

## When They Shall Have Learned to Think and to Say Restoration, Then Peace by Negotiation Will Be Morally Possible

### Billion Dollar Profits Tax Now Assured

Conservatives Add \$400,000,000 to Levy to Placate Radicals

Concessions Made To Cotton Growers

Compromise May Reduce Growing Strength of the Progressive Group

WASHINGTON, Aug. 28.—More than four hundred million dollars, probably four hundred and fifty millions, will be added to the taxes on war profits when the Senate votes on that section of the revenue bill. This was assured tonight, when the conservative group of the Finance Committee, in an eleven-hour effort to frame a section which the Borah-Johnson-La Follette group of radicals could not defeat on the Senate floor, decided on amendments which would increase the war profits to that extent.

Adding four hundred and fifty millions to the war profit taxes already provided in the committee bill now pending in the Senate will increase the total levy on war profits to more than one billion dollars. And this does not count the increased corporation tax nor other levies.

This step, which would have been regarded as tremendously radical ten days ago, or even last week, has been forced on the committee by the growing strength of the radicals, whose programme of an 80 per cent tax on war profits has been gaining in strength daily, and is receiving much support from the country, if the mail of Senators can be taken as an indication of this.

Radicals Are Worried

To-night the radicals were a little worried by the Finance Committee's action. The members of the committee pledged themselves to secrecy as to just how much they had decided to boost the war profits taxes, but The Tribune is in a position to state that it is more than \$400,000,000, and not above \$450,000,000. The information that the radicals gleaned about the meeting was to the effect that the increase was not more than \$300,000,000, and some of them heard only \$150,000,000.

The radicals knew a thorough canvass was made of the Senate by the conservatives before their meeting, and, therefore, they were afraid that whatever has been agreed on by the conservatives can be put over.

"Three hundred million looks like a large amount to some of the Senators who are not sticking by us," said one of the radical leaders. "It looks like victory to them, and they may be prepared to compromise on that boost. To my mind, however, it is absurd to talk of taking only \$300,000,000. That is an absurdly small amount when it is considered that there are some seven billions of war profits which have been selected by corporations."

The radicals believe, however, that they can win at 50 per cent tax, at least.

The committee maintained great secrecy as to what had been agreed upon, and it is not known whether the plan now proposed scales up, as does the committee plan now before the Senate, or whether a lump percentage is taken from all war profits, as is desired by the radicals.

It is known, however, that the committee has provided protection for those corporations whose profits just prior to the war were below normal. This is to take care of the Southern cotton mills, which made very small or no profits prior to the outbreak of the European war, and which have been overhauling their Senators with protests. They were much in favor of Mr. Kitchin's plan of war profits, which would take a percentage of all profits in excess of 5 per cent, instead of a percentage of all profits in excess of the average profits of the three years 1914 to the war.

### Counter Blows Fail to Check Italian Drive

Furious Battle on Plateau—Zurich Reports Evacuation of Trieste

LONDON, Aug. 28.—A second phase of the battle of the Isonzo has begun with General Cadorna's forces reestablishing contact with the retreating Austrians on the Bainsizza Plateau, north-east of Gorizia, and shelling the enemy's new positions, preparatory to fresh attacks on a large scale. The infantry was engaged at several points, however, and pushed the Austrians out of some of their field fortifications, which violent counter attacks failed to restore. But the official bulletin from Rome to-day indicates a comparative pause in the fighting activity from Tolmino to the Adriatic, due partly to bad weather, and, no doubt, partly to the natural exhaustion following a week of terrific battles.

The Vienna communiqué, dated Sunday, August 25, and just received, confesses the loss of Monte Santo, which, however, is said to have been evacuated last Friday and occupied by the Italians without fighting. But a very considerable penetration of the Bainsizza tableland, which rendered this mountain stronghold untenable, is admitted by the Austrian War Office. Even on Saturday General Capello's troops are said to have been fighting their way forward on the highlands around Bainsizza and Heiligengeist, in the Auzza, midway across the plateau, and Rome has already announced the piercing of the Vrh-Velink line several miles further east.

