

SAYS U.S. DEBT TO BRITAIN IS FIVE BILLIONS

Lloyd George Tells Commons Causes of Financial Deadlock.

EXAGGERATION, SAY NEW YORK BANKERS

Special Cable Despatch to The Sun. LONDON, Nov. 27.—David Lloyd George, Chancellor of the Exchequer, announced in the House of Commons to-day that the £500,000,000 (\$1,750,000,000) war loan has been greatly oversubscribed. He did not give the figures, but said that nearly 10,000 individuals had applied for small amounts of the loan and would receive the same consideration.

The city, however, places the total applications for the loan for £350,000,000 (\$1,175,000,000) at £265,000,000 (\$882,500,000). These bonds are now quoted in the market at par, plus commissions. At the same time the Chancellor made a statement regarding the general financial condition of the empire.

The financial deadlock which followed the outbreak of the war, he said, was due to inability to collect debts abroad, notably in the United States, which owed Great Britain about £1,000,000,000 (\$3,000,000,000).

The British Government, he continued, had assumed responsibilities in this war which no Government ever had been called upon for before, having not only British business to finance, but also the duties incumbent upon the empire as an essential part of a machine "that ran the international trade of the world."

"We carried half the produce and provided the capital that moved this produce from one part of the world to another, not only for ourselves, but for other countries," he said.

He added that the financial paper issued in London had become a part of the currency of the world.

No Bill of Exchange Dishonored. "Into this fine, delicate paper machinery crashed a great war, affecting two-thirds of the people of the whole world," he said. "Confusion was inevitable. It was as if a violent fire had been given to an anti-bill. For a moment there was confusion and panic."

The British Government, the Chancellor went on, had uprooted the credit system of the world to restore these exchanges, upon which the commerce and industry depended, and by the step the unimpaired character of the British bill of exchange had been maintained, and that no one could say hereafter that in a day of crisis this paper had been dishonored.

The Bank of England, he said, had discounted £120,000,000 (\$600,000,000) of bills. At the same time, out of a total of £200,000,000 (\$1,000,000,000) of bills, £50,000,000 (\$250,000,000) of bills, out of the time of the war, he said, the greater part was disposed of in the ordinary course.

£250,000,000 in "Cold Storage." Bills amounting to a total of £60,385,000 (\$301,925,000), he said, had arrived at maturity and money had been found by the Bank of England. He estimated that £60,000,000 (\$300,000,000) of bills would remain in "cold storage" until the end of the war, because of their belonging to belligerent countries, or for other reasons.

The Chancellor said that the great accepting houses would not lose a penny, and he estimated the total loss on all these transactions would not equal the cost of carrying on the war for a single week, while British commerce and industry by this means were being saved from catastrophe.

BANKERS HERE DENY IT.

Say Lloyd George's Figures Are Awa in Excess of Facts.

The statement of David Lloyd George, Chancellor of the Exchequer, in the House of Commons that the United States owes Great Britain \$2,000,000,000, with the implication that the inability of Great Britain to collect this debt had tied up British business and caused a financial deadlock, was decidedly resented in Wall Street yesterday. It was said that Mr. Lloyd George had been misquoted or that he was misrepresenting the situation.

The point immediately made by financial authorities was that the Chancellor's statement was an estimate not of indebtedness but of the investment of British capital in the property and business of this country.

That it is unfair to call such an investment a debt on the part of this country to Great Britain was the position very emphatically expressed by American bankers for the reason that the bulk of the British money is represented here in actual property, not by any means in bonds, which might be entitled to collect at any given time in cash.

Total Now Much Reduced. Opinions of American bankers differed widely from that of Mr. Lloyd George. It was said by three of these bankers that although \$2,000,000,000 may have represented the maximum investment of British capital at some time in the past, this amount has been considerably reduced. It was estimated that the present investment of British capital here is not more than \$2,000,000,000.

Mr. George Pugh, according to figures presented by bankers at the Interstate Commerce Commission rail rate hearing, estimated that the total foreign investment in the United States was about \$6,000,000,000. This of course included England, Daniel Willard, president of the Baltimore and Ohio, estimated that the American railroad securities had already returned the investment of \$2,000,000,000.

The investment of British capital here is not only in stocks, bonds, short term notes, bills of exchange and bankers' loans. British investors are heavy holders of New York city real estate. They own the farms and the country. They hold farm lands and cattle in the West. They are interested in private firms running large industrial plants, for instance, the cotton thread and woolen industries.

Well-informed bankers were unanimous in their opinion.

MARSHALL FIELD TO WED MISS EVELYN MARSHALL

Engagement Is Announced of Grandson of the Late Merchant and Financier—Heir to Great Fortune—Is 20 Years Old.

