be permitted to accompany the victim, made a quick trip up the hillside to the town of Huitzilac, where Zahler and his wife had driven for help.

Mr. Ruff said that when Zahler returned with his auto loaded with armed and unarmed Indians from Huitzilac, who had volunteered to assist Zahler, he recognized four of the armed men as members of the gang who had held up the machine.

When Zahler started for Huitzilac to obtain help, Mr. Ruff and the chauffeur waited in the brush along the roadside. Presently two unarmed Indians passed, but Mr. Ruff and the chauffeur decided not to hail them.

A few minutes afterwards Zahler returned in the automobile and when Mr. Ruff stepped into the road the four armed Indians, who accompanied Zahler from Huitzilac, leveled their rifles at him and, accusing him of being a bandit, they wanted to shoot him on sight.

Zahler, Mr. Ruff continued, had a hard time to convince the Indians that he was in the automobile that had been held up.

Positive of Identification.

Mr. Ruff said that when he was called into the police station at Cuernavaca the police assembled a group of fifteen men and asked him to identify the bandits. In spite of changes



in their costumes, he said, he was able to identify the same four seven times. He was absolutely positive that the men he identified were the bandits, he said.

Mr. Zahler and his wife, on the other hand, say that they are unable to identify any one except a small thin man who appeared to be the leader and who has a defective eye.

Mr. Ruff believes that the bandits were seeking the car of First Secretary Lane of the American Embassy, which was close behind that in which Mr. Rosenthal was traveling.

Lane Car Turned Back.

The two cars were of the same make and Mr. Ruff believes that an Indian stationed on the road near Cuernavaca gave the signal when Mr. Lane left there a few minutes before the car in which Mr. Rosenthal was driving.

But Mr. Lane was compelled to turn back and the Rosenthal car took the lead and thus encountered the bandits.

This theory is supported by those who believe that the motive behind the kidnapping was to create international difficulties and in this connection the kidnapping of Consular Agent Jenkins and of Bruce Bielaski in the State of Morelos, a few miles from the scene of the Rosenthal outrage, are recalled.

The body of Mr. Rosenthal will be shipped to his home on Tuesday, when the legal formalities have been fulfilled.

MEXICAN WELL COMPLETIONS

Rich-Mex Well No. 10 in Lot 26, Altamira, Indicates New Pool, 10 Kilometers from Nearest Production

Special to THE WALL STREET JOURNAL

TAMPICO—Compania Maritima has completed well No. 16, Federal Zone Ojital, producing 3,500 barrels initial from depth of 1,630 feet.

Rich-Mex has completed well No. 10 in lot 26, Altamira, flowing 5,000 barrels initial from depth of 2,170 feet. Well is on bank of Tamesi River, 10 kilometers from nearest production, which is Gulf Oil's well No. 30, Altamira, to the north and is 12 kilometers from Mexican Petroleum Corp. Silva wells to the south. Discovery indicates a new pool and should mean great activity in Chapacao south and along the Tamesi River.



Mexican Investment Company

E. W. Johnson of Blake Bros. & Co., Dixon Q. Brown, formerly vice president of Tide Water Oil, and Edwin B. Hopkins have been elected directors of Mexican Investment Co., Inc. With President Thomas W. Streeter, E. W. Johnson and Dixon Q. Brown comprise the executive committee. A special meeting of stockholders will be held on September 25 to consider changing the company's name.

MEXICAN PROPERTY

Government's Incomplete Census Shows That Valuation of Rural Property Is Approximately \$1,500,000,000

Special to THE WALL STREET JOURNAL

MONTEREY, Mexico—Incomplete returns of the Mexican government's census this year show that the total valuation of rural property in Mexico approximates 3,000,000,000 pesos, or about \$1,500,000,000. Total valuation of property in all the municipalities of the country exceeds 4,000,000,000 pesos, according to these returns. These figures, both as to rural and municipal properties, do not include mines, manufacturing, railroads or any part of the oil industry, it is explained.

Rural property listed embraces 679,553 farms and ranches, in hands of 463,111 owners. Only 60 owners of those reported claim to hold properties worth between 500,000 and 1,000,000 pesos each.

In the federal district there are 13 municipalities, reporting 28,427 pieces of property worth 917,310,386 pesos.

8

Mexico Pleased By Clarity of Claims Report

**Quick Handling of 3,000
Cases in Washington Con-
trasted to Turbulent Ses-
sion in Latin Capital**

Complex Matters Cleared

**Baffling Questions of Quali-
fication and Jurisdiction
Are Successfully Settled**

By Jack Starr-Hunt

Special to the Herald Tribune

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MEXICO CITY, Sept. 19.—The Foreign Office attaches special importance to the work of the Mexican-American General Claims Commission in the official yearly report just completed in which the foreign relations of Mexico are detailed for the past twelve months.

The work of the general commission at Washington has been carried out less turbulently than the special commission's labors here, which ended with the closing session of April 26, followed by the resignation of the Brazilian jurist and neutral member of the commission, Dr. Rodrigo Octavio, who brought criticism upon himself by refusing compensation to the relatives of seventeen Americans massacred, and known as the Santa Isabel victims. Dr. Octavio soon after his decision found the climate of Mexico City "too high" for his health and resigned, not only from the American Commission but from the German and French Claims Commissions with Mexico, of which he was also the arbiter. As yet Octavio's successor has not been agreed upon between the United States and Mexico.

200 Questionable Claims

The sessions of the general commission in Washington were as marked with cordiality as the special commission's meetings here were stamped with misunderstanding. In dealing with the general commission. The Foreign Office's report, reads in part as follows:

"The first matter which the commission had to decide was whether it would admit more than 200 claims, both American and Mexican, which had been submitted outside of the time limits fixed by the convention. These claims were studied in each case and, according to the reasons which were given for the delay, they were or were not accepted. More than half of them were rejected because the reasons were insufficient. Later some very serious questions relating to the jurisdiction of the commission itself had to be considered.

Claims of Huerta Regime

"The question also arose of deciding whether the commission should take up the claims arising from the debarcation of the Americans in Vera Cruz in 1924. The American agency argued that those claims did not fall within the jurisdiction of the commission because this was a political action (the debarcation) which could not give rise to other than claims of one government against the other and not to claims of an individual Mexican against the American government. The commission took a middle ground for its decision, deciding that the acts which originated from damage caused by the disembarkation itself and from the subsequent occupation were not within its jurisdiction; however, that damages caused by acts of the American authorities during the period of the occupation and following it were.

"There were later examined, at bottom, two claims for damages inflicted during the spurious government of General Victoriano Huerta. One of these was presented by an American citizen by the name of Parker demand-

was presented by an American named Hopkins and was for various money orders issued by the local postoffice during the same Huerta regime.

ing the cost of several typewriters which were delivered at the offices of the Huerta administration. The other "The Commission had, in this connection, to establish the capacity of the Huerta administration as a government of the Mexican nation, having arrived at the conclusion that the Huerta government was a government entirely spurious and to be condemned under the moral rules of international law. It was decided, furthermore, that the Huerta administration gained control over the country through treason and force and only had control of the greater part of Mexico during the three first months of its existence and afterwards became in reality a faction, such as any other of those which were struggling for control. Wherefore, it was decided that the acts of the administration were obligatory to Mexico only during the first period and that during the second period these acts are obligatory only when they referred to routine of administration and in no wise when they referred to personal acts which signify the support of a spurious administration. It would appear, therefore, that there are comprised within this ruling the loans which were made to the Huerta administration and certain other loans of a similar nature. Such a decision is highly important.

"Another question was resolved which deals with the so-called 'Calvo clause.'

Obregon Returns Safely, Yaqui Warfare Minimized

**Government Lacks News of In-
dian Fighting; Rosenthal's
Body Starts Home Tomorrow**

MEXICO CITY, Sept. 19 (AP).—General Obregon has arrived safely at his home in Cajema and is not in the field fighting the Yaqui Indians, as had been reported here, according to General Pina, Under-Secretary of War. General Pina assured the Associated Press to-day that the government had no confirmation of the report of a serious engagement between the Yaqui Indians and the federal forces. There is no official report of any such fighting at all, he says.

Undeterred by the bandit outrage on the highway to Cuernavaca last Sunday, which resulted in the murder of the American, Jacob Rosenthal, the foreigners in this city made their usual week-end trips to the nearby resorts.

The nearby regions now are very safe being well covered by soldiers searching for outlaws. The officials believe that most of the bandits responsible for the latest outrage have been killed.

Mr. Rosenthal's body will be sent home on Tuesday if the legal formalities are completed.



Americans Escape In Mexican Wreck; Death Toll Is Heavy

**Engine and 3 Coaches Plunge
in River as Flooded Span
Falls Near Obregon; Two
Pullmans Stay on Ground**

By Cable to the Herald Tribune
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MEXICO CITY, Sept. 19.—The exact number of dead probably never will be known, but scores must have perished when three cars of a train plunged into La Laja River, near Obregon, on the Laredo-Mexico City line, Thursday, according to John Seymour, American resident of San Antonio, who arrived here to-day, after a three-day detour from the scene of the wreck.

All except two Pullman cars, in which all of the American passengers were being transported, plunged to the bottom of the river, Mr. Seymour said, when the steel bridge across La Laja, which was swollen tremendously by heavy rains, collapsed. The bridge was seventy-five feet long and was fully sixty-feet from the normal level of the stream, but so swollen was the river that the waters washed across the tracks of the bridge.

The heavy engine, dragging a mail car, one second-class and one first-class coach and two Pullmans, started across the bridge. Apparently the engineer did not realize the serious condition of the flood, for he proceeded at full speed. Then came the crash, the engine, tender, mail car and two coaches plunging to the bottom of the stream. Only the Pullmans remained on dry ground.

The engine crew and the clerks in the mail car must have been killed or drowned immediately, Mr. Seymour declared, while the second-class coach was completely under water, and as its passengers had not means of escape they, too, must have perished. All the furnishings of the two coaches, Mr. Seymour said, had been swept away when he left the wreck and only the steel frames of the cars remained.

None of the Pullman passengers, among whom were several Americans, died, he said, but all their baggage was lost. John Whipple, American oil operator of Tampico, arrived from the wreck with Mr. Seymour, and he related a similar story of the catastrophe.

MEXICAN SERVICE ON DEBT A PROBLEM

Transmitting Funds on External Obligations Means Pressure on Exchange—Peso Depressed

Special to THE WALL STREET JOURNAL

MEXICO CITY—The Financial Bulletin, generally accepted as the authentic mouthpiece of well-informed Mexico City financial circles, published a lengthy thesis on the tasks facing the Ministry of Finance Committee appointed and working on the problem of stabilizing exchange. In general terms, it states that the low quotation on Mexican gold as against the dollar shows the adverse balance of accounts against Mexico and the greater the depression of Mexico's pesos, correspondingly greater is the account balance.

The editorialist estimates the balance against Mexico at the present rate will be 100,000,000 pesos within the current year.

The article continues that one of the biggest problems for solution will be service on external obligations, stating "This year Mexico must pay 50,000,000 pesos, although it is uncertain if the railways will pay integrally. Federal government is in a position to pay, having substantial surplus after keeping pace with commitments to international finance, the contrary happens to what is usual in private money matters. One thing is to have sufficient money to pay, but it is another question to transmit the same to one's creditors. Possession of funds implies internal fiscal problem, while transmission of the same implies exchange problem. The solution of the first in no way implies solution of the second.

"Mexico undertook to pay, having moral obligation and because she is resolved to comply with commitments. None would suggest interrupting payments on foreign service, but such steps might be taken as would suppress unfavorable effects on local exchange through such payments."

The editorialist continues, "The same American financiers foresaw and solved this problem in Germany's case when the Dawes committee stipulated that payments be made regularly in Berlin but that their transmission across the Atlantic should be made at the discretion of the Agent-General when exchange conditions could not be too unfavorably affected. Until the market was in a reasonable condition to guarantee equity to both sides, funds should remain in Berlin, but at the disposition of creditors. Why should not American financiers do likewise for Mexico? If International Committee of Bankers on Mexico leaves disposable in Mexico \$25,000,000 they can invest the same safely at 12% annually and it would be good business for them to advance that money in New York, paying there 5 or 6% only. That would go far toward solving the Mexican exchange problem and would also be good business for the bankers."



Méjico tendrá un servicio aeronáutico completo para el transporte de pasaje

La concesión deja libre a la empresa de pagar impuestos.—
Los funcionarios del gobierno tendrán preferencia

La Fairchild Corporation of America acaba de recibir amplios detalles de un contrato de un plazo de diez años entre el gobierno de Méjico y la Compañía Mejicana de Aviación, por medio de cuyo contrato se establecerá un servicio regular de correo aéreo, otro expreso y otro de pasajeros, entre la Ciudad de Méjico, Tampico y Matamoros, con un servicio "irregular" entre Ciudad Victoria, Tampico y Tuxpán.

Este proyecto es el primer paso que da Méjico para llevar a cabo la realización de su nueva norma de dar incremento a la aviación comercial para con ello tener potencialmente una fuerte y poderosa defensa aérea. Ya se han abierto negociaciones para obtener varios monoplanos de alas plegadizas de Fairchild, cuyos aparatos irán equipados con motores de 200 caballos de fuerza, tipo Wright.

Un dato notable de la concesión, la cual provee el estar libre de impuestos federales y de usar sin cargo alguno los aeródromos y otros lugares propiedad del gobierno, es que las tarifas que pueden ser impuestas para los servicios ya están incluidas en el contrato y se ha obligado a la compañía aeronáutica a depositar \$11,650 en el Banco de Méjico como garantía de que cumplirá todas las obligaciones a que se ha comprometido.

La compañía también se ha comprometido a depositar cierta parte de sus ingresos netos a establecer un fondo para sufragar los gastos que se incurran cuando los inspectores federales realicen las inspecciones regulares de los servicios y de todos los detalles de la transportación.

Otro dato notable del proyecto es que la compañía aeronáutica obtendrá todos los derechos de radio para las rutas comprendidas en el contrato mientras el gobierno da garantías de que ningún otro servicio aeronáutico comercial podrá obtener permiso para establecer otro servicio entre los puntos que ya han sido otorgados a la organización antedicha. Una excepción a esta última regla es que las otras compañías serán permitidas el usar las rutas, aeródromos, etc., de la Compañía Mejicana de Aviación si entregan a dicha compañía el 50 por ciento de sus tarifas. Los aeroplanos militares tendrán acceso libre a todos los aeródromos y otros servicios de la compañía comercial, y los funcionarios del gobierno serán transportados con un descuento del 10 por ciento sobre las tarifas ordinarias.

Bajo las tarifas del contrato actual, los pasajeros serán transportados a razón de 40 centavos por kilómetro (todas las cantidades monetarias deben ser consideradas en moneda mejicana) durante los primeros 400 kilómetros y a 30 centavos por kilómetro en los otros 300 kilómetros. En servicios irregulares o en servicios especiales con un mínimo de distancia de 100 kilómetros, las tarifas serán el doble de las anunciadas y encima de esto se tendrá que abonar el pasaje de todos cuantos asientos libres queden disponibles en el avión si el aparato es contratado para un servicio especial.

La compañía no está obligada a aceptar menos de \$20 como tarifa de cualquier pasajero, sin considerar la distancia que dicho pasajero pueda ser transportado. Los niños de tres a diez años serán transportados pagando medio pasaje y los menores de tres años serán llevados libres de pago. Cada pasajero podrá llevar libre de recargo 20 kilos de equipaje, pero habrá un precio especial para todo el equipaje que

se quiera llevar sobre el peso autorizado.

Otra de las provisiones en el contrato dice que los funcionarios del estado que paguen el billete entero tendrán derecho a preferencia sobre los viajeros particulares. Al finalizar los diez años de servicio, todo el equipo de la compañía pasará a ser propiedad del gobierno o bien la concesión será alargada para otro plazo de diez años. A la expiración de la segunda extensión del contrato, el gobierno adquirirá libre de todo costo los aeródromos, hangares, talleres y dependencias pero deberá comprar el equipo volante, herramientas, mobiliario, etc.

LA PRENSA, MARTES 21 DE SEPTIEMBRE DE 1926.



Una asamblea de católicos, hombres y mujeres, es arrestada en Ciudad Méjico

En Empalme son ejecutados tres individuos acusados de incitar a los yaquis a la rebelión

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 20.—Como doscientas personas, entre hombres y mujeres, que la policía declara como católicas, fueron arrestadas anoche.

Estaban celebrando una reunión bajo los auspicios de la Liga para la defensa de la libertad religiosa, en la cual discutían la situación religiosa proveniente de las recientes restricciones del gobierno. Fueron llevadas al cuartel de policía para ser interrogadas.

El cargo que se hizo a los arrestados era de que estaban celebrando una reunión con propósitos sediciosos.

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 20.— Los agentes del departamento de justicia comenzaron hoy una investigación para determinar si se citan o no a juicio formal a los 200 hombres y mujeres católicos-romanos que fueron detenidos anoche por la policía, la que disolvió una reunión en la casa del sacerdote Jenaro Méndez. Entre los detenidos figuran tres sacerdotes.

Los católicos dicen que la reunión era meramente con el objeto de felicitar al padre Méndez el día de su santo. La policía aseguró que la reunión tenía carácter sedicioso y tenía por propósito discutir la oposición a los nuevos reglamentos religiosos en vigor en Méjico.

Serán libertados los detenidos

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 20.— Los funcionarios del departamento de policía anunciaron hoy que pondrán en libertad a los hombres y mujeres arrestados anoche cuando se preparaban a discutir la situación creada por la vigencia de los reglamentos religiosos. Pero los oficiales añadieron que impondrán una multa nominal a los detenidos como una advertencia a los otros para que no traten de celebrar reuniones que las autoridades reputan como sediciosas.

Tres ejecutados

CIUDAD DE MEJICO, septiembre 20.—(AP).—Tres hombres han sido ejecutados en Empalme, estado de Sonora, acusados de incitar a rebelión a los indios yaquis.

Los despachos de Nogales no dicen quiénes son los ejecutados, pero dicen que portaban documentos en que se demostraba que representaban intereses mejicanos en California y Arizona que deseaban que los yaquis se rebelaran.

La represión contra los yaquis

CIUDAD DE MEJICO, septiembre 20.—(AP).—Después de una recia batalla que duró más de una hora y que tuvo lugar el último viernes, los federales castigaron severamente y derrotaron a los indios yaquis en rebelión, cerca del campamento del Oro, sobre el río Aquí, según anuncio oficial del gobierno.

No dice el anuncio el número de fuerzas empeñadas en ninguno de los dos bandos, pero manifiesta que los yaquis dejaron en el campo de batalla numerosos muertos, admitiendo a la vez que los federales sufrieron algunas bajas.

El general Francisco Manzo, comandante de las fuerzas federales en su persecución, envía el telegrama siguiente:

“Creo que el castigo infligido será suficiente para hacer impresión en el enemigo acerca de la fuerza del gobierno.”

El presidente Calles recibió un telegrama del expresidente Obregón, fechado en Cajemo, en que se congratula con él y su gobierno por la victoria, expresando confianza en que la situación estará pronto controlada.

Normalización urbana en Méjico

Según nos informa el departamento comercial del consulado general de Méjico en Nueva York, de ahora en adelante todo centro de población en Méjico será debidamente clasificado según la importancia de su población.

Actualmente se usan muchas denominaciones diferentes, lo cual causa confusión, pues que se emplean diferentes nombres para denominar la misma cosa.

Por ejemplo, lo que en una parte del país se llama distrito, en otra sección se la denomina cantón. La nueva clasificación tendrá una denominación fija que servirá de patrón en todo el país.

Importación duplicada

Nos comunica el mismo departamento de comercio del consulado mejicano que la importación de tractores en Méjico con propósitos agrícolas ha más que duplicado en los últimos doce meses.

En los doce meses que terminaron en junio de 1925, Méjico compró en los Estados Unidos 352 tractores, por valor de \$270.163, y durante los doce meses que terminaron en junio de 1926, la cifra se

(Sigue en la 3a. pág.)

(Continuación de la 1a. pág.)

elevó a 771 tractores, por un valor de \$558.670.

El vuelo de Cuba a Méjico

Los capitanes Laborde y Martull, aviadores cubanos que hicieron el viaje de ida y regreso de Habana a Haití, visitarán a Méjico en su segundo vuelo oficial, que tendrá efecto en el otoño.



ROSENTHAL'S DEATH IS LAID TO BUNGLING

Attorney for Family of Bandits'
Victim Blames Mexico in
Letter to Kellogg.

MANY READY WITH RANSOM

Body, Shipped From Mexico City to
Home in Woodmere, Will Arrive
About Thursday.

Alfred D. Lind, attorney at 12 East Forty-first Street, made public yesterday a copy of a letter he had sent to Secretary of State Frank B. Kellogg, in which he wrote that inexcusable bungling on the part of the Mexican authorities in their attempt to rescue Jacob Rosenthal of Woodmere, L. I., from bandits who held him for ransom was directly responsible for his death last Wednesday at Cuernavaca, Mexico.

Mr. Lind, as counsel for the Rosenthal family, has been in correspondence with the Secretary of State. The letter to Mr. Kellogg was in answer to the following telegram from Washington, addressed to the attorney:

"Your two letters, Sept. 16. Urgent telephonic instructions were sent to the embassy at Mexico City yesterday afternoon to make representations looking to the apprehension and punishment of those responsible for Mr. Rosenthal's death.

Embassy Will Forward Body.

"Embassy has since reported that two American doctors at Mr. Zahler's request went to Cuernavaca yesterday afternoon to perform autopsy on body of Mr. Rosenthal, which will presumably be shipped to Mexico City within the next few days. Embassy is today being informed of your desire that body of Mr. Rosenthal be returned to New York and directed to render appropriate assistance with this end in view. Frank B. Kellogg, Secretary of State."

Mr. Lind's letter in reply was as follows:

"Acknowledgement is made of the receipt of your telegram to my firm of the 17th inst., in connection with the sad Rosenthal case, and also a letter under date of the 18th inst., from your Acting Chief of the Division of Mexican Affairs, forwarding a press statement containing the substance of a telegram from the embassy at Mexico City.

"The family of the late Mr. Rosenthal desire me to express to you their hearty appreciation of your kindness and consideration, as well as that of every one of our Government officials with whom contact has been had in connection with this matter.

"We appreciate that your department and every official connected with it have done everything possible for the protection of its citizens. Further detailed authentic facts are awaited before passing final judgment on the action of the Mexican authorities, but from some accounts which have come to us it would appear that inexcusable bungling, resulting in Mr. Rosenthal's death, marked the attempts at rescue.

Says Safety Was First Care.

"The first care of the Mexican Government should have been for the safety of the citizen of a friendly power.

"If the accounts referred to be true, the subordinate desire to make a record in connection with the quick capture of the bandits.

"With Mr. Rosenthal once safe, the bandits could have been captured and readily identified. The entire countryside could have been combed and those guilty of the outrage could have been identified not only by the other members of the party but by Mr. Rosenthal as well.

"No consideration of money saving

should have been permitted to enter into this matter, for Mr. Rosenthal had a host of friends, any number of whom would have been personally willing to pay the ransom demanded so that his life might have been spared.

"Let me also correct an impression which seems prevalent, because of newspaper accounts, that Mr. Rosenthal was an aged and decrepit man. Physically he was healthy, active and robust, and, although in his sixty-second year, he had the spirit of a man of fifty or under, with always a cheery word and kindly eye that endeared him to every one with whom he came in contact.

Power for Good in His Home.

"As a citizen of our country he had no peer, being wholeheartedly devoted to our institutions and a power for good in the community in which he lived.

"Some reports indicated that thirteen of the bandits have been executed. No executions however numerous can atone for this awful killing.

"The people of the vicinity where this outrage has been perpetrated have been pictured to me as being so low in character as to be practically beyond the pale of civilization. If an ex-Mayor of the adjacent town and other public officials, as leaders of their community, have been guilty of this outrage, what is to be expected from the others? To me they appear like vermin, fit only for extermination. It is only the merciful biblical law of limitation of 'An eye for an eye, and a tooth for a tooth,' that exercises a restraining influence.

"May I ask that you convey to my firm, as promptly as possible, the final report of the autopsy mentioned in your telegram of the 17th, and a statement of what additional investigations of our diplomatic representatives may disclose in connection with the report of your department issued to the press under date of the 18th inst., of which you were kind enough to have a copy forwarded to us, as well as any developments whatever which may come to light in the matter."

Mr. Lind said that the body of Rosenthal would be sent from Mexico City last night. He thought it should arrive in New York in three or four days.

CALLES ORDERS CUT IN EXPENDITURES

He Halts Public Works in
Mexico to Get Money for
Campaign on Yaquis.

SPIES REPORTED EXECUTED

Three Accused of Being Agents of
Enemies of the Government Who
Are Now in America.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 20.—President Calles has ordered all Government departments to restrict their expenditures in view of the heavy outlay which, it is expected, the campaign against the rebellious Yaqui Indians in the State of Sonora will involve.

The purchase of furniture already authorized for several departments has been postponed and projected public works have also been deferred. Among the latter are the repairs to the Castle of Chapultepec. The rebuilding of the national palace, however, will continue.

During the campaign against the Yaquis many projects for the improvement of Chapultepec Park and other places will also be suspended.

Telegrams from Sonora say that the Yaquis are retreating to the mountains as the Federal troops continue to advance. It is stated that 15,000 soldiers are now on the way to start the campaign. Meanwhile troops under General Manzo are repairing damaged railway tracks.

Three spies, it is reported, were captured near Empalme and executed as agents of enemies of the Government in California, who were trying to get in touch with the Yaquis.

Troops are moving to Sonora by land and water. They are proceeding cautiously to avoid ambushes by the Indians, who are experts in mountain warfare.

Three fleets of airplanes are en route to Empalme, where campaign headquarters will be established.

Many inhabitants of the State of Sonora have requested the Government to furnish them with arms and ammunition so that they may join the campaign, but Government officials say that the Federal troops will be sufficient to subjugate the rebellious Indians.

The entire country from Cajeme south is reported as peaceful, as the Yaquis have retreated to Bacatete, where they are concentrating. Several minor skirmishes have been reported, with small numbers of dead and wounded on both sides, but no big military engagement has yet taken place.

The Yaquis have circulated proclamations signed by Chiefs Luis Matus and Albino Cochemea, which are supposed

to have been printed in the United States.

Governor Alexander Bey of Sonora believes that enemies of the Government now living in the United States are behind the Yaqui rising, but he expects that the Government will soon be master of the situation.

