

DEUTSCHLAND AND HER CREW CAPTURED BY BRITISH TARS

Famous Freight Carrying Submarine Sent Out From Bremen To This Country, Twice Successful, Reported Caught At Last

ENGINEER OF MONGOLIA IS AUTHORITY FOR STATEMENT

Says He Saw Diver With One Hundred and Eighty-six Submersibles of the U-Boat Type Tied Up At Plymouth Yards

(Associated Press by Federal Wireless.)

BALTIMORE, February 17.—Among the one hundred and eighty-six submarines that had belonged to Germany, but are now tied up in the British ship yards at Plymouth is the freight carrying submarine Deutschland, which twice dodged the British patrol fleet and carried cargoes back and forth between this country and Hamburg, according to the statement made here last night by William Palmer, chief engineer of the former Pacific Mail liner Mongolia, now engaged in the transatlantic service. Captain Koenig and his crew are in British detention camps, Palmer adds.

England's Counter Stroke

The Mongolia got into Baltimore harbor yesterday, bringing this sensational report from Britain, with the additional information that since the outbreak of the war the British navy and special patrol boats have captured first and last more than four hundred of these pests, which Germany turned loose in the hope of effecting a blockade around England as effective as that with which the British navy bids fair to squeeze Germany to her knees.

From time to time in the past two years, and with growing frequency of late, have come reports of the effectiveness with which the British naval officials are meeting the attacks of the German submarines, and of the tremendous losses which the Kaiser's divers are meeting in their perilous task of destroying the Allied food fleets.

Confirms Reports

In his statement issued last night William Palmer bears out many of these reports, and his account is circumstantial to a marked degree. He declares that while in Plymouth he visited the huge British naval station there, one of the largest and best equipped stations of its kind in the world, and that in the basin, screened from the ordinary prying eyes, but secured and safely under guard, are one hundred and eighty-six U-boats, of the kind that sank the Lusitania.

More than two hundred additional submarines are secured at other naval stations in England, according to the information which he received from navy officers, who, however, declined to give him any idea of how the wholesale warfare against the underwater craft has been waged so successfully.

Submarines Destroyed

"Jesse's Fighting Ships" the semi-official naval annual issued in England for this year, in speaking of the losses inflicted upon the German navy during the war says "the number of submarines lost is very large indeed, but precise information can not be obtained at present, and any attempt at a detailed list would be more or less misleading, owing to the frequent duplications of numbers." The annual then proceeds to give the names of eight submarines of the U and UC types, which have been officially reported destroyed in 1916.

SUBMARINE WARFARE MAY CUT DOWN PRICES

Housewives of American Homes May Benefit By Ruthlessness

(Associated Press by Federal Wireless.) NEW YORK, February 16.—The "unrestricted naval warfare" of Germany will have a favorable effect on the purchase of American housewives because lower prices are likely to prevail in many commodities sold on the domestic market, is probable, according to information gathered by the commissioner of weights and measures in this city.

The commissioner, who has been making an investigation of the high cost of foods, says that many perishable supplies are being placed on the home market immediately because of the check in steamer sailings and the consequent lack of facilities for shipping to Europe.

GERMAN SPY CAUGHT

(Associated Press by Federal Wireless.) TUCSON, Arizona, February 16.—Reports from Nogales say that a German spy has been arrested and charged with violation of the national defense act, being accused of obtaining military information.

FREIGHTER FIGHTS OFF DIVER FRENCHMAN MAY HAVE SUNK FOE

(Associated Press by Federal Wireless.)

NEW YORK, February 17.—Officers of the French freighter Honduras, which has reached here from Bordeaux, reported to her agents here that on her outward passage from New Orleans with a cargo of sugar for the Allies, she was attacked by a German submarine on the morning of December 7. She was at that time about twenty miles off the coast of Florida, and kept up a running fight with the undersea raider and finally beat off the foe, and believes that she succeeded in sinking the German.

The Honduras is armed with a four inch gun astern for defense, and when the first shells of the submarine began falling about her bridge, she immediately unlimbered the gun and started

to return the fire. One of the shells of the submarine hit her bridge and wounded some of her crew, and others struck her in other places, but none of them managed to strike a vital spot.

