

German Propaganda in U. S. Cost \$50,000,000

Weather—Thunder showers to-night; Wednesday, fair.

"If It Happens In New York
It's In The Evening World"

The Evening World

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NEW ADVANCE BY AMERICANS AS 1,000,000 GERMANS HIT BACK

HUGHES DECIDES 80-CENT GAS ILLEGAL FOR CONEY ISLAND; BIG COMPANIES TO FIGHT LAW

Declares Rate Is Confiscatory for Concern in Sparsely Settled District.

TO CHARGE \$1.25 NOW Decision Gives Big Corporations Chance They Long Have Sought to Raise Prices.

Charles Evans Hughes, referee appointed by the Supreme Court to pass upon the claim of the Brooklyn Borough Gas Company that the 80-cent gas law—applied to that company—is unconstitutional and void, has decided in favor of the company. Mr. Hughes agrees with the company that the 80-cent rate would be confiscatory.

The Consolidated, Brooklyn Union and other big gas companies supplying Manhattan, Brooklyn and the Bronx are now preparing for a legal attack to beat the 80-cent gas law.

Edward M. Bassett, counsel for the company, declared in the County Court House this morning that the decision allows the company to put into effect a compensatory rate for gas, but does not prescribe the rate, which will be \$1.25.

Mr. Bassett makes it plain that unless some unforeseen incident prevents, residents of Coney Island, Gravesend and Flatbush, who buy gas from the Brooklyn Borough Company, will hereafter pay 30 cents more per thousand than they have been paying since 1913, when its rate was lowered to 95 cents. According to Mr. Bassett, former Justice Hughes was not appointed referee to report recommendations to the Court, but to actually pass upon the matter at issue.

The territory served by the Brooklyn Borough Gas Company includes that which is piped by the Kings County Lighting Company, permitted by Supreme Court Justice Pendleton under an order granted last week to withdraw a guarantee fund containing all collections between 80 cents per 1,000 feet and the rate charged from a trust company, upon deposit of its bonds in lieu of the fund.

Former Justice Hughes's decision does not in any sense affect the Kings County Company. The principal reason cited in the opinion against the 80-cent rate is that the Brooklyn Borough Company, operating in the Coney Island Section, secures a greater service in the summer than in winter, and operates chiefly by sparsely settled section, and that war costs have increased cost of operating. The company is a small one and, according to the Public Service Commission, is not connected with either the Consolidated or Brooklyn Union Gas Company. The 80-cent gas rate was recommended by the Public Service Commission to the Legislature at the time that The Evening World made its campaign for the 80-cent rate for the remaining territory of Brooklyn charging higher rates, and served principally by the Kings County Company. By the advice of the Public Service Commission the district of the

(Continued on Fourth Page.)

AIRPLANE FLARE LIGHTS EARTH FROM 2,000 FEET

U. S. Invention Furnishes Illumination Equal to 17,500 Electric Lights.

WASHINGTON, July 30.—Major Gen. Williams, chief of ordnance, announced this afternoon that an airplane flare having a brilliancy of 400,000 candles has been perfected. When hanging from a parachute 2,000 feet in the air it will light a field one and one-half miles in diameter. The resistance of the air sets the fuse mechanism working as it drops from a bombing plane. A powerful light equal to that of the battery of 175 arc lamps or 17,500 incandescent bulbs illuminates the terrain below so that the aviator may select the buildings he is ordered to destroy.

NAVY OBSERVATION BALLOON DESTROYED BY LIGHTNING

News of Wrecking of the Air Craft Brought to Port by Passing Ship.

AN ATLANTIC PORT, July 30.—A Navy observation balloon, stationed near the entrance to this harbor, was struck by lightning and destroyed during a thunder squall this afternoon, according to word brought here by a passing steamer.

EXTRA STEEL DIVIDEND OF 3 PER CENT. DECLARED

Regular Dividends on Common and Preferred Authorized—Company's Earnings Made Public.

The regular quarterly dividend of 1 1/2 per cent. and an extra dividend of 3 per cent. were declared here to-day by the Board of Directors of the United States Steel Corporation.

The corporation's net earnings for the quarter ending June 30 last, with \$90,716,250 for taxes deducted, amounted to \$62,557,291, against \$56,961,424 for the first quarter of this year. The net earnings for the corresponding quarter a year ago were \$90,379,204.

