

YESTERDAY'S WEATHER
U. S. WEATHER BUREAU,
July 26, 1917—Last twenty-
four hours: rainfall,
Temperature, min. 72; max.,
83. Weather clear.

Hawaiian Gazette

LATEST CABLED SUGAR QUOTATIONS
Cents Dollars
96° Centrifugal N. F. per lb. per ton
Price, Hawaiian basis... 0.77 \$135.40
Last previous quota-
tion..... 0.65 \$121.00

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HONOLULU, HAWAII TERRITORY, FRIDAY, JULY 27, 1917.—SEMI-WEEKLY.

WHOLE NUMBER 4655

WAR BUDGET MAY REQUIRE TEN BILLION BEFORE END

Figures Already Reach Enormous
Sum of Eight Billions of Dollars
Without Provision For Credits
To Allies

FURTHER PROVISIONS
TO BE IN LATER BILLS

Secretary McAdoo Favors Rais-
ing By Taxation But It Is Pos-
sible That Other Bond Issues
At Higher Interest May Come

(Associated Press By U. S. Naval Com-
munication Service)

WASHINGTON, July 27—The
new war budget prepared
by Secretary of the Treasury Mc-
Adoo, covering the estimated ex-
penditures for the year up to July
31, 1918, which includes the vot-
ing of additional credits to the
Allies, promises to amount to the
enormous total of eight billion
dollars and may run up to ten
billion before it is completed and
voted.

The budget in its uncompleted
form is now being considered in
the appropriations committee of
the house. The budget does not
provide for any immediate cred-
its for the Allies and whatever
amounts are to be set aside
will be added to the bills later.

It has not been decided whether
the further great sums of
money to be voted for the war
needs of the nation are to be
raised by a further increase of
taxes than those provided for in
the War Revenue Bill, now in the
senate finance committee and
ready to be reported out for de-
bate tomorrow, or whether the
funds are to be secured through
the flotation of more war bonds.
Secretary McAdoo favors the
principle of pay as you go and
is urging the imposition of further
taxes. The house committee
members have a majority at present
in favor of issuing bonds.

If new bonds are issued it will
be at a possibly higher rate of in-
terest than was authorized in the
case of the Liberty Bond issue,
redemption to be serially. If
new bonds at a higher interest
rate are decided upon, the issue
will be for an amount large
enough to take up the Liberty
Bonds, which were sold with the
proviso that they would be ex-
changeable for whatever subse-
quent bonds might be floated.

SUBMARINE POLICY IS ACHIEVING LITTLE

Toll of Frightfulness on France
and Italy Is Small

(Associated Press By U. S. Naval Com-
munication Service)

PARIS, July 26—The French min-
ister of marine reports that not a single
instance of submarine activity has been
reported this week of any class of ships.
Altogether a total of 1063 vessels ar-
rived and 937 left French ports between
July 19 and 26.

The Italian minister of marine re-
ports, in dispatches received, that only
two vessels fell victim to Teuton sub-
marines during the past week, while 593
ships arrived at Italian ports and 550
departed.

IN addressing the Loyal Order of Moose yesterday Former Pres-
ident Roosevelt pleaded for universal military training and said
without it our present preparedness could be only temporary.



UNIVERSAL PREPAREDNESS URGED FOR BOYS AND GIRLS

(Associated Press By U. S. Naval Com-
munication Service)

PITTSBURGH, July 27—Addressing
a national gathering of the Loyal Order
of Moose in convention here yesterday
Colonel Roosevelt declared that what
ever preparedness the country is now
achieving is of but only temporary and
transitory value. He urged universal
military training at all times and univer-
sal military service in time of war.
Americans are a miracle of inefficiency
as compared to other nations in this
present war, declared the former
President, and it is because of the
lack of military training that such is
the case. "Such preparedness as we

have is and can be but temporary un-
til we shall train our young men in
arms from boyhood up so that they
may be ready to take up those arms
when the call of need shall come to
the nation. With such a state of pre-
paredness a call is far less likely to
be made.
"Universal service in wartime is the
only that every young man and every
young woman owes to his and to her
country. To render this service at its
best training is indispensable and it
is because of our lack of just this
training that we are today a very
wretchedly inefficient as compared to
the real efficiency the other Allied na-
tions have now developed.

REACH PORT AFTER SURVIVING PERILS

One Steamer Brings Home Men
Who Escaped Death in Dis-
aster To Six Vessels

(Associated Press By U. S. Naval Com-
munication Service)

ATLANTIC PORT, July 27—The
survivors of the crews of six Ameri-
can ships recently lost in French waters
as results of German submarine ac-
tivities and of wrecks, reached the
United States yesterday, all passengers
aboard the one vessel.

