### STARTLING DISCLOSURES

How Germans are Preventing the Allies From Getting War Materials-Huge Propaganda to Alter American Public Opinion-Enormous

Factory Built by Germans. In the publication of a series of startling disclosures, fully protected by the copyright laws of this country, The New York World is gradually unfolding one of the most startling chapters in the his-tory of the war now raging. The World has by some means unknown come into possession of the letters and reports of many German confidential agents and officials in this country, which tend to show that there is in operation an enormous propaganda in this country in the interests of Germany, that cash to turn public favor to the side of Germany has been freely supplied, and that some of the facts have been at least with the knowledge of the accredited representatives of the German governemnt, although they have not yet been directly implicated in the performance of a ny of the acts themselves.

On Sunday The World began its articles, and in that issue showed that George Sylvester Viereck, editor and publisher of The Fatherland, an ardent pro-German paper in New York, received and acknowledged the payment of \$250, and was expecting to secure \$1,500 more f r the month

It seems from the letter published that the editor fully realized the nature of his transact on would not bear the light of day for he "suggests that the payments be made to my friend and lawyer, Ely Simpson, whose standing as my legal adviser would exempt him from any possible inquiry." Elsewhere in the same letter he says: "I am sending this letter by boy, as for obvious reasons I do not wish it to go through the mails."

The letter from Viereck was addressed to Dr. Albert, who The World claims is a representative of the German government. His answer which was unsigned expressed the hope of paying the amount requested in the next week. It also talked of a financial control of the paper and an "understanding regarding the course in politics which you will pursue." Other memoranda are said to show

that the Austrian government placed several thousand feet of moving pic tures to be displayed in the moving picture houses of this country. The Times and Democrat several months ago received an offer of a picture entitled "The Galician Drive," and which was made by the American Correspondent Film Company, of which M. B. C'aussen is president. The World also charges that M. B

Claussen wrote to Dr. Albert that he had a thirty-day option for a controlling interest in the American Press Association, a \$1,600,000 corporation located in New Rork and with branch offices in seventeer cities. The cost was expected to be \$900,000, and the idea was to establish a news service by means of tickers, whose patents are controlled by the Press Association. In a long and detailed rep

for Berlin the German ambassador and Dr. Albert give a careful study of the plan to estab sh a news bureau and a lecture bureau in this country, with an estimate as to its probable cost, and a favorable recommendation of the scheme. In the report orcurs the following para-

"The news sent out must not make the impression of being put out for propaganda purposes. Although its principal value is baset on its being pro-German, its success depends upon the sublety of

It is also stated that the Foreign office would have to lot the bureau have a permit to telegraph daily by wireless about 3,000 to 4,000 words The writer of the report goes on to recommend the reaching of the rural communities by furnishing news and pictures to agencies which send elec-trotyped plates of "boilerplate" to small papers.

It is charged, and a l tter supporting the contention, is published showing that the German chancellor himself caused to be sent to Ambassador Bernstorff a letter recommending that the expenses of Edward Lyell Fox, a war correspondent, be paid by the German Information Service, because of the fact that he had been "of great benefit to us by reason of his good dispatches."

It is also charged that the German government or German interests had an agent at work trying to buy The New York Mail, and that another agent advised the establishment of a moving picture and lecture bureau, by means of which such men as Congressmen Gardner and Hobson, Senator Beveridge, Henry Reuterdahl and Burr McIntosh might be used without their knowledge in creating interest in Americanism through the exploitation of the dangers which this country might face from England and Japan.

According to The World, the agents of Germany made many efforts to foment strikes in domestic establishments manufacturing munitions of war, with the connivance of disloyal labor leaders and agitators. It is said that recent strikes at the works of the Standard Oil Company at Bayonne, N. J., at the Remington Arms-Union Metallic Cartridge Company, in Connecticut, at the Bliss Torpedo Company in Brooklyn, and in motor car concerns in Cleveland and other places were caused by the work of foreign agents, who were interested in hindering the fulfillment of contracts held by enemies of their enemies.

A letter is published which is said to be one sent to the Military At- acid) from the factory of Thomas A. tache of the Imperial German Embassy, with an inclosure. The letter from C. Dencker estimates that \$50 .-000 would be sufficient to call a strike among the iron-workers in the of the contract the American communitions plants at Detroit. Cleve-land and Cincinnati. The enclosure pany turned over to the doctor its must now be delivered to a German contracts with Thomas A. Edison, agent who has bought out the interfrom C. W. McLane breaches the subject of possible negotiations between the embassy and himself for the purposes of reaching an agreement to call a general strike of all automobile workers, who "are very much dissatisfied with the part they are playing in the European war, and that with the proper handling they

tain von Papen, who took steps to secure a virtual monopoly upon the available supply of liquid chlorine. which is used largely in the new method of killing the enemy by asphyxiation. This captain makes a most memorandum of his acitivities. outlining a talk with a representa- was organized recently in New York towns on Galveston Bay.

manufactures the liquid chlorine in large quantities.