NEW ADVISER FOR KAISER.

AMSTERDAM, July 30.—Major Gen. Baron Marshall has become Chief of the German Emperor's military Cabinet, succeeding Lieut. Gen. Baron Moritz von Lyncker, who has retired because of his health.

Major Gen. Marshall has been one of the chiefs of a section of the Emperor's military Cabinet. He was formerly aide-de-camp to the de Lauenrodt.

HALF BILLION FROM W. S. S.

WASHINGTON, July 29.—Cash receipts from the sale of War Savings and Thrift Stamps have passed the half billion mark, amounting since the inauguration of the campaign to \$501,191,328.59, the Treasury Department announced to-day.

SHARKS ATTACK AVIATORS FALLEN INTO STORMY SEA

Make Concerted Drive on Hydroplane's Pontoons to Get Their Prey.

After battling with sharks for several hours in a disabled hydroplane, a pilot and observer from the Cape May naval aviation station were picked up from a boiling and boisterous sea and brought into an Atlantic port this morning by an American steamer.

The crew and twenty-three passengers of the steamer saw two sea-planes in the sky yesterday afternoon. Everybody was on deck to watch their manoeuvres. Suddenly one of the planes slipped out of the sky and vanished toward the ocean. It was tossed like a teetotum from one billow to another, one moment poised on a whitecap, the next wallowing in a valley of white and green water.

The hydroplane was far enough away to appear, but a speech, but powerful glasses brought every detail of the struggle of the aviators into full play on the steamer's deck, and the captain ordered all speed ahead in their direction.

Meanwhile the pilot and observer had donned their life preservers. The engine had gone dead on them and they were helpless. But they made out the steamer, bearing down on them and believed that their sky-boat would hold together.

Then from out of the angry water appeared the snout of a shark. One after another followed and the sea wolves hungered for their prey, for they turned on their backs and bit at the pontoons as if they knew the weak spots which separated them from their meal. Their white bellies thrilled the flyers. The men were horror stricken, realizing that the wreck of the pontoons would throw them into the water where their life preservers would form little protection from the ravenous jaws.

They succeeded in wrenching loose two uprights from their plane, and with them wallowed every snout that protruded from the water and kept the sharks away from the pontoons. They beat the waves lustily and yelled at the attacking man-eaters. Thus they saved the pontoons until the steamer hove to nearby and guided their craft to the companion ladder.

A boat was lowered from the steamer and the sailors beat the sharks and water with their oars, the school hanging on to the hydroplane. Finally both pilot and observer were hauled up the companionway out of the rough sea, and with the aid of those in the boat the machine too was lifted to the deck. It was in a badly damaged condition, but not beyond repair.

The aviators refused to give their names, simply saying that they had been out on scout duty for the Navy. They had flown from Cape May to Barnegat and were on their return flight when the engine went wrong. Those in the second plane flew over the ship and sent the captain distress signals for the injured plane.

The observer seemed to be little more than twenty-one years of age. A shudder accompanied his grin, as he said: "Geet! but those white bellies looked like shrouds."

Advice to those who want to sell their LIBERTY BONDS—Don't. Advice to those who must sell—Go to John M. & Co., 51 B'way—Advt.

BUY NEWSPAPERS IN 30 CITIES, WAS PLAN OF VIERECK

Country-Wide \$50,000,000 Propaganda Scheme Lost Out When Rumely Got Mail.

Details of German plans to buy a newspaper in each of thirty cities in the United States, as revealed by George Sylvester Viereck in his examination by Deputy Attorney General Becker, were made public to-day. Viereck wanted to spend \$50,000,000 on the country-wide newspaper project, and this was discussed at various conferences attended by Dr. Bernhard Dernburg, German propaganda chief; Dr. Albert, German financial agent in this country; Dr. Carl A. Flehr and others. The country-wide project fell through, and Dr. Albert and other German officials furnished the money with which Dr. Edward A. Rumely purchased the Evening Mail, over the protest of Viereck, William Bayard Hale, former Berlin correspondent of the Hearst newspapers and editor of the German propaganda news service here, and others.