State Governors outside Sonora report everything calm in their jurisdictions. They have offered to organize forces to maintain order until the Federal troops return.

200 CATHOLICS ARRESTED.

Mexico City Meeting at Priest's
Home Raided by Police.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 20.—Two hundred Catholics, men and women, were arrested late Sunday night charged with violating laws which prohibit religious mass meetings. The police arrested a large group of Catholics, mostly women, when they were holding a religious meeting in the home of the Rev. Jenaro Mendez, a Catholic priest.

The authorities will fine the Catholics and release them this afternoon. The fine will be nominal to teach the Catholics that they must obey the law. The authorities are inclined to be lenient with the prisoners because the majority are women. The authorities regard them as irresponsible, carried away by religious fervor.

When the police arrived at the priest's home, Joaquin Cordero, a Mexican, was making a speech in favor of religious freedom and referring to the measures taken by the Catholics to defend their rights.

Some of the men tried to resist the police, but in a few minutes the police subdued them and forced the prisoners to march to the police station. The Excelsior states that the Catholics while marching through the streets sang religious hymns.

Search of the house where the meeting was held revealed copies of a proclamation criticizing the Government.

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THE NEW YORK TIMES, TUESDAY, SEPTEMBER 21, 1926.

MEXICANS' DEATHS CITED.

Excelsior Says Texas Killings Surpass Rosenthal Murder.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 20.—The Excelsior in an editorial today compares the kidnapping and murder of Jacob Rosenthal of Woodmere, L. I., last week with the killing of several Mexicans near Raymondsville, Texas, recently while in the custody of police officers. The party was ambushed, it was alleged, by another group of Mexicans, and in the fight the prisoners were shot.

After pointing out that several have already been executed for the Rosenthal murder, The Excelsior continues: "Our Secretary of Foreign Relations has a strong argument to oppose to the demand for indemnity in the Rosenthal case. We have in our favor three deaths, because in Texas there were four Mexicans killed and in Mexico only one American.

"This statement is cruel and brutal, but it is the truth and only the truth."



Mexicans Protest Buying Our Wood

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 20.—The Chamber of Commerce of the State of Chihuahua has requested the Federal Government to refrain from buying timber in the United States. The Government, according to the petition, spends eight millions yearly which could be spent in Mexico, as Chihuahua is able to supply all the timber needed in the republic.

Mexican Pope Sought to End Church Dispute

Prelates Considering Calles Offer to Let Them Run Own Affairs if They Will Break With Rome

By Jack Starr-Hunt

By Cable to the Herald Tribune

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MEXICO CITY, Sept. 20.—The Mexican government is considering the return of the churches to the Roman Catholic clergy, it was learned here today, with the provision that the episcopacy establish a Mexican papacy and sever all relations with the Vatican in Rome.

The Mexican pope would receive a free hand with his churches and could appoint cardinals and manage his affairs without interference from the government, according to plans reported ready for the episcopacy's consideration this evening.

Diaz Called to Capital

Bishop Pascual Diaz, secretary of the Mexican Episcopacy, has been summoned to the capital to confer with Adalberto Tejeda, Secretary of the Interior, and these representatives of the two sides in the Church and State conflict were expected to begin negotiations this evening.

At the same time, the knell was sounded for the Roman Catholic boycott by a confidential report prepared by the agents of Thomas W. Lamont, chairman of the international committee of bankers. The report was on its way to Mr. Lamont in New York today and showed that business conditions were becoming normal rapidly throughout Mexico. Guadalajara was the only locality where business had not regained its footing.

Calles Fight Strengthening

The prospects for the government in attempting to end the church controversy are brightened to some extent by the events under which it has begun its move. Bishop Diaz, the central figure in directing the church's activities in the conflict, was recalled abruptly by the Archbishop of Mexico, Monsignor Jose Maria y del Rio, interrupting his inspection tour of all the dioceses in the country. The recall was made on the request of Secretary Tejeda, who has been in charge of the government's religious policy. The conference between the two leaders is frankly pointed to as probable of materializing the most important developments since President Calles invoked the anti-clerical statutes of the constitution.

It is reported that the advisers have recommended that the government should inform the episcopacy that it

(Continued on page ten)



NEW YORK Herald Tribune



Tuesday, September 21, 1926

Mexican Pope Sought to End Church Dispute

(Continued from page one)

will allow the churches to resume services and grant the clergy all other concessions, provided the Mexican Episcopacy disowns its adhesion to the Pope and establishes its own independent church here in line with the existing schismatic church; that the government will not object, under these plans, to the elevation to a Mexican Papacy any archbishop or bishop that the hierarchy might select.

While it is stated that a majority of the thirty-three archbishops and bishops forming the Mexican Episcopacy are opposed to this plan and maintain their loyalty to the Church of

Rome, it has been reported persistently of late that such an offer would be considered seriously by some members of the hierarchy.

The report on business conditions was drawn up at the request of Mr. Lamont by Elmer R. Jones, president of the Mexican Wells Fargo company and local representative of the international committee of bankers. Mr. Lamont asked for a scientific survey of actual business conditions and whether the boycott declared by the Catholics on August 1 in protest against the anti-clerical laws still was being enforced or whether the Catholics were weakening.

In substance the survey shows that the government is winning hands down throughout the republic, with the one exception of Guadalajara, where the "buyers' strike" still is effective. Motion picture theater receipts, barring isolated instances, again are normal. Here in the capital, where many wealthy Catholics were in the habit of attending certain favored film houses, the same facilities merely have selected other theaters located in different sections of the city.



The



World

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MEXICO AND THE ROSENTHAL CASE

Whether the Mexican police commander on the ground acted wisely or unwisely in attempting to capture the bandit gang that held Jacob Rosenthal for ransom, instead of letting his relatives pay the demanded money, is a question that commonly poses itself in cases of banditry or kidnapping. The police, in other lands than Mexico, are commonly more ready to attempt tricking or taking the captors than the family of the victim whose life is at stake along with his liberty.

However that may be, the Mexican Government has shown its desire to meet the views of our State Department in regard to punishing the murderers. A number of them have been slain in a skirmish to the death. Others have been killed while "attempting to escape"—an example, perhaps, of the "ley de fuga" familiar in Mexican jurisprudence. All this will not bring Mr. Rosenthal back to life, but it should make the practice of capturing American citizens for ransom less popular in the future with predatory gentry who value their own lives above their worth.

MEXICO TROOPS MAY ENTER U. S.

By Universal Service.

WASHINGTON, Sept. 20.—This Government will permit Mexican armed troops to cross American territory in the war against the Yaqui Indians. This was indicated at the State Department today, should the request be made.

Reports from the border say that it will be necessary for troops to enter the Yaqui country from the north, as communication is impossible from the south and a request to pass through the United States will soon be made.

MEXICO CITY, Sept. 20.—Defeated in an engagement with General Francisco Manzo's federal troops, 2,000 Yaqui Indians were in full flight today for the Sonora hills. They were closely pursued by 5,000 Mexican regulars.

The battle occurred near where former President Obregon's train was besieged last week.

A message from General Manzo indicated that the fighting was severe and that heavy losses had been suffered by both sides.

The victory of the Government forces was the occasion of the first message from Obregon since his train was attacked by the Yaquis last week. Obregon congratulated President Calles upon the Federal victory and predicted a speedy pacification of Sonora.

EL PASO, Tex., Sept. 20.—Federal troops have defeated the main body of rebellious Yaqui Indians in Mexico and are driving them out of the valley, General Alvaro Obregon, former President of Mexico, telegraphed Enrique Liekens, Mexican Consul-General, here today.

General Obregon, who has been reported wounded, missing and dead for the last several days, advised that he was unharmed in skirmishes with the Indians. He now is at his plantation camp at Cajeme, Sonora, in the Yaqui delta.

General Francisco Manzo and his troop of Federals are forcing the Yaquis to retreat, Obregon said.

Kellogg Asks Report in Death of Mexicans

WASHINGTON, Sept. 19.—Secretary of State Kellogg today called on Governor Ferguson, of Texas, for a report of the alleged slaying of Thomas Nunez and two other Mexicans at Raymondsville, Texas. The Mexican Government presented a protest and charged that the trio were taken from a jail by a mob.

Calles Vows Punishment of Rosenthal Slayers

By Universal Service.

WASHINGTON, Sept. 20.—President Calles has notified the American Embassy in Mexico City that he is shocked and grieved that his government was unable to prevent the murder of Jacob Rosenthal, New York merchant. He will leave no stone unturned to bring the guilty to justice.



El Eco de las Aulas

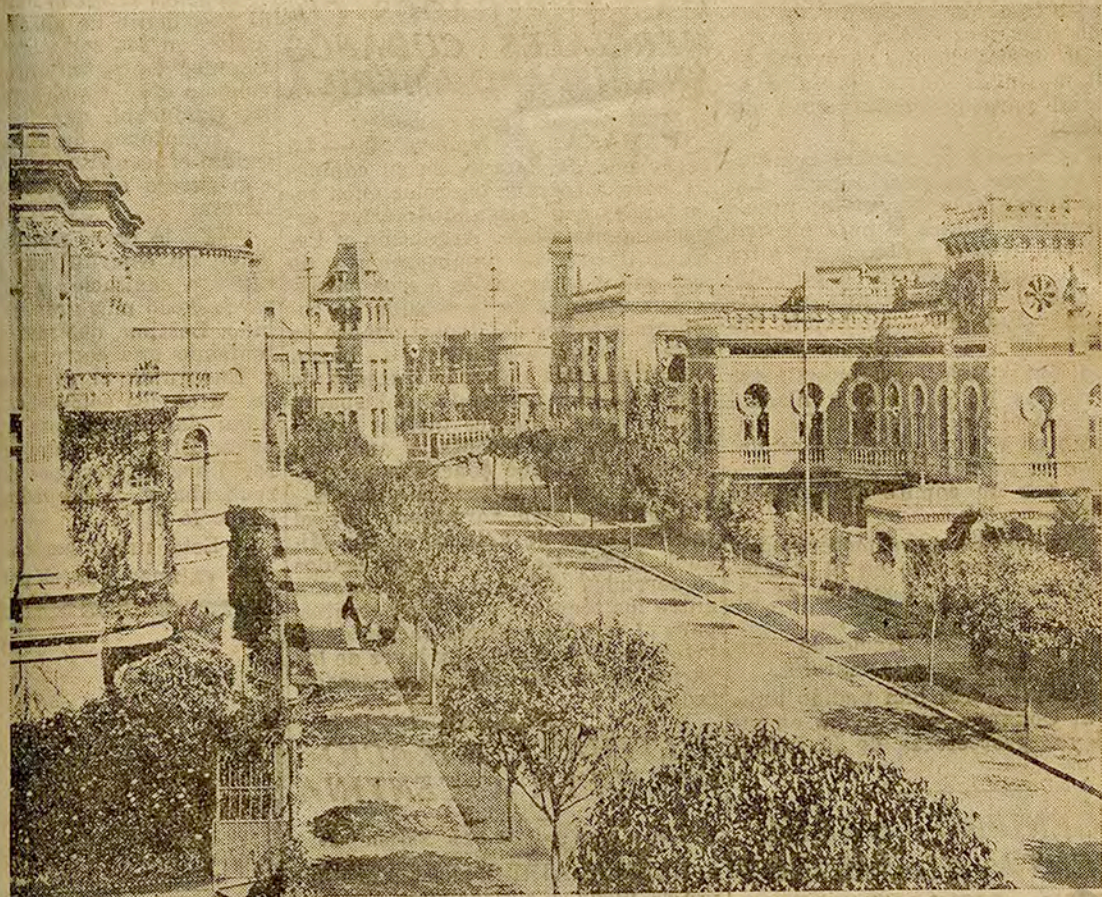
Adiciones Suburbanas a Ciudad Méjico



Tanto hacia el lado este, como al oeste, la barriada aristocrática de Ciudad de Méjico se ha ido rápidamente extendiendo durante los últimos años. De generación en ge-

nas de las pirámides y de los palacios aztecas; pronto en el período del virreinato la Calle de San Francisco (actualmente Avenida de Francisco I. Madero) llegó a ser el

famosas epístolas. A la derecha estaba situado el Palacio de Buena Vista—que en un tiempo fué ocupado por el general Santa Ana, y luego por el mariscal Bazaine—en



Colonia Juárez, en la capital mejicana.

(Traducido por cortesía del Boletín de la Unión Panamericana).

neración, conforme los centros mercantiles se iban engrandeciendo, la barriada de residencias aristocráticas iba retirándose en la dirección del sol poniente. Ha ocurrido aquí, igual que ha sucedido en Londres y París, donde los famosos barrios West End y el Quartier de l'Avenue du Bois de Boulogne, son los respectivos centros de la elegancia y de la riqueza.

Los cimientos de la capital de la Nueva España, fueron extendidos al rededor del Zócalo entre las rui-

sito donde levantaron sus residencias las nobles familias, como lo atestiguan la casa de los Tiles, el Hotel Iturbide y otras construcciones históricas que pueden todavía contemplarse y admirarse.

Cuando Calderón de la Barca vino a Méjico en 1839 en calidad de primer embajador español ante el gobierno de la República Mejicana, escogió para su albergue una hermosa casa situada en el Puente de Alvarado, y allí fué donde su esposa escocesa escribió muchas de sus

la actualidad es fábrica de cigarrillos.

La calle de Bucareli, igualmente tuvo sus días de gloria y grandeza, que fueron breves; primero como un paseo elegante, y más tarde como la calle residencial de los notables de las colonias extranjeras.

He aquí una descripción de esta histórica arteria urbana en la primera mitad del siglo XVIII (tomada de la revista "Mexican American" de Ciudad de Méjico, agosto 30 de 1924):

"Aquí, todas las noches, pero particularmente los domingos y días de fiesta—los cuales, de paso, eran numerosos—se podían contemplar dos hileras de carruajes ocupados por hermosas y elegantes damas, multitud de caballeros, jinetes en sendos corceles, caracoleando sus cabalgaduras en el centro, en medio de las hileras de coches; policías y soldados atendiendo a la conservación del orden público, y muchedumbres del pueblo entremezclándose con la gente bien que transitaba a pie.

"Los carruajes, de los cuales el más elegante y preciado era la "carretela", abiertos por los dos lados, con ventanas de cristal, iban repletos de damas en sus más vistosos atavíos, sus cabezas descubiertas, dejaban admirar la profusión de flores y joyas que las adornaban. Muchos de los coches, sin embargo, iban cerrados, no permitiendo sino una indefinida contemplación de los ocupantes, a lo que pasaban saludándose mutuamente con los pintorescos abanicos.

"Los jinetes, caballeros en espléndidos caballos aderezados con magríficas sillas y correajes típicos mejicanos, aparentaban no preocuparse mucho por las gentiles ocupantes de los carruajes al pasar por su lado y menos aventurarse a entrar en plática con ellas. Pero ellos saben perfectamente a quién cada coche pertenece y por consiguiente cuándo convenía obligar a su montura a encabritarse y hacer requiebros, demostrando así oportunamente su destreza y pericia en el manejo de los "nobles brutos". Ellos sabían demasiado que las miradas de las bellas los seguían, interesadas."

Dejemos a un lado los recuerdos de los románticos y buenos tiempos, y continuemos en nuestra relación. Yendo todavía más arriba, hacia el oeste, se halla el Paseo de la Reforma, fué iniciado por orden del Emperador Maximiliano, con el primitivo objeto de hacer más viable el camino hacia el Castillo de Chapultepec; la emperatriz Carlota, indicó que se plantaran árboles de eucalipto en toda su extensión a ambos lados del paseo.

Durante la mayor parte del siglo XVIII, la ciudad puede decirse, permaneció en un estado casi letárgico, pero al terminarse el siglo se dió comienzo a una serie de mejoras que han tenido por resultado cambiar el aspecto de la entera región occidental de la capital.

La primera y la más importante de las "colonias" levantadas en aquella sección y añadidas a las barriadas suburbanas fué la "Colonia Juárez", que se inició en el año 1898. Esta colonia está limitada, en el norte por el Paseo de la Reforma, en el sur, por la Avenida Chapultepec y en el este por la calle Bucareli. Sus calles realmente modernas y soberbias han recibido nombres de importantes ciudades europeas, como Londres, Hamburgo, Madrid, etc. En esta sección están situadas muchas lujosas y bellas residencias de familias prominentes, como también algunas embajadas de los países extranjeros.

La colonia "Roma" cerca de la colonia Juárez por su lado Sur, se comenzó en 1903. El señor Luis Lamm fué quien promovió con magníficos resultados la fundación de ella. Los límites de esta colonia son: la Avenida de Chapultepec, la Avenida de Oaxaca, la Calzada de la Piedad, y la calle de Chiapas. En los linderos de esta nueva adición se halla situada la nueva escuela americana, habiendo sido donado el terreno donde está edificada por el señor Eduardo W. Orrin, uno de sus más entusiastas promotores. Las calles que corren de este a oeste han recibido nombres de los estados mejicanos, mientras que las que se dirigen de norte a sur tienen nombres de las ciudades de la república.

Inmediatamente al sur de la Colonia Roma se encuentra el "Trac-

cionamiento" de propiedad del señor J. G. de La Lama, la que tiene de un modo general las mismas características de la anterior y se halla actualmente en construcción y urbanización. Más al sur todavía, en el valle—del cual toma su nombre—se encuentra la Colonia del Valle, donde se pueden contemplar muchos hermosos jardines y chalets.

Junto a la colonia Roma, en el oeste, cruzando la avenida de Oaxaca, está la colonia Condesa, la cual se extiende hasta la calzada de Tacubaya. Algunas de sus calles tienen nombres de las ciudades mejicanas y otras han sido nomenclaturadas en honor de ciudadanos eminentes.

En el triángulo noroeste del Paseo de la Reforma y al sur de la ferrovía de Laredo, se levanta la nueva colonia de Cuauhtémoc, la cual, en verdad se inició el año de 1906 y está ya en vísperas de urbanización completa. Sus calles han recibido nombres de importantes ríos del país.

Ultimamente se ha dado comienzo al desarrollo de una nueva colonia exclusiva de los residentes ingleses, en el sitio antiguamente ocupado por la propiedad Anzurus, rodeando el hospital de Lady Cowdray, y en una extensión de más de 150 acres. Su propietario es Clive Pearson, hijo de Lord Cowdray.

The Cuernavaca Road—By Marian Storm

VIOLENCE once more along the Cuernavaca Post Road . . . an American fallen from the daggers of outlaws up near Zapata's old aerie . . . now another cross will rise among the many crosses, votive and memorial, that add a strange air of devoutness to the landscape along that ancient pleasure highway. Danger and gaiety are comrades there. Into the forbidding mountains which part two historic valleys incongruous motor cars rush nowadays with cargoes of week-enders. It is not a business thoroughfare. One goes to exquisite Cuernavaca for recreation, as the Tzins of the Aztec Empire went in the years before Don Hernando and his men marched over that same road upon doomed Tenochtitlán.

From that high Valley of Anáhuac, which holds the cosmopolitan splendors of the Mexican capital, to the sunlit vale where an unimaginable town drowns out the centuries runs the Mexico-Cuernavaca Road. There are scenes of savage bleakness and of delicious languor; memories of imperial luxury and of suffering and sacrifice. Most of the automobiles from the city go no farther than the resort, but they might follow on far down to Acapulco, port of the treasure fleet of galleons.

The road is good all the way, and bandits had left travelers in almost unbroken peace ever since General Genovevo de la O kidnaped Major Edgar Burr in 1919. These seven years the Mexican authorities have prided themselves upon the safety of the

Cuernavaca Road. Beyond the town an admirable new highway leads to the vast Caverns of Cacahuamilpa. Only one-way traffic is permitted, and before cars reach the caves they pass through an encampment of soldiers, where a precautionary military escort mounts the runningboard, whether desired or not. But between Cuernavaca and Mexico, even those who have never ceased to lament Diaz and his rurales conceded that an escort now seemed unnecessary. Then the other day the old plague ferociously returned.

The road seemed so safe that Zapata's sallies were already growing legendary. Absurdly enough, beautiful, peaceful-looking, sunny Morelos, of which Cuernavaca is the capital, is the chief bandit state of the republic. Through all the years of the revolution, from 1910 on, its sugar estates, stock farms, cornfields, maguey-plantations and villages were ravaged, until the heart was taken out of the Indian farmers, as out of the aristocratic hacendados, and they cultivated only patches which provided famine rations, from day to day, and they no longer replaced the roofs on their homes nor repaired their churches marred by guerrilla artillery. Around the desolated dwellings bloomed a glory of poinsettias, hibiscus, pomegranates and oleanders; palm trees and papayas above the jagged walls made a kind of shelter. But not until the time of Obregón was it of any use to try to have a house or farm. Why produce to be robbed? Then, with a measure of protection the lovely

scenes began to take on a human charm again. The safety became almost dull till now.

Yet always that journey from Mexico to Cuernavaca would be worth a hazard. Only a great mountain crossed and a long slope descended, and the rather solemn, cool beauty of the lofty capital has been exchanged for the parti-colored dream of that town in the hotlands where both Aztec chieftains and Spanish nobles had their pleasure resort and where the gorgeous, pitiable Archduke Maximilian took over for the delight of his Empress the exotic garden created by the loving genius and the regal wealth of Joseph le Borde.

Through Coyocacán the road leads, where Cortés and his lieutenants took counsel for their siege of the alluring metropolis of Montezuma and where the gold-mad conquerors tortured the hero Cuauhtémoc. It passes Tlalpam, with its brooks bordered by calla lilies, and Xochimilco, whose famed gardens-in-the-water are anchored by fantastic trimmed willows that everybody thinks are Lombardy poplars, eerie-looking against the sky line. An old Indian trots gracefully through a plaza, balancing a tubful of Easter lilies on his head. We leave behind us the haunted bad lands of the Pedro regal, wherein the First People, whelmed five thousand (?), ten thousand (?), years ago by a deluge of lava from Mount Ajusco, occasionally yield up their bones to the study of American archaeologists. If it is dawn and the mists have not yet descended, the Sleeping Woman and her majestic consort, Popocatepetl, appear in dazzling whiteness to the east, and almost all the way Mount Ajusco is our tall companion—Ajusco, scarred Mother of Streams. We climb. Even the sunbeams look cold. Far below in its long-sung valley lies Mexico; its cathedrals, palaces and lakes. We mount to the lonely forests, meeting charcoal burners from the regions of oak and pine—a dark fraternity of labor, avoiding the stranger's gaze under their enormous Cuernavaca hats, trudging along in gay rainproof serapes beside smart burros that never need to eat.

Here was Zapata's waiting place. At the highest point, ten thousand feet above the Gulf, the cold becomes intense. The wind whistles over the old crater, with its motionless rivers of black basalt, and wild showers pelt the scrub vegetation and the rocky waste. A break-down now would be a hardship. It is an awful place, and pleasure seekers in inclosed cars turn away their faces from a landscape so dwarfing and so threatening to man.

Then, while the traveler's head is still bent before the cutting wind, the car drops into Paradise. Cuernavaca lies in the sun-filled valley, miles below, like a pink pearl at the bottom of a cup of amber wine. It is there all of a sudden, incredible, with ivy geraniums and blue-flowered plumbago climbing over its houses, with crape myrtles growing rosily along the streets; its warm air heavy with the unforgettable fragrance of the Grand Duke jasmine—Maximilian's one living monument. Lilies crowd about fountains in the red-earthed plaza. Brooks chuckle beneath the sidewalks—you may lift a stone and see. The band is playing. Now the old pleasure town is waking up for the sunset hour, and it will wake again when the sun rises over the snow peaks, turning them red. The Cuernavaca road has always been traversed at any risk because this is its ending.

Rebels Bombard Benefields

Mexican Gun Boat Reported Aiding Nicaraguan Rising

MANAGUA, Nicaragua, Sept 21 (AP).—A heavy bombardment of El Bluff, the Nicaraguan customs station on the Atlantic Ocean, was begun this morning by the revolutionary forces which have been carrying on operations near the city.

It was reported that the city was being shelled by a Mexican gunboat the City of Mexico, which has been described as participating in recent gun-running operations. Latest reports here stated that the government garrison was holding out. It was not known who holds Deer Island and Half Way Key, which control the main channel between El Bluff and Bluefields. Hard fighting was reported at these points. A Mexican machine gunner has been captured at Rama, scene of fighting during the last few days.

U.S. Sets Mexican Army Cross Line on Way to Quell Yaquis

By Cable to the Herald Tribune
 Copyright, 1926, New York Tribune Inc.
 MEXICO CITY, Sept. 21.—The Mexican Federal troops have been permitted to pass through American territory on their way to Sonora to put down the Yaqui Indian revolt, it was announced officially here to-day.

It is expected that all the necessary forces in the campaign against the Indians in the future will be moved through El Paso, Tex., to Nogales and thence into Sonora, in addition to the troops sent by ship from Mazatlan to Guaymas.



It is reported that the ambitious Mexican, Huerta, is using the Yaqui Indians in his fight for control of the Mexican Government. To turn Indians loose with "automatics" on white people seems atrocious.

A few years ago our British brothers were turning Indians loose with tomahawks and scalping knives on the colonists, and paying the Indians well for their work.

103 Die as Mexicans and Yaquis Battle

NOGALES, Ariz., Sept. 21 (AP).
—A dispatch to the Herald today from Guaymas, Sonora, Mexico, said that seventy-five soldiers and twenty-eight Yaqui Indians had been killed in a battle four kilometres north of Kithaya station. The message said a large number had been wounded on both sides.



THE NEW YORK TIMES, WEDNESDAY, SEPTEMBER 22, 1926.

PANI QUILTS CABINET OF GENERAL CALLES

Mexican Newspaper Declares
Fifty Under Him in Treasury
Will Follow Their Chief.

ELIAS LIKELY TO GET POST

Clash With Morones and Alleged
Plots Figure Among Reported
Causes of Resignation.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 21.—Alberto Pani, Secretary of the Treasury, will retire tomorrow from the Calles Administration, it was semi-officially announced tonight. Arturo M. Elias, Consul General in New York, who came here a few days ago, will succeed Señor Pani, it is believed. Señor Elias is a cousin of President Calles.

The Imparcial today says that more than fifty high officials of the Treasury Department will follow the example of Señor Pani and present their resignations.

The Imparcial states that Señor Pani's resignation was due to constant attacks in Congress on his income tax program, which has produced much revenue.

The departure of Señor Pani from the Cabinet leaves Aaron Saenz, Secretary of Foreign Relations, the only Minister left from the Administration of President Obregon.