Capt. von Papen says the Allies have been carrying on negotiations for three and five-year contracts for all the available supply, especially since the battle of Ypres. They were operating through Dalbrun (Italian) but according to von Papen the Goldschmidt company would not sell them any because of its German origin in ownership. Of the other two, which were American concerns, the Castner Chemical Company of Buffalo, had closed contracts with

France, and is delivering fifty to seventy-five tons monthly The Electro Bleaching Gas Company of the same place, had not up to the time of Capt. von Papen's report sold any chlorine to the Allies but the alluring prospects of the great profits were becoming so great that it would not long restrain itself. The captain suggests a plan for preventing this, but nothing of the nature of the suggestion is outlined in

the letter. The New York paper claims to have in its possession correspondence which shows that the German chancellor and Ambassador von Bernstorff received regular reports of the crusade against the shipments of arms no result. In almost every element lecturers, and in certain instances, officials of the government have aided the movement. In the South every his innocence of the murder of Mary effort was made to stir up a feeling Phagan. against Great Britain on account of her actions against cotton. Senator Hitchcock and Congressman Buchanan were supposed to be favorable to the German idea. A report which goes very fully into these details contained this significant sentence: "I must refrain from communicating ambassador, as the matter could be of rope. too easily compromised thereby. Per- against his right jaw. haps you will find an opportunity to

ally. The report, which is signed by,P. lane plant, and thus by the purwriter \$50,000 would acquire such gan to arrive to view it.

control for a period of one year. Financial agent Albert also receiv embargo and one of them suggested the promotion of the movement recently started in Texas in favor of influencing the administration at Washington to cut off the export of ammunition or of cotton. Recent advices from Texas seem to indicate that the suggestion had been worked apon, is the opinion of The World.

After showing its its issue of Monday and Sunday the above outline of the German activities in efforts to create sentiment and prevent the delivery of munitions to the Allies The World on Tuesday made public for the first time that Germany itself has been secretly planning to secure munitions although protesting against the shipment of such to the enemy counties."

Evidence included in the corre spondence which The World shows that the German government is financing a plan to insure for itself the output of at least one concern in this country which manufactures shrapnel casings, although the method of delivery and shipment are not dis-closed. The memorandum of the contract between the Bridgeport Pro-Company, of Bridgeport, which is owned by persons Conn.. unknown, and Hugo Schmidt, a representative of the German government. It was referred to and ap-Heynan, who is said to be an agent of the German government.

The Projectile Company was negotiating a contract for all the output of the Aetna smokeless powder from December 23 and in May secured offers of antimony. At no place in the contract are the parties reerred to by their real names, the fictitious use of the letter A and B

serving as symbols for the principals. One of the most significant paragraphs in the entire contract is the statement that by the purchase of all the powder available in the United States up to January 1, 1916, all the prospective contractors for complete shrapnel rounds who applied to the Aetna for powder and were advised by them that the Bridgeport Projectile company was the only conern that had powder to furnish-(the only other manufacturers-the in Pont company-having all their output contracted for into 1916) have applied to the Bridgeport Projectile company for bids on complete shrapnel rounds, and such requests have come from representatives of all mob.

the allied nations.' This seems to show that the Russian and English governments unaware of the ownership of the Bridgeport concern or of the control over its output had made offers to secure it and were planning to make bona fide proposals. Mr. Heynon said that when proposals were received from the governments a council of war would have to be held to discuss whether the company would accept orders without an indemnity clause for non-fuifillment, the evident inference being that the purchasers were to be left in the lurch.

Mr. Heynan also gives assurances that the presses necessary in the manufacture of such stuff had been securely tied up and that as a result the Allies had to contract for shrap nel casings to be manufactured from bar steel by boring instead of forging, which is said to be an unsatisfactory method. The factory buildings of the Bridgeport Projectile company are nearly completed and operations will begin about September 15. The nominal officers of the concern are Walter H. Knight, formerly of New York, president; Carl Heynan, formerly of New York, treasurer, and Carl Foster, counsel. Its incorporat- ests who offered them money. ed capital was \$2,000,000, paid in

last March. Another interesting deal is revealof Dr. Hugo Schweitzer of New York, who is frankly recognized as the agent of the German government and shows a plan to secure control of \$1,400,000 worth of phenol (carbolic

Edison.