Meanwhile she was keeping up full steam and speed for port and managing to keep the diver, so far asters that it would have been impossible for the latter to launch a torpedo, although she is believed to have attempted to do so.

Suddenly, say the officers of the freighter, the German raider stopped firing, and was observed to swerve from her course, and then slowly disappeared. It is believed that one of the shells from the Frenchman's gun got home and that the submarine had been sunk. At least the Honduras had no further trouble with that submarine.

Worse Things Than War Is Taft's Warning To Solons

(Associated Press by Federal Wireless.)

INDIANAPOLIS, February 17.—Former President Taft in a spirited address here last night, urged his hearers to "back the President in whatever course he may adopt," and also urged in behalf of at least one year of military training for all American citizens.

The former President was speaking to a joint session of the Indiana State legislature, and he said, in part: "This is not the time, when the nation faces the crisis of the last generation, to harp on the factional differences of party politics. It is the time above all else when all true Americans will rally to the support of the President, and back him in his policies with all their might, with all their mind and with all their bodily strength. He is not the Democratic President. He is our President. He speaks for us and acts for us, and we must see that he

does not speak nor act without the support that loyal men owe their country's leaders."

The former President then spoke on the need for preparedness by the people of the United States, and urged the necessity of military training for all citizens of the country. He advocated at least one year of military work for every American between the ages of nineteen and twenty-four, able to carry a rifle.

"War is a horrible thing, a fearful and lathsome thing, and a thing to be avoided, but there are other things more horrible and more loathsome than war—war—other things far worse than the bloody war, and these must be prepared to avoid them."

He declared that the country should take steps to join any league of nations to enforce peace, should such a league be formed after the end of the present conflict.

BRITISH WAR LOAN IS SUBSCRIBED MORE THAN TWICE

Government Asked For Five Hundred and Six Million Pounds and People Have Offered One Thousand Million For the Carrying On of the War

(Associated Press by Federal Wireless.)

LONDON, February 17.—The new British war loan has been twice oversubscribed. The government has been asking the people to lend it 500,000,000 pounds in order that it might start the new fiscal year right. The people have offered the government more than one thousand million pounds as their response.

Such is the statement printed in the Nation this morning, following an interview with Mr. Chamberlain, in which that official declares that "this will be the bitterest pill that Germany has had to swallow for many months."

To complete the great war loan by popular subscription which has been under way for some time, officials and leaders of all classes have been making a tremendous effort to bring in every available shilling.

Advertisements, newspaper appeals, public speeches and personal solicitations are being used to swell the flood of money and pledges pouring in on the collectors. There is no question in financial circles that the loan will be a complete success, and there is hope that it will be substantially oversubscribed. About 500,000,000 pounds are needed to insure the government's annual slate on entering the new financial year, April 1.

Despatches from Paris yesterday announced that Alexandre Ribot, the new French minister of state for finance, has asked the chamber of deputies for an appropriation of 9,547,000,000 francs, or approximately \$1,900,000,000 to cover the government's expenditure for the second quarter of the current fiscal year. This is an increase of 900,000,000 over the appropriation for the first quarter.

German newspapers tell of a new war loan made by Germany to Turkey, according to a Reuter's despatch yesterday. The loan is for 42,500,000 Turkish pounds. David Bey, minister of finance of the Turkish government, is quoted as saying that the Teutons' advance since the beginning of the war to his government amounts to 79,000,000 pounds.

SWEDEN'S AUTHORITIES MOVE TO MEET FAMINE

(Associated Press by Federal Wireless.)

STOCKHOLM, February 16.—Facing a serious shortage of food before the long northern winter years into spring, the Swedish government today announced vigorous measures to regulate the food supplies.

Orders were issued expropriating barley and barley flour. Half of the supplies of oats, oatmeal and wheat gristles are to be issued, the remainder being held until danger of the famine is over. Orders were also issued forbidding the use of potatoes as fodder.

CUBAN REBELS QUIET

(Associated Press by Federal Wireless.) HAVANA, February 17.—Official announcements were issued covering the situation last night, and declared that there have been no changes worth noting. There has been complete quiet in the provinces of Havana, Pinar del Rio, Matanzas, and Sancti Spiritus, or the western half of the island. Troops are operating against the rebels in Camaguey province.