Austrians Holding On

The Austrian statement declared Emperor Charles's fighters were still clinging to Monte San Gabriele and Monte San Danieli, southeast of Monte Santo, having repulsed numerous Italian assaults against the steep slopes with overwhelming loss. But this can only be a forlorn hope, for if Cadorna's armies maintain their present line, these strong points of support must fall, once they are subjected to a plunging fire from Monte Santo.

On the Carso the situation remains obscure. Up to Saturday the Italians had held their gains east of Selo, in the center of the plateau, and were attacking along its northern edge, in the valley of the Wipach River, evidently to reduce the narrow salient in their lines west of Biglia and bring their front more in conformity with the advance in the north.

Trieste Being Evacuated

The shelling of Trieste continues, and a Zurich dispatch says the civilian population of the seaport, by order of the military authorities, is evacuating the city, taking everything of value into the interior. This would be a natural corollary of the Italian bombardment. In view of this constant cannonade from long range guns, and the naval activity in the Gulf of Trieste, it seems probable that the Italian high command, despite the fact that Mount Hermada still stands in the way of an advance down the coast, has plans under



### 76 Per Cent Levy Proposed

Senator La Follette introduced eight amendments to the war profits section of the revenue bill to-day. The first of these provides a levy of 76 per cent on all war profits on a sliding scale, but a flat levy on war profits, taking in all \$2,280,000,000 of war profits. The next, which will be offered by the Wisconsin Senator if the first is defeated, is 4 per cent lower, and the others range downward, each 4 per cent below the next. La Follette believes that before many votes have been taken victory will be his.

The highest of the La Follette amendments is 3 per cent higher than the war profits tax proposed yesterday by Senator Johnson, of California. The Johnson amendment, according to the California Senator, will actually take 40 per cent of all war profits, when other taxes proposed are added in.

The situation when the first ballot on war profits is taken is awaited with much interest by the Senators. Every fight won by the radicals so far has been won without a motion by La Follette. Senator Jones, of Washington, offered the motions which put over the Johnson amendments. Senator Johnson, it is frankly conceded, will have a far better chance of putting over his amendments than La Follette, because of the undercurrent of opposition to anything that La Follette fathers.

The war profits fight is expected to begin late to-morrow, after disposition of the publishers' tax provisions. The closure petitions circulated yesterday and now signing virtually the necessary two-thirds majority for adoption of a vote to shut off debate, are held in abeyance.

Defeat of the three-cent postage plan and McAdoo's statement on war finances on Page 2.

### Pacifist Meeting Barred By Minnesota Governor

Troops To Be Called Out if Necessary to Prevent Peace Conference in Minneapolis—People's Council to Seek Injunction in State Court To-day—If Denied, Will Appeal to Federal Judge

Governor J. A. Burnquist of Minnesota telegraphed last night to The Tribune that he would prohibit the holding of the peace conference which is scheduled to begin in Minneapolis next Saturday under the auspices of the People's Council of America. His message was in response to an inquiry asking what was his attitude toward the forthcoming pacifist convention.

The Governor announced that he had issued a proclamation instructing the officials of Minneapolis, Hennepin County and the state "to use all means" to prevent the convening of the pacifists. He declared that he had been advised that the proposed meeting "would result in bloodshed, rioting and loss of life" and would have "no other effect than aiding and abetting the enemies of this country."

Officials of the People's Council last night were in a quandary as to what they would do. They talked of appealing to the Minnesota courts for an injunction to stay Governor Burnquist from carrying out his proclamation. Whether a special train reserved by the New York pacifists to leave from Weehawken to-morrow at 2:30 p. m. will get away was undecided last night. The question probably will be settled at a meeting of the People's Council to-day.

**Pacifists to Appeal to Courts**

Jacob Panken, chairman of the Workmen's Council, the labor union branch of the People's Council, said last night that action to enable the pacifists to hold their convention in Minneapolis would be taken in the Minnesota courts to-day.

Governor Burnquist will have to declare martial law if he wants to prevent our conference," said Mr. Panken. "He has no authority to take such dictatorial action unless martial law is in force."

"We will apply to the Minnesota courts at once for an injunction which will act as a stay to the Governor's proclamation. The courts are bound to uphold the Constitution, which guarantees the right to hold lawful meetings. In my opinion, the special peace train will depart on time, and the convention will open on Saturday."