"Is it true that jealousy existed between Hale and Rumely?" Viereck was asked in his examination by Deputy Attorney General Becker. "Naturally," was the reply.

"Dr. Hale felt peeved because Dr. Rumely was selected to head the Mail, didn't he?" was asked.

"I think Dr. Hale didn't approve of the Mail deal any more than I did. It was in effect buying a dying evening newspaper," was the reply.

"Your plan was to buy a wide-awake morning newspaper?" Viereck was asked.

"My plan was to buy an important morning newspaper in every city," he replied.

"To print subtle German propaganda?"

"Not to subtly introduce German propaganda, but to represent the other side," Viereck said. "I do not think the other side ever had been presented here."

MACHINE GUNS TURNED ON GERMAN STRIKERS

New Outbreak Reported at Kalk, in Rhinish Prussia Near Cologne.

AMSTERDAM, July 30.—A new strike has broken out at Kalk, Rhinish Prussia, near Cologne, according to the Echo Belge. Machine guns were used to suppress the movement, and the leaders were arrested, the newspaper declares. The police, it is added, were still busy when the report was sent, dispersing the crowds, which continued to gather in the streets.

FRENCH LOSE, THEN REGAIN TOWN; SERGY STILL IN AMERICAN HANDS

NEW REVENUE BILL TO HIT PLAYGOERS AND SMOKERS HARD

Committee Agrees To Double Tax on Amusements—May Treble That on Tobacco.

WASHINGTON, July 30.—Doubling of the tax on admission to amusements and the tax on club dues in the new revenue bill was decided upon by the House Ways and Means Committee to-day. The present admission tax is 10 per cent., and the tax on club dues is 10 per cent. of the dues in excess of \$12 per year.

The committee went on record as in favor of more than doubling the rate of cigars, tobacco and cigarettes. At present \$70,000,000 is raised by the tobacco tax. The committee to-day decided that a half billion should come from this source. This would mean nearly tripling the tobacco taxes.

Present rates are 12 cents a pound on tobacco and snuff, \$1 to \$10 per 1,000 on cigars, \$200 and \$180 per 1,000 on cigarettes and half a cent in 2 cents a package on cigarette papers. Some provision for stopping tobacco manufacturers and dealers from excessively boosting prices on the plea of the committee will be brought before the committee. Following the passage of the last Revenue Bill cigarettes, which were taxed \$4 per 1,000, were raised 5 cents a package.

RICH EARL OF LICHFIELD FOUND SHOT TO DEATH

English Banker, With Sister-in-Law Here, Discovered Lifeless on Grounds of Estate.

LONDON, July 30.—Thomas Francis Anson, the third Earl of Lichfield, Director of the National Provincial Bank of England and of the Bank of Australasia, was found dead to-day in the grounds of his estate at Shugborough Park, Stratford, with a gunshot wound in the head.

Lord Lichfield was born in 1854. Thomas Francis Anson, third Earl of Lichfield, was the son of the second Earl and Lady Harriet Georgiana Louisa Hamilton, daughter of the first Duke of Abercorn. He married Lady Mildred Coke in 1915 and she died in 1917. The Earl of Lichfield leaves an estate of 2,000 acres in Staffordshire.

His youngest brother, the Hon. Alfred Anson, married Mrs. Lola Emery, widow of John J. Emery of New York, and they have a home at No. 5 East 88th Street, New York.

The caretaker at this address said to-day that Mr. Anson has been staying with the British Army in Italy for the last two years. Mrs. Anson left last week for the summer at "Tarenth" Bar Harbor. There is another brother said to be living in Texas.

RACING RESULTS, Page 2 ENTRIES, Page 2

GERMANS PUT UP WHITE FLAG AND THEN OPEN FIRE

Treachery to Nebraskans Led by Omaha Captain Costs 12 Killed and 9 Prisoners.

WITH THE AMERICAN ARMY ON THE AISNE-MARNE FRONT, Monday, July 29 (Associated Press).—The crossing of the Ourcq River was effected by the Americans on Sunday in brilliant style in the face of great difficulties, the Germans having destroyed the bridges and placed their artillery and machine guns in advantageous positions to resist the attempts at a passage.

The Franco-American forces had planned to cross the Ourcq before daylight, but the German heavy artillery held the slopes leading to the river under fire, which continued all night. The Americans repeatedly started to advance during the night, but as often were held back by the fire of the enemy machine guns and heavy pieces.