PAPER MAKERS ARE HEEDING "REASON"

Likely To Adopt Plan That Federal Trade Body Determine Fair and Just Price

(Associated Press by Federal Wireless.)

WASHINGTON, February 17.—The proposal that the federal trade commission determine a fair and reasonable price for news print paper, during a period from March 1 to September 1, this year, has been taken under advisement. The commission says that the "offer not only promises lower prices and more equitable distribution, and means a saving of millions to publishers, but averts ruin which is threatening the smaller publishers."

It is understood that the manufacturers have taken the above proposal under consideration, with the understanding that the recommendation of the federal grand jury of New York that the department of justice begin proceedings against the paper makers for restraint of trade, be dropped. It is estimated that the total saving effected for the publishers by the suggested plan would amount to more than \$30,000,000 annually. It is generally believed that the plan will be accepted.

Each reports from London yesterday added four vessels all British, to the list of victims of the hostile submarines. They are the steamers Longscar and Greenland, the sailing vessel Percy Roy and an unnamed trawler. Lloyd's agency, which gives the news, mentions the crew of only one, the steamer Greenland, as having landed safely. Later reports told of the sinking of the British steamer Hopemoot.

BRITISH AID IN SHIPPING TIEUP

Action of Admiralty Does Much To Relieve Congestion in the Ports

(Associated Press by Federal Wireless.) NEW YORK, February 17.—The British admiralty's permission to neutral vessels, sailing from American ports to Europe, to undergo examination at Halifax instead of at Kirkwall or Falmouth, England, has brought immediate relief to the congested cargo situation.

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OAHU TO CONTINUE TO PAY SAME DIVIDENDS

Directors of Oahu Sugar Company met yesterday following the annual meeting of shareholders and organized. Formal announcement was made that the company would continue to pay regular dividends at the same rate as adjustments have been made during the past year until further notice. Routine business and the reading of the annual report occupied the shareholders' annual meeting.

Children are much more likely to contract the contagious diseases when they have colds. Whooping cough, diphtheria, scarlet fever and consumption are diseases that are often contracted when the child has a cold. That is why all medical authorities say beware of colds. For the quick cure of colds you will find nothing better than Chamberlain's Cough Remedy. It can always be depended upon and is pleasant and safe to take. For sale by dealers, Benson, Smith & Co., agents for Hawaii.

BARKENTINE SAFE

(Associated Press by Federal Wireless.) SEATTLE, February 16.—The barkentine Retriever, which has been overdue, arrived at Port Townsend this morning, forced in after passing by Cape Flattery. The Retriever has been the object of search by coast guard cutters along the California coast.

PLANS FOR WATER PAGEANT RAPIDLY ARE TAKING SHAPE

Many Floats Have Been Entered Formally and Others Are Expected Soon

FIVE THOUSAND LANTERNS WILL SET BAY AGLOW

Jack Young In Charge of Arrangements Announces Prizes For Best Entries

The water pageant of the Carnival is taking form rapidly under direction of Jack Young, who is in charge. Many floats have been entered. Still more are desired. Mr. Young wishes owners of yachts, launches and motorboats of Honolulu to get in touch with him immediately with a view to entering their boats. They have not made the arrangements they should have made, Mr. Young said, despite the action of others.

Mr. Young has five thousand lanterns with candles and wire ready for any boats that may enter, to be supplied free of charge. He will assist in any way possible and may be telephoned at 2551 or 3328.

Prizes will be as follows: grand prize of fifty dollars, for the best decorated boat regardless of class; twenty-five dollars first prize and ten dollars second prize for floats; twenty-five dollars first prize and ten dollars second prize for motorboats; twenty-five dollars for canoes, one prize; ten dollars for boat clubs, one prize; and thirty-five dollars, twenty-five and fifteen for Japanese vessels—a total of \$250.