One of the causes for the resignation of Secretary Pani, it is reported, was the publication of a statement attributed to a Treasury official that the Secretary of Industry and Commerce, Luis Morones, had refused to give drilling permits to the Huasteca Oil Company, thus decreasing revenue.

This statement was later branded as false by the head of the Huasteca Company. It caused much annoyance

to President Calles, who called the employe of the Treasury Department to his office and accepted his resignation on the spot.

A second alleged cause for Señor Pani's resignation is given by the Imparcial. The paper says that several officials of the Treasury Department were accused of being implicated in a recent plot. When President Calles received this report he called in Señor Pani, who denied that any of his employes was associated with the alleged Catholic plotters.

However, the paper continues, the police discovered evidence that a prominent engineer in the department had been one of the alleged plotters. Señor Pani then presented his resignation.

The Imparcial gives still another version. It declares that Señors Pani and Morones have been bitter enemies and that, though Pani was well supported, Morones, with stronger political backing, forced his resignation.

Politicians see in the resignation of Señor Pani a sign that the political parties are preparing to start active work for the next Presidential campaign.

General Pancho Serrano, former Minister of War, and Luis Morones are mentioned as possible candidates to succeed President Calles.



THE NEW YORK TIMES, WEDNESDAY, SEPTEMBER 22, 1926.

CALLES REPLY ON OIL REPORTED SENT TO US

*It Denies the Laws Are Anti-
Foreign or Confiscatory,
Mexican Paper Says.*

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 21.—The Excelsior states today that the Mexican Government has answered a note from Washington referring to the oil and land laws. According to the newspaper, the reply states that the oil

and land laws, in the opinion of the Government, are not confiscatory but follow the constitutional articles and are not anti-foreign.

The answer also points out, the newspaper adds, that President Calles in his last message to Congress stated that if experience should show that these laws needed to be reformed within the spirit of the Constitution, Congress would consider changing them.

Government officials declined to confirm the report that the reply to Washington had gone forward. The American Embassy said it had not received the reply or been advised that it was sent to Washington.



THE NEW YORK TIMES, WEDNESDAY, SEPTEMBER 22, 1926.

MEXICO WILL ASK US TO LET TROOPS CROSS

*She Wants to Transfer Them
Through Arizona—Officials
Unable to Tell Our Action.*

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 21.—The Mexican Government will ask the United States Government for permission to transport troops across New Mexico and Arizona from El Paso, in the State of Chihuahua, to Nogales, in the State of Sonora.

The proposed transfer is part of the plan to concentrate troops in Sonora to start a campaign against the rebellious Yaqui Indians.

The request of the Mexican Government, it is understood, will be presented to the State Department by the Mexican Embassy in Washington.

Reports from Sonora say that the campaign against the Yaquis will not begin on a big scale until General Manzo, commander of the Federal forces, organizes his army for an attack on the Yaqui positions in the mountains.

General Obregon is reported to be at Nainari ranch organizing volunteers.

Inhabitants of small villages in Sonora have asked the Government for arms to defend their homes against possible attack by the Indians.

The names of the three men executed as spies at Empalme are still unknown. A document from alleged instigators of the Yaqui uprising, supposed to be living in Arizona, was found in their possession, it is reported.

Federal troops continue to leave the principal encampments in the central portion of the republic for Sonora.

Special to The New York Times.

WASHINGTON, Sept. 21.—No request

from the Mexican Government for permission to send troops across United States territory had reached the State Department up to late this evening. Officials were unable to indicate what action the Administration would take on such a request.

The movement of Mexican troops across the American border has been permitted at times in the past in order to assist the Mexican Government in dealing with revolutionary outbreaks. But there has been no established policy on this matter and it is believed that if such a request is received it will be examined on its own merits.

On previous occasions when Mexican troops have traveled by rail across United States territory precautions have been taken to see that there was no debarkation en route. The troop trains were under American military escort.

NOGALES, Ariz., Sept. 21 (P).—A dispatch to The Herald today from Guaymas, Sonora, said that seventy-five soldiers and twenty-eight Yaquis had been killed in a battle north of Kithaya station. The message said a large number had been wounded on both sides.

General Antonio Ancheta, commander of the infantry, was authority for the statement today that General Pedro Macillas, corps area commander for the State of Durango, had left Durango City with 1,500 picked troops, under orders to join General Francisco Manzo in a drive on the Yaqui stronghold at Sierra de Bacetete.

Governor Alejo Bay of Sonora today telegraphed The Herald that the Yaqui uprising was being supported by "political enemies of the Government" and that the Indians' battle cry was "Viva de la Huerta!"

Mexican Bandits Burn Bridges.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 21.—Juan Galindo, a noted outlaw, and his band have burned several small bridges on the Tepehuanes Branch Railway, according to reports from the State of Durango. Federal troops have been ordered to pursue the bandits.

FORESEE GROWTH IN MEXICAN TRADE

Representative of A. C. of C.
of Mexico City Pictures the
Trade Possibilities in 1927

That there is every prospect for substantial increase in trade between the United States and Mexico in the ensuing year, and that therefore it is more than ever advisable for the export and import houses of New York to be active in meeting the demands of this already large and ever growing commerce, is the message that comes with the arrival here of Henry L. Brooke, of San Francisco. For a number of years Mr. Brooke has been the representative on the Pacific Coast of the American Chamber of Commerce of Mexico City, and in that capacity has kept a finger on the trade pulse of the two countries. In the conditions now existing and in trade portents he sees an impending acceleration of the movements of products and commodities between the United States and Latin-American countries, particularly Mexico.

This is the view taken in Mexico. It is entertained both by American and Mexican authorities, and is affirmed, as Mr. Brooke points out, by trade information bulletin No. 418, just issued by the United States Government. In the foreword of this cheering official forthgiving, after reference to the fact that Latin-American trade with the United States had contained the remarkable progress manifested every year since 1922, is the statement that despite the marked fall in the price of sugar, which had greatly reduced the value of our imports from Cuba, and diminished the buying power of that island—our most important Latin-American market—the total exports from the United States to Latin America (not including Costa Rica) in 1925 amounted to \$880,405,000, or 14½ per cent more than in 1924. Mexico and Cuba are mentioned in this bulletin as among the principal countries sharing in our foreign trade.

This, notwithstanding the comparatively small population of the country immediately to the south of us, namely, 14,500,000. Her per capita imports in 1925 were \$9.28, while her per capita imports from the United States alone were \$6.58. The Bulletin further points out that, despite deterring factors such as adverse legislation, decreasing petroleum production and labor troubles both our imports from, and our exports to, showed an increase of 7 per cent over the figures for 1924.

Mexico is buying from the world about \$15,000,000 worth of goods per month, and is buying from the United States about \$11,000,000 worth per month, good American money. In Mexico it is believed that this buying by Mexico is going to keep up in the future because all of the principal crops in Mexico this year are very good and the people will have money with which to buy.

There has been a buyers' strike in Mexico, but that is nearing its end, according to recent reports, and it is learned that in Mexico it is believed that by the end of the year there will be no vestige of it left. It is now pretty well understood, he says, that the church authorities and the Mexican Government are approaching a reconciliation and that this will be reached through a bill that is pending before the Mexican Congress. Such an end, according to him, is the desire of everyone, and there now is great confidence that a truce will soon bring the reopening of the churches. This means a return to business and general prosperity, and it also implies as a corollary greater trade.





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THE WORLD: WEDNESDAY, SEPTEMBER 22, 1926

MEXICAN MINISTER QUILTS

Pani Disagreed With President Calles on Attitude Toward Catholics

Special Cable to The World
MEXICO CITY, Sept. 21.—Finance Minister Alberto J. Pani has resigned from the cabinet and will go to Europe shortly, it is reported authoritatively here to-day. While official confirmation is lacking, Senor Pani's friends say he tendered his resignation on Saturday and that President Calles accepted it. The Finance Minister is said to be out of harmony with the President on his policy toward the Catholic Church.

It is reported that Arturo Elias, Mexican Consul General at New York, who is visiting Mexico City now, will be given Senor Pani's place.

Senor Pani is a veteran in public service having served in the Madero, Caranza, de la Huerta and Obregon Governments. He is given chief credit for putting Mexico on a sound financial basis. He is a graduate of Massachusetts Institute of Technology.

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CALLES TO REPLY TO U. S.

Expected to Say Mexican Land and Oil Laws Are Not Retroactive

Special Cable to The World
MEXICO CITY, Sept. 21.—President Calles, in his reply to the latest American protest against the alien land and oil laws, is expected to reiterate that they are not retroactive and that the Mexican Government is disposed to amend them if experience discloses that they are unjust.

The reply will be transmitted through Ambassador Tellez in Washington, it is understood, within the next twenty-four hours.

All extra official knowledge of the contents of the note is that the Mexican Government's position remains unchanged. It is indicated also that there will be no fundamental amendments to the laws.

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Deputies Refuse To Void Church Law in Mexico

Petition Rejected in Chamber on Ground That Clergymen's Signatures Fail to Give It Legal Form

By The Associated Press

MEXICO CITY, Sept. 22.—The Chamber of Deputies to-day rejected the petition of the Roman Catholic Episcopate for modification of the religious sections of the Mexican Constitution.

The rejection took the form of a declaration that the Deputies could not consider the petition, because it was not in proper form, having been signed by clergymen, who have no political status, instead of by citizens.

By Cable to the Herald Tribune

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MEXICO CITY, Sept. 22.—President Calles and the Roman Catholic hierarchy of Mexico have made another unsuccessful attempt to settle outside the courts or Congress the conflict raging between the State and Church since August 1.

Acting on the President's instructions, Colonel Adalberto Tejeda, Secretary of the Interior, who is charged with enforcement of the religious laws, requested—according to members of the episcopate—a formal conference with representatives of the Archbishop of Mexico, the Most Rev. Jose Mora y del Rio. This took place last evening, the Church being represented by Mgr. Pascual Diaz, secretary of the episcopate; Monsignor Maximino Ruiz y Flores, Titular Bishop of Mexico, and Monsignor Jose Maria Evecherria, Bishop of Saltillo, who is at present "consigned," awaiting hearing on charges of having instructed parents not to send their children to the government schools.

Senor Tejeda has made no statement on the conference. Bishop Diaz informed the Herald Tribune's correspondent that the main point discussed and the first mentioned by Senor Tejeda was "the present state of agitation in Mexico." Asked whether Senor Tejeda had made specific mention of the Yaqui revolt or disturbances elsewhere, the Bishop said that the Secretary spoke in general of "uprisings in the interior," charging the clergy with responsibility for fomenting seditious movements.

Bishop Diaz said he replied with the statement, "I will guarantee with my life that not a single Bishop is behind the revolts." Senor Tejeda then discussed, according to the Bishop, the religious fanaticism of women throughout the country, saying that the government could not allow this to continue. Monsignor Diaz replied, he said, that this was due to excited passion, which could be remedied only by some radical relief.

Senor Tejeda also informed them that the President remained determined not to change or modify his attitude and that the Church's case would have to be fought out in Congress and the courts.



SEX EQUALITY AIM OF BILL IN MEXICO

Minister of Interior Sponsors
Measure Giving Women Inde-
pendent Divorce Right

HER PROPERTY HER OWN

Tejeda Predicts Congress Will
Approve Emancipation

From The World's Bureau
Special Cable to The World

MEXICO CITY, Sept. 22.—Congress will be asked to modernize the marriage and divorce laws of Mexico. Minister of the Interior Tejeda will sponsor a measure giving women equal rights of property and divorce.

The project he has drawn up will permit wives to hold property independently of their husbands. It will also permit them to take independent action for divorce. He forecasts Congress will enact the bill.

From time immemorial, in accordance with the old Spanish laws, women have upon marriage been obliged to share control of their property with their husbands. In practice the husband alone has all the say about it. He has even assumed that what was hers as well as his own belonged to him. The law upholding him prescribed that his signature was required in all transactions concerning the property of the family.

Now Senor Tejeda, who is an avowed radical and suffragist to boot, proposes to change all this. He would put women on a plane of legal equality with the long favored male. It will be necessary in all marriage contracts under his proposed bill for both parties to stipulate over their signatures whether they are forming a partnership with their property or whether each desires to retain independent control of it. Another provision calls for reform of the late Venustiano Carranza's famous divorce laws. If Congress approves, a wife may seek a divorce regardless of the attitude of her husband, and vice versa.

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U. S. GETS NEW MEXICO REPORT

By Universal Service.

WASHINGTON, Sept. 22.—H. Dorsey Newson, third secretary of the American Embassy in Mexico, reached Washington this morning, bringing with him important dispatches to the State Department dealing with Mexican internal affairs.

He was closeted most of the morning with officials reviewing the alien land and petroleum issues, concerning which Mexico is about to hand a note to Secretary of State Kellogg.

It is understood that Mexico is prepared to make concessions to the United States in formally declaring that the laws are non-retroactive and will not disturb American property acquired prior to 1917, when the Mexican Constitution was adopted.

Newson left Mexico City before the murder of Jacob Rosenthal, retired New York merchant, by bandits. He declared that Mexico had apparently done all possible to bring the bandits to justice.

The State Department received further advices from consular agents along the border that the Yaqui Indians are uniting against a threatened attack by Mexican Federal troops.

The Yaqui position is such that they can only be attacked from the north, which would require moving Mexican troops across American territory.

A request to do this was expected by the State Department and undoubtedly will be granted, it was stated.

Mexican Federals Ambushed by Yaquis

NOGALES, Ariz., Sept. 22.—Twenty-seven Mexican soldiers and thirty Yaqui Indians were killed when a band of 300 warring tribesmen ambushed a Federal detachment near Oros, Mexico, according to word reaching here today.

The ambush was staged by Mori, one of the supposedly "friendly" Yaqui chieftains. Mori recently "went over" to the government with 400 braves.

Wounded soldiers at Guaymas declared today the troops had no chance. Shrieking "viva de la Huerta," the Indians struck as the fatigued troops stumbled wearily along in a depression below.

Adolfo de la Huerta, who is part Yaqui, was former president and dictator of Mexico.



Journal of Commerce

AND COMMERCIAL BULLETIN

Class Matter at Post
New York, N. Y.

NEW YORK, THURSDAY, SEPTEMBER 23, 1926. * * * N. S.

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BOYCOTT SHARPENS TRADE DEPRESSION BESETTING MEXICO

Robbers, Wholesalers Hard
Hit, While Retailers Resort
to Forced Sales

SALES TAX AND DUTY ON
AUTOS HURT CREDITS.

Crops Damaged, Exports In
Decline, Silver Weaker are
Other Adverse Factors.

Bureau of The Journal of Commerce.)

WASHINGTON, Sept. 28.—The damage done to Mexican business by the economic boycott, which has been accentuated by the appearance of floods in some sections, has continued to make the general depression more pronounced, according to advices reaching the Department of Commerce by cable.

Throughout the country, it is stated, robbers and wholesalers are buying on a very small scale, while retailers are endeavoring to liquidate stocks through sales at cut prices. Credit, it is said, is extremely tight, all banks being increasingly careful in scrutinizing the solvency of their clients, and it has been noted that credit to automobile dealers, who have heretofore represented a good clientele, has been restricted because many have become backward in meeting loans.

Sales Tax Hits Business.

The restrictive effect on sales by the new sales tax and the new import duty on automobiles, is said in Mexico to be responsible for the weakening credit position of the automobile dealers, although it has been generally reported here that sales of automobiles had practically ceased with the appearance of the boycott.

The Central States of Guanajuato, Jalisco, Morelos, Mexico, and the Federal district appear to have suffered more heavily than other parts of the country. The corn crop, which escaped damage from the floods in the Central Plateau is reported to be very late and in the Southern part of the Republic considerable damage is being done by the locust plague. It is estimated in Mexico that the damage sustained by the wheat crop in the Central Plateau will be 15 per cent. It is also estimated locally that the total cotton production during the present year will be approximately 350,000 bales. Floods have caused considerable damage to the potato crop, especially in Guanajuato.

Exports on Down Trend

Official statistics of the Mexican Government are not available to indicate the trend of foreign trade since April, but from data available such as reports from various consular officers and customs receipts at Mexican ports of entry, it is clear that the trend is downward, both as regards imports and exports. Customs receipts during April, 1926, amounted to 8,556,182 pesos, this amount being reduced by 343,480 pesos during the month of May. During June there was a decrease of 38,838 pesos. The decrease in automobile imports through Laredo has been especially significant, and there has also been a slight decline in imports of agricultural and industrial machinery during recent months. The official statistics show that the imports of the country for the four months ended April 30 decreased by 9,195,968 pesos, as compared with the same period of 1925. The exports for the four months ended April 30 showed a decrease of 3,232,089 pesos.

The falling market for silver is beginning to inject a feeling of uncertainty, and it is now stated that if prices of this metal continue to fall as rapidly as in the latter part of July, some companies will be compelled to restrict the exploitation of this metal.



ROSENTHAL'S BODY ON WAY

Remains of Mexican Bandits' Victim

Due Here Sunday Morning

Special Despatch to The World
LAREDO, Tex., Sept. 23.—The body of Jacob Rosenthal, business man of New York, murdered by Mexican bandits near Cuernavaca, Mexico, some days ago, arrived here this morning accompanied by his son-in-law, Joseph Ruff of New York, and proceeded northward on a morning train.

The body will reach New York City Sunday morning. The funeral party will be joined en route by Mrs. Rosenthal.

ANOTHER OF KILLERS OF ROSENTHAL TO DIE

One-Eyed Indian Will Be Shot
When Last Bandit Is Caught—
Victim's Body on Way

Special Cable to The World
MEXICO CITY, Sept. 23.—Another member of the band of Morelos Indians that murdered Jacob Rosenthal of Woodmere, L. I., will face the firing squad. He was tracked last night to a settlement near Huitzilao and identified as the one-eyed man who had figured in the hold-up of the Rosenthal party. He bears the famous names Cortez Pizarro, Jose Mascorro, chief of the secret service of the Mexico City police, made the capture.

The bandit will be held at police headquarters until the authorities locate the remaining member of the band, according to Mascorro. The two will be taken out to Huitzilao and executed. Then their bodies will be strung up as a warning to other bandits.

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Publishing Company, 1926

CALLES POLICY SUSTAINED

Mexican Chamber Rejects Clergy's

Petition for Reforms

Special Cable to The World
MEXICO CITY, Sept. 23.—By an overwhelming vote the Chamber of Deputies this afternoon sustained President Calles's religious policy. The motion to reject the Catholic episcopate's petition for constitutional reforms declared the clergy lacked the status of citizens.

Catholic leaders, professing to be undismayed by the action of the Chamber of Deputies, asserted they would continue their struggle. They plan to come back to Congress with a bill repealing the decree of July 2 which requires priests to register with municipal authorities. The Catholics will urge the State Legislatures to repeal the laws limiting the number of priests. They will stand pat on their economic boycott as well as on the episcopate order forbidding masses.

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Calles Delays Action On Resignation in His Cabinet Split

Oil Question Blamed for Dis- pute Between Finance Minister Pani and Secre- tary Morones, Labor Chief

By Cable to the Herald Tribune
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MEXICO CITY, Sept. 23.—President Calles's problem in the present Cabinet crisis has narrowed down to a decision the President must make as to whether Finance Minister Alberto Pani is to score over Luis Morones, labor leader and Minister of Industry, Commerce and Labor. No official announcement has yet been made as to whether Senor Pani's resignation will be accepted by the President and financial and business circles are speculating on whether it contained a proviso that he would remain only if Senor Morones stepped out of the President's official family.

Oil, according to "El Imparcial," is the predominating dispute causing the split. A recent article published in "El Universal" is blamed for the controversy. It is said that the Pan-American Petroleum Company had been denied drilling permits by Senor Morones. As this decreased oil revenues, Senor Pani's displeasure was incurred. The article at first was traced to an official in Senor Pani's department, which angered Senor Morones.

"El Imparcial" says the information was given to "El Universal" by Hilary Branch, legal representative of the Huasteca Petroleum Company, Mexican subsidiary of the Pan-American, which statement Mr. Branch denies.

While Senor Morones holds sway over the country's labor element and the Mexican Regional Confederation of Labor is affiliated with the American Federation of Labor, Senor Pani's unpopularity is as pronounced as his ability as a financier and stabilizer of Mexico's finances is recognized.

Mexican Chamber Rejects Plea of Catholics, 161-1

Church Continues Petition De- spite Deputies' Refusal to Alter Constitution

By Cable from the Herald Tribune Bureau
Copyright, 1926, New York Tribune, Inc.

MEXICO CITY, Sept. 23.—The Chamber of Deputies to-night, by a vote of 161 to 1, rejected the petition of the Roman Catholic episcopate of Mexico for repeal or amendment of the religious clauses of the constitution. Deputy Ernesto Hidalgo, editor of "El Universal Grafico," cast the lone vote in favor of the Church and was violently criticized by his colleagues for doing so.

Meanwhile the National League for the Defense of Religious Freedom continues to gather signatures in all parts of the country for a similarly-worded petition which it is intended to present to Congress in the name of the Catholic population.

This plan has been strengthened by the opposition to the clergy's request in the Chamber of Deputies. The committee to which the episcopate's petition was referred reported that in its opinion the Archbishops and Bishops do not enjoy the right of petition because they have openly said they do not intend to observe the constitution, acting on instructions from Rome.

All the speakers at last evening's session of the Chamber supported the committee's recommendations and were violent in their attacks on the clergy. Deputy Alejandro Cerisola charged the Bishops with inserting inexactitudes and falsehoods in the petition with a view to misleading public opinion. He said the authors of the petition were desirous of recovering temporal power and had only their own interests at heart.

Hangs Self at Salvation Hotel

A man who had registered at the Salvation Army Hotel, 225 Bowery, August 18, as "Mr. Boscher" hanged himself in his room on the fourth floor yesterday morning. He had tied a rope around his neck and fastened the loose end to a locker hook. Employees at the hotel said "Boscher" probably was a seaman.



HOLDS GREENBERG MAY SEEK MEXICAN DIVORCE

*Justice Voids Injunction Obtained
by Wife, but Rules Such a
Decree Is Invalid Here.*

Davis Greenberg, wealthy realty operator, has a right to continue a suit for a divorce brought by him at Hermosillo, State of Sonora, Mexico, against Mrs. Mildred Greenberg, although the divorce will not be valid in New York and will not affect the status of Mrs. Greenberg as his wife, under a decision yesterday by Supreme Court Justice Valente. Mrs. Greenberg asked for the injunction on the ground that her husband has been trying to force her to divorce him since 1915, and has offered her \$15,000 to consent to a decree, and because of her refusal to do so he has kept her in want.

Justice Valente, who also set aside a temporary injunction obtained by Mrs. Greenberg staying the proceedings in her husband's Mexican divorce suit, said it was conceded that both were citizens of New York and had never lived in Mexico, and that the plaintiff in the present action had not appeared in her husband's suit in Sonora, and had not been served with papers in that action. For that reason he said her status as Greenberg's wife would remain unaffected "and in our eyes she would continue to be the wife of this defendant, and could enforce any rights incident to that status." For that reason Justice Valente held that an injunction was not necessary, and that Mrs. Greenberg might proceed at law if her husband attempts to use the foreign decree at any time "as a weapon or as a shield."

Justice Valente said that the Greenberg case differed from that of the Symington and Gwathmey injunctions granted in New York restraining the prosecution of divorce suits in Maryland and Florida, respectively, because Mr. Symington and Mr. Gwathmey both swore falsely that they were citizens of those States when they filed their actions. The Court said that Mr. Greenberg openly described himself as a resident of New York, and remarked that the Mexican laws apparently did not require residence in that country to prosecute a divorce action.



ROSENTHAL BANDIT SEIZED IN MEXICO

Detectives Trail Indian Known
as "White Eye" Through
Forest to His Lair.

ONLY ONE OF GANG LEFT

THE NEW YORK TIMES, FRIDAY, SE

Police Question Prisoner to Find
Out Hand Directing Kidnapping
and Murder of New Yorker.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 23.—Another member of the bandit gang who kidnapped and murdered Jacob Rosenthal of New York has been arrested by detectives near Cuernavaca. Jose Cortez Pizarro, an Indian native of the State of Morelos, who is described as one of the leaders of the bandits, was captured by Mexico City police officials who have been searching the mountains near Cuernavaca.

Pizarro is the man who was described by Jack Zahler and Joseph Ruff as an Indian who could be identified by a large white spot which almost covered one eye. The detectives confined their efforts to locating "White Eye," as Pizarro was known to his associates. They finally found him in the town of El Cuilote in the State of Morelos.

The police are still searching for one more member of the gang. When he is taken, the entire group of the bandits will have fallen into the hands of the police. All but this man and Pizarro have been executed.

Directing Hand Now Sought.

Chief of Detectives Mascorro, who personally directed the pursuit of the bandits, returned to Mexico City this afternoon with Pizarro, who will be subjected to an examination in an effort to learn who was the directing hand behind the bandits, and if Mr. Rosenthal or some one else had been selected as a victim.

Mascorro gave an interesting account of the pursuit. He said that the indiscretions of the local press made the task more difficult. For instance, it was announced that he would leave Mexico City with a group of detectives, and this gave Pizarro and his companions an opportunity to hide.

Mascorro said that the region where the kidnapping took place and where the bandits were accustomed to operate was semi-tropical and hard to penetrate. The bandits had circulated stories among the small villages that Mascorro and his men were coming with fire and sword to wipe them out. At several places when the detectives arrived all the inhabitants took to the hills, abandoning their homes.

Pursuit Through Tropical Forest.

It was hard work to convince the natives that the police were only seeking criminals, but when the villagers were reassured they joined in and helped to locate "White Eye" as Pizarro is known.

When the police were in the City of Cuernavaca they received word that Pizarro had been located in the village of El Cuilote. Starting in an automobile, the police arrived at Tres Marias, the highest point on the ridge of mountains which divides the plateau of Mexico City from the hot country. Tres Marias is at an elevation of 10,000 feet and has a railway station and a lumber camp.

A military escort was provided for the detectives and then began the march for El Cuilote through a heavy semi-tropical storm. Wading through sticky mud, the detectives pushed through heavy forests until they arrived at the village where Pizarro was hidden.

A majority of the inhabitants of the village opposed the arrest of the bandit, but the soldiers, threatening to fire, forced the villagers to surrender him.

Pizarro, under a close guard, was taken to Cuernavaca and then brought to Mexico City, where he was lodged in a cell at Police Headquarters for examination.

The police plan to continue the search for the companion of Pizarro until he is captured, and then the affair of Jacob Rosenthal's murder will be closed.