There is an agreement between Dr. Over a million dollars worth of Schweitzer and the American Oil and phenol, which the Edison company Supply company and under the terms contracts with Thomas A. Edison. agent who has bought out the inter-under which it was entitled to have est of the oil company in the contract manufactured and delivered to it of 912,000 pounds of phenol in daily to demand delivery. shipments of 6,000 pounds each working day from July 1, 1915 December 1, 1915, and 300,000 pounds to be delivered between January 1, 1916, and March 31, 1916.

r 4,000 pounds each working day. from Taranto, Italy, at a moment's One hundred thousand dollars was or 4,000 pounds each working day. about the military attache of the German embassy at Washington, Captransfer to Dr. Schweitzer under the subjects held in the Ottoman empire. same torms any additional quantities of phenol which they might obtain from any source. The date of the agreement is June 22, 1915.

tive of the Goldschmidt Detinning Company, which is one of the three companies in the United States which

MOB TAKES CONVICT FROM GEORGIA PENAL FARM

HUNG UP AT MARIETTA

Five Autos Carry Frank One Hundred Miles in Dead of Night-Prison Guards are Handcuffed While Victim is Secured-Body

Not Mutilated and no Shots Fired Leo M. Frank, serving a life term at the Georgia state farm at Milledgeville for the murder of Mary Phagan, and who was only saved from the gallows by Gov. Slaton commuting his sentence, was taken from the farm at 11.45 o'clock Monday night by a party of twenty-five unidentified men, who hurried him away in an automobile in the direction of Eatonton.

Shortly before seven o'clock Tuesand ammunition. This movement has day morning he was hanged to an had various forms but so far has had oak tree in a woods two miles east of Marietta, Ga., after having been reof society these agents have appear- moved from the prison farm one huned, says the paper, in the form of dred miles away late Monday night labor agitators, peace propagandists, by a band of about twenty-five men. Thus ended the career of the man who for two years had maintained

Frank, on his ride to death, was clothed in a silk night shirt, with the letters "L. M. F." embroidered over is heart. When found Tuesday a white handkerchief had been proced over his face and a piece of brown loth bound around his limbs. His hands were bracketed before him the above facts in my report to the and his feet were bound with a piece The hangman's knot lay

Discovery of the body was made inform Count von Bernstorff ver- at eight-thirty Tuesday morning by there would be no further aggravasearching parties, which had been organized after Frank's removal from Reiswitz, tells of an intention to secure an option on the Wright aeronews spread with lightning-like rapidity and within half an hour hunchase of their patent rights prevent dreds of people, including scores of the manufacture of aeroplaces for women and children, from Marietta the Allies. In the opinion of the and the surrounding countryside be-

The scene of the hanging was within two hundred feet of the roadway ed reports bearing upon the British in a few hundred yards of two farm houses. Occupants of both said they had noticed nothing unusual during the early morning hours. However, William J. Frey, a former sheriff, in whose woods Frank was hanged, living a half mile further east, said four automobiles passed his house shortly before seven o'clock Tuesday morning, each containing six or seven men.

"I paid no particular attention to them," Mr. Frey added, "and the possibility of a lynching did not oc-

The mob apparently planned their work well, for they carried it through without a hitch. Between Milledge-ville and the state farm and between Milledgeville and Macon they cut the telephone wires and it was fully an hour or more after they had secured their man and hastened on their way before the news came out.

As far as could be learned none of the members of the mob were recognized. All of them are said to have masks and all were heavily worn armed. Not a shot was fired and no one was injured, as far as known.

When the mob first reached the state farm they separated into three groups. One went to the home of the house they covered him with proved by Dr. Albert, Capt. von their guns and slipped the handcuffs Papen and N. R. Lindjeim, by Carl on him. This group took Captain Burke to the prison farm dormitory and forced him to open the door.

Another group secured and handcuffed Warden Smith in the same manner as the other had done Captain Burke. Two guards sleeping on the front porch were overpowered and handcuffed also. Warden Smith and Captain Burke

both declared they failed to recog nize any of the members of the mob, but one of the convicts overheard a remark dropped by one of the mob that they intended to take Frank to Marietta.

Practically every other member of the mob then rushed to the stockade gate nearest the dormitory where Frank was being housed. Only Tuesday did the physicians discharge him from the hospital where he had been since being murderously assaulted in the dormitory.

Only one member of that part of

the mob that went to the dormitory talked. He gave the commands to the guards which were backed up by the arms of the other members of the

The body of Frank, under a heavy police guard, was placed aboard a though fifty-four lives were lost whe train, which departed from Atlanta a boat spilled its load into the sea. at 12.01 o'clock Wednesday morning. The funeral party including Mrs. Frank and several Atlanta friends of the family, who will accompany the body to Brooklyn, also was guarded carefully by the police until the train left the terminal station.

Gov. Nat E. Harris of Georgia has announced that he will return to Atlanta for the purpose of aiding the prison commission in an investigation of the lynching of Frank. people are entitled to all the facts in the case," said the governor, "and I rine in the Aegean last Saturday propose to see that they shall have them." He said that a thorough inquiry will be made.

for the purpose of establishing a paper in New York which would be honestly neutral."