The four K-Class submarines are expected to come up from Pearl Harbor to enter the pageant. The cruiser St. Louis will enter a float. Among others that are expected are:

Oahu railway, a large float; Inter-Island, a launch; Heolani, Outrigger, Kaula and Myrtle clubs; the boat of James W. Judd; the Na'ahi Case Dorying; Fort Armstrong, with a large hand saw, the yacht Hawaii and a barge; the U. S. S. Alert with a float, which will be one of the most effective ever seen here; L. B. Reeves, customs boarding officer, with the Wiki, United States Engineers' crew, bearing a band; the launch of the United States engineers, for which Richard Quinn is arranging; an entry by W. E. Young; the Makala of Young Brothers, which will be decorated with Shiraz and Temporal colors; and the Japanese section, which will be unusually spectacular, both the Hawaii Fishing Company and the Pacific Fishing Company, which were not represented in 1916, having entered.

Boats not decorated will not be permitted on the course, Mr. Young said. The pageant will start at eight o'clock sharp, next Saturday, February 24. Young Brothers have placed their boats at the disposal of the Carnival committee.

Judge Coké has accepted appointment as one judge and Judges Whitney and Robertson will be asked to serve with Judge Coké.

Lionel Walden and D. Howard Hitchcock were busy yesterday directing the work on the seven great dioramas of Hawaii at the Pan-Pacific Pavilion. The paintings, thirty feet by ten, have been hung and most of the material foregrounds have been placed. In order, mauka to makai end of the buildings, the paintings will be: Pali, Hilo Bay, Hialekaha, Kilauea, Waimea Canyon of Kauai, Waimea Beach of Oahu, Oahu from Taanalu.

The Pali diorama sketch was made from up the shoulder of Konaehuanui, the great twin-peaked mountain on the east of the Pali, and it looks down upon the Pali road. The Hilo Bay diorama, painted by Twigg Smith from Lionel Walden's sketch, shows Maunaloa and Mauna Kea in the background. The water effects of Hilo Bay are exceptionally fine. The foam of the beach seems to move. Lava boulders form the foreground. The Halekaha foreground is of lava rocks, and it blends remarkably well with the oil. Kilauea's foreground has black and blue lavas. Waimea Canyon has red earth and lava branches.

It is apparent that the dioramas require much depth for a proper appreciation. Persons who view them from the Pavilion platform should stand as far from them as possible. In the daytime during Carnival week the hangings of the building will be raised, and then the best place to view them will be from the new Bishop Street sidewalk.

WIFE OF SCULPTOR RODIN VERY SICK

(Associated Press by Federal Wireless.) PARIS, France, Feb. 16.—The Petit Journal reports the death at Meudon of Madame Auguste Rodin, wife of the noted sculptor. She died after a painful illness.

Some weeks ago there was a report that Rodin was dying, followed immediately by the news of his recent marriage and the illness of his bride.

WALALUA PLANS STOCK DIVIDEND OF \$500,000

Meeting is Adjourned To March Third To Consider Proposal

Increase of the capitalization of Walalua Agricultural Company by half a million dollars in the shape of a stock dividend was taken up at the annual meeting of the stockholders of the company yesterday on the motion of O. Mayall. The resolution calls for the issuance of 25,000 shares at \$20 a share raising the capital stock of the company from \$4,500,000 to \$5,500,000.

The proposal was not acted on at yesterday's meeting as two-thirds of the stockholders were not represented at the meeting. Action on such a resolution requires two-thirds of the stockholders according to the company's by-laws.

The meeting was adjourned until Saturday, March 3, at ten o'clock when the resolution will again be considered with such amendments to the by-laws as may be necessary.

BRITISH STRIKE BACK AT FOE Admiralty Bottles Kaiser In Mine Field

(Associated Press by Federal Wireless.)

WASHINGTON, February 17.—Formal notice that Great Britain is preparing to strike back at Germany for the "unrestricted submarine war" which she has waged, was received by the state department last night through the British ambassador here, Sir Cecil Spring-Rice.

It was the notice of a "danger zone" which the British mine layers have created in the North Sea because of the submarine activities. It says that because of the operations which the British admiralty is prepared to launch against Germany all shipping is warned that after today all waters off the coast of Holland, Denmark and the German ports are dangerous in the extreme, having been boomed and mined.