Included among these survivors are
the captain and eighteen members of
the crew of the American-Hawaiian
steamer Kasaan, the captain and thirty-
two members of the crew of the
steamer Oriana and the captain and
thirty-one members of the crew of the
steamer Masanepqua, each of which
vessels had been sunk by a torpedo.
Eleven of the crew of the steamer
Mary W. Bowen, which had been sunk
by submarine shellfire, and the captain
and twenty-seven of the crews of the
schooners Edward B. Winslow and Ad-
die M. Lawrence were among the re-
turned American seamen.

The Winslow was lost by being bur-
ned at sea and the Lawrence went
ashore and was wrecked.

AMERICAN SHIP IS SUNK BY SUBMARINE

(Associated Press By U. S. Naval Com-
munication Service)

LONDON, England, July 26—The
British admiralty reports the sinking
presumably by a submarine, of the
American ship Augustus Welt. The
crew is safe.

HUNS SEND NORSE VESSEL TO BOTTOM

(Associated Press By U. S. Naval Com-
munication Service)

LONDON, Eng., July 26—The Norse
ship Hansent has been submerged in
the Azores, according to an admiralty
announcement today. The crew reach-
ed port safely.

RESOLUTIONS FOR PEACE ARE UP FOR DEBATE IN PARLIAMENT

Backing of a Few Pacifists Is
Given But It Is Admitted By
Speakers That They Represent
Only Small Minority

ASQUITH IN HIS REPLY
SAYS ALL SEEK FOR IT

Consideration of Any Proposal
Which Does Not Recognize
That Entente Is Unbeaten In
War Is Declared Impossible

(Associated Press By U. S. Naval Com-
munication Service)

LONDON, July 27—A peace resolu-
tion, backed by the few pacifists in
the membership of the commons, brought
about a peace debate in that
house of parliament yesterday, in
which Premier Asquith took
occasion to express his disappointment
at the vagueness of the resolution passed
by the majority party in the Ger-
man Reichstag.

The introduction of a resolution
which stated that the principles ex-
pressed in the resolution passed by the
German majority in the Reichstag last
week were the principles which Great
Britain supports gave the excuse for
the debate. This resolution called upon
the government of the Allies to re-
store their peace terms, in the light
of the German declaration and asked
also for the incorporation of a pledge
on the part of the Entente government
that the people would have representa-
tion at whatever peace conference
might be brought about.

The mover of this resolution stated
that he realized that he voiced the
opinion of a minority, but it is a min-
ority that is rapidly growing, he claim-
ed.

Asquith, replying for the govern-
ment, said that peace was the para-
mount aim of all the parties in Great
Britain, but it must be a peace con-
ditioned upon the fact that the Entente
was not beaten in the war. The war
aims of the British government, he
said, is that it proposes to see that the
immeasurable losses sustained by the
British and shared in common by all
the allies of Great Britain had not been
made in vain. The loss of life and the
suffering must not be allowed to be
wasted, he declared.

He had welcomed the news of the
Russian initiative for a conference of
the Powers for this autumn, he said,
but the German response had been dis-
appointing. The Reichstag resolution,
while gratifying, was too vague a
thing upon which to base any hope of
speedy peace. He had hoped that the
action recently taken in Germany
would have clarified the situation,
while it had only further befogged the
situation.

ORGANIZER WOULD BULLY GOVERNMENT

(Associated Press By U. S. Naval Com-
munication Service)

PHILADELPHIA, July 27—Threats
to call a strike which would tie up the
Delaware River ship yards and so great-
ly delay ship building needed for gov-
ernment purposes are reported to have
been made yesterday by Charles Scott,
an organizer of the boiler makers and
ship builders unions.

Scott is reported to have said he at-
tempted to set the authority of his un-
ions against and over that of his coun-
try and to have said: "If the govern-
ment does not exempt the single men of
our unions as well as the married men
we will call a strike of the 4200 mem-
bers of our unions and call out every
man who is engaged in completing the
ships in progress of building along the
Delaware River."

INSULTS TO PRESIDENT AND FLAG IS PUNISHED

(Associated Press by U. S. Naval Com-
munication Service)

SAN ANTONIO, July 27—Seven
years of hard labor was the sentence
yesterday pronounced upon Otto
Ludwig, a private in the regular
army, for using language which the
court-martial found to be disrespectful
to the country's flag and to the
President. In time of peace such
language from a soldier could not be
permitted, but in time of war it be-
came treasonable and unbearable,
and the severe penalty was given as
a warning to others as well as for
the punishment of the offense.