During one of the lulls in the German firing Capt. Allen T. Hupp of Corning, Ia., worked his men up to the center of a field the slopes of which led to the Ourcq. Just then the Germans resumed their fire in full force. Immediately Hupp and his men dug in and held on where they were until daylight.

Meanwhile the German artillery had been quieted somewhat by the heavier artillery of the Allies carrying out counter-battery work. Choosing an opportune moment, Hupp's men dashed to the river, jumped in with a splash and waded across, cheering as they went.

Corpl. Chris Beathelien of Sioux City was among the men of the first wave to cross the river. They immediately went after the machine guns on a hill on the north bank of the Ourcq. The fire which they opened on the enemy nest at this point was so intense that the Germans raised a white flag. Anticipating a plea for prisoners the Americans rushed up only to be opened upon again by the enemy machine guns as the Americans approached. Then the Americans let loose with the full weight of their fire against the Germans, who again raised the white flag. Twelve Germans were killed and nine captured in this little operation.

A special cable despatch to The World yesterday credited Lieut. Dowling of New York and two Brooklyn men with being first to cross the Ourcq. It is probable that the two advances were at different parts of the line.

Eighteen Cartridges of Powder Blown Up at Japanese Port.

TOKYO, Monday, July 29.—Eighteen cartridges of powder and light bombs exploded at Shimomusaki while they were being loaded on a ship to-day. Thirty, mostly stevedores, are known to have been killed and fifty injured. The ship was practically wrecked and houses for some distance were flattened. Five passengers were killed on a train near by.

Despatches From American Headquarters Say That Repeated Efforts to Dislodge Our Troops Failed, but London Reports Loss of the Town of Cierges—Beaten Prussian Guard Withdrawn.

WITH THE AMERICAN ARMY ON THE AISNE-MARNE FRONT, July 30 (Associated Press).—Under a fire from the enemy only slightly less than that of yesterday, the Americans on the front north of the Ourcq held on to their positions this forenoon and even advanced a little toward the road from Seringes to Sergy.

[Seringes is northwest of Sergy and north of Fere-en-Tardenois. Cierges, from which London reports say the Americans were ejected, is east of Sergy.]

Repeated efforts by the enemy to dislodge the Americans were futile. On the American left the French are moving forward. To the right the lines are holding steadily.

The Guards that were brought in by the Germans to attack the Americans yesterday appeared to-day to have been withdrawn by the German command. The fighting is the heaviest the Americans have experienced. Their conduct is winning the praise of the French observers.

AMERICANS FIGHT FOR 24 HOURS ALMOST WITHOUT ANY REST; CROWN PRINCE DOUBLES ARMY

Masses His Forces Between Ourcq and Vesle Rivers and Delivers Counter Blow Against Entire Line, Says London.

LONDON, July 30 (Associated Press).—The Germans have been counter-attacking very heavily along virtually the entire battlefield from Ville-en-Tardenois to Bazancy, according to news that reached London shortly after noon to-day. Their attack was an especially heavy one in the American sector, and resulted in driving the Americans out of the village of Cierges, about five and one-half miles southeast of Fere-en-Tardenois.

Another German thrust drove the French out of Beugneux near Grand Rozoy, northwest of Fere-en-Tardenois. This town, however, was recaptured from the enemy.

American troops have been fighting virtually without cessation along their whole line for the past twenty-four hours.

The situation in the American sector, the latest advices indicate, is that the Germans have retained the town of Cierges, but that the Americans are holding Sergy very determinedly and are inflicting very heavy losses on the enemy in his hastily organized counter-attacks.

French troops have captured Romigny (a mile and a half southwest of Ville-en-Tardenois), it was learned this afternoon. Elsewhere there is little change in the battle line, which is fluctuating as the fighting progresses.

Despatches yesterday said that a division of the Prussian Guard had been defeated by Americans at Sergy, which had repeatedly changed hands, but remained in American control. At another point of the line two divisions of Bavarian troops were thrown against United States troops.

There has been heavy fighting near Bazancy, five miles south of Soissons, and also in Plessier Wood, about five miles further south. In this latter locality forty-five prisoners were taken belonging to three divi-