Rosenthal's Body Passes Texas Line

LAREDO, Texas, Sept. 23 (AP).—The body of Jacob Rosenthal of New York, who was killed by Mexican bandits near Cuernavaca, passed through here today accompanied by Rosenthal's son-in-law, Joseph Ruff of New York. The body probably will reach New York City Sunday.





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THE NEW YORK TIMES, FRIDAY, SEPTEMBER 24, 1926.

MEXICAN CATHOLICS BEATEN IN CONGRESS

Chamber Refuses to Consider
Petition for Reform of
Church Regulation.

THOUSANDS BACKED PLEA

Great Masses of Signed Memorials
Received—Business Boycott
Losing Force.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 23.—The Catholic issue in Congress is dead. The opposition of a majority of the Congress to the proposal to consider the petition presented by the Mexican Episcopate has caused Catholics to realize that there is no hope of obtaining any modification of the present anti-religious regulations.

In spite of the good-will toward the Catholic clergy manifested by certain Congressmen, a large majority of the Congress, obeying the desires of the Government, decided not to accept the Catholic petition in any form. The Government is determined not to change the constitutional clauses nor regulations and Congress is backing the policy of President Calles to the full.

Now that the petition has been touched upon and the general sentiment of the Congress made known, the Catholics admit that they have met with defeat and that there is nothing else they can do under the present regime to lessen the rigors of the pres-

ent regulations. While the boycott is effective, Catholics admit that the poorer classes, who are strictly maintaining this boycott, are suffering and that there are signs that they are getting tired of suffering for a cause which is now being generally considered as lost. It is clear that the boycott, while it has been a strong arm, is slowly losing its effectiveness, and in a short time the boycott, which has caused a decided slump in general business, will be a thing of the past.

The only hope of the Church to succeed in forcing amendments to the penal regulations was the influence of foreign countries, which were expected to indicate their displeasure to the Calles Government. The stand taken by President Coolidge, that the Church question was purely an internal affair of Mexico, was disappointing to the Church, as the leading prelates believed that the United States as the champion of religious liberty would use pressure upon Mexico to have the religious laws changed. If the United States had adopted that attitude, other foreign countries would also have used pressure, and the prelates believed that the Government would hasten to modify its policy toward the Church.

All these ideas have been changed. The Catholics are downhearted and at a loss to know what measures may be used to bring about a change in conditions. What attitude the Catholics will adopt in the future is not known. In any event it will be peaceable, as the Catholics are against the use of anything but moral suasion.

Catholics sent fifty-three packages and three boxes of signatures in favor of the Catholic petition to Congress. The boxes were received today. The packages contained 162,830 signatures. The three boxes contained 4,052 signed cards expressing support of the amendments to the penal regulations and religious laws. A large number of telegrams directed to Congress also have been received. The telegrams request Congress to devote time to a complete study of the Catholic requests. One telegram from a distant city says 5,000 Catholics held an orderly parade to show that they were backing the request made by the episcopate to reform the penal regulations. A telegram from the Town of Patzcuaro, where the total population is 10,000, says that when a plebiscite was held

8,000 citizens voted in favor of reforms being made to the Constitution.

MEXICO CITY, Sept. 23 (AP).—Although the Catholic episcopate's petition for modification of the religious regulations was officially announced as rejected by the Chamber of Deputies last night, plans have been made for continuation of debate on the question. There is small prospect, however, of the result being altered.

The petitions committee of the Chamber ruled that it was impossible to consider the episcopate's petition because it was signed by members of the clergy not having a citizenship status. It is considered that the episcopate may present a new petition signed by citizens to overcome this objection.

THE WORLD: FRIDAY, SEPTEMBER 24, 1926.

Plea to Halt Divorce In Mexico Denied Here

Although Mexican divorces are not binding in New York, the courts of this State will not enjoin a husband from seeking to divorce his wife there, Supreme Court Justice Valente ruled yesterday in denying the petition of Mrs. Mildred Greenberg, who sought an injunction against her husband, Davis Greenberg, wealthy realty man.

Mrs. Greenberg sought to stop her husband from obtaining a decree in Sonora, Mexico. Justice Valente held she does not need the protection of the New York courts, as she can prevent her husband from benefiting from the divorce here.

In the case of Thomas H. Symington, car equipment manufacturer, the New York courts issued an injunction restraining him from suing in Maryland, but this was based on an allegation of fraud in his claiming residence in Maryland. In the case of Mr. Greenberg, no claim was made to residence elsewhere than New York.

In her application Mrs. Greenberg charged her husband wanted to divorce her so he could marry another woman. He twice began separation suits against her, she said, the second one pending since 1922.

"My husband offered me \$15,000 to grant him a divorce and kept me in want and penury because of my refusal to accede to his demands," Mrs. Greenberg said.





Body of Rosenthal on Way to New York

LAREDO, Texas, Sept. 23 (AP).
—The body of Jacob Rosenthal of New York, killed by Mexican bandits near Cuernavaca, passed through here today. It was accompanied by Rosenthal's son-in-law, Joseph Ruff of New York.
The body probably will reach New York City Sunday.

CHURCH IN NEW MEXICAN DRIVE

By GEORGE W. HINMAN, JR.,
Universal Service Staff Correspondent.
MEXICO CITY, Sept. 23.—Sub-

mitting petitions containing nearly 175,000 signatures asking modification of the religious restrictions, the Catholics today began the drive on Congress. They hope to convince the Calles regime the constitution and laws must be changed.

At the same time the Catholics presented to Congress messages from the mayors of towns in different parts of the Republic telling of overwhelming sentiment for modification. One in the state of Guana Juato asserted 5,000 citizens joined in a manifestation favoring a change. Another from the State of Michoacan said the town sentiment was 8,000 against 2,000 for modification of both the constitution and the regulations.

The receipt of the petitions followed an overwhelming pro-Calles manifestation by the Chamber of Deputies. A Congressional committee bluntly declared the Archbishop and Bishop Pascual Diaz, secretary of the Episcopate, "have lost their rights as citizens" by refusing to observe the constitution.



Méjico implantará el uso obligatorio del sistema métrico

El ministro de Haití entrevistado por el corresponsal de LA PRENSA

NOTABLES ADELANTOS EN LA REP. DE HAITI

Organizanse los preparativos para la recepción a la reina de Rumania

Servicio especial de LA PRENSA
WASHINGTON, septiembre 23
El gobierno mejicano, en sus esfuerzos para el establecimiento de sistema métrico de medidas, desde el año 1896, cuando se constituyó éste como el sistema legal y oficial, ha conseguido bastante éxito.

Por medio de reglamentos oficiales sobre las ventas de diversas clases de mercaderías, ha llegado el gobierno a imponer el uso del sistema métrico en casi todas las operaciones de los mercados, con la excepción de algunas clases de ferretería, maderas y cueros.

Ahora, según un informe enviado por el agregado comercial de los Estados Unidos en Méjico, se ha llegado al punto en que pueden exigirse el uso de este sistema en todas las operaciones en Méjico, para formular toda factura, conocimiento, etc. Casas extranjeras que exportan sus productos a Méjico no tienen que usar el sistema métrico todavía.

El jefe de la Oficina Mejicana de Pesos y Medidas ha declarado que las casas exportadoras pueden indicar los pesos y medidas según el sistema acostumbrado, pero advierte al jefe que sería de gran conveniencia para el mercado mejicano

si llegasen las mercaderías marcadas según el sistema métrico.

Es la intención del gobierno mejicano el llegar con el tiempo a exigir el uso del sistema métrico en la importación así como en la exportación y en las operaciones de los mercados mejicanos.

Se dice que muchas casas de los Estados Unidos han empezado el uso del sistema en la exportación.

En esta reforma en los sistemas de pesos y medidas los países sudamericanos se han adelantado mucho, dejando los Estados Unidos muy a la zaga, a pesar de los esfuerzos de muchas personas en pro del uso del sistema métrico decimal.

La petición de los religiosos en Méjico negada

La Cámara de Diputados decide que no ha sido presentada por ciudadanos

NUEVA PETICION SERA PRESENTADA

El domingo llegará a Nueva York el cadáver de Mr. Jacob Rosenthal

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 23.— La cámara de diputados rechazó la petición del episcopado católico para la modificación de las cláusulas religiosas de la constitución.

La cámara de diputados se basa para su declaratoria en que no considerará la petición debido a que no fué presentada en la forma debida, en el sentido de que está firmada por miembros del clero, los cuales no tienen derechos políticos, no por ciudadanos.

Continuará el debate

CIUDAD DE MEJICO, septiembre 23.— (A. P.) Aunque la petición del episcopado católico para la modificación de los reglamentos religiosos de vigencia reciente, fué anunciado oficialmente haber sido rechazada anoche por la cámara de diputados, se han formado planes para la continuación del debate sobre la cuestión.

Hay poca perspectiva, sin embargo, de que se altere este resultado.

El comité de peticiones de la cámara, al que se pasó la petición para su consideración al ser presentada, decidió que era imposible considerarla por haber sido firmada por individuos que no tenían calidad de ciudadanos.

Considérase que el episcopado presente una nueva petición firmada por ciudadanos para vencer la objeción.

(Sigue en la 2a. pág.)

LA PETICION DE LOS RELIGIOSOS

(Continuación de la 1a. pág.)

Traslado del cadáver de Mr. Rosenthal

WASHINGTON, septiembre 23.— (A.P.) El encargado de la embajada de los Estados Unidos en Méjico, Mr. Schoenfeld, notificó hoy al departamento de Estado que el cadáver de Mr. Jacobo Rosenthal, asesinado recientemente por bandidos mejicanos, comenzó a ser transportado el 21 de los corrientes de Ciudad de Méjico a Nueva York, vía Laredo.

LAREDO, Tejas, septiembre 23.— (A.P.) El cadáver de Mr. Rosenthal, de Nueva York, matado por los mejicanos yaquis cerca de Cuernavaca, pasó hoy por aquí acompañado por el yerno del extinto, Mr. Joseph Ruff, de Nueva York.

Probablemente el cadáver llegará a Nueva York el domingo.

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MEXICAN OUTPUT OFF

Crude Oil Production Decreases 4,714 Barrels to 208,428 Barrels for Week Ended September 18

Special to THE WALL STREET JOURNAL

TAMPICO—Mexican production of crude oil for the week ended September 18 decreased 4,714 barrels daily, averaging 208,428 daily for the period. Light oil for the week increased 429 barrels daily, while heavy oil decreased 5,143 daily. In the same period last year production averaged 244,285 barrels daily, or 35,857 barrels more than currently.

Production (in barrels) for the past two weeks, together with production in week ended September 19, 1925, follows:

	-September 18-		-September 11-		September 19, '25	
	Light	Heavy	Light	Heavy	Light	Heavy
Mex. Pete..	292,000	273,000	292,000	272,000	279,000	210,000
Mex. Eagle.	107,000	2,000	106,000	3,000	101,000	6,000
Std. N. J..	19,000	114,000	18,000	120,000	20,000	301,000
R. Dutch ..	8,000	108,000	8,000	109,000	8,000	110,000
Mex. Seab..	26,000	75,000	25,000	77,000	15,000	174,000
Sinclair ..	3,000	71,000	3,000	73,000	3,000	131,000
Gulf	48,000	43,000	48,000	46,000	49,000	76,000
Nat. Rwy..	.....	33,000	.....	52,000	.....	.....
Atl. Gulf...	27,000	.....	28,000	.....	24,000	.....
Texas Co..	5,000	6,000	5,000	6,000	8,000	7,000
Misc.	39,000	160,000	38,000	163,000	38,000	150,000
Total ...	574,000	885,000	571,000	921,000	545,000	1,165,000
Dly aver...	81,571	126,428	81,571	131,571	77,857	166,428





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Catholic Status Unchanged by Mexican Vote

Church's Position Now Rests With 10 Million Communicants, Says Archbishop on Action of the Chamber

80,000 Sign New Appeal

Deputies Assail Sole Defender of Petition to Repeal Religious Strictures

By Jack Starr-Hunt

By Cable to the Herald Tribune

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MEXICO CITY, Sept. 24.—The position of 10,000,000 Mexican Catholics is the same to-day as before the Church acted upon President Calles's advice to seek relief from Congress in the situation created by the application of the religious provisions of the constitution.

This is the conclusion of the Most Rev. Jose Maria Mora y del Rio, Archbishop of Mexico, who replied to-day to a question of the Herald Tribune's correspondent as to the Church's next move following the refusal of the Chamber of Deputies yesterday to consider the petition of the Roman Catholic episcopate for repeal or amendment of the religious clauses of the constitution.

Catholic Position Unchanged

The Archbishop said:

"As the clergy have no legal standing, according to the government, they consequently are outside the law and have no right to express themselves. The Church's position now rests in the hands of the Catholics themselves, from whom thousands of signatures have been gathered throughout the republic to a petition similar to that presented by the episcopate. Aside from this, the situation is the same as before the Chamber of Deputies rejected the episcopate's formal petition."

The Archbishop said that 80,000 signatures had been obtained to the petition of the laity, and that more were being gathered as rapidly as possible. It also was learned at the Archbishop's residence that the committee of three members of the Mexican hierarchy en route to Rome to act as liaison officers between Archbishop Mora y del Rio and the Vatican arrived at Havana yesterday, where they will confer with the former Apostolic Delegate, ousted from Mexico, Archbishop George Joseph Caruana, an American citizen, who himself has just returned to Havana from Rome.

The committee is composed of Archbishop Jose Maria Gonzales, of Durango; Bishop Valverde y Tellez, of Leon, and Bishop Jenaro Mendez del Rio, of Tehuantepec, a cousin of the Archbishop of Mexico. The committee will act in an advisory capacity to the Vatican, submitting questions arising here to the Pope for his study and instructions.

Sheffield Receives Prelates

It also was learned by the Herald Tribune to-day that Ambassador Sheffield on April 22 of last year received Bishop Pascual Diaz, secretary and spokesman of the Episcopate, and his assistant, Monsignor Leopoldo Ruiz y Flores, Bishop of Michoacan, and listened most sympathetically to the prelates' exposition of the religious situation, but indicated that the United States could not interfere in the re-

ligious conflict just beginning, as it was an internal issue in Mexico. The Bishops, however, left the Ambassador assured of his moral support.

Deputy Ernesto Hidalgo, of the State of Guanajuato, the sole defender of the petition of the Roman Catholic Episcopate for repeal or amendment of the religious clauses of the Mexican Constitution in the Chamber of Deputies last night, was subjected to an oral grueling from his colleagues seldom administered to any representative in Mexico's lower house.

After the vote, 161 to 1, by which the petition was rejected, Deputy Hidalgo, who is editor of "El Universal Grafico," wended his way from the chamber, satisfied with his action, but knowing that his popularity with his colleagues will be diminished for some time to come. During his address he was frequently interrupted, and several Deputies so far ignored the nature of the subject under discussion as to voice their opinions on the Tunney-Dempsey bout at Philadelphia, radio reports of which were being received during the debate.

Lone Deputy Is Jeered

Jeers and catcalls were hurled at Senor Hidalgo during his attack on the recommendation of the Committee on Petitions, which stated that the Archbishop of Mexico, the Most Rev. Jose Maria Mora y del Rio, and the thirty-two other Archbishops and Bishops of the country, the signers of the petition, had no legal standing because of their disavowal of the constitution.

"Let him talk himself into the mud!" one Deputy yelled. Another charged Senor Hidalgo with receiving Catholic bribes. The editor tried to say that a great majority of the people considered that a religious controversy existed and that it was a problem which ought to be solved by refusing to consider the petition. Deputy Eulalio Martinez retorted that Deputy Hidalgo exposed himself to the risk of losing his citizenship for allying himself with any cause favoring the Church.

Obregon Made Army Chief to Subdue Yaquis in Mexico

Sonora Rebels Retreat After Defeat by General Bernal; New Rosenthal Suspect Held in Interior

GUAYMAS, Sonora, Mexico, Sept. 24 (AP).—An official communication posted in the principal garrisons to-day announced that General Alvaro Obregon, former President of Mexico, had been made chief of military operations against the rebellious Yaqui Indians in Sonora.

General Obregon will relieve General Manzo, corps commander for Sonora, in directing the campaign against the Yaquis who have been on the warpath for the last two weeks.

Only recently Obregon was readmitted to the army under his former title of general.

The Yaquis retreated yesterday before the forces of General Benito Bernal after an engagement of several hours near Jori, a small town between Bacum and Torin, Sonora, just north of Corral.

MEXICO CITY, Sept. 24 (AP).—Another bandit, believed to be one of the gang which kidnaped and killed Jacob Rosenthal, has been captured near Huitzilac.

By Cable to the Herald Tribune

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MEXICO CITY, Sept. 24.—While the American Embassy has no information on the case, a special dispatch, published in "El Imparcial," from Durango says that Juan Galindo, a notorious bandit, whose specialty during the last four years has been kidnaping Americans and holding them for ransom, made an unsuccessful attempt to kidnap W. F. MacFarlane, a prominent American mining man.

The dispatch says that Mr. MacFarlane was visiting a mine in Durango when Galindo and his gang of "boys" closed in on him and sent a message to Mr. MacFarlane asking him for money, but that the mine office was able to communicate with Federal troops, who arrived on the spot in time to prevent Galindo from carrying out his threat.

The dispatch adds that two bandits were captured and hanged from a tree along a road leading to a ranch owned by Herbert D. Holohan, also an American.



LAREDO TRAIN ATTACKED.

Mexican Bandits Fire Upon It at Night but Are Driven Off.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 24.—Passengers proceeding to Laredo, Texas, aboard a National Railway night train had a rude awakening at 2:30 A. M. today, when the sound of rifle fire gave notice that the train had been attacked by bandits near Kilometer 819.

The escort of Federal troops on the train answered the fire and succeeded in forcing the bandits back into the brush.

The engineer of the train, seeing a clear track, kept the train moving, preventing the bandits from getting too close. No wounded were reported.

The presence of the Federal escort was due to the foresight of the military commander of the detachment at a certain station, who noticed several suspicious men on the railway and sent a small escort on the train for emergencies.

Troops will guard all trains in the future.

MEXICO THROWS OUT PETITION OF BISHOPS

Deputies Refuse to Consider
Plea Asking for Change in
Religious Laws.

ONLY ONE DEFENDS IT

Ernesto Hidalgo, Despite Storm of
Protest, Appeals for Move to
End Conflict.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 24.—The Mexican Chamber of Deputies by a vote of 171 to 1 today refused to consider the petition presented by the Mexican Episcopate requesting the repeal or amendment of the religious laws and articles of the Constitution, the enforcement of which caused the conflict between the Catholic Church and the Government.

The lone Congressman who spoke in favor of the petition was Ernesto Hidalgo, former editor of the *Universal Grafico*. In spite of the storm of protests with which he was greeted when he began to speak, Señor Hidalgo stuck to his guns and demanded that Congress at least consider the request of the Bishops who represented many millions of Catholics.

Señor Hidalgo, referring to the boycott established by the Catholics, stated that the laborers were suffering under it because wealthy Catholic owners of houses in which the workers lived collected their rents every month.

Remedial Measures Asked.

The laborers in a great many cases, he said, were ardent Catholics. They were both enforcing and feeling the effects of the boycott, but they were Mexicans and had the right to ask to have the laws changed if they were unjust.

"It is very necessary," Señor Hidalgo said, "that this Congress take steps to remedy this situation. The President has stated that Congress was the logical place to take the petition, as Congress can amend the laws."

The religious conflict, he continued, was creating sentiment against Mexico in foreign countries.

Señor Hidalgo was asked if the clergy had a right to submit the petition, and he answered that they had. His attention was then called to Article 3 of the Constitution, which reads:

"Mexican citizenship may be lost by promising in any form before any minister of any creed or before any other person not to obey the Constitution or the laws derived from the Constitution."

Change in Law is Proposed.

Congressman Hidalgo took exception to this article and referred to Articles 13 and 14, guaranteeing the rights of citizenship. He added that Article 130 could be changed to restrict, for example, the action of Spanish priests, who had always been accused of interfering in Mexican politics, but not the French and English priests, who had never been the cause of any complaint.

Señor Hidalgo said Mexico needed schools and proposed that the law be changed to read that for every Catholic school opened two lay schools must be built.

The fact that certain schools were religious did not say that revolutionists did not come from them, he said. General Francisco Mugica was educated in a Catholic school and General Alvarez, Chief of the Presidential staff, was educated in a Catholic college.

Congressman Medina, assailing the petition, said he considered it a clear case of attack on the established régime. He declared priests were not citizens and had no legal representation.

He demanded that the petition be thrown out.

The Congressman ordered that 100,000 copies of the debate on the petition be published in order that the entire Republic might learn their attitude.



CHARACTER QUALITY AMERICA FIRST ACCURACY ENTERPRISE
New York American
AN AMERICAN PAPER FOR THE AMERICAN PEOPLE

Editorial Telephone, Beekman 2000

SATURDAY, SEPTEMBER 25, 1926

**Obregon Now Leads
War Against Yaquis**

GUAYMAS, Sonora, Mexico, Sept. 24 (AP).—Official communication posted in the principal garrisons today announced General Alvaro Obregon, former President, had been made chief of military operations against the rebellious Yaqui Indians in Sonora.



LA LUCHA RELIGIOSA EN
MEJICO

Parecen no haber favorecido a los católicos, organizados apresuradamente para la lucha electoral, las últimas elecciones en Méjico. De los comicios han salido triunfantes los candidatos que apoyan la política del presidente Calles. Y el gobierno de éste, respaldado por la patente aprobación del cuerpo electoral, es casi seguro que persista sin vacilaciones en su actitud frente a la iglesia católica.

No debe dejar de deplorarse cualquier acontecimiento que tienda a la prolongación del conflicto espiritual en la vecina república. Porque no se trata simplemente de que un grupo importantísimo de la nación se sienta herido en su conciencia, sino de que la contienda entre los dos bandos mejicanos encuentra una resonancia ingrata y perniciosa en el extranjero.

Nadie puede dudar del derecho —del deber, mejor dicho— que tiene todo gobierno a imponer sin contemplaciones el cumplimiento de la constitución del país. En ese aspecto del problema, el presidente Calles tiene una base incommovible para sostener su actitud. Pero, por otra parte, dentro de lo racional y lo humano, los católicos tienen amplísimas razones para esperar toda la elasticidad posible en la aplicación de una ley, que está en evidente desacuerdo con la opinión y los sentimientos de la abrumadora mayoría del pueblo.

Por esto, la significación de las elecciones adversas a los católicos debería ser bien entendida por el gobierno del presidente Calles y por sus partidarios. Es una victoria indiscutible. Pero ¿hasta dónde debe el vencedor aprovecharse de ella? Los católicos han perdido la batalla electoral. Pero ¿hasta dónde los votos favorables al gobierno son reflejo de la voluntad y opinión verdadera de las masas?...

Los católicos, dígame lo que se quiera, no han estado en Méjico organizados políticamente desde los tiempos de Juárez. Durante el largo régimen del presidente Díaz, los elementos católicos apoyaban al gobierno disgregados y siguiendo simplemente líneas sociales. No había opinión católica propiamente dicha; y mucho menos partido católico constituido. Los esfuerzos hechos ahora han tenido que ser precipitados, desorganizados, ineficaces.

Por ello, con la evidencia de la abrumadora mayoría constituida por los católicos en el país, el presidente Calles obraría prudente y constructivamente si, valido de la renovada autoridad que las elecciones le han dado, empleara todo su ascendiente, toda su influencia y todo su poder en dirección a una solución de concordia e inteligencia con sus adversarios católicos. Todo lo que no sea eso, se tornará al cabo en perjuicio suyo y, lo que es peor, del país.

Méjico, con una inmensa labor de reconstrucción, reorganización y desarrollo ante sí, no puede permitirse el condenable lujo de luchar consigo mismo por bizantinismos políticos y conflictos religiosos absolutamente fuera de lugar en este siglo. Ninguna sociedad civilizada tiene derecho en estos tiempos a sostener o provocar en su seno disensiones públicas por diferencias en opinión religiosa.

Cuando esas diferencias surgen hay que dominarlas enseguida. Y la única forma de vencer esa clase de divergencias es la conciliación, el respeto mutuo, la comprensión recíproca. Jamás la violencia, la imposición, la fuerza. Pretender continuarla usando en Méjico será a la vez poco práctico, poco liberal y poco patriótico....



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La cámara de diputados mejicana niega de nuevo la petición del arzobispado

Insístese en que el ex-presidente general Obregón se halla al frente de las tropas que combaten a los yaquis



LA CAMARA DE DIPUTADOS

(Continuación de la 1a. plana)

aquí con soldados para reforzar las fuerzas federales actualmente en el campo de batalla, presentan más la apariencia de empresas de mudanza que de trenes de tropas.

Los vagones están cargados adentro y al exterior con las familias de los soldados y sus efectos.

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 24.—La cámara de diputados rechazó hoy de nuevo la petición del episcopado de la iglesia católica romana con propósitos de que se enmendaran o derogaran algunas de las cláusulas religiosas de la constitución mejicana.

Sometida que fué a votación la petición, resultó negada por unanimidad, con excepción del voto de un diputado que la aceptó y cuyo nombre no se ha anunciado.

La cámara primero rechazó la petición el miércoles, en concepto de que la petición no estaba en la forma legal adecuada. Los planes de ayer fueron, sin embargo, de que se continuara el debate sobre la cuestión, lo que trajo como consecuencia el voto adverso de hoy.

La votación fué de 171 votos contra la petición y uno a favor de la misma.

Otro cautivo sospechoso

CIUDAD DE MEJICO, septiembre 24.—(AP).—Otro bandido, que se cree sea uno de los miembros de la pandilla que secuestró y mató al comerciante de Long Island cerca de Cuernavaca, Mr. Rosenthal, ha sido capturado cerca de Huitzilac.

Si se establece que estaba en conexión con el crimen, será ejecutado.

Insístese en que Obregón está en el campo de batalla

ASSOCIATED PRESS

GUAYMAS, Sonora, Méjico, septiembre 24.—Persisten los rumores de fuente semioficial en el sentido de que el general Alvaro Obregón, expresidente de la república, se encuentra en el campo de batalla contra los indios yaquis insurgentes.

Ayer se informó que el general Obregón iba a entrar en servicio activo con su antiguo rango de general y que de ahora en adelante dirigiría todas las operaciones en la zona de guerra que fueran necesarias para obligar a los indios yaquis a someterse rápidamente.

Los yaquis se retiraron ayer ante las fuerzas del general Benito Bernal, después de un encuentro de varias horas cerca de Jori, pequeño pueblo entre Bacun y Torin, Sonora, precisamente al norte de Corral.