Society here and abroad will be greatly interested in an engagement just announced, that of Miss Evelyn Marshall of this city to Marshall Field of Chicago and London. Miss Marshall is the only daughter of the late Charles H. Marshall of this city, who was prominent in the social life of New York. She lives with her mother at 6 East Seventy-seventh street. Mrs. Marshall was formerly Miss Josephine Lenox Banks, member of an old New York family. She and her daughter have lived abroad a great deal.

Mr. Field is a grandson of the late Marshall Field of Chicago and the son of the late Marshall Field, Jr., whose widow married Capt. Drummond of the British army. He is 20 years old and entered Cambridge last year after being graduated from Eton.

Much has been written about him and the immense fortune which he will inherit. He has been represented as a young man of excellent qualities who has been carefully trained for the responsibility of administering a great fortune.

While much of his life has been spent in England and he speaks with an English accent, the young man asserts that it has never entered his mind to become an English citizen. He said a year ago that he hoped to take the final year of his college course in this country. Under the terms of his grandfather's will Mr. Field will inherit three-fifths of the estate of his grandfather when he is 50 years old. In the meantime it is to be administered as a trust.

Mr. Field was among the passengers who arrived last night on the Lusitania.

Joseph Gershall has found recent times bad for his jewelry selling among the brokers of the New York Curb Market. Stories of quick money in mining stocks, particularly Jumbo Extension, had been tickling his ears for some days, and it was not mere chance that took him a week or so ago into the office of Harry Schweikert, president of the Jumbo Mining Extension Company, and a partner in a brokerage firm dealing in mining stocks.

Gershall and Mr. Schweikert couldn't agree on a price for a diamond stickpin, but the jewelry dealer had an inspiration. "Steer me right in Jumbo and I'll let you have the pin," he said. "All right," said the broker. "Go up to the window and get a call on a thousand shares of Jumbo for sixty days. You can have it for the pin."

Before Gershall got back to the curb he was worth \$400 more than when he went away. His trip had occupied not much more than a minute. Other pieces of jewelry he sold on similar terms, which have brought his profits up to \$2,000, according to the brokers.

The story of Joseph Gershall is the one they are telling most on the curb these days, because it is best illustrative of the way small capital in the hands of stenographers, messengers, waiters, elevator men and bootblacks has grown lately. Profits have run from \$200 to thousands, it is said.

The rise of Jumbo is in miniature an example of what happened in the old days of speculative booms in mining stocks. Everybody makes money until the bottom falls out; then the last buyer is the loser. Jumbo has been dormant in the trading for years. A month ago its price was 15 cents or so.

On the report of "tremendously rich strikes" last week it jumped from 15 cents to \$2.50 a share, an increase that has spelled wealth for some, as in diamonds. Sales of stock have been heavy, novels, the usual medium appears to have been long calls, which apparently have been written with extraordinary freedom.

RADIO SERVICE ON LACKAWANNA

Trains Between Hoboken and Buffalo to Be Operated by Wireless.

PHILADELPHIA, Nov. 27.—The Lackawanna has decided to operate all its trains between Hoboken and Buffalo by wireless and to maintain the regular telegraph system only for use in emergency between these points, according to an announcement received here tonight.

J. J. Graff, in charge of the operating department of the Lackawanna's system, declared that the perfection of the wireless and its cheapness when compared with the old wire system made its adoption practical.

Government wireless experts inspected the new wireless station at Hoboken today and returned the instruments so as not to interfere with the wireless station in the New York Navy Yard.

The Lackawanna has been experimenting with wireless telegraph on trains for a long time and about a year ago the service was installed on two of the crack Buffalo trains. Later it was extended to take in two more.

It will be a long time before all the trains of the road are equipped with wireless apparatus. During the big storms last February and March, when practically all the telegraph wires in New Jersey were carried down, the wireless was found to work well.

WITHDRAW TO AFRICAN COAST. Italian Garrisons Leave Fezzan in Hands of Friendly Chiefs.

Special Cable Despatch to The Sun. ROME, via Havre, Nov. 27.—It is officially announced that the Italian garrisons will withdraw from Fezzan in a country in northern Africa under the Turkish regency of Tripoli, which they occupied a year ago. The administration of the country will be handed over to the chiefs of friendly tribes, and the troops will be concentrated in vitally important coast towns of Tripoli. As a precautionary measure they will be re-equipped.

TO GROW HAIR, TALK TO YOUR ELECTRONS

F. W. Sears, New Thought Teacher, Arraigned in Court, Gives Recipe.

The restoration of eyesight, the making of hair grow on a head as bald as an oak table, the elimination of sick headaches, the vibratory effect of deep breathing, the molecular discord engendered by feelings of anger, hell merely as a destructive energy and molecular harmony as an agent for health, were some of the high points touched on yesterday when Frank W. Sears, the head of the New Thought Church, was arraigned in the West Side court on the charge of practicing medicine without a license.