The documents also show that German agents were employed to instigate troubles for the purpose of holding up allied war shipments, that \$50,000 was suggested as a suitable fund to cause a tie-up in the automobile business, and that several labor leaders were selling out their inter-

Efforts to buy up all the available chlorine, gunpowder and certain ma- Over Twelve Million Persons Engage chinery necessary for making shells ed by the memorandum of the plans are shown to have met with good success, and it is asserted that so completely were the allied representatives in ignorance of the ownership of a huge projectile company that the Russian and British agnts actually talked business with representatives of the German capitalized plant.

> was under contract to deliver to the and stands subrogated to their right

May Act Against Turkey A strong squadron of fast cruisers is being held in readiness to steam

Twenty Lives are Lost Twenty to thirty persons lost their lives when the tropical storm of MonTORPEDOES LINER

(Continued from first page.) feet from her stern. The vessel had munition in anticipation of war, the and was on a southerly course, well off the Irish coast.

When the vessel was some 50 miles west of where the Lusitania was sunk in May, the German under-water boat rose to the surface and launched a torpedo. The marksmanship of the Germans was deadly ac curate and the big liner settled quickly and disappeared from view. Some survivors, according to re-

ports, say that they had just witnessed the torpedoing of a British steamer, presumably the Dunsley, and that this had caused great alarm on board the Arabic. In their fright the passengers had rushed for life preservers and barely had adjusted them when the German submarine turned its torpedo against the Arbaic's side. Ten lifeboats and a number of life rafts were got over the side of the steamer and into these meny passengers and members of the crew scrambled. Many passengers fell into the water, but they got hold of the rafts and later were rescued. One woman who fell into the sea screamed pitifully for help. Two sailors swam to her and lifted her on to a raft.

News of the sinking of the Arabic caused a tremendous sensation in London. The first reports stated that it was feared a large number of the passengers had been lost. Reassur ing news came shortly, however.

It was that some 15 or 16 boats

and life rafts had left the steamer safely and had been picked up and were being towed into Queenstown. Latest private telegrams brought the news from most of the passengers that they were safe, although some were injured. The Arabic is the largest vessel yet sunk by the Germans except the Lusitania: Washington: News of the torpedo-

ing of the White Star liner Arabic, a

British ship, with Americans on board came as a shock to American officials, who had hoped since the dispatch of the last note to Germany tion of an already tense situation. What the course of the United States would be no official would pr dict. It must be established author tatively whether any warning w.

given and whether the steamer attempted to escape. If no American lives were lost, it was thought in nost quarters that drastic steps were improbable, but if Americans were drowned a rupture in diplomatic relations was discussed as likely. -The attack on the Arabic came in the face of reiterations in German quarters that in the future passenger

vessels would be given warning. The incident, therefore, caused widespread surprise, especially since the ship was bound for the United States and had no contraband. In some quarters there was a disposition to think the German submarine commander might have exceeded his orders or made a mistake. President Wilson was startled by

the news. He spont the entire afternoon and evening trying to get detailed information. Though obvious-ly worried, he took the position that udgment should be withheld until official details were received. The president had just finished a conference with Attorney General

Gregory and was preparing to go golfing when word of the sinking of the steamer reached him. He immediately abandoned his plans and gave orders that all information be forwarded to him as quickly as possi-The decision of the United States

to refuse all claims for life or property lost aboard ships torpedoed with ports to ships of war on the high due warning was made clear when seas, it is only necessary to point out case of John Wall, a muleteer killed ships of war rests upon the principle not be taken up by the state depart mit its territory to become a naval purchased at par a year ago

# BRITISH TRANSPORT SUNK;

German Submarine Torpedoes Troopship in the Aegean Sea-First Time During the War. The sinking in the Aegean sea,

says London, by a German subma-rine of the British transport Royal Edward with heavy loss of life has shattered the British navy's proud boast that it had transported hundreds of thousands of men across the sea without the destruction of one troop laden ship.

Two other transports have been attacked. The Wayfarer was torpedoed in the Irish sea, but the vessel was not sunk and only five lives were The Manitou was attacked by lost. a Turkish torpedo boat in the Aegean sea. The ship was not damaged, although fifty-four lives were lost when

The loss of the Royal Edward is a serious one at this moment. The men it carried were reinforcements for the Gallipoli peninsula. news shocked the British public, whobelieved the submarine menace in

the Aegean had been dealt with successfully.

The text of the admiralty announcement follows: "The British transport Royal Ed-

morning. According to the information at present available, the transport had on board thirty-two military officers and 1,350 troops in addition to the ship's crew of 220 officers and men.

"The troops consisted mainly of reinforcements for the Twenty-ninth division and details of the Royal army medical corps. Full informa-tion has not yet been received, but it is known that about six hundred have been saved.'

### OUR FARMING POPULATION

in Agriculture in America.

Alaska and other non-contiguous territory) the last federal census shows that of those engaged in gainful occupations, 12.567,925 persons, 0 years of age and over, are engaged in agriculture. This is approximately one-third of the total number engaged in agricultural pursuits is classified as follows: Agricultural L.borers . . . . 6,088,414 Dairymen and dairywome: 35,014 Farmers, planters, and ov-

..5,981,522 servmen, etc. .. .. .. Lumbermen and raftsmen. 127,154 Stock raisers, herders, and drovers (approximate) . 122,189

Wood choppers .. . Turpentine farmers and la-28,967 (approximate) .....