El punto es una importante conexión ferroviaria del ferrocarril del sur del Pacífico de Méjico y un ramal que va hasta el valle del río Yaqui.

Los trenes de tropas que llegan
(Sigue en la 2a. pág.)



U. S. to Attend Postal Congress in Mexico

(Bureau of The Journal of Commerce.)

WASHINGTON, Sept. 24.—The United States will be represented at the second Pan-American Postal Congress, which convenes in Mexico City October 15, by Joseph Stewart, executive assistant to the Postmaster General, and Eugene R. White, superintendent of the Division of Foreign Mails, it was announced by Postmaster General New today.

Virtually all South and Central American countries will be represented, as well as Spain, who became a member by invitation at the incipency of the organization at a postal congress in Madrid shortly after the war.

Improvement is expected to follow the Mexico City meet that will result in closer relations between the various countries in the exchange of mail.

Calles Lays Strife on Economic Cause

President Asserts Mexicans Own Only Third of Resources, Church Holds 60% of This.

FISH PROGRAM DENIED

Government Seeks to Promote the Good of the Masses by Its Laws, Chief Executive Asserts.

Problems of Mexico today, according to the assertion of President Calles in an article in Foreign Affairs published recently, are due largely to the fact that Mexicans possess less than one-third of the total wealth of their own country, and that 60 per cent of this one-third is in the hands of the Catholic Church.

"I wish to lay stress," he said, "upon the fact that a real religious problem does not exist in Mexico. I mean that there is no such thing as persecution on religious character against religious creeds or opposition on the part of the Government to the dogmas or precepts of any religion.

It is true that the Constitution of Mexico has provisions that the Catholic clergy consider incompatible with their constant and illegitimate intervention in politics and questions of State, or with their holding economic strength as a means of spiritual influence and a principal factor of domination of a material order.

Enforcement Termed a Duty.

So long as the clergy do not obtain through the legal means and methods contained in the Constitution itself, through an act of Congress approved by at least one-third of the State Legislatures, the derogation or amendment of the provisions that aim at crushing the political strength of the clergy by means of making their properties the property of the nation, the Government fulfills an elemental duty in complying with these laws and enforcing a strict obedience to them.

So long as the clergy in Mexico fail to win over the confidence of the great liberal majority of my country, a result that can not be attained if the clergy, disregarding their high functions, hold to the methods systematically employed so far to secure advantages of a material and political order, unbecoming to their religious character, I seriously believe that the abolition or amendment of these articles of the Constitution can not be accomplished."

President Calles quotes Lord Reading as saying that "the essential principle underlying English institutions is based on a fundamental unity of sentiment and on a general desire, in issues of cardinal importance, to waive the claims of individual or sectional advantages for the benefit of a common weal."

Basic Clash of Interests Seen.

"This," President Calles comments, "is exactly what we are trying to do in Mexico; to waive the claims of individual or sectional advantage for the benefit of a common weal.

"Of course it is neither easy nor agreeable to develop a policy truly and with energy in a country where privileges of every kind, and what are represented as rights frequently nothing more than immoral or unjust concessions, have been in the hands of an insignificant minority, native or alien.

"In any of the problems that revolutionary Governments have tried to solve in the past few years there is always found at the bottom this struggle between large interests—the real necessities of Mexico as a whole—and small individual interest small in origin, utility and purpose, though often large if measured in dollars.

"Hence the problem of land in Mexico, the oil problem, the problem of education of the great masses throughout the country and, finally, once again present, what is nowadays considered the religious problem—which, as I will explain later on, nothing else but the conflict between the great chiefs of the Catholic Church

and the constitutional laws of Mexico that these chiefs pretend to ignore.

Economies Declared Big Factor.

"If one bears in mind that Mexicans possess less than one-third of the total wealth of the country, one can easily understand why so frequently in the resolution of Mexican problems, which of course have always had a marked economic character, we have friction or difficulties either with foreign governments defending the interests of their countrymen who consider themselves affected by our constitutional laws, or with Mexican land owners controlling endless tracts of land.

"And if one considers, furthermore, that of the third part of the national wealth owned by Mexicans (running surely above 1,500,000,000 pesos) 60 per cent, at least, has been and still is in the hands of Catholic priests of religious institutions or orders of the Catholic Church, one can understand why we always have rebellions on the part of the Catholic clergy who fear at every moment of the struggle to lose their main strength: the millions that they have accumulated against the definite and express provisions of the Fundamental Charter of our country.

"The Executive realizes well the difficulties and complications of all kinds that might come to the Government by following a policy directed toward putting our nationality once for all on solid foundations upon which a firm prosperity, certain for the present and future, could be based.

Says Easier Path Was Not Taken.

"We know also that the work of the present Administration could have been entirely simplified and its individual success safely insured by endeavoring to solve only immediate problems and seeking exclusively economic betterment at home, financial stability abroad, and military and political power, thus making the way for the

Administration smooth and without danger.

"Nevertheless, the Executive, with the cooperation of the other two powers of Government and backed by the great mass of population, has wished and has partly fulfilled its wishes to formulate and perfect, legally, a system of reforms of a just and advanced social tendency, with a strong nationalistic flavor—reforms which will be in the future sources of general organic peace, collective progress and public wealth and which mean the adoption of methods and systems designed to secure profit from national resources and to defend equitable national rights.

"These methods and systems have been adopted and followed with success by the most civilized nations for the purpose of preserving their political and economic independence and of assuring their economic prosperity and their total development.

Hatred of Foreigners Denied.

"All that has been said clearly shows that in this work of national progress the Government has not been inspired by selfish motives, pride or hatred of foreigners. The Government has never refused to accept the benefits of international collaboration for the development of the country.

"It does not think, either, that the plans of action provided by constitutional law, the product of the free but prudent exercise of its sovereignty,

should prevent foreign collaboration, which must be restricted only by respect for our laws and which shall not develop to the point of absorption working harm to our national interests.

"Happily in all these frictions provoked by the nationalistic policy I have outlined, the unbiased spirit of the courts, that have studied our laws endeavoring to understand their meaning and real range, and the reason which supports our cause, have paved the way for truth and justice to show themselves.

"We have wished, once for all, to organize the statutes of our constitutional laws and enforce them, justly and strictly, in order to be able to develop our national wealth, and to avert, also, perpetual misunderstandings and false interpretations of our legislation and see to it that capital invested in Mexico shall know clearly what it has a right to expect in this country.

"Internationally the Mexican Revolution has no axe to grind, but wants to avoid entanglements by adopting clean-cut legislation and by making foreign investors conform to Mexican law.

"The domestic policy of the present Government can be summarized in a sentence: we have believed and still believe that this betterment can only be got through a formidable effort in favor of the great masses of the people."



Yaquis Split, Peace in Sight, Mexico Hears

Followers Said to Have Disowned Chief and Confering with Calles' Generals; Big Siege Also Reported

Barricade Gold Mine

Meanwhile Troop Trains and Planes Move North in Preparation for Attack

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.

MEXICO CITY, Sept. 25.—While private advices from Sonora say that the rebellious Yaqui Indians are barricading themselves at the famous old Jesuit gold and silver mine at La Tarasca in the Bacatete Mountains preparatory to a long siege, press dispatches quoting government sources at Guaymas, Hermosillo and Nogales hint at proposed negotiations for a peace conference between the tribesmen and the government.

An American who has just arrived here from Sonora, making the journey over the battered Southern Pacific Railway, says that the railway already has been a heavy sufferer as a result of the Yaqui uprising and that the company has suffered almost as heavily by a fortnight of continuous rain. He was fired at by an unknown ambushed man while traveling in a track motor over a roadbed with the ties and rails virtually floating in mud.

He was told at Guadalajara that the Yaquis had torn up twenty-five miles of Southern Pacific track and burned all the bridges between the stations of Corral and Empalme. He said the Federals were moving hundreds of troops over the gap the Southern Pacific is building between La Quemada, in the State of Jalisco, and Tepic, in the State of Nayarit, the soldiers tramping over the rock-strewn and mud-soaked mountains. He observed six troop trains, all carrying infantry, leave Guadalajara for the north.

The La Tarasca mine was turned over for safe keeping to the Yaquis by the Jesuits when they were driven out of Mexico, in 1829, the Indians having faithfully guarded the property, which at one time produced great wealth in gold and silver, never allowing any one on Mount Bacatete, a natural fortress, where they now are reported as concentrating, under the leadership of Chief Luis Matus, to resist the Federals' siege.

From Nogales comes a dispatch saying that the Federal commander, General Francisco Manzo, has telegraphed President Calles that the Yaqui civil authorities have disowned Matus, have adhered to the government and have offered to conduct peace negotiations with Matus's dissatisfied followers. General Manzo is reported now at Cruz de Piedra confering with Matus's envoys.

A dispatch from Hermosillo quotes General Manzo as saying that he expected within ten days to re-establish traffic on the railroad between Guaymas and Navojoa. The dispatch reports the Federals as preparing for an

attack on the Bacatete Mountains and that a squadron of airplanes has reached Mazatlan, to co-operate with the land forces against the Indians, with Guaymas as their base. Guaymas reports that six machine gun battalions are expected there to-day.

General Zertouche, commanding a strong Federal force, reported moving from the State of Sinaloa toward the Yaqui country, has encamped at Bacum. Eight tribal governors are reported as having joined Chief Mori, who has remained loyal to the government, leaving Matus alone with his staff in the Bacatete Mountains.



MEXICANS SEE MOVE TO CHANGE OIL LAW

Observers Expect Proposal to
Amend Legislation on Aliens
Will Be Offered Soon.

PLAN IS CREDITED TO PANI

He Is Believed to Have Convinced
Calles Revision Is Needed to
Attract Foreign Capital.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 25.—Political observers believe that the refusal of President Calles to accept the resignation of Alberto Pani, Secretary of the Treasury, means that the policy of the present Government in respect to the investment of foreign capital in Mexico will be changed. Señor Pani has been in favor of a new policy that will attract foreign investors and he is said to have suggested amendments to the laws that will bring more outside capital into Mexico.

Señor Pani now holds a dominating position in the Cabinet and it is expected that within a few days a project for the amendment of the present land and oil laws will be presented to Congress.

While the basic principles of the constitutional articles will not be changed, the regulations will be amended in such a way as to attract and assure foreign capital, it is believed by observers here.

Signs of Calles Changing Seen.

That President Calles was almost ready to make some changes, observers say, was shown by his message to Congress on Sept. 1, in which he stated that the oil and land laws would be changed if experience showed that they were injurious to the development of Mexico.

It is believed that Señor Pani has succeeded in persuading the President that Mexico cannot be developed without outside capital and that, before they will furnish money in sufficient volume to enlarge existing Mexican industries and for the establishment of new ones, the capitalists must be convinced that the laws which at present cause them to avoid Mexico will be amended.

These observers say that President Calles now realizes that without foreign capital Mexican industries will continue dormant, as it is clear that Mexico herself has not money enough to develop her present industries or to start new enterprises that eventually would place the country on a prosperous basis.

Regarded as Able Financier.

Pani is noted for his ability as a financier. He has served in several Cabinets and is credited with obtaining the revision of the de la Huerta-Lamont treaty so as to eliminate the railway debt, thus saving the present Government a large amount of money.

It is also reported that foreign creditors sent telegrams to the President asking him not to accept Señor Pani's resignation as they had faith in the Secretary's ability and believed that the Government was trying to meet

its obligations. They are reported to have said that if Señor Pani left the Cabinet the credit of Mexico would suffer, as creditors would not then have the same assurance that the country would continue its present financial program.

Señor Pani has devoted his time to his financial program without paying much attention to the attacks of his political enemies. His policy has been to build up the financial reserves of the Government in order to re-establish the credit of the country.

By maintaining a stiff front against some politicians, Señor Pani has made many enemies. He has been attacked several times in Congress. But he has also won many friends through his defiance of certain politicians who have tried to build a Chinese wall around Mexico and who assert that Mexico can finance herself.

OBREGON TAKES CHARGE OF YAQUI CAMPAIGN

Several Indian Leaders Have
Made Peace Overtures, Mexico
City Hears.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 25.—Telegrams to Mexico City from the State of Sonora say that former President Alvaro Obregon has taken charge of the Yaqui campaign. General Martinez, who had been mentioned as likely to assume command of the Federal troops, has been ordered to remain at his post as commander of the garrison of the Valley of Mexico.

The State Legislature has given extraordinary expense powers to Governor Bey for the enlistment of volunteers for the Yaqui campaign.

A report says that some Yaqui leaders have offered to surrender, alleging that the chief of the tribe, Mattus, had deceived them. The report states that a group of Yaquis visited General Manzo and offered him their assistance in pursuing the rebels.

General Manzo, it is said, has asked for instructions from Mexico City.

Officials here say now that the campaign, which at first they believed would last many months, is expected to end at any moment. They have received information, they say, that many of the rebel Indians wish to surrender, as one of the favorite leaders of the Yaquis, General Mori, has remained loyal to the Government.

The majority of the Yaquis do not wish to fight against the Government, officials feel, so the campaign will be directed only against the few Indians who have retreated to the fastnesses of mountains.

The War Department states it has received no further reports from the field, and it is evident that the Federal troops, who have already defeated the Yaquis, are steadily advancing and are out of touch with the telegraph.

Airplanes which left here are reported to have arrived at Mazatlan. They will reach Guaymas within two days and immediately enter into the campaign.

A column under command of General Zertuche is reported to have entered the Bacatete Mountains where the Indians have their headquarters. They expected to be in touch with the main body of the Yaquis within a few hours.

In spite of reports arriving here from Arizona of combats between Yaquis and Federal troops nothing is known of them in Mexico City. The War Department continues to report that it has received no reports of any fighting except the one in which the Federal troops defeated the Yaquis.





Mexican Seaboard

Special to THE WALL STREET JOURNAL

MERCEDES, Texas—As soon as the survey for the proposed natural gas pipe line from the field in Jim Hogg County, into and through the lower Rio Grande Valley, is finished, construction of the pipe line will be started, according to officials of the Milham Corp. of San Antonio, subsidiary of the Mexican Seaboard Oil Co., which is promoting the project. The pipe line will be about 160 miles long, and will serve more than a score of thriving towns in the valley. It will cost approximately \$4,000,000, it is stated. According to a survey recently made, the initial consumption of gas in the towns that are to be supplied by the pipe line will approximate 15,000,000 cubic feet a day. Besides the Jim Hogg County field, the company has large areas of land under lease in potential gas producing districts of Starr and Zapata counties.

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New York American

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OIL MEN TO DISCUSS PROJECT IN MEXICO

By Universal Service.

SAN ANTONIO, Texas, Sept. 26.—Six men, representing French, English and Italian oil companies, will gather here tomorrow for a conference, which is expected to further a proposed amalgamation of European capital to develop in conjunction with Mexico all of the governmental oil lands of that country, it was revealed here today by A. F. Boyer, Parisian capitalist.

One item alone of the proposed conference is the clearing up of a law suit which has involved \$30,000,000, so far, and in which the Royal Dutch Shell is one of the parties, declares Mr. Boyer, who is representing the finances of the companies in the scheduled merger.

"Our purpose is to develop the Government lands of Mexico and make her independent in the oil field, and we propose to develop the sugar and rubber resources of the republic as well," Mr. Boyer announces.

In the transaction Mexico, whose representative also will be here, will act as a sort of partner, according to the capitalist. If the amalgamation is completed a preliminary expenditure of \$50,000,000 will be made, according to Mr. Boyer.

Plague of Locusts Wiped Out in Mexico

By Universal Service.

MEXICO CITY, Sept. 26.—After two years of strenuous effort the Government has succeeded in controlling the plague of locusts and eliminating them in eight States.

This became known today through the Department of Agriculture announcing its willingness to have the special "grasshopper stamp" suppressed. The department now has sufficient funds on hand to stamp out the plague.

Advertisement.

Eatmor Cranberries may now be had for preserving. They make the most delicious jelly.—Adv.

Mexico Hails First Unit of New Highway System

By GEORGE W. HINMAN, JR.
Universal Service Staff Correspondent.

MEXICO CITY, Sept. 26.—

Responding to unanimous popular enthusiasm which greeted the opening of the first link in Mexico's nation-wide highway system, the Government is resolved to push the construction of good roads throughout the republic to the limit of the funds available.

While in the past it has been traditional that every Government project is certain to provoke bitter criticism and opposition in some quarters, President Calles' road-building programme has every where received emphatic approval.

Although the task is necessarily a monumental one in view of the present "deficient and imperfect highway system," the general attitude is summed up in a phrase of an editorial in the newspaper El Universal:

"Whatever money the Government may invest will be money expended for the economic development of the country."

Following the lines identical with those pursued by the Hearst newspapers in advocating highway construction in the United States, the leading newspapers of Mexico are enthusiastic in appreciation of the work done thus far and point out the urgent need of carrying out this comprehensive project.

Directing attention to achievements in the United States, the newspaper Excelsior this morning points out that "through the absence of means of communica-

tion Mexico does not have the unity characteristic of strong nationalities."

The development of a network of highways through co-operation of the states and the Federal Government is counted on not only to develop national spirit through direct contact, but also to help materially in solving the economic problem through stimulating the interchange of products among various sections of the republic.

Particular emphasis is laid upon the need of preventing politics from interfering in carrying out the programme, which is essentially no-political in character. In this connection Excelsior says:

"The outcome of so important and patriotic undertaking depends to a large extent on keeping politics in the background."

The outstanding feature of the highway project is the benefit accruing both directly and indirectly to American manufacturers. Not only is practically all the road-building machinery imported from the United States but also an overwhelming percentage of automobiles using the roads.

As the project progresses authorities count on it being practically self-supporting, as funds are derived from a gasoline tax, and tax receipts will mount directly in proportion to the increasing use of automobiles, stimulated by the construction of good roads.

President Calles was today invited by the Governor of Zacatecas to attend the dedication of highways recently completed under state auspices.

THRONGS ATTEND ROSENTHAL RITES AT FAR ROCKAWAY

Victim of Mexican Kidnappers
Buried With Masonic Honors
After Brief Religious Service

MANY UNABLE TO GAIN
ADMISSION TO TEMPLE

Wife, Because of Her Delicate
Health, Is Not Told of Man-
ner in Which He Met Death

Nearly 5,000 friends and neighbors of Jacob Rosenthal, sixty-two-year-old retired Far Rockaway merchant, who was killed by bandits near Mexico City Sept. 15, filled the Masonic Temple auditorium and the streets around it in Far Rockaway yesterday while religious and Masonic funeral services were held. Before the services began 1,000 persons viewed the body, and 2,000 more who formed a line outside the temple were unable to gain admittance.

Mr. Rosenthal was kidnapped Sept. 12 and held for ransom by a gang of Mexican bandits who held up an automobile in which he was riding at Cuernavaca with his brother-in-law, Joseph Ruff, and other Americans. Attempts to rescue Mr. Rosenthal failed, and three days later he was found stabbed to death in a retreat recently evacuated by the bandits. Thirteen members of the kidnapping band since have paid the death penalty for his death.

Religious Services Brief

The body lay in state in the Masonic Temple, banked with floral tributes from friends and organizations of which Mr. Rosenthal was a member.

A brief religious service was first conducted by Rabbi Moses Abels and Cantor Max Wittenberg of Temple Beth-el, Cedarhurst. This service was, at the request of Mrs. Rosenthal, simple and short. The Masonic burial service was then conducted by Past Master Hugh L. DeGroot and Master Sidney Nordlinger of Olympia Lodge, Far Rockaway. The Rev. John C. Green, chaplain of the lodge, pronounced the ritualistic prayer.

In eulogies delivered by Rabbi Abels and Past Master DeGroot, no mention was made of the manner of Mr. Rosenthal's death. This was because of the condition of his wife. Mrs. Rosenthal has not been told of the horrible way in which her husband was stabbed to death by the bandits, although she knew of the kidnapping and had started for Mexico to aid in his rescue when word came of his death. Mrs. Rosenthal was almost hysterical at the funeral and she was attended by her sister, Mrs. Joseph Ruff. She believes her husband died of exposure while a captive of the bandits.

One Hundred Cars in Procession

The honorary pallbearers were lodge members and friends of the dead man and trustees of Temple Beth-el. They were Magistrate Leon Sanders, Edward Spector, Arthur Kaliski, Irving J. Wasiker, Sol Schildkraut, Joseph Kalmanoff, Moses Berlin and Simon Rosenfield.

Five motorcycle policemen escorted the funeral procession, consisting of almost a hundred motor cars, from the Far Rockaway Masonic Temple to Cedarhurst, where a brief prayer was said in front of Temple Beth-el, where a second large crowd had gathered, and thence to Salem Fields Cemetery.

A force of twenty-five patrolmen and several mounted police under Capt. Meyer of the 53d Precinct handled the crowd at the Masonic Temple, described as the largest ever assembled for a funeral in Long Island.



El Eco de las Aulas

LA CATEDRAL DE MEJICO

Consagrada bajo la advocación de la Virgen María y conocida también con el nombre de Iglesia Metropolitana de Méjico, la Catedral de la capital federal de la nación mejicana, es el mayor y más importante edificio eclesiástico de la república, y aun —según algunos— del continente americano.

Existe la tradición de que aquella inmensa masa rectangular está reforzada con inmensas cadenas de hierro para prevenir su destrucción por los terremotos. Los historiadores dicen que los cimientos se componen casi enteramente de imágenes indias esculpidas en piedra y de los restos que un día formaron el cuerpo del gran "teocalli" azteca, situado allí cerca.

Aquella inmensa construcción de basalto y arenisca gris, con paredes gruesísimas, es un tesoro de positiva importancia y de interesantísimos recuerdos históricos.

Ocupa en la plaza mayor todo el lado norte sobre un área cruciforme, con una nave principal y dos laterales, que disminuyen gradualmente en altura desde la mitad hasta su pared exterior.

La adornan un gran número de macizas bóvedas, caprichosas gárgolas, cornisas, frisos y bajo relieves, y tiene por base una extensa plataforma de 0.60 m. de altura y 140 metros de ancho. Mide, excluyendo las paredes, 118 metros de norte a sur por 54 de este a oeste, y una altura interior de 55 metros; sus esbeltas y bien proporcionadas torres gemelas se levantan a 62 metros sobre el atrio, al cual se llega por amplia escalinata.

La primera iglesia cristiana de Méjico fué erigida por los españoles un poco al sudoeste del gran "teocalli" azteca de Tlaloc Hitzilopochtli. Gran parte de los escombros de este santuario pagano fué aprovechado como material de construcción en el nuevo edificio. Quedó terminada en 1525 y se la denominó "Iglesia Mayor".

Dos años después el Papa Clemente VII estableció el obispado de Nueva España, nombrando, a instigación de Carlos V, a fray Juan de Zumarraga, que llegó a Méjico en 1528 e inmediatamente comenzó su labor prelacial con el título de obispo electo y protector de los indios y fué confirmado en su cargo por bula pontificia de 2 de septiembre de 1530.

Pablo III, al establecer el obispado de Méjico en 31 de enero de 1535, dió a la catedral el título de Iglesia Metropolitana. En 1573, Felipe II consiguió permiso del Pa-

pá para demoler la primitiva iglesia y erigir en su lugar un templo más hermoso.

Con objeto de conservar intacta la "Iglesia Mayor" hasta que la nueva quedase terminada, se compró terreno de los frailes franciscanos por valor de 40 pesos a alguna distancia hacia el norte; el sitio de la primera iglesia católica de Méjico, por consiguiente, estaba en el que ocupa de la presente catedral.

El primer diseño fué hecho por Alonso Pérez de Castañeda, maestro real de arquitectura, y la piedra angular fué puesta en 1573. Mientras la obra seguía su construcción, Juan Gómez de Mora, arquitecto de Felipe III, trazó otro plan modificando el anterior, y éste fué enviado bajo el sello real con instrucciones para que se utilizase.

Las obras se interrumpieron con frecuencia; la gran inundación de 1629 amenazó destruir la fábrica entera. Hasta 1667 no quedó terminada la iglesia e inaugurada.

Pedro de Arrieta, maestro de obras del reino de Nueva España, dirigía las del templo en la época de su terminación. Su costo se estimó en 1.752.000 pesos, exclusión hecha de las torres cuyas cúpulas se deben al genial arquitecto Tolsa, y que fueron terminadas en 1791 y costaron 190.000 pesos.

Cuando se inauguró la catedral, muchos acaudalados españoles contribuyeron con fuertes sumas para su adorno interior; dícese que los ornamentos de oro y plata regalados a la iglesia valían 1.850.000 pesos; un cáliz cubierto de pedrería valorado en 300.000 pesos fué donado por el rico minero José La Borde, el cual, viéndose después en apurada situación financiera, suplicó le devolviesen el donativo, pero recibió en su lugar 100.000 pesos. Créese que este cáliz, con otros tesoros, fué secuestrado en alguna revolución. En cambio otros, basándose en ciertas teorías, nada improbables, afirman que esos tesoros y gran cantidad de otros seleccionados de entre los mejores de la rica iglesia mejicana, han sido oculta y convenientemente trasladados a Roma.

(Continuará.)



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NEW YORK CITY

The Journal of Commerce
AND COMMERCIAL BULLETIN

MONDAY, SEPTEMBER 27, 1926.



Calles Forbids Gold Export From Mexico

MEXICO CITY, Sept. 26 (AP).—President Calles has issued a decree prohibiting the export of gold, or its equivalent. The purpose is to stabilize the exchange rates, which are hurting business. The decree requires exporters of ore with gold content to deposit in the Banko de Mexico gold coin of equal value.

OIL ADMINISTRATION REVISED IN MEXICO

Calles Decree Specifies New
Duties of Petroleum Branch
Supervising Operations.

INCOME FOR DEVELOPMENT

Part of Revenue to Go to Promotion
of Natural Resource and Rest to
National Treasury.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 26.—President Calles has issued a decree amending that of December, 1925, on the control and administration of the national oil resources. Article II of the new decree vests the following powers and duties in the Petroleum Branch:

1. To modify for the benefit of the Government contracts relative to the exploitation of petroleum.
2. To negotiate contracts with any person, firm or corporation whose object is to acquire rights of exploration and exploitation for oil on lands the surface of which is private property.
3. To ratify exploration and oil exploitation of national lands, Federal zones and private lands to which the previous article refers.
4. To verify all clauses, acts, contracts and operations in the Petroleum Branch which have for their objects, besides those expressed in previous clauses, exploration and oil exploitation in general, industrial as well as commercial; to carry on the construction, reconstruction, repair and conservation of works, the acquisition and conservation of property, the renting, purchase and sale of property, and in general to execute all acts and contracts of a civil and commercial nature, either of administration or absolute possession, including mortgaging, which correspond to the general mandate.

