

## GERMAN TROUBLE SEEMS SETTLED

### AMERICA AND GERMANY WILL REMAIN FRIENDLY

Arabic Incident Which Loomed up as a Threat  
Against Continued Friendly Relations,  
is Being Smoothed Over.

### EXPLANATION EXPECTED TO BE ACCEPTED

Outcome Will Probably Result in Better Under-  
standing Between the Two Nations  
Over Submarine Warfare.

[By Charles P. Stewart, United Press Staff Correspondent.]  
WASHINGTON, Aug. 25.—Administration officials saw hardly a chance today that the Arabic incident will loom up again as a threat against continued friendly relations between the United States and Germany.  
It was recognized that explanations are yet to come—that, technically, the United States is only suspending judgment and that Germany's account of the sinking of the White Star liner with the incidental loss of lives of two American passengers, may in theory, not be satisfactory when it comes.  
It was learned on reliable authority, however, that the administration has not at any time believed Germany would be unable to make a satisfactory explanation if she chose to do so. The president did not want the United States dragged into the European struggle. He was convinced that the people were similarly averse to participation in war and intended to accept as satisfactory any reasonable explanation Berlin might make if it was offered obviously in a conciliatory spirit.  
Officialdom's chief anxiety, however, was that Germany was not in a conciliatory mood; that its answer would be unsatisfactory or that there would be no answer at all. In such an event it was conceded the United States was committed to a line of policy which would leave the administration no option but to break off diplomatic relations and such a break in relations, it was agreed, could hardly but be a prelude to war.  
The German request that nothing be done until the kaiser can make an official report to Washington, was looked on as completely eliminating this danger. If the German government had not intended to do everything possible to satisfy the United States, it was felt certain that it would have made no such request as the one received by the state department from Von Bernstorff yesterday. And if Germany "does everything possible," it was stated the United States will be satisfied there will be no diplomatic break and certainly no war.  
Germany's expression of its attitude concerning the Arabic case—its disavowal of "unfriendly intentions," deliberate or otherwise—was regarded as having an important bearing on the future.  
The feeling hitherto has been that

each succeeding incident in the war zone was a fresh, separate threat; that the settlement of one controversy constituted no guarantee that another and perhaps more serious one would not arise immediately afterward.  
Sooner or later, it was the general sentiment, unless the two countries came to some broad agreement, that a clash was inevitable.  
Yesterday's communication, it was thought, looked as if the way was being paved for such a broad agreement, or understanding.  
Much stress was laid on the fact that the note, though it came from Ambassador Bernstorff, did not originate with him.  
"The German ambassador," said his announcement, "received the following instructions from Berlin which he communicated to the department of state"—and then followed the official message.  
It was true that the German government did not profess to know the circumstances yet of the Arabic's destruction, but, through confidential channels this information had reached the administration—that the Berlin instructions from Berlin which he admirably gave instructions to its submarine commanders some time ago, to observe all the rules of warfare on which President Wilson insisted in his latest note to the kaiser.  
It was felt that this was all the United States could ask.  
Starting on such a basis Germany unquestionably would not find it hard, said officials, to make a showing satisfactory to the Washington government.  
Various possibilities were suggested:  
The attack on the liner might be denied and its destruction attributed to striking a mine; it might be represented that the Arabic executed a maneuver which justified the submarine commander to believe the ship was about to ram him or attempt an escape.  
The White Star bow was perhaps accidentally hit by a torpedo intended for the Dunsley.  
Or it might be that the submarine commander's action would simply be disavowed and he would be called to account for violating his own admiralty's orders.  
In any event a settlement of the incident was considered reasonably assured.  
More than this, an outcome was (Continued on page 2.)