Kid Jackson and Henry Russell, The Dr. Schweitzer mentioned in day night almost completely destroythe president of an association which was organized recently in New York

REFUSES PROTEST

(Continued from first mge.)

pose of all nations which exalt jus-

sive in determining the policy of the

The Austrian Assertions

statement as grounds for its conten-

"These assertions are substantially

sions that the neutrality of a nation

"As to the assertion that the ex-

ecomes involved thereby.

ture would invite just rebuke.

cember 24, 1914.

sertion.

What the Authorities Say

Consistency of Washington

"With reference to the asserted

"While the practice of nations, so

tions with one another.

United States.

comment.

as follows:

convinced that the adoption of the theory would force militarism on the TERNATIONAL CREDIT world and work against that universal peace which is the desire and pur-

ENGLISH POUND SHRINKS tice and righteousness in their rela-"The government of the United

States in the foregoing discussion of the practical reason why it has ad-Enormous War Orders Cause Rapid stricken district. vocated and practiced trade in munitions of war, wishes to be under-Decrease in Balance in This Counstood as speaking with no thought of expressing or implying any judgment try for Belligerent Countrieswith regard to the circumstances of Loss Involved in Transferring Curthe present war, but as merely putting very frankly the argument in rency is Very Great. this matter which has been conclu-

ancial world Monday with an iron Foreign exchange have gone grip. down to new depths in a torrent of well illustrated by the practice of bills that poured in the exchange Austria-Hungary and Germany dur- markets seeking pay for big war coning the South African War, and the tracts. Coincidently with the startling demanifest evil which would result

der compliance with the suggestions of the imperial and royal government out of the question, certain assertions appearing in the Austro-Hungarian tions can not be passed over without "(1) That the exportation of arms States to belligerents contravenes had heretofore been the popular bethe preamble of The Hague conven-tion No. 13 of 1907; (2) that it is The maximum depreciation Mon-

the preamble of the Hague convention.

The maximum depreciation Moninconsistent with the refusal of this day in pounds sterling was 4 3-4 per government to allow delivery of supcent. below normal; in franc 19 per plies to vessels of war on the high cnet. below normal; in Italian lires seas: (3) that according to all au- 25 per cent. In the money markets thorities on international law who Monday the pound sold for only concern themselves more properly \$4.64; 6.02 franc equalled a dollar, with the question, exportation should and a dollar purchased 6.48 lires. be prevented when this traffic as- These were the quotations while and another that the damage was essumes such a form or such dimen- rates were at the lowest. In the last hour of business the

gan for the first time since the atportation of arms and ammunitions tack on his life six weeks ago and an contravenes the preamble of The Hague convention No. 13 of 1907, informal conference of bankers to confer on the exchange situation sen this government presumes that ref-erence is made to the last paragraph rates upward. Sterling closed at 4.64 1/2, one-hall

of the preamble, which is as follows: "Seeing that, in this category of ideas, these rules should not, in principle, be altered, in the course of the low record. Francs gained three war, by a neutral power, except in a points over the lower record, selling case where experience has shown the at 5.99 at the close, and lires renecessity for such change for the pro- bounded a point, closing at 6.47. tection of the rights of that power.' "Manifestly, the only ground to tions considered a remedy at an inchange the rules laid down by the formal conference late Monday. It convention, one of which, it should was decided to do nothing, chiefly

of declaring to the neutral power contingency was studied the situa-what is necessary to protect that toon seemed to be pregnant with power's own rights. The imperial unique possibilities.

A great many millions of Ameriand royal government can not but can securities, payable in dollars, are perceive that a complaint of this naheld abroad, chiefly high class railroad bonds and preferred stock of a selected list of American industrials. Should these securities be sold, at nconsistency of the course adopted the present exchange rates in foreign by this government in relation to markets, they would fetch far more than the purchasers paid for them, due entirely to the depression of ex-

he exportation of arms and ammunition and that followed in not allowing supplies to be taken from its tendent, and after calling him from it became known that a claim in the that the prohibition of supplies to in Paris at par would, on account of the Armenian was sunk, would that a neutral power must not per- proximately 6,000 francs. base for either belligerent. A war- the purchaser approximately 5,050 MEXICAN SITUATION BAD; ship may, under certain restrictions, francs. The net profit would be obtain fuel and supplies in a neutral about 950 francs, or about 19 per port once in three mouths. To per- cent., the percentage of depression mit merchant vessels acting as ten- in francs in American exchange mar-THOUSAND LIVES ARE LOST mit merchant vessels acting as the kets. In London the profit would be ders to carry supplies more often kets. In London the profit would be than three months and in unlimited approximately 4% per cent., and in amount would defeat the purpose of Rome the profit would approximate the rule and might constitute the 25 per cet. Establishment here of neutral territory a naval base. Fur-thermore, this government is un-aware that any Austria-Hungarian thought to be absolutely necessary if aware that any Austria-Hungarian ship of war has sought to obtain supplies from a port in the United States, either directly or indirectly.