Guard State's Interests.

5. To represent the Executive in the defense of the interests of the Government in relations with the petroleum industry and in similar operations and other acts to which this decree refers. To exercise powers which the general mandate confers.

Article III states that all acts and contracts which cover the mortgage of property in the Oil Branch referred to by this decree and the contracts verified with the previous consent of the President through the Secretary of Industry, Commerce and Labor should be reviewed by the Controller, but once approved by the President they may be executed with the reservation of the right of revision by the Controller.

Article IV provides that the revenue from oil exploitation will be exclusively designated for the development of that branch up to an amount fixed by the Executive according to the circumstances. The excess of these receipts over the amount designated by the Executive will be deposited in the National Treasury.

Sole Custodian of Funds.

Article V states that all funds derived from exploitation must be deposited in the Bank of Mexico and will be exclusively administered by the Director of Control, who shall observe in every case the dispositions in the final part of the preceding article.

Article VI places upon the Director the obligation of presenting in the first fifteen days of each month a detailed report of all work during the preceding month and reporting on the movement of the funds under his care and management.

Article VII states that the Director must furnish a bond to an amount to be determined by the Executive and that all his employees must also be bonded.

Article VIII makes it the duty of the Secretary of Industry, Commerce and Labor to hand over to the Director of Control all documents and information in his department on exploration and exploitation of oil that may be requested by the Director.

Under Article IX lands set aside or that may be set aside for exploration and exploitation for oil under the national control by the terms of this decree cannot be used as concessions to favor particular individuals.



MEXICO CURBS GOLD EXPORT

Ore Shippers Must Import Coin or Bars Equal to Amount Sent Out.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 26.—The Government has issued a decree obliging exporters of any ore of higher grade than two grams of gold a ton to reimport in gold bars or gold coin the equivalent of the gold exported in the minerals.

Exporters are obliged to give notice of such shipments out of Mexico and to specify through which custom office the gold will be imported. They must also put up a deposit as a guarantee of payment of possible fines.

The reimport of gold must be made within thirty days under penalty of a fine equal to 10 per cent. of the gold that should be reimported. Each failure to reimport will bring an increased fine.

The mint will coin the imported gold without charge.

The purpose of the decree is to stabilize the exchange rates, which are hurting business.



Mexican Troops Closing Around Yaqui Rebels

Three Forces Striking From Different Directions as Obregon Seeks to Induce Fighting Tribes to Submit

Insurrecto Chief Defiant

Holding Strong Mountain Position, Man He Deposed Aids Government Army

By Cable to the Herald Tribune
Copyright, 1926, New York Tribune Inc.
MEXICO CITY, Sept. 26.—While the newspaper "El Universal" quotes the War Office as stating that all peace talk with the rebellious Yaqui Indians is false and that the government has not in any way modified its original plans of sending all troops necessary against the tribesmen, its correspondent in Hermosillo reports that former President Obregon is acting on special powers granted by President Calles in a peace conference being held at some point in Sonora.

Another press dispatch from Guaymas records the arrival there yesterday of the steamer Montezuma and the landing of the heaviest Federal contingent of troops that thus far has reached Sonora by the ocean route. The contingent is reported to include airplane squadrons and to carry stocks of munitions. It was added that on a previous arrival the steamer dropped a strong Federal force at Port Yavaros and that a column commanded by General Zertuche is continuing its march through the State of Sinaloa toward the southern border of the Yaqui zone, while another under General Francisco Manzo is moving from Hermosillo toward the northern Yaqui border.

Thus from the strictly military side of the Yaqui uprising the government's general plan is to direct the invasion of the Indians' stronghold in the Bacatete Mountains with the main forces landed at Guaymas, while General Manzo closes in from the north and General Zertuche from the southern and right flank of the wedge as his men move up the coast from the south.

While these military preparations are under way, General Obregon—if the dispatch from Hermosillo is authentic—is attempting to talk the Indians into submission, and avoid, if possible, what is admitted will be a long drawn out and costly guerrilla warfare if the hostile tribes refuse to surrender. It is reported that unconditional capitulation is the only basis on which the government will entertain thoughts of peace.

General Obregon, according to the advices from Hermosillo, is in touch with eight civil "governors" of the Yaquis, who are reported to be opposed to the bellicose attitude of Luis Matus, the supreme military chieftain of the Indians, who is holding a strong position with his warriors in the Bacatete Mountains.

The deposed chieftain, Mori, who was stripped of his leadership last year by Matus after a public beating of a hundred lashes, and who swore vengeance on his successor, has allied himself with the government and is reported to be assisting Obregon in the peace talk.

The government's general plan is to split up the tribe and cause dissention among the "governors," lessening their fighting strength.

The Herald Tribune correspondent received a telegram from General Obregon this evening dated from Navojua, Sonora, in reply to a telegram sent last night asking for a statement as to his safety and the situation in the Yaqui revolt.

"Replying to your message," General Obregon wired, "neither my personal situation nor that of my agricultural interests in this section of the country have suffered from the Yaqui rebellion. As regards the military aspect of the revolt, at present

I believe that it does not present a serious problem for the Government and that those military elements that are so diligently being mobilized will be sufficient to terminate the campaign in a few months.

"The state of uncertainty which has been maintained by a nucleus of savages who have been holding onto their weapons and committing all manner of depredations then will be eliminated. However, it will cost the government large sums of money to do this and to bring happiness to this region. Some of the Yaqui factions, captained by their chieftain, Mori, have made overtures to the government proposing that conditions should revert back to what they were before the outbreak, but the government replied that it could not enter into any negotiations until those factions and groups which have been holding up trains and destroying the railways were either defeated or made to surrender.

"I also believe that this will be the last Yaqui uprising, and while lives will be sacrificed in this campaign, the result will be the surrender of the tribe which has been a disgrace to the state of Sonora and to the nation."



Anglo-French-Italian Combine Seeks Mexico Oil

R. A. Boyer, Representing Carnot Group, Says Marones Is Favorable to Project

Special to the Herald Tribune

SAN ANTONIO, Tex., Sept. 26.—

R. A. Boyer, of Paris, said to represent the Carnot financial group, of which Francois Carnot, son of the former President of France, is a member, is here laying plans for an Anglo-French-Italian combine to develop Mexican oil lands.

Mr. Boyer said to-day the new combination would represent "many millions," but refused to reveal the other groups interested in the deal. He said the project had been placed before Louis Morones, the Mexican Minister of Industry and Commerce, and approved in principle.

Mr. Boyer denied reports that the new group will seek to wrest control of the Mexican oil field from American capital. Mexican representatives are expected to confer with Mr. Boyer during this week.



Mexico Bars Export of Gold

MEXICO CITY, Sept. 26 (AP).—President Calles has issued a decree prohibiting the export of gold or its equivalent. The purpose is to stabilize the exchange rates. The decree requires exporters of ore with gold content to deposit in the Banco de Mexico gold coin of equal value.

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Mexican Exports Off

**\$178,917,130 for Half Year,
Against \$179,403,735**

The statistical division of the Mexican Affairs Bureau, Inc., yesterday made public a report covering figures on Mexican exports during the first semester of the present year, showing a slight decrease in the total amount exported as compared with the same period last year. Mexico's total exports during the first semester of 1926 amounted to 357,834,260 pesos, or approximately \$178,917,130 in American currency, as compared with 358,807,470 pesos, or approximately \$179,403,735 American currency, during the same period in 1925.

The bureau's tabulated report shows that petroleum and petroleum derivatives headed the list of exports to the extent of 125,000,000 pesos, or \$62,500,000 American currency, as compared with the first semester of 1925, when these exports totaled 171,000,000 pesos, or \$85,500,000 American currency. Lead follows petroleum on the list with 39,000,000 pesos, or approximately \$19,500,000 American currency. This is followed by henequen fiber valued at 19,000,000 pesos, or \$9,500,000 American currency. Copper exports totaled 16,000,000 pesos, or approximately \$8,000,000 American currency.





Jacob Rosenthal Kries **Held at Far Rockaway**

Mexican Bandit Victim Buried With Masonic Services

Funeral services were held yesterday in the Masonic Temple at Far Rockaway, L. I., for Jacob Rosenthal, who was killed near Cuernavaca, Mexico, September 15, by Mexican bandits. More than 2,000 crowded into the temple for the services, arranged by Olympia Lodge and Island City Lodge, F. and A. M., of Long Island.

Mr. Rosenthal was a member of the latter lodge. Rabbi Moses J. Abels, of Temple Beth-El, Cedarhurst, of which Mr. Rosenthal was a member, offered prayers. The services were conducted by Past Master Hugh I. De Groot and by Sidney Nordlinger, master of Island City Lodge.

Mrs. Rosenthal, supported by relatives, wept during the services. The body was taken to Temple Beth-El, Cedarhurst, for a brief outdoor service and then to Salem Fields Cemetery.

There was no mention of Mexico by those directing the funeral services. It was said, following the services, that Joseph Ruff, Mr. Rosenthal's son-in-law, had received letters of condolence and sympathy for Mrs. Rosenthal from many high officials in Washington. The body arrived in New York early yesterday. Hundreds passed by the bier before the funeral service.

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**Calles Accepts Resignation
Of Pani, Finance Minister**
By Cable to the Herald Tribune
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MEXICO CITY, Sept. 27.—From a reliable source it is learned that President Calles has accepted the resignation of Finance Minister Alberto Pani and that Senor Pani will retire from the Cabinet in about ten days.
He will be succeeded by Fernando Torreblanca, the President's son-in-law and private secretary.

CHURCH IN NEW MEXICAN PLEA

By JOHN WHEELER HINMAN, JR.

Universal Service Staff Correspondent.

MEXICO CITY, Sept. 27.—Nation-wide demonstrations of opposition to the Government are planned by the Catholics as an answer to the overwhelming rejection by Congress of the appeal presented by Archbishop Mora y del Rio and associates.

In addition, the campaign will be continued to secure a million signatures to a petition asking modification of the new religious laws and regulations.

Messages are now being received by Congress telling of protest meetings in various communities throughout the Republic, and, according to Catholic leaders, are only the beginning of a flood that is to come.

Simultaneously, Catholics continue their boycott not only commercially, but also include Government schools, so long as they are barred from conducting their own church institutions.

In the strong Catholic State of Jalisco, teachers are reported to be sitting in their empty classrooms, while parents give children instructions in their homes in preference to sending them to Government schools.

NEW YORKERS FACE PERIL ON STRICKEN SHIP

Two Steamers and Tug Rush
to Aid of Ward Liner Facing
Destruction on Ocean Reef

Absence of Reports Stirs Hope
for Calm Seas, Permitting
Rescue of 90 Passengers

By Universal Service.

MEXICO CITY, Sept. 27.—Carrying ninety passengers, most of them enroute to New York, the Ward Line steamship Mexico is aground on Madagascar reef, fourteen miles west of Progreso, according to a radiogram received tonight by the line offices here.

Two steamers were reported to be rushing to her assistance.

In the absence of reports to the contrary, officials said, it was hoped that seas about the stranded vessel were calm, in which case aid could be rendered without difficulty.

RADIO RELAYED.

The radio, as relayed by the Ward Line agent at Tampico, read:

"5974 steamer, Mexico, ashore Madagascar reef. Steamers Rio Brava, of the Hamburg American Line, and Rajah, of the Cowley Line, are proceeding to render assistance.

"Have radiogrammed Cauto, a sea-going tug, which was due to reach this port late this afternoon."

The Mexico operates between Mexican ports, Cuba and New York.

Officers of the Ward Line here said the Mexico's passengers included seventy first class, ten second and ten third class.

The first-class passenger list contains many booked as being from New York.

AMERICANS ABOARD.

Among the Americans known here today to have been aboard are Mrs. Edward J. Herbert, of Mount Vernon, N. Y., and Paul G. Linde, of the Wilson Company, Chicago.

The following were listed from New York City:

Mr. and Mrs. Samuel Pulgarich and infant, Miss Rosamond Cowan, Miss Regina Fanelly, Miss Grace Fanelly, Mr. and Mrs. Emilio Iwer-son, Mr. and Mrs. Joseph Reeves and three children, Robert H. Sagen-dorf, H. E. Zumbada, of the International Telephone and Telegraph Company; William Miller Jones, of the Red Star Line; W. L. Davidson.

Mrs. Herbert is the daughter of W. F. Paton, general passenger agent of the Ward Line.

The Mexico sailed from Vera Cruz Saturday and was due at Progreso early today.





200 ON WARD LINER MEXICO SAVED AS SHIP RUNS ON REEF OFF YUCATAN

Special Cable to The World
PROGRESO, Yucatán, Sept. 27.—
The Ward liner Mexico ran on a reef off Madagascar Shoals, thirty miles from here, early this morning. Pounded by heavy seas, the vessel and cargo are believed to be a total loss.

Her 200 passengers and crew were taken off late this afternoon by boats from the small American steamer Rajah, which battled perilously with the breakers. The Hamburg-American liner Rio Panuco co-operated in the rescue. The two vessels had stood by all day while the Mexico pounded on the reef. Finally there was sufficient lull in the weather to take the passengers off a few at a time, without their baggage. Capt. O. L. Seastrom was the last man to leave his ship.

The rescue was announced in a wireless message from the Rajah, which said she would arrive here tonight and requested that arrangements be made to care for the passengers, who include the following New Yorkers: Mrs. Edward J. Herbert, daughter of William F. Paton, General Traffic Manager of the Ward Line; Mrs. Adelaide Meyers, the Misses Regina and Grace Farrelly, Miss Rosamond Cowan, Miss Georgia L. Battis, Miguel Covarrubias, the caricaturist; H. E. Zumpado Bourcy of the International Telephone and Telegraph Company.

The Mexico is a steel twin-screw oil burning ship of 6,000 gross tons. Her regular run touches New York, Havana, Progreso, Vera Cruz and Tampico.

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LA PRENSA, MARTES 28 DE SEPTIEMBRE DE 1926.

El mercante "Mexico," en viaje Nueva York-Habana-Veracruz, está en peligro

El ex-presidente Obregón, al frente de las tropas que combaten a los yaquis, lanza a éstos un ultimátum

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 27.—El expresidente Obregón de Méjico dice que ha recibido autorización para actuar como representante especial del presidente Calles en las negociaciones con los jefes de los indios yaquis.

El general Obregón ha lanzado un ultimátum a los jefes dichos dándoles cinco días, dentro de los cuales deben entregar a las fuerzas federales como prisionero al jefe de los yaquis, general Matus, quien se dice es el responsable de la reciente rebelión de los indios yaquis.

Reos en huelga de hambre

CIUDAD DE MEJICO, septiembre 27.—(AP).—Despachos especiales de Tampico informan que 200 convictos en la penitenciaría de la ciudad se han declarado en huelga de hambre o ayuno voluntario, para protestar en esa forma la rígida disciplina de la prisión.

Las autoridades, en respuesta, han duplicado el número de sus guardianes, anunciando que los huelguistas, que son criminales empedernidos, pueden dejarse morir de hambre si así lo desean, pero que en caso de que intenten una revuelta serán fusilados.

ASSOCIATED PRESS

MOBILE, Ala., septiembre 27.—El buque de pasajeros "Mexico" que hace sus servicios entre Nueva

York, Habana y Veracruz, infórmase que estaba varado en los arrecifes de Madagascar, en las afueras del puerto de Progreso, Méjico, según mensaje recibido hoy por la Tropical Radio Company.

El tanque petrolero "Republic" ha salido a socorrer al buque en peligro, que lleva a su bordo una tripulación de 104 hombres.

MOBILE, septiembre 27.—(AP).—El vapor mercante "Mexico" de la New York & Cuba Mail Line, que se encuentra en las afueras del puerto de Progreso, Yucatán, créese que se encuentra en peligro, según declaración hecha hoy por los empleados de dicha línea de vapores.

Créese que el "Mexico" lleva a su bordo 80 pasajeros. El buque, que tomó pasajeros en Nueva York y la Habana, estaba en camino hacia Veracruz, Méjico.

Un buque tanque, el "Republic", recibió la llamada de auxilio, saliendo con otros hacia el punto dado por el buque en peligro.

El "México", que hace el servicio Nueva York-Habana-Veracruz, fué construído en Filadelfia en 1906 y lleva a su bordo una tripulación de 104 hombres, según los registros de la marina mercante de los Estados Unidos.

Está equipado como para albergar a 500 pasajeros, pero las noticias de Nueva York son al efecto de que sólo lleva a su bordo ochenta pasajeros.

Tiene un desplazamiento de 6.632 toneladas brutas y 3.600 toneladas netas y mide 400 pies de largo.

La comunicación con el buque se interrumpió inmediatamente después del primer mensaje.



El Eco de las Aulas

LA CATEDRAL DE MEJICO

(Conclusión)

Aun cuando en la actualidad la Catedral de Méjico dista mucho de ostentar la asombrosa riqueza de sus primeros años, sus altares churriguerescos dan una idea de su viejo esplendor. La fachada, si bien deteriorada por la mano del tiempo, es una mezcla de varios órdenes: jónico, dórico y corintio.

La combinación de asperón gris y mármol blanco produce un admirable contraste. El hermoso grupo central, una escultura representando las tres virtudes teologales, "Fe, Esperanza y Caridad", es obra de Manuel Tolsa. Enormes machones dividen la fachada del lado sur (independiente del Sagrario), en tres portales sobre los cuales campean bajorrelieves, representando el de la izquierda a San Pedro recibiendo las llaves, el de la derecha a San Pedro gobernando la nave y el del centro la Asunción de la Virgen.

La inscripción latina sobre la entrada central (llamada la puerta del perdón) lleva la fecha de 1672 e indica que el edificio se terminó reinando el rey Carlos II.

Tiene siete entradas: tres en el frente mirando al sur, dos en los cruceros y dos en la parte posterior, que se abren a la calle de Santa Teresa. Una inscripción en castellano, sobre la entrada sur reza que "esta real y espaciosa entrada fué terminada el 5 de agosto de 1688 durante el reinado de Carlos II y el virrey don Melchor Portocarrero Lazo de la Vega, ~~conde~~ de la Moncloa y fué reconstruída en 1804." Existen otras inscripciones en el interior del templo.

La cruz monolítica que se ve en el ángulo sudeste del atrio, encontrada en 1648 por el arzobispo Mañozca, haciendo unas excavaciones en el cementerio del pueblo de Tepeapulco, fué trasladada desde allí y hace juego con otra escultura procedente de la antigua iglesia de San Pedro y San Pablo, que fué retocada para que tuviese parecido con la Cruz de Mañozca.

La pared norte y el cimborrio que corona el altar mayor se agrietaron lastimosamente con el terremoto de 1907. Las torres gemelas comprenden dos divisiones: dórica la inferior, jónica la superior, terminando con una gran riqueza de detalles arquitectónicos.

En la base de las cúpulas que rematan estas torres se destacan imágenes de doctores de la iglesia y de patriarcas de órdenes monásticos (obra del escultor de Puebla, Zacarías Cora), fueron colocadas de tal manera que cada dos de ellas miran hacia uno de los puntos cardinales. Las dos torres sirven de campanario y están rematadas por una gigantesca cruz de piedra.

La campana más grande es la llamada Santa María de Guadalupe, en la torre oeste, y fué fundida en Tacubaya por un maestro español Salvador de la Vega, en 1792. Mide 3 metros de diámetro en la base y cinco metros de altura; pesa 27.000 libras inglesas y costó 10.400 pesos; el badajo tiene 8 pies de largo y pesa 500 libras.

El interior de la catedral es de orden dórico, con reminiscencias de gótico, enriquecido con pormenores de otros estilos diferentes. El abovedado ofrece tres diferentes tipos: forma de claustro con cimbras de estilo gótico en la capilla de la sacristía; en las naves laterales forma de cúpula, y en la nave, y cruceros, arcos de media caña.

La perspectiva general del interior se ve interrumpida por el coro que, de acuerdo con la costumbre española, ocupa el medio de la nave. Siete capillas menores se abren a lo largo de las naves laterales. Sobre las cornisas 174 ventanas difunden una luz moderada.

El presbiterio o altar mayor, construcción maciza y de poco gusto, unida al coro por dos balaustradas de metal blanco, es de granito adornado con estuco y fué terminado en 1850, según el plan diseñado, por el arquitecto español Lorenzo Hidalgo.



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Mexican Oil Taxes

Mexican oil production taxes for September are unchanged from August, and fix a rate of 24.38 cents a barrel on light crude oil, 22.504 cents on fuel oil, and 12.703 cents on heavy crude.

Export and production taxes make total taxation 32.328 cents a barrel on light oil, 28.864 cents on fuel oil, and 17.631 cents on heavy crude, the same as in August.

MEXICAN CATHOLICS RENEW PROTESTS

Call Is Sent Out to Country
for Demonstrations Over
Rebuff by Congress.

PRESS ATTACKS DEPUTIES

Charge of Intolerance Is Made in
the Capital Over Refusal to
Consider Church's Plea.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 27.—Undismayed by the refusal of Congress to consider their petition for the amendment of the laws on religion, the Catholics of Mexico are sending a call throughout the Republic for all of the faithful to make known by public meetings, parades and petitions their attitude as the majority of the electorate.

Petitions are already pouring in to Congress with thousands of signatures. Prominent Catholics say that unless they get a fair deal the Catholics will be forced to resort to other measures, though to date they have kept within the law, as they expected the representatives to heed the voice of the people. Parades will be staged in all parts of the country and circulars will be distributed calling upon the Catholics not to waver, but to prepare for a bitter struggle.

The press in Mexico City is openly against the attitude assumed by the National Congress. El Excelsior, in an editorial under the caption, "The Intolerance of Congress," says, regarding the rejection of the Catholic petition:

"No one was surprised, least of all the petitioners, at the attitude of the Congressmen. It would have been more surprising if this memorial had been conscientiously examined and studied with the scruples that such an important measure commands.

"We do not insist upon the memorial of the Catholics, but millions of Catholics believe in it, as is shown by the great number of their signatures which are daily reaching Congress. This is a demonstration of popular will which merits the fullest respect.

"The hostility of the Congressmen was frankly shown from the start. The cheers, hisses, whistles and cat-calls smacked of the cockpit and the bull ring. The lone defender of the measure was denied an opportunity to make himself heard when he tried to explain the importance of the Catholic petition and why Congress should carefully accept this petition for close examination and study.

"It does not seem possible that the Congress will recognize and ratify their error, but we have the obligation to protest against this spectacle because the intolerance of these gentlemen who are proud to have the representation of the Mexican nation shames us."

OIL MEN PREDICT BIG BOOM IN MEXICO

Expect Rush of Companies for
Concessions Next Spring After
Title Are Adjusted.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 27.—Oil men look for a big boom in oil exploration in the Mexican fields in the early Spring. Wildcatting has almost ceased because of the requirements of the Department of Industry and Commerce that titles to all lands must be proved, even on undisputed lands.

This lack of wildcatting, according to P. R. Batte, General Manager of the Auila Oil Company, is holding back the development of the fields and the discovery of new fields, and at the same time the long delays in the Department of Industry and Commerce have slowed down oil explorations.

Mr. Batte said that he personally looked for an early boom in Mexico as result of the present decree, which gives the landholders until the end of this year to prove their titles before the lands are thrown open for concessions.

"I look for a real oil year in 1927, with much benefit to both the oil companies and the Mexican Government," he said.

There will be a rush for these lands, he added, and there are many valuable properties where oil is certain to exist. Some of the companies are now preparing to request concessions of these lands.

WARD LINER FAST ON MEXICAN SHOAL

Steamship Mexico Is Believed
to Be in Danger of
Breaking Up.

PASSENGERS ARE RESCUED

Progreso—List Includes Many
Freighter Rajah Carries Them to
New Yorkers.

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Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 27.—The Ward Line steamship Mexico, from New York and Havana, which left Vera Cruz on Saturday bound for Progreso, Yucatan, went aground early today on Madagascar Shoals, off the Yucatan coast and thirty miles from Sisal.

Reports from Progreso, Yucatan, to the local press say that all the passengers are safe, having been transferred to the steamer Rajah of New Orleans, which answered a wireless call from the Mexico, and landed at Progreso.

Evidently the sea was smooth, as the Hamburg-American liner City of Panuco, which was near by when the Mexico struck, continued on her trip.

The Rajah, swinging to the side of the Mexico, transferred all the passengers in small boats.

The Mexico is said to be a total loss.

Among the passengers from New York are Edgar L. Burchal, Mrs. Edward J. Herbert and daughter, W. F. Patton, general traffic manager of the Ward Line; Misses Isabelle and Clara Carothers, sisters of George Carothers,

former American Consul at Torreon, Mexico; Joseph Reves and family, Clarence Greyman, Paul Linder, representative of the Willson Packing Company, Chicago; Misses Grace and Regina Farrel, students; Miss Georgia L. Batts, sister of the general manager of the Aguila Oil Company; Mrs. Adelaide Meyers, Mrs. Cornelle Inverson, Miss Rosmond Cowan, Miguel Covarrubias, Mexican cartoonist; Leon Jackol, Miller Jones, junior golf champion of Mexico, and William L. Davidson, an official of the Red Star Line.

The offices of the Ward Line here were crowded during the day by the friends and relatives of passengers, seeking information as to their safety.

Madagascar Shoals is a known danger spot off the west coast of Yucatan and all ships make wide sweeps to avoid running near the shoals.



VERA CRUZ HIT BY HURRICANE

VERA CRUZ, Sept. 28 (AP).—Vera Cruz has been swept by a hurricane, the most devastating since 1888.

Several ships were sunk in the bay and the Ward liner, San Juan, was partially wrecked.

With the great gale came heavy seas, which flooded the piers and drove out those living in that neighborhood, in fear of inundation.

The streets of Vera Cruz are littered with fallen trees, but thus far not many casualties are reported.

There is no Ward Line steamer, San Juan. Available records indicate that the steamer referred to in the Vera Cruz despatch may mean the Red "D" Line's freighter San Juan.

By Universal Service.

MEXICO CITY, Sept. 28.—The eastern half of the State of Vera Cruz was devastated today by the worst storm that Mexico has suffered in many years.

Dozens of small towns were destroyed and hundreds of lives are believed to have been lost. Railroads are torn up.

Fragmentary radio messages received here say the city of Vera Cruz is under water. The floods pouring into the radio station cut off the messages that were being sent.

WASHINGTON, Sept. 28 (AP).—Lacking official reports, the Weather Bureau is inclined to regard the Vera Cruz hurricane as the culmination of a threatening disturbance observed several days ago in the Western Caribbean.