REAR-ADMIRAL CAPPS SUCCEEDS GENERAL GOETHALS AS EXECUTIVE OF THE SHIPPING BOARD, THE REORGANIZATION OF WHICH IS EXPECTED TO BE COM- PLETED TODAY.



NEW SHIPPING BOARD WILL TAKE UP DUTIES

General Goethals Will Remain For
Time As Adviser of His
Successor On Board

(Associated Press by U. S. Naval Com-
munication Service)

WASHINGTON, July 27—The re-
organization of the Shipping Board
will be completed today and a fresh
start will be made on the highly neces-
sary work of creating an American
merchant marine for use on the At-
lantic, to nullify the German submarine
blockade of Great Britain and France.
Rear Admiral Capps, who has been
chief constructor and senior member
of the boards for hull changes on ves-
sels building on the Atlantic coast for
the Navy, will take his place as exec-
utive officer in charge of construction,
in succession to General Goethals. The
naval builder will remain with the
board as an adviser to Admiral Capps
until the latter is made thoroughly
familiar with all that has heretofore
been accomplished.

Edward Nash Hurley of Chicago will
take his place as chairman of the
board, succeeding William Denman,
whose dispute with General Goethals
led to a cessation of progress and a
final request from the President for
his resignation in the interest of har-
mony. Hurley is the originator and de-
veloper of the pneumatic tool industry in
the United States and Europe and has
been vice-chairman of the federal trade
commission.

Yesterday the resignation of W.
Brent, a member of the board, was ac-
cepted. Brent resigned because his
ideas ran parallel to those of Denman,
who has been turned down.

FIGHTING ON WEST FRONT IS SEVERE

French Hold Own in Aisne and
Gain in Champagne—Artil-
lery Duel in Flanders

(Associated Press By U. S. Naval Com-
munication Service)

PARIS, July 27—Futile attacks by
the Teuton forces all along the line of
the Aisne sector are told in the official
reports issued last night. Vicious
struggles were made in quick succession,
but with little avail, for despite losses
which were enormously heavy the gains
were but slight.

Attacks were mainly directed at a
front two miles in length in the vicinity
of Hurbiebis and extending to Labo-
velle. Although Berlin claims to have
captured important positions here after
stubborn fighting, this the French re-
port denies and claims the losses en-
titled more than compensate for any
small gains that were made.

In the Champagne sector the French
forces captured several trenches, which
they have retained.
Along the forty-mile front from the
coast of Belgium to the River Lys, the
English and German artillery are en-
gaged in a terrific duel and the boom of
heavy guns resounded throughout the
day. London claims that several Ger-
man storming parties were repelled with
heavy losses. The London report adds
that after several weeks of compara-
tive inaction the British guns are again
roaring and an intense artillery duel is
in progress in Flanders.

German guns are replying by show-
ing Vimy Ridge with high explosive
shells, and Armentiers and the British
lines drawn around Lens are also being
subjected to heavy bombardment.
In the North Sea two German sub-
marines were sunk and two other Ger-
man ships captured.

PROHIBITION COMES BEFORE SENATE FOR DEBATE MONDAY

Nationwide Provisions Are Con-
tained in Sheppard Resolution
Which Was Introduced On
Opening Day of Session

(Associated Press By U. S. Naval Com-
munication Service)

WASHINGTON, July 27—After hav-
ing debated the matter of national pro-
hibition as it became involved in one or
another of the various war measures
which have appeared before congress,
with prohibition on the outstanding
features of the war season, the senate
will vote on the clear-cut issue on
Wednesday next.

Bone-dry national prohibition as a
war measure has been defeated in the
amendments adapted to the Food Con-
trol Bill, when both the house and senate
refused to prohibit the brewing of
beer and the manufacture of light wines
and legislated against the further sale
of distilled liquors only to the extent of
doubling the excise duties and forbid-
ding the further distilling of such
liquors during the course of the war.

Now the matter of national prohi-
bition, to be secured through amendment
to the Constitution, is before the senate
in the form of the Sheppard Resolu-
tion, introduced on the opening day
of the present session. By agreement,
this resolution will come up on the order
of the day for debate on Monday, the
debate not to continue past Wednesday,
when it will be submitted to the test of
the roll-call.

MUCH BOOZE FOUND IN DES MOINES RAID

Police Get Tangible Evidence In
Liquor Found In Drug
Stores of City

(Associated Press By U. S. Naval Com-
munication Service)

DES MOINES, July 27—Drug stores
which have been doing a thriving busi-
ness in supplying liquor to thirsty
today are carrying on only their legiti-
mate business. Those that still have
any liquor in stock will be chary of
supplying it to any customers while
others that have been well stocked
with intoxicants are now "bone dry."