### ENGLAND

[By Ed L. Keen, United Press Staff Correspondent.]  
LONDON, Aug. 25.—Important successes both on land and sea have been gained by the allied forces at the Dardanelles while the Balkans are debating whether they shall join in the march against Constantinople.  
British troops, supported by recent reinforcements, have rushed the Turks back on Gallipoli peninsula, capturing nearly half a mile of Turkish trenches. A French aviator has sunk a Turkish transport, it was officially reported at Paris this afternoon, and a British submarine is credited with sinking four enemy troop ships inside the Dardanelles.  
Unofficial reports today said that the Russian Black sea fleet has added to the fright in Constantinople by suddenly appearing off the Bosphorus, sending Turkish ships scurrying to the protection of the forts. One report said that Russian aviators had bombed the Ottoman capital, killing, or wounding forty-one persons.  
Arrival of more British reinforcements in the Suva bay region has been followed not only by infantry attacks, but a renewal of the bombardment of the Dardanelles forts.  
Dispatches here this afternoon from Athens said the whole southern Gallipoli peninsula was being rocked by the fire of big guns. Several of the allied fleets have re-entered the straits and are engaging the forts on both sides. The French are attacking near Krithia and by steady gains have made more precarious the position of the Turks near the Dardanelles side.  
Paris credits the English marines, operating with the French with effective co-operation before Krithia. New positions gained by the British in the Suva bay region make it unnecessary to keep warships stationed off the bay to protect the English positions. The Australians have advanced their trenches beyond the cliffs fronting the seashore and have strongly fortified their positions.  
British have landed artillery to support these positions and by constructing redoubts, have made the Australian lines almost impregnable to infantry attack.

**DENIES THE REPORT.**  
LONDON, Aug. 25.—General Sir Charles Ferguson denies that he issued orders that no quarters should be shown the enemy, said a statement given out by the press bureau today.  
"This charge was made by a German newspaper which alleged a copy of the order was found in an English prisoner's diary."  
**MINERS STRIKE AGAIN.**  
CARDIFF, Aug. 25.—For the second time within a few weeks, Great Britain is threatened with a strike of 200,000 south Wales coal miners, a walk-out that would cripple the production of war munitions and tie up a large portion of the British shipping.  
One thousand miners in the Hafod district quit work today in protest against the arbitration award made by the president of the board of trade. The miners made the charge that the agreement they entered into through Minister of Munitions Lloyd George has not been kept and that the government has attempted to play them into the hands of the mine owners.  
The executive committee of the miners' federation has refused to accept the award and has appointed a committee to interview Lloyd George whose intervention ended the strike several weeks ago. The men firmly believe that Lloyd George will see to it that the original agreement is respected by the operators and the government. They distrust Runciman, whose failure to settle the recent strike was followed by a personal appeal for Lloyd George. The conciliation board today adjourned the meeting at noon. It was stated that no agreement had been reached on what course the miners will pursue if their appeal to Lloyd George fails.

**AMERICANS REACH TEXAS.**  
LAREDO, Texas, Aug. 25.—A special train of eighteen cars, bearing \$500,000 worth of gold, silver and lead bullion from Guanajuato, Mexico, and accompanied by twenty-five Americans fleeing from that section, arrived here today. The Americans will be furnished transportation to their homes by United States Consul Garrett. They say conditions in central Mexico are greatly disturbed. The bullion is consigned to Perth Amboy, N. J.  
**WOULD RECOGNIZE CARRANZA.**  
WASHINGTON, Aug. 25.—Assurances that Great Britain will not recognize General Carranza unless recognition is accorded by the United States were understood to have been given by the British embassy to the state department.

### TURKEY

[United Press Leased Wire Service.]  
ATHENS, Aug. 25.—Hospitals in Constantinople are so crowded with wounded from the recent severe fighting at the Dardanelles that ships lying in the harbor are being used to care for the war victims.  
Two divisions of Turkish troops, sent to Gallipoli scarcely a fortnight ago occupied an exposed position during the recent heavy attacks of the allies and suffered heavy losses.  
**AIR RAID ON CONSTANTINOPLE.**  
LONDON, Aug. 25.—An Athens news agency dispatch today reported that a Russian aeroplane squadron bombarded Constantinople Monday, killing or wounding forty-one persons, of whom eight were Greeks.