The assertion that directly or indirectly. This subject has, however, already

"In view of the positive assertion in the statement of the imperial and royal government as to the unanimiy of the opinions of text writers as to the exportation of contraband being unneutral, this government has to prevailing low rates of exchange. caused a careful examination of the principal authorities on international law to be made. As a result of this

was learned that the amount of these had been gathering openly and in war contracts, on which full or near-ly full payments would be due on or suspicions among the mericans that clusion that the imperial and royal ly full payments would be due on or government has been misled and has inadvertently made an erroneous asis in addition to the huge total of pendable troops to cope with the more than \$1,000,000,000 owed by bandit element on the Mexican side Europe to the United States at the been greatly exaggerated; that only normal profits would accrue in most cases, and that in some instances Monday night. Armed men patrolled "It may not be inopportune to dithese might be no profit at all.

Woodward Warns Slaton. ginning of a war belligerents have Mayor Woodward, speaking in San section. never remonstrated against the enactment of prohibitions on trade in con-Francisco Tuesday night, said that traband, but adds that such prohibi-Frank paid the penalty for a just tions may be considered as violations crime and warned Slaton, who parof neutrality, or at least as unfrienddoned him, not to come back to Atly acts, if they are enacted during a lanta, for at least a year, if he came war with the p irpose to close unex- at all. pectedly the sources of supply to a party which heretofore had relied on More Marines Landed.

tions without great military and nav- Gulf coast Tuesday. The number of Of the total population in continental United States (excluding of international differences, and, fin- or other munitions of war to beilig-

Another detachment of American

marines have been landed at Haiti

Transport Washed Ashore. vashed ashore by the storm on the soldiers killed is unknown.

ecting the plea that an embargo should be put on exports of munitions to the Allies, was added as an "appendix" a table of the German and Austro-Hungarian exports of arms and ammunition to Great Britain during the years in which war was being waged with the Boers. The dta are as

German Exports of Arms and Ammunition to Great Britain

1	German Exports of thins and thin
t	Quantity in 100 Kilos
,	1899. 1909. 1901. 1902.
1	Explosives
	Gunpowder 28 658 243 69
	Shot of malleable iron, not polished, etc 30 43 38
	Polished, etc., not lead coated 4 4
1	shot nickled, or lead-coated with copper
	rings, etc
	Weapons for war purposes
Š	Cartridges with copper shells and percussion
	caps
;	Austro-Hungarian Exports of Arms and Ammunitnon to Great Britain.
	-Quantity in 100 Kilos.
٠	1899. 1900. 1901. 1902.
	Arms exclusive of small arms 190 374 12

MANY LIVES ARE LOST

Lives in Flurry of Wind

Scores of persons perished in the West Indian hurricane that swept Texas coast towns according roundabout reports received at Dal-Wednesday from the las. Texas.

Eighteen soldiers, it is said, were killed at Texas City, the regular army camp near Galveston and thirty or forty civilians also are reported dead.

Six deaths are reported from La-Porte, Texas, eight miles from Morgan's point and three from Sylvan Beach

Between fifty and sixty soldiers are said to have been injured at Texas With a re-establishment of wire

storm swept coast country of Texas. it was expected that definite news would be brought Wednesday of the situation in Galveston, Houston and Beaumont, which for more than two days have been isolated.

Hope that no lives were lost was the receipt at Dallas of reports indicating that there had been deaths at both Galveston and Houston. Disappointingly brief -wireless re-

ports received from the army transport Buford by the station in Fort Sam Houston at San Antonio, gave only the most meagre reports of conditions at Galveston. Reports from Houston, brought by

trainmen told of two or three persons killed. Other reports declared there was no loss of life. Conflicting reports also were received. One said there was only minor damage timated at five million dollars.

TO SETTLE FRYE CASE AS GERMANY SUGGESTS

United States Accepts Offer to Arbi trate the "Ouestion of Legal Justification" of Act. The American note to Germany in

regard to the destruction of the sailing ship William P. Frye, by a German auxiliary cruiser may have important results in its bearing upon the treatment of neutral commerce be noted, explicity declares that a because the remedy lay with the for- by belligerents, officials at Washington believe. The United States acquiesces in

the German proposal that a joint board of experts fix the value of the Frye, which will be paid for promptly by the German government. This The note's acceptance of the Ger

man offer to arbitrate "the question of legal justification," for the sinkng of the Frye, insofar as that involves the interpretation of the exist ng treaties with Germany is considered fre-reaching in its effect. If the German government agrees to arbitration, in the form suggested, it is believed that the American government will be in a position to address itself to Great Britain with greater force than heretofore in advocacy of the general freedom of legitimate neutral commerce on the high seas In the state department's view this

will be particularly true if Germany agrees to suspend, during the arbitartion at least, its policy of destroy ing American ships carrying contra-