Indications of a third tropical disturbance of undetermined intensity several hundred miles north of Porto Rico also were described today by the bureau in an advisory storm warning. It was thought to be moving northwestward or west-northwestward.



HURRICANE HITS VERA CRUZ, SMASHING BREAKWATER AND FLOODING THE CITY



SHIPS ARE SUNK IN PORT

Heavy Property Damage
and Much Loss of Life
Are Reported.

WIRES AND CABLES BROKEN

Wind and Water Wreck Wooden
Buildings, While Stone Structures Stand Shock.

FEARS FOR TOWNS NEAR BY

Some Are Situated on Low Land
—New Storm Threatens
Devastated Area.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

MEXICO CITY, Sept. 28.—A tropical hurricane swept into the port of Vera Cruz last night, causing great damage to the city. Several ships in the harbor have been sunk and it is reported that many sailors were drowned. The loss of life in the city is unknown, but is reported heavy.

Small wooden buildings were blown down by the wind, and water has flooded the city to the depth of five feet after the smashing of the breakwater. The terminals of the railway in the central part of the city are under water.

Owing to the strong construction of the buildings in the centre of the city it is not believed they were damaged, but those of lighter construction are said to have been wrecked, as wind estimated at 100 miles an hour struck the city.

The hurricane lasted two hours and then swept northward.

All telegraph and telephone lines are out and, owing to the heavy static caused by the storm, the radio in Mexico City was unable to communicate with the station at Vera Cruz.

Worse Than at First Reported.

Late reports from the Mexican Railways dispatcher's office say that the disaster was worse than at first reported. The telegram states that there are many dead and wounded. The city is without light and power.

The steamers San Juan and Anahuac are reported sunk in the harbor. Four smaller sailing vessels were also sunk. Another hurricane is forecast for tonight and the weather reports are that this hurricane, which is also headed for Vera Cruz, will be much stronger than the first.

Passengers arriving in Mexico City on a train which left Vera Cruz at 7 o'clock this morning, said that the hurricane was still raging, that the city was practically under water and that many houses were unroofed and others blown down.

The conductor of a train which arrived at Orizaba after leaving Vera Cruz at noon, when the hurricane had blown over, stated that up to the time of leaving, Vera Cruz had no reports of loss of life. All telegraph line posts were down for a distance of fourteen kilometers. The hurricane was still traveling west. Wooden shacks along the railway tracks were blown down, showing the hurricane was traveling toward Mexico City.

Near Cordoba strong winds were doing great damage to buildings and crops.

Cable Office Is Flooded.

At 9:55 A. M. the cable office in Vera Cruz, located on the main street, more than half a mile from the harbor, was flooded today by water three feet deep. Heavy wind was blowing, rain falling and huge seas were breaking over the docks.

The last message from the cable office said the storm and heavy rains were driving water into the main streets of the city, and that Government telegraph lines were down and the cable losing power. Later reports from the Government offices say that part of the city was destroyed by the heavy winds, the breakwater in front of Vera Cruz wrecked, and that the seas were breaking over the docks and invading the city, which is only a meter above high tide. The flats near the beach where the lighthouse is located are now under water. As these reports were being transmitted the lines went out.

It is believed in official circles here that the city has suffered tremendous losses in life and property, as the city is built from the East Beach to Sand Hills, a distance of several miles west and extends from the north beach south about ten miles on low land. This southern beach has a large number of Summer homes and is unprotected by the breakwater, giving the sea a clean sweep.

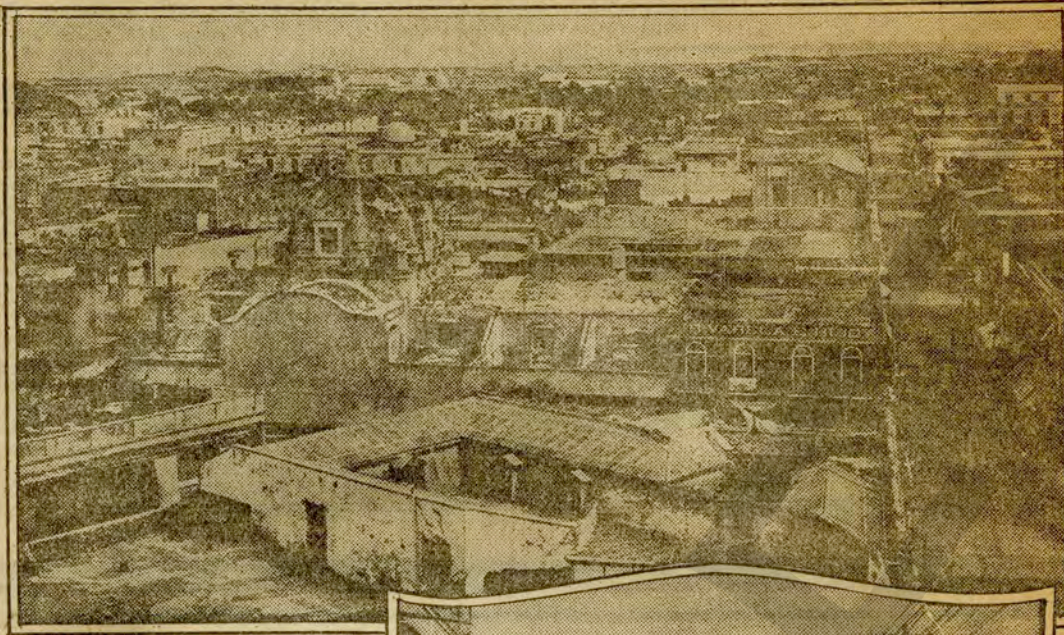
Outside the business part of the city where construction is of solid stone masonry, its majority of homes are built of light construction and it is believed have been entirely destroyed. From the condition of the southern part of Vera Cruz it is felt that a storm that could destroy the breakwater would wipe it out, but owing to the lack of telegraph reports of the disaster are largely speculative.

No Word From Other Towns.

At a late hour tonight no reports have been received from the towns near Vera Cruz, the storm having damaged the wires inland, but that part of the lowland behind the sand

THE NEW YORK TIMES, WEDNESDAY, SEPTEMBER 29, 1926.

VIEWS OF THE CITY OF VERA CRUZ.



©Underwood & Underwood.

Above—A Panoramic View of the Devastated City.
Below—A Scene in the Business Section.

HURRICANE SINKS VERA CRUZ SHIPS

Continued from Page 1, Column 1.

hills to the west of Vera Cruz are probably inundated.

It is believed that the port of Alvarado has suffered greatly, as it is exposed to sea storms. No reports have been received from Puerto Mexico, which is located practically on the open beach, which has led to fears that it has been wiped out.

Captain Canales states that Vera Cruz has probably been badly damaged, as when the breakwater was destroyed this would permit the seas to wash directly into the centre of the town, and as reports stated that the seas were mountain-high, there is no possibility that Vera Cruz has escaped serious damage.

Heavy wind also, he said, would cause grave damage to buildings.

In case the sea invaded the centre of the town the people, according to Captain Canales, can only take refuge on the sand hills, where they will be exposed to the elements.

To Repair Communications.

Late reports say that a special train was sent from Cordoba with line men to repair wire communications.

General Manager J. W. Holmes of the Mexican Railways states that reports

from Vera Cruz received at the very moment when the power supplying the telegraph lines was slowing down indicated that the railway yards were under five feet of water, that the national telegraph station situated on the beach near the terminal station was badly damaged. He adds that the railway is good as far as Soledad, forty kilometers west of Vera Cruz, but has had no reports since morning.

The Inter-Oceanic Railway reports that Vera Cruz is in bad shape, but it was unable to get full information. That the storm was serious is not doubted, as no communication received since the storm developed its full strength.

Tampico reports that the Vera Cruz cable office is flooded by three feet of water and that the reason for the

city is unknown, as water to the depth of three to five feet inundates its main streets.

Mexico City is beginning to feel the effects of the storm. The temperature has dropped rapidly, rain has been falling all day, with the sky covered with heavy low-hanging clouds. The wind has shifted from east to north.

Worst Storm Since 1888.

VERA CRUZ, Sept. 28 (AP).—Vera Cruz has been swept by a hurricane, the most devastating since 1888.

Several ships were sunk in the Bay and the Ward liner San Juan was partially wrecked.

With the great gale came heavy seas

those living in that neighborhood, in fear of inundation.

The hurricane blew for several hours, but about midday the wind began to fall and the storm swept overland.

The streets of Vera Cruz are littered with fallen trees, but thus far no many casualties are reported. There is no word as yet of damage in the interior.

[There is no Ward Line steamer San Juan. Available records indicate that the steamer referred to may be the Red "D" Line's freighter San Juan.]

Some Loss of Life Reported.

GALVESTON, Texas, Sept. 28.—A hurricane swept Vera Cruz, Mexico, today causing some loss of life and property damage estimated at 5,000,000 pesos [about \$2,500,000], said advices received here tonight by the All-American Cables Company from its Vera Cruz office.

Many small craft were sunk in the bay.

A number of houses are reported to have been demolished. Others were carried from their foundations.

Earlier reports to the company said there had been no loss of life.

Telegraph service between Mexico City and Vera Cruz was disrupted, the advices said.

The hurricane struck Vera Cruz this morning and abated about noon. The streets of the city were covered with water.

WASHINGTON, Sept. 28 (AP).—The Weather Bureau tonight issued the following:

"Advisory, 9:30 P. M.—No reports received from vicinity of tropical disturbance that is apparently central several hundred miles north-northwest of Porto Rico. A report from the steamship Morazan, about 100 miles northeast of Vera Cruz, and press dispatches from Mexico City indicate a tropical storm of considerable intensity was central this morning near Vera Cruz. It has probably moved inland over Mexico."

El "Mexico", varado en Madagascar, espera la pleamar para salir a flote

A última hora se decía que los pasajeros habían sido recogidos y desembarcados en Progreso.

ASSOCIATED PRESS
CIUDAD DE MEJICO, septiembre 28.—El vapor de pasajeros "Mexico" de la Ward Line, se encuentra aún varado en los arrecifes de Madagascar, a treinta millas al noroeste de Mérida, Yucatán, Méjico.

Los mensajes pidiendo auxilio recogidos ayer por los buques, daban a entender que el buque no peligraba en definitiva.

Comunican de Veracruz que sobre el embarrancamiento del buque se sabe que el capitán Alemán, del "Río Bravo" radiografió ayer diciendo que había recibido el mensaje pidiendo auxilio, pero que debido al mal tiempo no tenía informes meteorológicos.

El "Río Bravo" salió el domingo temprano de Veracruz. El "Mexico" había salido horas antes, llevando alrededor de dos mil docientas toneladas de carga y ochenta y dos pasajeros de Nueva York, más 21 de la Habana y seis de Progreso.

En él viajan numerosos seminaristas que abandonan el país debido a la cuestión religiosa y también el diplomático norteamericano, Mr. Edgard Burghell.

El "Río Bravo" esperaba encontrar anoche al "Mexico" para tomar los pasajeros en la mañana de hoy.

Las últimas noticias eran al efecto de que los pasajeros habían sido recogidos y desembarcados en Progreso.

* * *

Mensajes recibidos en la Ward Line de Nueva York decían que el buque se mantenía relativamente bien en los arrecifes y que se pondría a flote al subir la marea.

Un ahogado

TAMPICO, Méjico, septiembre 28.—(AP).—Mr. John Drew Haynes, norteamericano superintendente de la Riemex Oil Company, se ahogó ayer cuando el bote a cuyo bordo iba naufragó en el río Tamesis.

Derrota de rebeldes

GUADALAJARA, Méjico, septiembre 28.—(AP).—Las tropas federales han derrotado y dispersado

(Sigue en la 2a. pág.)

VERACRUZ, MEJICO, ES AZOTADA POR UN HURACAN

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 28.—Veracruz ha sufrido grandes daños por un huracán que ha interrumpido la comunicación telegráfica. Los alambres se rompieron cuando el gobierno estaba recibiendo un mensaje en que se decía que la ciudad había sufrido daños considerables.

Circulan rumores sin confirmación de que la mayor parte de la ciudad ha sido destruida.

La Prensa
29 de Septiembre
de 1926.





MEXICAN DUTIES CHANGED

Increases Posted on Shoe, Jewelry, Granite, Aluminum Sheet—Vegetable Goods, Ties, Others Cut

From THE WALL STREET JOURNAL Washington Bureau

WASHINGTON—Mexican import duties on a number of commodities were changed by a decrease of September 25, effective October 25, according to advices from Mexico City to the Department of Commerce. Increased duties are provided on boots and shoes, jewelry, polished granite and aluminum sheet. Reduced duties were decreed on vegetable tanning materials and extracts, vegetable ivory for buttons, iron and steel ties, wool velvet, acetone and aluminum drums for containing liquid or gas.

Raw hides and construction stone are now placed on the free list. Change in the duties on boots and shoes of all kinds is said by the Department of Commerce to be important, not so much for the change in the basic duty as for the establishment of a minimum official valuation upon which is based the 10% surtax which hitherto has been collected on the declared invoice prices.

MEXICO RAIL SITUATION AGGRAVATED BY FLOODS

Interest Payments of National Rwy. Expected to Be Small in View of Necessary Replacements

Special to THE WALL STREET JOURNAL

MEXICO CITY—Although no official statement has ever appeared as to the probability of the National Railways of Mexico being in a position to pay interest on obligations during the current year, it has been taken for granted in well informed circles that partial payment was the most that could be expected. Separation, under agreement with New York bankers, of October last, of railway indebtedness, whereunder the railways were to pay their own interest, relieved the government of an enormous burden and since then the government's obligations in regard to interest have been paid monthly.

The railway situation, according to the latest official statement, has now received such a setback, caused by floods, washouts, damage to rolling stock, etc., as to leave the system 3,000,000 pesos worse off than was anticipated, apart from the money which will be necessary to replace destroyed and damaged equipment, and local financiers opine current obligations are likely to find but little cash for their settlement.

A meeting of the railway board will be scheduled within the next fortnight at which general situation will be discussed, especially the necessity of replacing rolling stock.

Apart from the foregoing, the general financial situation is characterized by continued restriction of loans by banks, although Mexico City collections are reported easier, but outside states money is difficult to get in. National Banking Commission has completed statistics for July showing loans and discounts fell more than 15%, or from close to 36,000,000 pesos to 30,000,000 pesos approximately.

Strict instructions have been issued by the Ministry of Finance to custom agents along the frontier to prevent the exit of Mexican gold United Statesward.



6

Storm Victims Fill Hospitals At Vera Cruz

**Americans on First Train to
Scene Find City Badly
Marked and Disorganized;**

**Only One Death Reported
Damage Is \$750,000**

**Wash-Outs and Floods Trap
Peasants in the Interior;
Ranches Suffer Heavily**

By John D. Seymour

By Cable to the Herald Tribune

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VERA CRUZ, Sept. 29.—Vera Cruz again was connected with the rest of the world to-day, after being isolated by the hurricane and torrential rains of yesterday. The first train over the Mexico City line arrived this morning carrying six newspaper men, among other Americans, who found the city badly marked by the storm and too disorganized to have compiled a list of the dead.

Through the many injured who were taken to hospitals, it was established that at least one was known to have been killed. Conservative estimates place the property damage at \$750,000.

Cloudburst Floods City

While the wind attained a tremendous velocity, strewing the streets with wrecked buildings, fallen trees and telephone poles, the most damage was caused by a cloudburst which flooded the city and the surrounding farms. The loss of life evidently occurred along the waterfront, where vessels, with their crews aboard, were smashed against the docks.

Mexico's leading seaport to-day presents a torn and battered spectacle, with intense suffering among its poorer classes, although the city is far from destroyed.

During the storm gigantic waves defying the harbor improvements that were thought to have rendered the city impregnable to flood battered the waterfront and supplemented the heavy down-pour in flooding the streets. From two to five feet of water remained in some of the main streets all night and had subsided only partly up to noon to-day. All the smaller craft in the harbor were sunk.

Sailor Killed in Wreck

Four badly injured sailors taken to a hospital revealed that one of their companions was killed when their boat was wrecked among the docks. Four three-masted Mexican sailing ships were demolished on the breakwater. They were the Bozenia, Alondra, Constantine and San Miguel. A fishing boat, the Ataneda, and five other similar craft also were wrecked. The ocean-going tugs San Juan, Frank and Triton are known to have been lost.

Practically every tree in Vera Cruz's parks and avenues was uprooted despite the heavy concrete pavements they adorned. Almost all of the famous row of palms, which the residents prided highly, were destroyed.

Miles of sugar cane plantations outside of the city were inundated after having been flattened by the wind which leveled the entire countryside. The American sugar plantation at El Potrero, the largest in the country, was almost completely wiped out. The wind struck Vera Cruz with hurricane force. It was described by old residents as the worst in memory. A giant steel coaling crane on the waterfront was wrecked.

Electric Service Crippled

Telephone, street car and electric light and power service throughout the city still was paralyzed at a late hour to-day. Several blocks of wooden houses along the waterfront were flattened, while many two-story brick dwellings in the center of the city also collapsed. Hundreds of peasants were driven into the city from the flooded cane fields and are wandering about the streets with huge bundles on their backs—their sole belongings. These poverty-stricken folk are by far the greatest sufferers.

Despite the littered appearances of Vera Cruz's streets, it should not take more than a week before normal conditions return. The American residents here remained indoors in more substantial buildings during the storm and, so far as is known, none of them was injured or suffered much damage to property.

The Central Hotel is packed with refugees. The bathing resort of Willa de Mar, outside of Vera Cruz, is virtually in ruins, with its dancing halls and bathing houses leveled. The residential colony along the beach, known as Flores Magon, has suffered only inconvenience, so far as is reported, by

the mountains of seaweed and debris piled up against the houses by the high waves.

The Mexico City train arrived here only a few hours late in spite of feeling its way cautiously over the last twenty miles of the journey where the soaked roadbed was treacherous. The passengers were in high spirits over being able to ride into the city on the train, as they left the capital last night prepared to make the final stage of the journey either on foot or burro-back.

All telegraph wires between here and Mexico City still are down, although the Western Union has established an improvised line for messages to the United States via Tampico. The National Railways of Mexico are getting service on their wires from Mexico City as far as the station at Purga, about twenty-five miles from here.

Relief Work Progresses

By Cable to the Herald Tribune

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MEXICO CITY, Sept. 29.—The first train from Vera Cruz since yesterday's hurricane arrived here to-day with many passengers seeking refuge. The passengers brought little news of the ravages of the wind and rain, having left their shelters only to catch the train for the interior when they heard of its availability.

The War Office announced to-day that the military commander in Vera Cruz had been instructed to render all necessary aid in furthering relief. Rescue corps have been reported to be working waist deep in water at Jalapa, where the poorer residents, mostly textile workers, were unable to escape.

The messages from Jalapa state that conditions there are acute because of food shortage. Two bodies are reported to have been recovered from the Santiago River. Train service between Jalapa and Puebla has been interrupted on account of severe wash-outs, which carried off several bridges.

Two Rivers Flood City

By Cable to the Herald Tribune

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TULANCINGO, Hidalgo, Sept. 29.—Tulancingo, among other cities in this part of the country, is suffering heavily as a result of the incessant rain that has been falling for the last two days. The two rivers bordering Tulancingo have overflowed their banks, and the most thickly populated sections of the city are flooded. The storm reached its height during last night, and was accompanied by intense electrical activity.

Rescue crews have been organized and are canvassing the flooded houses of the poor, where women and children were trapped in their homes when the rivers broke over their banks and swept through the streets.

The roar of the flood waters was heard throughout the city, and the streets in some cases were transformed into foaming rapids. General Luna Morales, the military commander, has taken personal charge of the rescue work, and his soldiery is patrolling the city to prevent looting.

Refugees Pack Hotel

In the southern section of Tulancingo the water has risen six feet and its pressure has collapsed and carried off a number of the more poorly constructed homes. Reports from nearby villages and ranches state that all of them suffered heavy crop damages and cattle losses. In many cases the entire properties are under water, causing the farmers the loss of the whole season's crop.

By Cable to the Herald Tribune

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JALAPA, Vera Cruz, Sept. 29.—Many low-lying streets of this picturesque state capital, with its 50,000 inhabitants, are under water ranging in depth from six to fifteen feet.

The main plaza, in the corner of the city, is the only high spot escaping the flood. Urgent calls for help have been received from the textile mills in the lowlands outside the city.

Added to the plight of Jalapa is the danger of overflow by the Santiago and Sordo Rivers, skirting the city. The poorer families along the rivers' banks are in a deplorable condition, their cheaply constructed wooden homes having collapsed, and in many cases all their household possessions have been swept away. These sufferers barely had time to escape and no check is possible to determine how many are missing.

The rural roads in the vicinity are raging currents, carrying debris of all sorts, furniture, pigs and cattle. Refugees are arriving here in swarms. Governor Heriberto Jara yesterday led a party of state deputies to rescue a number of women marooned in tree-tops by the flood.



Mexican Train Wreckers Foiled, Americans Saved

**Laredo Passenger Engineer
Averts Disaster by Quick Stop;
Bandits Fire and Flee**

By Cable to the Herald Tribune
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MEXICO CITY, Sept. 29.—Rebels attempted to wreck the south-bound Laredo passenger train yesterday near Rincon in San Luis Potosi. The engineer of the train, which bore many Americans in Pullmans, noted a trap of crossties piled on the rails, and stopped the train just as it was rounding a dangerous curve on the brink of a steep embankment.

The band fired on the Laredo train, but fled. At the headquarters of the National Railways it was said that the bandits were operating from Pena Prieta in San Luis Potosi. It is expected that a punitive expedition will go there immediately.

The railway station at Salvaterra in Guanajuato, on the main trunk of the Laredo-Mexico City line, was raided yesterday by twenty-five bandits who carried off express packages and jewelry.

VERA CRUZ SCARED, FINDS LOSS SLIGHT

Storm Was Worst in 25 Years,
but City Bore It Well and
Business Goes On.

CRANE AND BOATS SUNK

Some Beach Houses Wrecked,
Roofs Damaged and Trees Torn
Up by the Roots.

TWO STEAMERS OVERDUE

Heavy Damage to Banana Planta-
tions Is Reported, but Unconfirmed
—No Lives Are Lost.

Copyright, 1926, by The New York Times Company.
Special Cable to THE NEW YORK TIMES.

VERA CRUZ, Mexico, Sept. 29.—Vera Cruz passed through the worst storm in twenty-five years, according to its citizens, but no deaths resulted and the damage is confined to the loss of a loading crane, of four small motor boats, which were engaged in coastwise trade, and the wrecking of several bathing houses on the beach near the city. Several houses which had corrugated iron roofs missed several sheets of roofing.

Probably 500 pesos would cover the damage done to private homes. The greatest loss was the wrecking of the loading crane, or traveling derrick, of the Berwind Coal Company, which bunkered warships and coast steamers. This derrick is said to have cost \$100,000, and it is possible that owing to the increasing number of oil-burning steamers it will not be replaced.

Apart from the fright which inhabitants of Vera Cruz got when the city became the dead centre of a hundred-kilometer-an-hour hurricane, there is practically no loss that really amounted to anything in a business sense. Several buildings were inundated by water, which crept up to the height of two feet. The majority of homes did not suffer, for they were built by the ancient Spaniards with walls three to four feet thick to resist not only the elements but also armies.

Damage Reported to Crops.

However, unverified reports say that the banana district of El Hule, where American banana companies have large plantations, has been destroyed.

All telegraph wires from Vera Cruz to Tuxtla and El Hule are down. Reports of the sinking of the Anahuac, the flagship of the Mexican Navy, proved false as The New York Times correspondent visited the ship this morning, and at the same time saw the two gunboats which now comprise the Mexican Navy at safe anchorage in the Vera Cruz harbor.

The sea wall or breakwater still protects the city from inundation, and although the waves broke over the wharves and dock to the height of twelve feet, yet Vera Cruz was still doing business today.

The "cyclone," as it is called by the Vera Cruzanos, traveled toward Mexico City, striking Cordoba and Orizaba, but it had spent its strength on the low lands outside of Vera Cruz between this city and Paso del Macho.

Passing through the district between Cordoba and Vera Cruz on the train from Mexico City one could see where the heavy winds had cut narrow strips in the banana groves and followed the streams. At several towns, notably Atoyac, Soledad, Paso del Macho and Purga, large numbers of trees had been cut down by the winds, but although the majority of the homes of the Indians are of fragile construction, being made of reeds covered with a layer of mud and with roofs thatched with palm leaves, yet they withstood the winds.

The exaggerated reports of last night had their origin in the hysteria that followed the storm, with the city in darkness, the principal streets flooded and all telegraph and telephone wires down. Daylight brought a calmer view, as it was seen that the damage was but slight and the wild reports of the night were found to be without foundation.

Two Steamers Are Missing.

MEXICO CITY, Sept. 29 (AP).—The American steamer Judith of the Pacific-Caribbean Gulf Line, from San Francisco, and the Mexican steamer Villa Hermosa, from Tabasco, which were due at Vera Cruz yesterday, have not been heard of and fears are felt for their safety. Four schooners also are missing.

The War Department announced tonight that Federal troops are cooperating in relief work in Vera Cruz. Wrecking crews have been ordered from Jalapa to repair railroad washouts and telegraph lines.

Officials at the Tacubaya meteorological station tonight said that the storm which struck Vera Cruz yesterday was a local tornado, which is very rare in Mexico. The only one hitherto registered was at Monterey many years ago.

Telegraphic communication with Mexico City was practically paralyzed yesterday by the tropical hurricane re-



ported from Vera Cruz, according to The Associated Press.

The Western Union had but two wires, one from New York and the other from Laredo, Texas, in operation. The Postal Telegraph Company was out of communication with the Mexican capital. A message from Mexico received at the Postal office here follows:

"Vera Cruz reports on account serious storm no communication with Mexico City. Traffic for Mexico City and traffic circulating via Mexico City subject to heavy delay."

Mexico's Passengers in Havana.

HAVANA, Cuba, Sept. 29 (AP).—The Ocean Line steamer Rio Brava arrived here tonight with 109 passengers taken off the Ward liner Mexico, which went aground off Yucatan Monday. The captain of the Rio Brava said he answered a call for help from the Mexico and soon after his ship reached the stricken Ward liner five other steamers came up in answer to the S O S call. At no time, the captain said, was there any danger to the passengers. The Mexico had on board twenty-nine passengers for Havana and eighty for New York. Those en route for New York will sail from here on the steamer Siboney Saturday.