Following investigations of the
sources at which liquor was being il-
legally secured the police conducted a
general raid of suspected drug stores
yesterday with the result that suspi-
cious numbers of cases were found
to have been well directed. At the
close of the raid and when the illicit
stocks had been taken to police head-
quarters and listed it was officially es-
timated that the value of the goods
seized was in excess of \$75,000.

The raid was officially said to be
only a step in the determination of the
police to suppress blind pigs, especially
those that have operated in the guise
of pharmacies and soda fountains.

AGREEMENT ON FOOD CONTROL IS AT HAND

Meeting of Conference Com-
mittee Today Expected To Set-
tle Disputed Points

(Associated Press By U. S. Naval Com-
munication Service)

WASHINGTON, July 27—The con-
ference on the Food Control Bill have
held two meetings, and as a result it is
now announced that an agreement on
the points at issue between house and
senate will soon be reached, in time,
probably, for a report to be made on
Monday. An agreement covering the
whole bill is expected to be reached at
the conference meeting today.

The main point at issue between the
branches of congress deals with the
question of whether there shall be an
authority vested in the President allow-
ing him to name one administrator of
the provisions of the bill, as desired by
the house and by the President, or
whether the President shall be author-
ized to name a board of three adminis-
trators, to be under the direction of a
joint committee of congress.

DANCER WHO WAS SPY SENTENCED TO DEATH

(Associated Press by U. S. Naval Com-
munication Service)

PARIS, France, July 26—A military
court has passed sentence of death
on Mata Hari Nee Marquerte Zell,
a Hollandaise dancer, found guilty of
espionage.

RUSSIA WILL TAKE ACTION TO MAKE END OF DISORDER

Policy of Blood and Iron Adopted
and Capital Punishment Is Re-
stored As Punishment Against
All Traitors and Fomentors

TROOPS AND CIVILIANS
ARE ALIKE AFFECTED

Korniloff Orders Faithful Troops
To Cut To Pieces Cowards
They Meet But Reverses of
Slay Army Still Continue

(Associated Press By U. S. Naval Com-
munication Service)

LONDON, July 27—Russia's
policy is to be one of blood
and iron so far as are concerned
any and all seditious bodies,
whether they be troops or civil-
ians, which are attempting to
nullify all that has been gained by
the revolution in fomenting dis-
order among the troops at the
front and to rouse a sentiment
at home in favor of a separate
peace. Pro-Germanism whether
overt or covered is to be discour-
aged by the most severe mea-
sures that can be brought into
play.

At the demand of the military
capital punishment was reinstated
as a form of punishment yester-
day. This will enable the
courts-martial before which all
traitors are to be tried to pass
and enforce the execution of the
death sentence which has not
been possible since the revolu-
tion.

It is reported that General
Korniloff yesterday took drastic
steps to check the disaffection
of the troops at the front and to en-
force a new morale for the one
which had been destroyed by re-
cent machinations of the extrem-
ists. He has ordered his faithful
troops to fire upon and if neces-
sary to charge and cut to pieces
all cowards whom they may de-
tect fleeing from the enemy.
These measures may check the
disorder that yesterday's reports
show to be prevailing upon a
large portion of the Russian front
but most especially in Galicia.
Serious Reverses Continue

Last night's official report from Pet-
rograd told of the continued falling
back and the giving ground of the en-
tire line from Tarnopol southwest to the
Bukovina border. The Huns captured
Buczacz, Tlumacz, Otyval and Dela-
tyu, and were driven from Talar Pass
in the Carpathians. Berlin claims that
retreats are in progress in the direction
of Czernowiz.

Around Krevo the Austro-Germans re-
took the ground which they lost early in
the week and opened upon the retiring
Slay forces with a heavy and well-
directed artillery fire which further cut
the ranks to pieces and mowed them
down.

South of the Carpathians, however,
results were the reverse of the other
discouraging reports, and the Russian
and Rumanian forces captured many
men and guns. Here disorder seems
not to have spread and the morale re-
mains undisturbed.
Russians Splendidly Equipped

The Russian collapse is described by
eyewitnesses as something appal-
ling. Never before since the commence-
ment of the war have Russian armies
in the field had such enormous numbers
of men and wealth of equipment with
which to prosecute the campaign.
Thousands of British and French
heavy guns have been rushed to swell
the equipment of Slay troops, and ar-
mored cars and airplanes have been
doing service, but all to no avail, the

(Continued on Page 3, Column 4)