FIRE OVER RIO GRANDE

U. S. Cavalry Fired Upon-Corporal Killed-Lieutenant and Private Have Been Wounded.

The border situation along the lower Rio Grande assumed an ugly aspect Tuesday. Gathering of Mexicans in force Monday night at Progresso and their daring attack across the river on a troop of the Twelfth United States cavalry was not the

Authorities received reports that twenty-five horses, including some recognized as animals stolen by baniits in recent raids on the Texas side, were delivered this week in Matamoros, the Mexican town held by Carranza troops.

Delivery of these horses and the fact that the Mexicans at Progresso

The death of Corporal Wilman, in close of the fiscal year June 30. It the fight at Progresso crossing and was also learned from an authorita- the wounding of Lieut. Roy O. Henry tive source that the prospective prof- and Private Jackson has intensified its on some of these contracts had feeling. For nearly twenty miles about Progresso crossing alarms were sounded by rifle shots and by bells roads; women and children were gathered where they could be guard-

> Back to the Land The Chicago City Gardens Associa-

tion has found a practical help for the "back-to-the-land" - movement through the cultivation of vacant spaces within the city limits by the poor and unemployed. Each year 400 the association apportions eighth-acre farms to as many families who stand in need of moral or financial acsistance. A large number of these amateur farmers become attracted to the work, learn the finan-The army transport McClellan was cial return to be obtained from right methods, get some idea of scientific agriculture, and each year a large number of "graduates" leave the 'baby farms' to engage in the regular work of truck farming or farm ing on a larger scale. The work in Chicago is under the

direction of Laura Dainty Polham. president of the association, who has prevailed upon the owners of large tracts of land to donate them for gar-dening purposes to the association. She is working upon the principle that the raw Italian or Slav immi-grant will not go to the country direct from Castle Garden, but that with a little training and encouragement, he will see the greater profits possible for him through farming go back to the land .- N. N. B.

Statue of Von Hindenburg. A colossal wooden statute of Field

Marshal von Hindenburg thirty-nine feet high is to be unveiled August 28 on the Siegesalle in Berlin, which is helm's ancestors. Any German wishing to drive a nail into the statue may do so on payment of 1 mark (24 cents). It is estimated that 1,-600,000 nails will be needed to cover

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AMERICAN NAVY

SHIPS NEED SPEED

Secretary Daniels Outlines Adminis-

tration's Naval Program-Aero-

nautic Forces to be Increased-

General Board Stays in Washing-

ton to Study Problems.

Increased speed in battleships, an increase in the number of submersble craft as larfe as the building capacity of the country will allow, and an increase in the material and percommunication promised for the sonnel of the aeronautic force of the navy are the three points of next year's naval program upon which Mr. Daniels, secretary of the navy, laid greatest stress in an interview granted to the New York Herald.

Mr. Daniels says that the advinistration wants to do more than meregiven up by many Tuesday night with ly recommend an adequate naval program; that it wants to get such a program authorized by congress, that to this end President Wilson will confer with the chairmen of the House and Senate naval affairs committees and that the navy department will cooperate closely with the legislative branch of the government.

Pending the completion of the deberations of the General Board which is now holding summer sessions through Washington's intense heat, in order to meet President Wilson's demand for a statement on preparedness by September 1. Mr. Daniels declined to divulge his recommendations regarding the number of battleships, for which he will ask congress at the coming session. "I can say, however," added Mr.

Daniels, "that as a result of the lessons of the present great war speed will not be sacrificed to either armor or gun power in the battleships to be designed for the coming program." This is a radical change in Amerian naval policy. Heretofore the United States has remained unaffect-

ed by the great increases in speed

developed in foreign navies in capi-

tal ships. Now it appears that the United States also is going in for fast battle cruisers and high speed in its first line battleships. A statement of equal importance

made by Mr. Daniels was that he

will recommend probably as many

submarines as the ship construc-

tion plants of the country can take

care of. "For the first time in years the general board is remaining in sesion in Washington throughout the said Secretary Daniels, ummer. 'instead of going to Newport as has been the custom. The board, of which Admiral George Dewey is the head, through its executive commitee, of which Rear Admiral Charles . Badger is chairman, is giving careful consideration to all that has been learned from the great war which

will affect the naval program of the coming year. "This board is in possession of all nformation petrinent to the subject hich has been received by the department and I cannot, for obvious easons, while their conclusions are still unmatured, make any statement as to what either the board or the department is likely to recommend to

congress in the fall. "There are, I may say, three phases of naval equipment which are being especially considered by the General Board. First, the element of speed. During the last few years other nations have constructed powerful vessels, possessing high rates of speed as well as smaller vessels de-

igned to epecially for speed. "In order to provide for the increased speed it was necessary to sacrifice either gunpower or armor and in most instances both.