The new "dangerous area" is apparently designed to serve as a bulwark against the German fleet from the Kiel Canal and its various bases on the North Sea coast of Germany, for it is so delimited as to make a large area of water opposite these German bases dangerous to shipping, merchant captives being warned not to enter this region except at their risk.

The new danger area starts about twenty miles east of Flamborough Head, on the British east coast, and spreads out in a fan-shaped form toward Jutland on the Danish coast and Terschelling on the Dutch coast of Holland. Everything south and east of this area is also within the dangerous zone. The northwestern limits of the new danger zone pass through the Dogger Banks.

By this action the British Government, for military and naval reasons, has barred to merchant shipping virtually all that area of the North Sea east of the Dogger Banks, between a point high on the Danish coast to the point where the Dutch coast makes its wide bend eastward. The only waters within this area safe for shipping are the Danish and Dutch territorial waters, that is the three-mile strip of water fringing the coasts of these two neutral nations, over which the British Government would have no jurisdiction.

How this area has been or will be rendered dangerous is not disclosed. It is believed that mines will be freely used here and that the British fleet will be so distributed as virtually to put a fighting cordon around the North Sea east of Germany.

According to the views of American naval experts, the purposes of the British naval authorities are as follows: First, to prevent the egress of German sea raiders, as well as the return of those recently, and perhaps still, roving the Atlantic.

Second, to enable the British fleet to deal better with the German high seas fleet, should it make another dash into the North Sea this spring.

Third, to prevent German raiding forces from making dashes across the North Sea to attack the coast of England.

Fourth, to enable the British navy to stop the voyages of the Deutschland and other German commercial submarines.

It is known here that the British admiralty officials regarding the manner in which the Mowee and other German sea raiders managed to elude the British fleet is that these commerce destroyers came out of the Kiel Canal or Wilhelmshaven, followed the line of islands along the Danish coast to the stretch of waters between the Blyandvig lightship and the Lyngvig lightship, and then dashed under cover of bad weather or darkness into the upper reaches of the North Sea.

It is suspected that the position of the northern point of the line, which is to include the new danger area, may this spring be being taken to close up this exit for German raiders. The starting point, four miles from the coast of Jutland, is approximately the Lyngvig lightship, lying opposite the town of Ringkjoebing. From this point the line runs westward along the line of 56 degrees north to its intersection with the longitudinal line 6 degrees east of Greenwich. This line, if continued further westward, would intersect the Fifth of March lightship coast. From the point, 56 degrees north latitude, 6 degrees east longitude, the line, marking the northwestern limits of the new danger area runs southwestward to a point opposite Flamborough Head. From this point the line recrosses the North Sea, ending at a point which is 37 minutes long latitude and 5 degrees east longitude, only seven miles from the Island of Terschelling.

Price of Raw Sugar Soars In New York; Cubas Not Offered

The price of sugar soared on the New York market yesterday jumping the quotation affecting the Hawaiian basis for raws more than eight dollars a ton. Advice received here state that the market is showing the natural result of the "double bull" factors, the revolution in Cuba and the strike in Porto Rico of plantation laborers. No Cuban sugars are being offered for sale in the New York market.

The new quotation on the Hawaiian basis yesterday was 5.27 cents a pound or \$105.40 a ton, an increase of 41 cents a pound or 8.20 a ton over the last previous quotation of 4.86 cents a pound or \$97.20 a ton.

This is the first time in three weeks that the Hawaiian basis quotation stepped back over the five-cent mark. It fell below the five-cent mark January 25 from 5.02 to 4.80 and quotations since have been 4.80, 4.75, 4.82, 4.80, 4.70, 4.64, 4.73, 4.71, 4.95 and 4.86 to 5.27. A wireless message received yesterday by Alexander & Beldwin from its New York house describes trading on the market as follows:

"The market is firm. No Cubas are being offered. Refiners are buying at 5.32 cents. Porto Ricans are being offered at 5.20 and 5.39 cents. There was a sale today to an operator of Porto Ricans at 5.20 cents. May options closed at 5.42 cents. The Cuban situation is apparently more serious."