Two thousand delegates, elected by various peace societies, church bodies, labor unions and Socialists, are now on their way to Minneapolis from all parts of the country, according to Rebecca Shelly, secretary of the People's Council. These delegates represent 2,000,000 pacifists scattered throughout the country, she said.

"If we can't get protection from the state authorities we will appeal to the Federal authorities," said Miss Shelly. "The proclamation of Governor Burnquist is an admission that he is unable to maintain order. We have strong friends in Congress and we shall appeal to them to protect us. I am sure that we will find a means to carry out our plans."

**Governor's Proclamation**

Governor Burnquist's proclamation, dated at St. Paul last night, says:

Whereas an organization designating itself as "The People's Council of America" has announced it will hold a national convention and public meetings in the city of Minneapolis from September 1 to September 8, 1917;

Whereas an order was issued by me to the Sheriff of said Hennepin County on August 27, 1917, directing said Sheriff to prevent the holding of said convention and said meetings, if the same would be likely to hinder the Federal government in the prosecution of the war and disturb the public peace; and

Whereas the Sheriff of said county has this day, in accordance with said order, personally appeared and advised me that said convention and meetings, if held, in his opinion, would result in bloodshed, rioting and loss of life, and would have the effect of aiding and abetting the enemies of this country;

Meeting is Prohibited

Now, therefore, I, J. A. Burnquist, Governor of the State of Minnesota, do hereby order that the holding of said convention and meetings within the County of Hennepin or elsewhere in the State of Minnesota, be, and the said is hereby prohibited; that the peace officers of the City of Minneapolis, the County of Hennepin and elsewhere in the State of Minnesota are hereby charged with the enforcement of this order and are directed to use all the means at their hands to secure obedience thereto, and that, if additional forces are required, they are hereby directed to call on me therefor.

**German Women May Fight**

AMSTERDAM, Aug. 28.—Travelers from Berlin state Germany is preparing to follow the Russian lead in organizing regiments of women, who will be available later to send to the front if necessary. The achievements of the Russian women's battalion have been widely advertised in Germany. Steps for similar moves by Germany are being discussed in Berlin, and the organization of several trial regiments, at first as Home Reserve, is expected shortly.

**14,331 British Lost in Week**

LONDON, Aug. 28.—British casualties reported in the week ended to-day were as follows:

Killed or died of wounds—Officers, 218; men, 2,421.

Wounded or missing—Officers, 790; men, 19,902.

**Other news of the battlefield on Page 4.**

## Wilson Rejects Pope's Peace Plan; "Folly" to Deal with Hohenzollerns; Only a Free Germany Can End War

The President's Reply to the Pope

WASHINGTON, D. C., August 27, 1917.

TO HIS HOLINESS BENEDICTUS XV., POPE.

In acknowledgment of the communication of Your Holiness to the belligerent peoples, dated August 1, 1917, the President of the United States requests me to transmit the following reply:

EVERY heart that has not been blinded and hardened by this terrible war must be touched by this moving appeal of His Holiness the Pope, must feel the dignity and force of the humane and generous motives which prompted it, and must fervently wish that we might take the path of peace he so persuasively points out. But it would be folly to take it if it does not in fact lead to the goal he proposes. Our response must be based upon the stern facts and upon nothing else. This agony must not be gone through with again; and it must be a matter of very sober judgment what will insure us against it.

His Holiness in substance proposes that we return to the status quo ante bellum, and that there be a general condonation, disarmament, and a concert of nations based upon an acceptance of the principle of arbitration; that by a similar concert freedom of the seas be established; and that the territorial claims of France and Italy, the perplexing problems of the Balkan States and the restitution of Poland be left to such conciliatory adjustments as may be possible in the new temper of such a peace, due regard being paid to the aspirations of the peoples whose political fortunes and affiliations will be involved.