"Our navy has adhered to the principle that ships should be heavily armored and possessing the maximum of gunpowder. But in making impregnable vessels of this type speed had to be sacrificed. In the design of vessels which are now under consideration, speed will be sacrificed to no other element.

"The second phase regards aeronautics. The European war has conclusively demonstrated the importance of aerial service in all military establishments. Their ability to divert surprise attacks can hardly be over-estimated.

"Unfortunately we are not so trong in this respect as one might lesire. We are, however, progressing and within the last few years our equipment has been enlarged and the number of pilots gradually increased.

"The last congress approved of my selection, which was recommended by a broad of naval officers of the abandoned Pensacola navy yard as an aviation station, and during the last winter in the vicinity of this station we had important exercises in which the submarines and mine layers have worked with the air craft. ed. Early, Tuesday more troops ers have worked with the air craft.
reached Mercedes and the Progresso Our principle trouble in aeronautics has been to obtain a suitable motor. Just before the outbreak of the war in Europe we had placed an order for two foreign aircraft, one in France and one in Germany, but, of course, we have been unable to obtain delivery.

"Submarines-the last congress authorized the construction of seagoing submarines of the Schley type, which to the best of our information are the biggest submarine craft afloat.

"I have no doubt but that the next congress will be willing to authorize a much greater number of submersibles than the last congress authorized, a number perhaps as large as the capacity of government and private yards will permit. Opinion within the service concurs with that of the general public as to the importance of submarines.

"The responsibility of making recommendations for a vice naval program to meet present day conditions is fully realized by the naval experts and by the secretary. "Personally I am far more con-

erned in an adopted and accomplished program than in the most carefully planned department estimates. Unless there is co-operation between and eventually will leave the city and the executive and legislative departments of government, the needed enlargement of the navy can not be secred. "It is a matter for gratification

that the president has invited a conference with the chairman of both the Senate and House Committee on lined with statues of Kaiser Wil- Naval Affairs before the administration program is fully agreed upon. It has been my policy to consult freely with both committees and I have found them more than ready to cooperate in all wise and progressive the figure. The proceeds will go to measures to secure the increased efthe relief of sufferers from the war. ficiency and strength of the navy.'

## U. S. DOLLAR RULES STORM SWEPT TEXAS;

The American dollar ruled the fin-

from a change of that practice ren- cline in exchange rates came the assertion from an unimpeachable source that every contract for supplies sent abroad called for payment in American dollars and not pounds sterling, which heretofore have been the standard of finance the world over. The immense losse, therefore, due to the decline in foreign exchange rates, will be borne, to the last penny, by foreign buyers—a sitand ammuntion from the United untion exactly the opposite of what

presence in Wall street of J. P. Mor-

point higher than it opened and a point and a half under Saturday's close, which had established a nev Bankers with international connec

neutral is not bound to prohibit the eign buyers. They were the sufferexportation of contraband of war, is ers and theirs, it was the consensus the necessity of a neutral power to of opinion, should be the task of setdo so in order to protect its own ting the money markets to rights. rights. The right and duty to deter- How this would be done was the mine when this necessity exists rests object of keen consideration and with the neutral, not with a belliger- some speculation. It generally was the original American proposi-ent. It is discretionary, not manda- believed that the present abnormal tion. tory. If a neutral power does not avail itself of the right, a beligerent continue long. The obvious remedy is not privileged to complain, for in doing so it would be in the position curities held abroad and when this

Thus a \$1,000 American bond sold

prevailing exchange rate, bring ap- band. exchange rates were to be restored to

The assertion that dollars and not pounds sterling had been the finanheen discussed with the imperial gov- cial standard on which all contracts ernment, to which the position of this for war supplies had been accepted government was fully set forth De- in this country came as a distinct only aggravating feature of the sitsurprise. Aside from marking the uation. temporary passing of London's control of the world's treasure chests, it relieved anxiety on the part of investors in so-called war specialties in the stock market who were confronted with the prospect of a large shrinkage in prospective profits due

Measured in dollars and cents, it examination it has come to the con-"Less than one-fifth of the authoritics consulted advocate unreservedly the prohibition of the export of contraband. Several of those who con-stitute this minority admit that the practice of nations has been other-

rect particular attention of the declaration of the German authority, Paul Einicke, who states that at the be-

"The government of the United States deems it unnecessary to extend further at the present time a marines have been landed at Haiti as the islanders threater to fight and consideration of the statement of the Austro-Hungarian government. The principles of international law, the practice of nations, the national safety of the United States and other na-

ally, neutrality itself are opposed to erent powers during the progress of the exportation of arms, ammunitions the war." To the note of the United States government to Austria-Hungary, re-

Ammunition and explosives under tariff No. 

left Liverpool Wednesday afternoon government of the United States is and was on a southerly course, well convinced that the adoption of the