POPULACE IS SAFE IN HURRICANE ZONE

Toll of Storm in Vera Cruz Less
Than Feared After Ear-
lier Reports

RED D LINER ESCAPED

Six Other Vessels, However,
Have Not Reported

VERA CRUZ, Sept. 29 (A. P.)—Although considerable property damage was caused in the City of Vera Cruz by a hurricane which swept it yesterday, the city to-day was returning to normal with little to justify early reports that it had been destroyed or greatly damaged.

Although reports were received that two persons had been drowned in the outlying section of the city, authorities have been unable to find any dead. No foreigners were injured. Property losses, which may reach 200,000 pesos or 250,000 pesos, consist of razed wooden buildings along the waterfront.

Damage in business and residential sections consisted chiefly of unrooted trees, roofs torn away and broken windows. Basements and ground floors of some houses were flooded.

Banana and sugar cane plantations were damaged severely over an area extending about 100 miles inland, torrential rains beating down plants and ruining many crops.

Six Ships Missing

Twenty or thirty small craft, ranging from rowboats and gasoline launches to 30-foot schooners, in Vera Cruz harbor, were beached and damaged by the pounding on the shore.

A rainfall of cloudburst proportions fell for fourteen consecutive hours, commencing Monday night, and flooding the city streets.

The storm disrupted radio and telegraphic communication with Mexico City, resulting in the reports which flooded the Capital that Vera Cruz had been destroyed or greatly damaged.

The American steamship Judith of the Pacific-Caribbean Gulf Line, from San Francisco, and the Mexican steamship Villa Hermosa, from Tabasco, which were due here yesterday, have not reported and fears are held for their safety. Four schooners also are missing.

Red D Liner, Reported Wrecked by Hurricane, Now Reports Safe

The steamship San Juan, chartered by the Red D line, reported wrecked in Vera Cruz, is fifteen hundred miles from that port, according to radio advices received in New York yesterday. Officials of the line believe the name of the vessel wrecked in the hurricane which struck the Mexican seaport was misinterpreted in dispatches.

The Ward Line announced yesterday that the Ward liner Mexico, which grounded on the Madagascar Reef thirty miles from Progreso, Yucatan, was floated at high tide at 7 o'clock Tuesday night and was steaming toward Progreso. It is thought the liner suffered only slight damages.

The 124 passengers aboard the Mexico were taken off Monday soon after the ship struck and were sent to Havana. The cargo also was taken off before the ship was floated.

Great Destruction to Plantations Reported From Colombia

BUENA VENTURA, Colombia, Sept. 29 (A. P.)—Telegraphic advices received here say great destruction was caused at Santa Marta to banana plantations by a cyclone. The United Fruit Company plantation was reported to have suffered heavily.

The town of Cienaga suffered damage from floods caused by the storm.



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CHARACTER QUALITY AMERICA FIRST ACCURACY ENTERPRISE

New York American

AN AMERICAN PAPER FOR THE AMERICAN PEOPLE

THURSDAY, SEPTEMBER 30, 1926

HARBOR CRAFT SUNK, HOUSES WRECKED AS VIOLENT HURRICANE HITS VERA CRUZ



BIG WIND TEARS VERA CRUZ!—Though no fatalities are yet reported, Vera Cruz was yesterday staggering under terrific property loss, its harbor craft sunk, houses ripped roofless and streets littered with debris following violent hurricane. Aerial view shows city.

International Newsreel Photo.

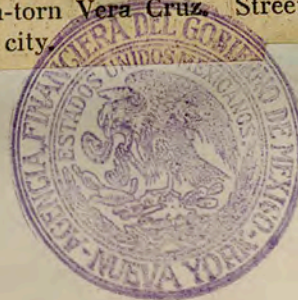


125-MILE GALE WRECKS HARBOR!—Two hours of 125-mile wind spread ruin through Vera Cruz harbor, above.

International Newsreel Photo.



TORRENT OF RAIN ADDS TO TERROR!—Heavy rains which flooded streets with five feet of water made more terrible the plight of storm-torn Vera Cruz. Street scene above shows squatty building typical through city.



Veracruz, Méjico, fué azotada duramente por el ciclón, que produjo grandes daños

Barcos hundidos, casas destechadas, árboles arrancados de cuajo y el puerto inundado por la tormenta

ASSOCIATED PRESS

VERACRUZ, septiembre 29. —

Un huracán de gran violencia se desató sobre Veracruz ayer del golfo de Méjico, dejando a su paso muchos daños en la ciudad y en los pueblos y aldeas contiguos. La tormenta pasó del golfo al interior del país, donde se dice que causó daños considerables.

Las casas fueron destechadas, se hundieron en el puerto varios botes motores, el vapor "San Juan" se rompió en parte y la marea alta invadió la ciudad y lanzó a las personas que vivían cerca de la orilla. Hubo momentos en que el viento alcanzó una velocidad de 125 millas por hora.

La tormenta estuvo azotando por varias horas y las calles de la ciudad se vieron llenas de troncos de los árboles derrumbados y despojos de toda clase. El tráfico urbano tuvo que suspenderse. La instalación eléctrica de la ciudad se derrumbó, al punto de que los que traficaban por las calles llenas de agua corrían peligro de ser electrocutados por las corrientes de los alambres caídos. Varios animales murieron al entrar en contacto con los alambres cargados de electricidad.

Gran parte de la carga destinada a los Estados Unidos quedó destruida al inundarse los almacenes a lo largo del puerto. Varias pequeñas industrias tuvieron que cerrar sus puertas debido a que faltaba la fuerza eléctrica.

Boca del Río, cerca de Veracruz, que estaba en la dirección de la tormenta, sufrió considerablemente antes de Veracruz. En Córdoba quedaron destechadas numerosas casas a causa de la fuerza del viento, sufriendo también considerablemente las aldeas de Paso del Macho y Soledad. Las cosechas en la vecindad de Veracruz quedaron arruinadas.

Durante la tormenta hubo una lluvia torrencial, lo que agregado al agua de la ciudad llegará a una altura de 2 a 5 pies. Los sótanos se anegaron, aumentando los daños.

En Jalapa, capital del estado de Veracruz, el río Santiago rebasó las márgenes, causando mucho daño a la propiedad. Parte considerable de la ciudad quedó inundada y dos personas murieron ahogadas.

Después del mediodía de ayer, amainó el viento, entrando el ciclón hacia tierra firme, teniéndose informes incompletos de los daños causados en los campos.

En la bahía hundiéronse los botes "Alondra", "Ontaneda", "Constante", "Coba", "San Miguel", "Chalán", además de la destrucción su-

frida por el vapor "San Juan" de la Ward Line y quedando también con abolladuras el vapor nacional "Mexico".

Desde 1888 no soplaban un ciclón tan fuerte.

Respecto al vapor norteamericano "Mexico", encallado cerca de Progreso, sábese que el "Río Bravo" recogió los pasajeros y que el buque trata de salir con sus propias máquinas.

La mayor parte de los árboles de Veracruz fueron derribados, produciéndose algunos accidentes.

Espéranse más detalles

GALVESTON, septiembre 29. —

(A. P.) La oficina de la Mexican Telegraph Company de aquí estaba hoy en comunicación con Veracruz, pero no había recibido nuevos detalles sobre la situación allí con motivo del ciclón que estuvo ayer azotando la ciudad durante dos horas.

La oficina no ha recibido noticias sobre pérdidas de vidas, aunque el servicio de cables no se ha interrumpido. Las líneas terrestres entre Veracruz y el interior se habían desprendido. Las pérdidas de propiedades en Veracruz se estiman en unos 5,000,000 de pesos.

Los daños sufridos por las embarcaciones menores en el puerto son considerables.

La estación radiográfica de la marina de los Estados Unidos en Point Isabel, Tejas, informaba que no había podido comunicarse hoy con Veracruz, pero que esperaba informes de Ciudad de Méjico antes de la noche.

La comunicación telegráfica con Ciudad de Méjico estaba hoy casi paralizada a causa del huracán, según la Associated Press.

La Western Union no tiene sino dos cables en operación: uno de Nueva York y otro de Laredo.

La Postal Telegraph Company estaba sin comunicación con la capital mejicana. Mensaje de Méjico recibido en la oficina postal de aquí dice así: "Informan de Veracruz que a causa de la seria tormenta no está en comunicación con Ciudad de Méjico. El tráfico con Ciudad de Méjico está sujeto a grandes dilaciones."

A última hora de ayer anunciaban los empleados de la Ward Line que el vapor "Mexico" había sido puesto de nuevo a flote, después de haber estado encallado desde el lunes afuera de las costas de Yucatán.



MAESTROS APEDREADOS EN TONALA, MEJICO

ASSOCIATED PRESS

CIUDAD DE MEJICO, septiembre 29. — "El Universal" da cuenta de que una multitud airada en Tonalá, estado de Jalisco, armada con piedras, palos y revólveres, evitó la reapertura de las escuelas en dicho lugar. Se dice que el profesor Genaro Rodríguez y dos maestras fueron apedreados cuando llegaron a Tonalá a reanudar la enseñanza y fueron obligados a abandonar la ciudad por los habitantes, que se niegan a recibir instrucción de maestros laicos. Se han enviado fuerzas del ejército a Tonalá.

LA LOTTA RELIGIOSA NEL MESSICO

I CATTOLICI CONTRO L'INSEGNAMENTO LAICO

CITTÀ DI MESSICO, 29. — La lotta religiosa nel Messico, iniziata il primo di Agosto contro le nuove leggi incluse nella costituzione e rigidamente applicate dal presidente Calles, continua a svolgersi senza che, almeno apparentemente, vi sia una speranza di accomodamento per un *modus vivendi*.

Il boicottaggio economico, proclamato dalla "Lega per le Libertà Religiose" continua, presso a poco, in tutta la repubblica. Il governo insiste nel rispetto alla costituzione e l'Episcopato Cattolico mantiene il suo atteggiamento di resistenza passiva. La situazione, nella sua sostanza, non ha subito spostamenti, e si mantiene ancora grave.

Un attacco contro i maestri laici

Il giornale "El Universal" annunzia che una folla di cattolici, armata di pietre, di bastoni e di fucili, ha impedito che si fossero aperte — sotto il controllo del governo — le scuole pubbliche di Tonalá, nello Stato di Jalisco. Due maestre si erano recate all'edificio scolastico per riprendere l'insegnamento, ma vennero fatte segno ad una fitta sassaiuola. Le maestre furono costrette ad abbandonare il paese, perchè i cattolici — che costituiscono la grande maggioranza della popolazione — erano contrari all'insegnamento laico.

Il governo, informato della situazione, ha inviato a Tonalá un contingente di truppe federali.

Il caso non è singolo

Il governo di Città di Messico è informato che non solo nello Stato di Jalisco, ma anche in altri Stati della repubblica, il popolo si oppone all'insegnamento laico, e lotta perchè siano favorite, come per lo innanzi, le scuole cattoliche. Il governo si trova a fronteggiare una situazione molto critica. La lotta religiosa, più che avvicinarsi alla calma, si va notevolmente intensificando.

Il Ministro degli Interni ha impartito ordini severissimi, perchè sia rispettata la costituzione. Le autorità statali sono invitate a cooperare col governo federale.

L'Episcopato cattolico irremovibile

Monsignor Pasquale Díaz, Segretario dell'Episcopato Cattolico del Messico, ai giornalisti che si sono recati ad intervistarlo ha dichiarato, enfaticamente, che la Chiesa non potrà mai rinunciare ai suoi di-

ritti ed alle sue prerogative. — "L'Episcopato", egli ha detto, spera ancora che la Camera dei Deputati modificherà le attuali leggi religiose". Ed ha soggiunto: "E' speranza vana? Forse sì. Ad ogni modo, e quali che siano per essere gli eventi, la chiesa non conosce rinunzie. Noi rimarremo al nostro posto, e Dio ci aiuterà".



SEPTEMBER 30, 1926.

—Hell Gate—
5:55 AM 6:14 PM
... AM 12:16 PM

Th

109 Landed From Ward Liner Mexico

HAVANA, Sept. 29 (A).—The Ocean Line steamer Rio Brava arrived here tonight with 109 passengers taken off the Ward liner Mexico, which went aground off Yucatan Monday.

The captain of the Rio Brava said he answered a call for help from the Mexico and soon after his ship reached the Ward liner five other steamers came up in answer to the S O S call. At no time, the captain said, was there any danger to the passengers.

Thick weather and high seas, in the opinion of the passengers, were responsible for the Mexico's striking a reef and sticking there until after they were taken off by the Rio Brava and brought to Havana.

The Mexico had on board twenty-nine passengers for Havana and eighty for New York. Those en route for New York will sail from here on the steamer Siboney Saturday.

VERA CRUZ STORM LOSS NOT SEVERE

Business Section Normal on Following Day—Marine Coal Loading Station Wrecked

VERA CRUZ, Sept. 29 (A).—Although considerable property damage was caused in the city of Vera Cruz by a hurricane which swept it yesterday, the city today was returning to normal with little to justify early reports that it had been destroyed or greatly damaged.

A correspondent for the Associated Press who arrived on the first through train from Mexico City in response to reports that the city was severely damaged, found the business and residential sections presenting a normal appearance. Although reports were received that two persons had been drowned in the outlying poorer quarters of the city, the local authorities thus far have been unable to find any dead. No foreigners were injured.

Property losses, which may reach 200,000 pesos to 250,000 pesos, consist of razed wooden buildings along the waterfront, including a yacht club, a group of frame houses and refreshment stands and a wrecked marine coal loading station.

Damage in the business and residential sections consisted chiefly of uprooted trees, roofs torn away and broken windows. The basements and ground floors of some houses were flooded.

Banana and sugarcane plantations were severely damaged over an area extending about one hundred miles inland, the torrential rains beating down plants and ruining many crops.

Twenty or thirty small craft, ranging from rowboats and gasoline launches to thirty-foot schooners, in Vera Cruz harbor were beached and damaged by the pounding on the shore.

United States Vice-Consul Willys A. Myers declared today that the hurricane was the worst Vera Cruz has known in the past quarter of a century, despite the fact that no deaths have been verified and no great property damage caused in the business and residential sections.

A rainfall of cloudburst proportions fell for fourteen consecutive hours, commencing Monday night and flooding the city streets. About 10 o'clock yesterday morning a terrific wind swept over the city from the gulf and swept inland damaging the plantations.

The storm disrupted radio and telegraphic communication with Mexico City, resulting in the reports which flooded the capital that Vera Cruz had been destroyed or greatly damaged. Regularly scheduled railway trains between Vera Cruz and Mexico City maintained service.

MEXICO CITY, Sept. 29 (A).—Deputy Alejandro Cerisola, who left Vera Cruz last night, reported on his arrival here that the ships in the harbor had been severely damaged by the wind and that several boats had been smashed against wharves. The cruiser Anahuac and the steamship San Juan, which had been reported sunk, are safe as well as are the steamers Moranzan and Missouri and seven schooners, although all were badly damaged.

Deputy Cerisola said that a north wind began blowing at midnight on Monday, increasing in velocity hourly until it reached a maximum at noon yesterday when a fierce hurricane was blowing.

The American steamer Judith, of the Pacific-Caribbean Gulf Line, from San Francisco, and the Mexican steamer Villa Hermosa, from Tabasco, which were due at Vera Cruz yesterday, have not been heard of and fears are held for their safety. Four schooners also are missing.

Manuel Merino, an official of the Mexican Railway, tonight informed the Associated Press that railway and telegraphic communications with Vera Cruz have been resumed. He said that he had received reports indicating that Vera Cruz had not suffered as heavily as at first believed.

Mexico Changes Duty On Footwear, Foods

(Bureau of The Journal of Commerce.)

WASHINGTON, Sept. 29.—The Mexican import duties on a wide range of commodities have been changed by recent decree, and to be effective October 25, according to a cablegram received at the Department of Commerce.

Increased duties are provided for boots and shoes, including cloth footwear, jewels and jewelry; polished granite and aluminum sheets. Reduced duties are decreed for vegetable tanning materials and extracts; vegetable ivory for buttons; iron and steel ties; wool velvet; acetone and aluminum cylinders or drums for transporting liquids or gas. Raw hides and construction stone, formerly dutiable, are to be placed on the free list.

The change in the duties of boots and shoes of all kinds is important not so much for the change in the basic duty as for the establishment of a minimum official valuation upon which is based the 10 per cent surtax which hitherto had been collected on the declared invoice prices.



Financial Agency of the Government of Mexico
225-241 West 34th Street
New York

FOR IMMEDIATE RELEASE.

As the Acting Financial Agent of Mexico in the United States, I have been instructed by the Treasury Department of Mexico to state that it has placed at the disposal of the International Committee of Bankers on Mexico in New York the September allotment of funds to be applied to the second half yearly payment of interest on the bonds of the Republic of Mexico which falls due January 1, 1927. The first half yearly interest was paid in July.

The regularity with which these payments are being made by my Government shows how little credence should be placed in reports from irresponsible quarters as to the success of the attempt to create financial chaos in Mexico through a boycott which it was hoped would force the Government to act in plain violation of the provisions of the Constitution.

The attempted boycott has proved an utter failure either in dislocating the financial and industrial fabric of Mexico or in compelling the Government to disobey the sovereign laws of the Mexican people.

New York, N.Y., September 30th, 1926.

M. J. Prieto

HER:REN.

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225-241 West 34th Street
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New York, N.Y., September 30th, 1926.

Wm. F. Trieto

CARTA ABIERTA

al señor Dr. D. Alvaro Torre Díaz, Gobernador del Estado.

S. C., Mérida, 30 de Septiembre de 1926.
Sr. Dr. don Alvaro Torre Díaz,
Gobernador del Estado.

Presente.

Muy señor mío:

Se habla en los corrillos de los Hacendados henequeneros de la próxima llegada a esta ciudad del funesto individuo que se llama Tomás Castellanos Acevedo, quien ha telegrafiado que trae un plan para evitar la venta del "stock" de henequén a un precio vil y que lo pagará si no a 8-1/2 oro la libra, a un precio mejor.

Embaucador y audaz, quiere impresionar la opinión pública con el recurso aparatoso de telegrafiar al Sr. Presidente Calles, para anunciar su venida y la de su famoso plan.

Convendría que sepan los Hacendados, que el Sr. Presidente se limitó a transcribir su mensaje sin una frase en que aparezca recomendarlo y sí con el seco formulismo: "Comunico a Ud. para su conocimiento el siguiente mensaje que recibí, que no es más que el trámite de "cajón".

A fin de que usted pueda estar prevenido contra las asechanzas de este individuo, y ya que Ud. estuvo ausente del Estado todo el tiempo de la actuación de D. Tomás, en la fenecida Exportadora y Sisal Sales Corporation, le voy a transmitir los datos exactos de sus manejos y compararlos a la gestión de la Exportadora regentada por D. José Juanes y de la actual Cooperativa, para que vea Ud. los millones de pesos que le costó a Yucatán su plan de entonces, cuyos funestos resultados estamos aun sufriendo con la crisis actual, la que únicamente se debe a sus manejos escandalosos, los que denuncié a Felipe Carrillo Puerto, en diciembre de 1922, en un folleto que tengo el gusto de adjuntarle.

Castellanos operó desde el 1.º de enero de 1922 al 7 de octubre de 1924 (día en que fué expulsado con fuerza armada y procesado) con excepción del pequeño lapso de cinco meses que duró la Revolución de la Huertista y cuyos datos tendremos en cuenta para no inmiscuirlos en su gestión.

El año de 1922 compró la Exportadora, pacas, 461,512 El año de 1923 exceptuando diciembre, fecha en que comenzó la Revolución, 533,406 El año de 1924 de mayo al 7 de octubre fecha en que fue expulsado y procesado, 312,860

Fueron en total, .. 1,307,778 pacas.
que repartidos en los 28 meses de su gestión hacen un promedio de 46,707 pacas mensuales.

La Cooperativa y la Exportadora, de octubre a diciembre del año de

1924, compraron, pacas, 213,111 El año de 1925 compraron, 757,880 En este año hasta el día de hoy se han comprado, 522,342

Que hacen un total de, 1,493,333 que repartidas en los 24 meses hacen un promedio mensual de 62,222 pacas, o sean 15,515 pacas más cada mes, o 517 pacas diarias más que en la época de Castellanos.

Estos datos comprueban que la restricción de entonces fué mucho más afluente que la actual.

Pasando a la estimación de precios, vemos que durante el año de 1922 se pagó el henequén a un promedio de precio de 3.75 la libra oro americano lo que dá calculando la paca en 400 libras. Dólares 15 por paca y habiendo comprado (como ya vimos) 461,512 pacas el Estado recibió en Dólares 6,922,268 que son mexicanos, \$13,845,360 En 1923 el promedio de compra fué 425 que dá por paca 17. Dólares se compraron 533,406 pacas se recibieron Dls. 9,067,902 que son pesos mexicanos, \$18,135,804 En 1924 Castellanos compró 312,860 a un promedio de 5 centavos que dá 20 Dólares por paca son Dólares 6,257,200 y en pesos mexicanos, \$12,514,400

Resultado 1,307,778 pacas que importaron, \$44,495,564 o sea a \$34.02 por paca.

El promedio de compra del 7 de octubre de 1924 al 30 de octubre de 1926 o sea desde que Castellanos fué separado y procesado del negocio henequenero ha sido 6.50 oro la libra que son por paca 26 Dólares o sea 52 pesos por paca en 1,493,333 compradas (como ya vimos). El Estado recibió Dls. 38,826,658 igual a pesos mexicanos, \$77,653,316

Diferencia, \$33,157,752

quiere decir que las 1,307,778 pacas compradas por Castellanos, hubieran importado a 26 Dólares, \$68,015,456 Como solo importaron o las pagó en, \$44,495,564

Castellanos hizo perder al Estado, \$23,519,892

Hay que hacer constar que en las postrimerías del mangoneo de Castellanos solo se pagaba a 4 1/2 la libra,

y al día siguiente de ser expulsado, se comenzó a pagar a 6 1/2 lo que comprueba que el precio de Castellanos era arbitrario.

Las enormes utilidades que produjo la Exportadora que pasaron de 21 millones, Castellanos las esfumó en la siguiente forma:

Sobre los 44 1/2 millones que importó el Henequén que vendió dió el 5% de comisión a la Sisal Sales Corporation, de la cual era el parte integrante y socio, \$2,250,000 Diferencias de precios en el Stock que se pagaron a la misma Compañía, de la cual era parte integrante y socio, \$4,088,000 Intereses que pagó a la misma Cia., de la cual era parte integrante y socio por la conservación del Stock, durante los años 1922 y 1923, \$2,160,000 Almacenes, seguros, etc., que pagó a la misma Cia., de la cual era parte integrante y socio calculando 1.25 oro por paca, \$1,277,500 Préstamos a los Hacendados en cuenta de chapeos, etc., \$4,000,000 Al Estado dió un subsidio durante su gestión de 28 meses, \$2,800,000 En la Industrial, Ferrocarriles, Cia. de Fomento empleó, \$2,000,000 Cálculo que hago de sus depósitos en E. U. por sus desvelos desinteresados, \$2,424,500

Total, \$21,000,000

Podemos pues sacar las consideraciones siguientes:

Castellanos, perjudicó al Estado en más de 23 millones en precios de henequén.

Castellanos esfumó los 21 millones que dejó de utilidad el henequén comprado de 1922 a 1923.

Castellanos se negó a dar diez mil dólares para salvar la vida de Felipe Carrillo Puerto.

Castellanos fracasó en sus negocios, en el año de 1904.

Castellanos estaba arruinado, y hoy tiene Dólares, casas, fincas, etc.

Castellanos es funesto para el Estado y para la industria del henequén.

Castellanos es un fracasado en negocios honrados y en política, pues siempre ha pretendido el Gobierno del Estado.

Para que usted vea de lo que es capaz Castellanos, voy a hacerle un poco de historia, para que se sepa cómo me hizo pagar el folleto que le publiqué en 1923.

El 2 de enero de 1923, acabé de publicar una serie de artículos desmascarando a Castellanos Acevedo, y 20 días después se empezó a desarrollar el plan para arruinarme, siguiéndole juicio hipotecario a doña Margarita Paoli de Zaldivar, sobre su finca e Ingenio "Kakalná", que yo tenía arrendado desde dos años antes. Para conseguir su objeto, Castellanos se puso de acuerdo con Gonzalo Puerto y Pedro Palma Puerto, que entonces manejaban por su parentesco con el Gobernante. Engañaron a doña Margarita, ofreciéndola una pensión vitalicia de \$500.00 mensuales para que no se opusiese al embargo del Ingenio, y así fué como les fué fácil a los tres meses, o sea en abril de 1923, rematarlo a favor de la Cia. de Fomento, que regentaba Gonzalo Puerto.

Como yo ocurri a Carrillo Puerto y le hice ver los procedimientos de Castellanos, obtuve su apoyo y me fué posible sostenerme. Entonces planearon asesinarme en el Ingenio "Kakalná", y fué entonces cuando Gonzalo Puerto mandó ahí con esa misión, diez policías al mando del conocido y ya fusilado Lázaro. No habiendo dado resultado éste, mandó con igual misión al no menos conocido y fusilado Urquía, como este obtuviera igual resultado de fracaso, fué enviado en su lugar Ramírez, (también fusilado). Este en honor de la verdad, fué quien me hizo ver el peligro en que yo estaba.

Preferí perder mi dinero y no la vida y abandoné el Ingenio, donde sepulté la fortuna de mi madre y la mía, por valor de más de \$220,000.00.

La alianza con Gonzalo Puerto, le costó a la Exportadora \$310,000.00 que le dió Castellanos en pago de sus viles trabajos y diz que para desarrollar los negocios de la Cia. de Fomento.

Gonzalo Puerto y socios hicieron montar la cuenta del Ingenio "Kakalná" de \$64,000.00 a más de \$300,000 cuyo dinero le costó a la Cia de Fomento. La mayor parte de él fué figurado y se le escamotearon. Resultado: Castellanos gastó más de \$500,000.00 para arruinarme; pero no de su dinero, sino del Gobierno del Estado que él manejaba en aquel entonces. Como nadie sabe para quien trabaja, dos años más tarde el Ingenio fué vendido por influencias de un tal Gual García, a los señores Lara en la irrisible suma de \$60,000.00 a diez años plazo.

Este es el hombre que trata de ver si le es posible encajar en su Administración, señor Gobernador. Como antiguo compañero de Colegio me he permitido advertírsele y si acaso Castellanos logra interesarlo en sus planes financieros, le auguro un fin tan malogrado, como el de mi buen amigo Carrillo Puerto.

Soy de usted su Affmo. amigo y S. S.

Alfredo Cámara Vales.

EXPERIMENT