**SANK A TRANSPORT.**  
PARIS, Aug. 25.—A French aviator bombed and sank a Turkish transport at anchor in the Dardanelles north of Nagara roads, it was officially announced this afternoon.  
The war office also reported the capture by the British of 800 yards of Turkish trenches in the northern zone of operations at Gallipoli, one of the most important gains at the Dardanelles.  
**HEAVY FIGHTING.**  
ATHENS, Aug. 25.—Two allied cruisers penetrated the Dardanelles yesterday and bombarded the Kastaka batteries with considerable effect. Dispatches received here today reported that a British submarine sank four Turkish sloops carrying troops from Lapeaki to Gallipoli.  
Heavy fighting has been resumed at both Krithia and in the Ari Burnu region. Mytilene advices said, The Austrians along Suva bay captured a Turkish trench yesterday in a violent engagement.

**ROUGHING IT IN THE WEST.**  
SHERIDAN, Wyo., Aug. 25.—Just as gracefully and perhaps as pleasantly, as she would entertain royalty, Mrs. Potter Palmer, Chicago social leader, is "roughing it" on a small ranch near here. The only signs of society life about her experience is the fact that she maintains a French maid for her wardrobe—American clothes, not the "dude" style of chaps and bandanas—and has her regular 5:00 o'clock tea.  
While she might not design to do any walking in Chicago or London, Mrs. Palmer does a lot of one here on the western trails—and enjoys it, to say nothing of the riding, hunting and fishing.  
"The 'hawth' is the real troublesome problem. It is either the brook or a tin tub."  
**Governor Has Hopes.**  
ATLANTA, Ga., Aug. 25.—Governor Harris intimated today that he was not discouraged by the jury's verdict in the Leo M. Frank case, "parties unknown." The executive was understood to pin his faith to the special grand jury investigation to begin in Marietta September 1 and to be confident that indictments will result.

**STILL CHASING RUSSIANS.**  
BERLIN, (Via wireless to London), Aug. 25.—General Mackensen has broken through the advanced positions of Brest-Litovsk fortress at Dobynja.  
One wing of Mackensen's army is approaching the western bank of the Meana. North of Brest-Litovsk, the Bavarians are continuing the movement to envelop the fortress, and after throwing the Russians back into the forest of Bielowiezka, have reached Wierschowice.  
In the north, the armies under Generals Von Hindenburg, Von Gallwitz and Von Scholtz are hurling the Slavs back upon a line extending southward from Vilna.  
General Von Scholtz has captured Knyszyn and crossed the Narow south of Tikocyn, said this afternoon's official statement.  
"General Von Gallwitz has captured the Narow crossing on the Soloy-Bielostok high road, southwest of Bielostok. His right wing has reached the Orlianki river, taking 4,700 prisoners. The forces under General Von Eichorn are advancing victoriously eastward, fighting all the way."

### GERMANY

[United Press Leased Wire Service.]  
BERLIN, Aug. 25. (Via Amsterdam).—Russian claims that the German dreadnought Moltke, two cruisers and eight torpedo boats were sunk in a battle in the Gulf of Riga, were declared to be without foundation in an official statement issued by the admiralty today.  
The admiralty stated that "the German warships" reported by the Russians to have been sunk, probably were some old vessels sunk by the Germans themselves to barricade the entrance to the gulf and bottle up the Russian squadron. Some of these vessels had previously been captured from the Russians.  
"Neither a large ship nor any German cruiser was sunk or damaged," said the admiralty statement. "We silenced land batteries near Pernau."  
The Russian report that the Germans attempted to land troops on the shores of the gulf was also declared to be false. No transports accompanied the German ships. The German losses which previously had been reported by the admiralty consisted of one torpedo boat sunk and two damaged.