It is manifest that no part of this programme can be successfully carried out unless the restitution of the status quo ante bellum is a firm and satisfactory basis for it. The object of this war is to deliver the free peoples of the world from the menace and the actual power of a vast military establishment controlled by an irresponsible government, which, having secretly planned to dominate the world, proceeded to carry the plan out without regard either to the sacred obligations of treaty or the long established practices and long cherished principles of international action and honor; which chose its own time for the war; delivered its blow fiercely and suddenly; stopped at no barrier either of law or of mercy; swept a whole continent within the tide of blood—not the blood of soldiers only, but the blood of innocent women and children also, and of the helpless, of the poor—and now stands balked but not defeated, the enemy of four-fifths of the world. This power is not the German people. It is the ruthless master of the German people. It is no business of ours how that great power came under its control or submitted with temporary zest to the domination of its purpose; but it is our business to see to it that the history of the rest of the world is no longer left to its handling.

To deal with such a power by way of peace upon the plan proposed by His Holiness the Pope would, so far as we can see, involve a recuperation of its strength and a renewal of its policy; would make it necessary to create a permanent hostile combination of nations against the German people, who are its instruments; and would result in abandoning the new born Russia to the intrigue, the manifold subtle interference, and the certain counter revolution which would be attempted by all the malign influences to which the German government has of late accustomed the world. Can peace be based upon a restitution of its power or upon any word of honor it could

### Germany Yields To Argentina

Promises 'Freedom of Seas' to Republic's Ships Carrying Food

BUENOS AYRES, Aug. 28.—Germany's reply to Argentina's note embodying demands in connection with the submarine campaign as affecting Argentine shipping has been received. In official circles it was stated that the reply was satisfactory.

The note says that Germany, "in order to maintain friendly relations with Argentina, is willing to modify her blockade of enemy coasts, allowing freedom of the seas to vessels under the Argentine flag carrying food."

The note also promises the payment of an indemnity for the sinking of the Argentine steamer Toro by a German submarine.

The Foreign Office issued this evening the following official statement:

"After the delivery of the second Argentine note to Berlin the German Minister held several conferences with the Argentine Foreign Minister, in an attempt to solve the questions in dispute. These met with no success, because, although the Foreign Minister was willing to give explanations, Germany insisted on the condition that Argentina prevent her vessels from traversing the blockade.

"The Foreign Minister explained this insistence to the President, who refused to consider a solution of the situation based on the German condition. The German Minister requested Berlin to eliminate the condition.

"Argentina's claims have been satisfied in all their terms and without any restrictions."

### Fires Razing Timber Lands in Northwest

WASHINGTON, Aug. 28.—The most disastrous forest fires in the history of the country, many of them of incendiary origin, are now raging in Oregon, Northern Idaho and Montana, according to officials of the Forest Service.

The entire Western organization of the service is now fighting to save millions of dollars' worth of valuable private timber lands. Among the properties endangered are valuable spruce timber lands in Northern Idaho, upon which the Aircraft Production Board is depending for much of its airplane lumber.

Officials of the Forest Service were positive to-day that many of the fires were of undoubted incendiary origin. It was intimated that in some cases there is strong suspicion that members of the I. W. W. are involved in their setting. The Department of Justice, it was stated, is investigating and expects to make several arrests within the next few days.

As a preventive measure the Governor of Oregon has postponed the hunting season, which was to commence to-day.

### 1,074,000 Gas Masks Ordered for U.S. Army

PHILADELPHIA, Aug. 28.—A contract for 1,074,000 gas masks to equip the army has been awarded to a manufacturing company of this city, according to an announcement to-day by an official of the concern.

The contract calls for an expenditure of \$1,200,000. The government will furnish the material.

### Hearst Americanism

(From The Washington Times, August 28)

Little boys wash their necks and brush their teeth only when they are afraid not to. Half-civilized little human beings obey, stick to their guns and face the bayonet only when they are afraid not to.

### Michaelis Off For Belgium

Chancellor Attacked by Berlin Papers; Appointment Is Called Mistake

LONDON, Aug. 28.—A dispatch to the Exchange Telegraph from Amsterdam says the Imperial German Chancellor left Berlin to-day for Belgium. The dispatch adds that the Chancellor is expected to visit Brussels, and that special measures have been taken for his safety.

At Brussels, the Chancellor will have a conference with the Governor General, Baron von Falkenhayn.

Pope Benedict's peace note was the principal subject of discussion at a meeting in Berlin this afternoon, in which Chancellor Michaelis, members of the German parliament and representatives of Prussia, Bavaria, Saxony and Wurttemberg participated.