Many kinds of work wear out the kidneys, and kidney trouble makes any kind of work hard. It brings morning lameness, backache, headache, dizziness, nervousness, rheumatism and distressing urinary troubles. If your work is confining, or strains the back, or exposes you to extreme heat or cold or damp, it's well to keep the kidneys active. Doan's Backache Kidney Pills are reliable and safe. Thousands recommend them.

"When Your Back is Lame—Remember the Name." Don't simply ask for a kidney remedy—ask distinctly for Doan's Backache Kidney Pills and take no other. Doan's Backache Kidney Pills are sold by all druggists and store-keepers at 50c a box, (six boxes \$2.50) or will be mailed on receipt of price by the Hollister Drug Co., or Benson, Smith & Co., agents for the Hawaiian Islands.

PRESIDENT IS PREPARING FOR OUTBREAK OF OPEN WARFARE

Realizes Continuation of Existing Conditions is But Playing Into Hands of Germany, and That It Must Be Stopped At Once

MEANS OF SOLVING PROBLEM ALREADY DECIDED UPON

Time Not Yet Ripe To Move Is Reason Wilson Reported To Have Assigned For Further Waiting At Meeting of Cabinet

(Associated Press by Federal Wireless.)

WASHINGTON, February 17.—While the official statements are to the effect that the President has decided that the time is not yet ripe for direct action on the part of the United States in response to the continued aggression of Germany, all signs point to war at an early date.

Throughout the country it is evident that the men at the head of such organizations as may be of use to the government in the event of war are being kept in closer touch with the international situation than the general public and all are bending their energies to prepare for the events to come.

Information by way of Paris and Bern indicates a growing hostility towards the United States in Austria and a conviction there that war is inevitable in the near future. To such an extent has this feeling developed, state the reports from these capitals, that Ambassador Penfield has notified all Americans to leave Austria and Hungary, the Paris despatch stating that this has been done on instructions from the state department here. This is denied at the state department.

MILLION AND HALF NEEDED BY BOARD

Harbor Commission Decides On Budget For the Coming Two Years

One million and a half dollars will be asked by the harbor commissioners, in the loan fund bill to be presented to the next legislature. If all the items are passed, Oahu will get \$439,450, Hawaii \$450,000 and Maui \$250,000.

These figures were decided on at a special meeting called for that purpose yesterday morning. The meeting had been arranged for Thursday evening but was postponed.

Practically all the items included in the list represent improvements which the commission has discussed from time to time in the last year. The items are as follows:

Construction Pier 2, \$125,000; sheds on Piers 8, 9 and 10, \$235,000; dredging in Honolulu slips, \$25,000; fishermen's harbor, Kakaako, \$80,000; Allen & Robinson property, \$364,450; expense of purchase of same, \$10,000; Hilo wharf \$250,000; dredging Hilo Bay, \$100,000; Hana wharf, \$25,000; Lahaina wharf, \$225,000.

GERMAN CONSUL TO SAIL ON TRANSPORT

(Associated Press by Federal Wireless.) MANILA, February 17.—Consul Zitelmann, who has been representing the German government here, and who has been ordered to leave this city, will go to Peking, via Nagasaki, the government of the United States having secured a safe-conduct for him from Japan. He will sail on the transport Thoms.

Is Work Too Hard?

Many kinds of work wear out the kidneys, and kidney trouble makes any kind of work hard. It brings morning lameness, backache, headache, dizziness, nervousness, rheumatism and distressing urinary troubles. If your work is confining, or strains the back, or exposes you to extreme heat or cold or damp, it's well to keep the kidneys active. Doan's Backache Kidney Pills are reliable and safe. Thousands recommend them.

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These and other developments of the day were among the matters which the President discussed at a conference with the members of his cabinet yesterday afternoon. The whole submarine warfare situation was thoroughly considered, it is said, and the conference lasted the best part of an hour.

POSTAL FIGHT ENDS IN DEFEAT OF ANY RAISE

(Associated Press by Federal Wireless.) WASHINGTON, February 16.—The proposed increase in postal rates for newspapers and magazines, and the provisions for a one cent drop in letter rates were eliminated from the postal appropriation bill finally today on a point of order. This is expected to end the fight.