**CLOSING IN ON VILNA.**  
BERLIN, Aug. 25. (Via The Hague).—Delayed only by Russian rear guard actions, General Von Hindenburg is closing in upon Vilna. The Slavs are again in retreat after futile attempts to block the German advance by heavy counter attacks. Capture of Vilna, commanding another section of the Warsaw-Petrograd railway is expected within a few days. Both Kovno and Kovel, the extreme ends of the Russian defensive line, of which Brest-Litovsk was the center, are now in the hands of the Austro-Germans. Grodno and Bielostok will be surrendered to Von Hindenburg before many days, it is believed here, and the Russians will make their final stand behind the forts of Brest-Litovsk itself.  
Despite the swampy character of the ground around the fortress, the movements to envelop Brest-Litovsk are proceeding satisfactory. On the west and southwest fronts, the Slavs have been driven to the cover of the outer works which are under attack. On the north, the Bavarians have fought their way several miles east of the railway to Bielsk and occupy the eastern portion of Bielowiezka forest.  
Austrian forces that captured Kovel are moving northward in the direction of Datin, the Slavs falling back upon the lake district. Press dispatches that the Austrians have taken large numbers of prisoners.

**Blood Hounds U-ed.**  
GARY, Ind., Aug. 25.—Blood hounds were brought here today to aid the police in their hunt for the band that murdered Rev. Edmund Kayser, whose violent advocacy of the atonement cause resulted in even estrangement from some members of his own flock.  
Rev. Kayser has had several bitter street arguments regarding the war. He particularly aroused the ire of the Slavs working in Gary's industrial plants, police said today, by pro-German utterances regarding Germany's submarine attacks on unarmed merchant liners. At the time of the recent trial, the German forces from before Paris he became particularly bitter in his utterances.  
It was known that he feared violence at the hands of Gary's Slav population for he recently asked and was granted permission to carry a revolver. After evening services at his church he was generally escorted to his home by several members of his congregation.  
ST. PAUL, Minn., Aug. 25.—Mayor J. C. Woodward of Atlanta, here today enroute to San Francisco, reiterated his statement that Leo M. Frank got what was coming to him.

### PREACHER WAS MURDERED FOR TOO MUCH WAR TALK

German Pastor Would Not Remain Neutral, But  
Strongly Championed the Cause of the  
Kaiser and Denounced Allies.

### BODY WAS FOUND IN CLUMP OF BUSHES

Police Theory is That Several Men Surprised Him  
While Alone in His Home, Dragged  
Him Outside and Shot Him.

[United Press Leased Wire Service.]  
GARY, Ind., Aug. 25.—Feeling Gary was at high tension today over the murder late last night of the Rev. Edmund Kayser, pastor of St. James Evangelical Lutheran church, who had since the European war began, strongly championed the German cause and many times publicly denounced the entente allies. Chief of Police Heintz was today certain that the murder was an act of revenge on the part of one or several of the many Slav workers in the steel mills.  
The minister's body was found in a clump of bushes near his home by August Schultz and the latter's wife. There was a bullet wound in the shoulder and another in the neck where an artery had been severed. Curtain cords were tightly tied about the neck and right wrist. Physicians today said the neck wound caused death. Evidence pointed to the theory that several men had attacked Rev. Kayser in his home, and after a terrific fight in which furniture was broken and scattered about, dragged him outside and shot him. The murderers chose a time when the victim was alone. His wife and two daughters are visiting Mrs. Kayser's father, Rev. Dr. Koch, in Grand Rapids, Mich.  
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It was known that he feared violence at the hands of Gary's Slav population for he recently asked and was granted permission to carry a revolver. After evening services at his church he was generally escorted to his home by several members of his congregation.