### COPENHAGEN, Aug. 28.—

The possibility of another change in Imperial Chancellors in Germany is discussed by Georg Bernhard in the "Vossische Zeitung." He says it is plainly evident already that the appointment of a minor official like Dr. Michaelis, without general political experience, was a great mistake, and that the results desired are not apt to be reached quickly under the leadership of the new administration.

Parliament, he argues, must take the matter of internal reforms and peace into its own hands. Herr Bernhard still hopes that Chancellor Michaelis will see the error of his ways and avoid the necessity for another change in the Chancellorship.

### Word of Germany's Present Rulers Cannot Be Taken

"Ruthless Master" Governs Teutons

President Says Parleys Now Would Strengthen Berlin

By C. W. Gilbert

WASHINGTON, Aug. 28.—President Wilson's note to the Pope, for it is the President's note, though it is signed by Secretary Lansing, informs the world that there can be no peace negotiations with the German government. A prerequisite to the discussion of peace is a democratic government in Germany, a government that is worthy of the trust of other democratic governments, one that will keep the peace once peace is made.

"The test," says the note to the Pope, "of every plan of peace is this: Is it based upon the faith of all the peoples involved, or merely upon the word of an ambitious and intriguing government, on the one hand, and of a group of free peoples on the other? This is a test which goes to the root of the matter; and it is the test which must be applied."

No peace that will last can be made with the faithless Kaiser, the breaker of treaties, so runs the argument, and a peace that will not last is not worth making.

Can't Trust the Kaiser

The big significant thing in all this is that it has been America's part to interpret the third member of the Allied peace formula—restitution, restoration and guarantees for the future. The guarantee for the future Mr. Wilson insists upon are that this country and the Allies—for he speaks for the Allies—shall be able to sit down at the council table in making peace with the free people of Germany, not with their ruthless masters. "We cannot take," Mr. Wilson writes, "the word of the present rulers of Germany as a guarantee of anything that will endure."

The guarantee for the future will only be found in the establishment of popular government in Germany, "such conclusive evidence of the will and purpose of the German people themselves as the other peoples of the world would be justified in accepting." This carries the democratic doctrine to the limit, that peace is a thing only to be made by the people themselves, and until the German people put themselves into a position to make peace themselves there can be no negotiations for peace.

World Waited for United States

I intimated in these dispatches before that the Allies would wait until America had spoken in reply to the Pope, and that this nation, by reason of its predominant position in the war, would declare the reasons for further fighting with the voice of authority. And it has been so. The United States has named the greatest material resource that will be required before the world will lay down its arms, and all the rest of the fighting nations will demand those guarantees.

The importance of this country in the group that is now at war with Germany could not be more strikingly shown than it has been since the Pope sent his note. The world waited upon this nation's word. We speak as the power that has the greatest material resources and the greatest spiritual authority. Our voice carries furthest with the war weary, who must have some good reason for keeping up the fight.

And it is felt here in Washington that Mr. Wilson has met that part of his task, the difficult duty of speaking to the radicals of all nations, with extraordinary skill. The problem was to reply to the Pope in such a way as to gain a diplomatic victory while still refusing peace. The Germans hoped to turn the opportunity of replying to the Pope into a means of driving still deeper the wedge between the radicals of England and France and their respective governments. Mr. Wilson has countered by trying to widen the cleavage between the radicals of Germany and their autocratic masters.

Issue Put to People

The issue is put squarely up to the German people—is it worth while to fight on, to undergo longer the pains and penalties of war, in order to maintain the autocracy of the Hohenzollerns? Assurances are held out to the German people that there is no desire to dismember the German Empire, to punish them with economic penalties after the war or to exact punitive indemnities from them. They are merely told that the free peoples of the world will not sit down at the same council table with their imperial masters. As long as the German people ask them to do that they are told the war will go on.

And if there is aim to close the war with a diplomatic victory in Germany there is equally aim by diplomatic means to detach Austria from Germany. The assurances of no dismemberment will appeal especially to that empire, threatened on all sides by the claims of its enemies. This promise of no dismemberment is not taken here to mean that there will be no territorial readjustments; the underlying