The ground for 200 yards about Rev. Kayser's home was roped off before daybreak, so the morbidly curious would not destroy the scent of the men who killed the minister.  
Police investigation today developed several interesting facts regarding Rev. Kayser's life here. His church and the parsonage were all along the line of German architecture. Everything had a teutonic atmosphere.  
A canary brought over from Germany by the pastor, was found dead in its cage this morning.  
Rev. Kayser had been receiving threatening letters ever since he first began to preach the teuton cause as well as the gospel. He professed he had no fear, when he showed some of these letters ceased. Several days ago he again began receiving them. Most of them were written in German.  
"Move away or dynamite will move," read one. Another read: "Before the leaves turn you will be stretched on the ground."  
The police say today that almost all the letters were written by one person. It is thought a peculiarity in the handwriting will help trace the murderers.  
**Three Presidential Candidates.**  
CHICAGO, Aug. 25.—Illinois today reared three rods to the republican presidential lightning. One was United States Senator L. V. Sherman, whose boast is that he looks like Lincoln. The second was James R. Mann, minority leader of the national house. The third was Mayor Wm. Hais Thompson, of Chicago, cowboy millionaire and strike settler.  
Sherman today announced the acquisition of a campaign manager, W. J. Calhoun former minister to China and the man who managed McKinley's Illinois campaign. Sherman has the other Illinois candidates beaten so far, as none of the others have acquired a manager. Mann's boom was launched last night.  
**Mayor's Statement.**  
ST. PAUL, Minn., Aug. 25.—Mayor J. C. Woodward of Atlanta, here today enroute to San Francisco, reiterated his statement that Leo M. Frank got what was coming to him.

### The War in Mexico Latest Developments Among Our Revolutionary Neighbors of the South.

[United Press Leased Wire Service.]  
EL PASO, Texas, Aug. 25.—Villa forces, numbering nearly ten thousand, and have inflicted a decisive defeat upon the Carranzistas around Monterey, driving them from Villa Garcia back to the Nuevo Leon capital, advices today said.  
The Carranzistas are reported to have lost more heavily in this engagement than in any for several months. Over 1,000 were killed and the Monterey hospitals are filled to capacity with wounded, and private homes have been commandeered for the wounded.  
This battle, apparently the same one outlined briefly in dispatches to the state department this week, followed Carranzista successes in that region.  
At the outset, the Villa forces, under General Madero, were driven in from their outer fortifications, but a reorganization of the Villistas resulted in a sweeping victory.  
Madero has announced that he will not follow his present advantage by capturing Monterey, as he regards it

too great a responsibility to hold the city, with food extremely scarce. Such holding he declared, would seriously hamper other military operations he plans in that vicinity.  
**Americans Reach Texas.**  
LAREDO, Texas, Aug. 25.—A special train of eighteen cars, bearing \$500,000 worth of gold, silver and lead bullion from Guanajuato, Mexico, and accompanied by twenty-five Americans fleeing from that section, arrived here today. The Americans will be furnished transportation to their homes by United States Consul Garrett. They say conditions in central Mexico are greatly disturbed. The bullion is consigned to Perth Amboy, N. J.  
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### BALKANS

[United Press Leased Wire Service.]  
LONDON, Aug. 25.—The Serbian council of ministers met at Nish today to frame a reply to the proposal that Serbia cede territory to Bulgaria to secure the latter's participation in the war. In some quarters it was predicted that Serbia's decision will be made known within forty-eight hours.  
The London press today was very optimistic over the Balkan situation although this optimism was not entirely shared by diplomatic circles. The Daily Telegraph for instance, printed a Rome dispatch saying that the Balkan league is to be reconstructed and that the combined armies would offer one million men to aid the allies. No dispatches came from Athens early today on the Balkan situation. It was assumed that the government was exercising strict censorship pending the outcome of the meeting at Nish.

### THE WEATHER

For Keokuk and vicinity: Generally fair and warmer tonight. Thursday showers.  
For Iowa: Generally fair and warmer tonight except showers extreme west portion. Thursday showers.  
For Missouri: Generally fair tonight and probably Thursday. Warmer tonight and east and south portions Thursday.  
For Illinois: Generally fair tonight and probably Thursday. Warmer west portion tonight and south portion Thursday.  
**Weather Conditions.**  
Generally clear, cool weather prevails this morning throughout the west, the Mississippi and Missouri valleys and the northern portion of the upper lake region. Moderately heavy rain is falling in the southern portion of Montana and light rain along the New England coast and the lower lake region. The highest temperature recorded in Iowa yesterday was 68 and the lowest this morning was 49 which is within one degree of the lowest recorded during the past forty-two years.  
**River Bulletin.**  
Flood stage. Stage Change  
St. Paul ..... 14 4.4 -0.2  
La Crosse ..... 12 4.7 -0.1  
Dubuque ..... 18 6.6 -0.4  
Davenport ..... 15 5.8 -0.4  
St. Louis ..... 20 25.2 -1.2  
The river will continue falling slowly from Davenport to Keokuk during the next forty-eight hours.  
**Local Observations.**  
Aug. 25. Bar. Ther. Wind W't'r  
Mean temperature, 58.  
Highest, 68.  
Lowest, 49.  
E. W. McGANN,  
Temporarily in Charge.

### FRANCE

[United Press Leased Wire Service.]  
PARIS, Aug. 25.—A French aviator bombarded the railway station at Lorrach, Baden, twenty-eight miles southwest of Freiburg, yesterday, official dispatches reported this afternoon. No mention was made of the damage done. Furious grenade fights around Souchez and Neuville were reported in this afternoon's official communique. The communique, however, reported no infantry clashes at any point on the battle front.  
"North of Arras a fierce artillery duel continued throughout the night," said the official statement. "In the region of Roye and Lassigny the artillery combats continue without cessation."  
**Frost in Iowa.**  
ST. PAUL, Minn., Aug. 25.—Extremely light frosts along the Iowa-Minnesota state line last night were reported today. Charles City, Iowa, reported the lowest temperature at 49. Last night's frosts did absolutely no damage, says crop experts.

### What the War Moves Mean By J. W. T. Mason, Former European Man- ager of the United Press.

[United Press Leased Wire Service.]  
NEW YORK, Aug. 25.—Alarm among the financial leaders of all the belligerent countries at the ceaseless destruction of wealth caused by the war is becoming evident. Reports, however, of secret meetings in Berlin and Petrograd, at which the possibility of a truce has been discussed, must be accepted with reserve. The financiers of the warring nations do not fear bankruptcy, but rather impoverishment in the coming days of peace when the war bills must be paid.  
Russia cannot become bankrupt if for no other reason than that France and England are underwriting her. Neither is there danger of German bankruptcy while Germany has her state-owned railways to mortgage as a final resort to secure funds for carrying on the war. Nations have seldom allowed the danger of bankruptcy to stand between them and the prosecution of a war, and it is not all probable that the fear of insolvency is causing uneasiness in any of the European capitals.  
But the belligerent nations have as yet scarcely begun to pay for the war. Almost the whole of the \$75,000,000 a day which the German minister of

finance estimates the war is costing is being raised by loans. Hardly any war taxation is being imposed in Europe. The German government has announced it will fight the war to the end on loans and although there is much urging in England that heavy taxes be imposed to relieve the burden on posterity, the cabinet is reluctant to act.  
As soon as the war ends, the process of payment must have to be met. At present they are being paid out of the loans themselves, but this process must cease when the soldiers return to their normal industries. If the war continues much longer, the soldiers on their return will find the chief result of the war has been to pile debts on the belligerent countries, which will require the doubling of present tax funds.  
The abject poverty which the war is preparing will be felt and epoch-making economic revolutions will be possible. It is possible the need to lessen this inevitable distress after the war, rather than to guard against bankruptcy to which the financiers of the warring nations are now secretly calling attention.