Bald heads perked up with interest for growing hair. It is simply this, "Place the hands on the scalp with a light massage motion, concentrate the mind on the harmonious atomic activity and say to the intelligence of those atoms of the head and the blood circulating in the head that they should work in unison to rejuvenate the scalp and make it well and strong."

Whoever has to use glasses should say to himself, "My eyes are strong and well and my sight is perfect." It may take a year before the glasses can be discarded; it took Sears himself that long after he had used them twenty-five years, but he says it was worth the effort.

No time limit was placed by Sears on the hair restoring formula. He himself has not a full head of it set by any means, but he says it is a lot compared with what it once was, and what's more, it is still growing. More rapid results, he said, were possible, but half on the head, that is, it makes it hot, and having proved his point he was not going to spoil a good thing by overdoing the matter.

Sears was in court on the complaint of Mrs. Isabella Goodwin, a detective, who went to his office at 110 West Thirty-fourth street, and on two occasions left a \$2 bill for his treatment of her "pains in the chest, nervous troubles and headaches," as she complained. He was his own counsel, and with his knowledge of medical law he induced her to make certain admissions, he claimed. After she had told him his treatments consisted merely of prescribing relaxation, silence, low, deep breathing and the affirmation of the words "The peace and harmony of God's universe is pouring into me now," he asked her what she knew of medical practice.

"Nothing," said Mrs. Goodwin. "Was the treatment of mine a medical practice?" "Yes," she answered, but she could not explain the variance of her two statements when asked.

"You came to me after you believed me guilty before you saw me," said Sears. "Yes," said Mrs. Goodwin. "Sears, who only recently has been divorced by his wife, Dr. Julia Sears, took the stand to describe his New Thought teaching. Harmony inculcated by the mind into each and every molecule was the ever recurring theme of his discourse. The body is made of electrons or small atoms, he said, each keeping as far away from the next as electricity can. But the mind is a master mind and as such dominates the physical being.

"Anger is an inharmonious thought, a poison we generate within ourselves," he went on. "Hell is destructive energy generated in one's own thoughts. Deep breathing increases the vibration of electrons."

Magistrate Levy adjourned the case to December 24.

MT. ARARAT MUD HALTS TROOPS.

Russian Column Halted—Gun Carriages Couldn't Make Ascent.

By F. W. RENNETT. Special Correspondent of the London "Daily News." Special Cable Despatch to The Sun. PHETAGH, Nov. 27.—The Russian column in Asia Minor was delayed by mud on the slopes of Mount Ararat. When it reached the base of the mountain the horses which were dragging the gun carriages were unable to get a foothold on the slippery ascent. Eventually the officers and men by binding their boots with straw succeeded in dragging the cannon to firmer ground.

HURT AS WALTER DURYEA WAS.

Hope for Otten in Man's Living 12 Years With Broken Neck.

Only the case of Walter E. Duryea, who lived twelve years with a broken neck, gives hope to surgeons that they may save the life of Martin Otten of Abundant, Queens, who is in the Flushing hospital with a fracture of the first dorsal of his spine.

Otten, who is the son of Luke Otten, superintendent of the National Sugar Refining Company of Brooklyn, fell from a ladder while hanging shutters at his home on Thursday and struck on his head.

SUBMARINES IN CHANNEL SINK BRITISH SHIPS

German Under Water Craft Make Raid Through Dover Straits.

FEARS ARE FELT FOR SAFETY OF TRANSPORTS

Special Cable Despatch to The Sun. LONDON, Nov. 27.—Lloyds received information to-day that German submarines are raiding in the English Channel and that two British steamers, the Primo and the Malachite, were torpedoed and sunk off Havre yesterday.

The officers and crew of the Primo were put ashore at Fecamp, a French port, and the ship's company of the Malachite were landed at Southampton. The Primo was of 1,366 tons and was sixteen years old. The Malachite was of 718 tons and was twelve years old.

Apparently the Germans are increasing the boldness of their undersea operations, and it is reported that great apprehension is felt along the French coast over the safety of troop transports, supply ships and steamers carrying valuable cargoes. The German submarines are believed to have travelled nearly 170 miles, passing through the Straits of Dover.

The Times correspondent at Havre sends the following account of the sinking of the Malachite: "The captain of the Malachite saw a submarine rising from the water close to the boat. The men of the Malachite did so and the submarine sent her shells into the hull of the vessel, setting her afire. After that the submarine dived."

The Admiralty announces that the collier Khartoum was destroyed by a mine to-day in the North Sea off Grimsby, fifteen miles southeast of Hull.

The crew of the collier was rescued and landed at Grimsby. The Khartoum was a British steamship of 1,920 tons, built in 1893. She had been plying between British coal ports of Maryport and Ayr, and a Russian port on the White Sea.

FEW BODIES RECOVERED.

Only 30 of 801 Sunk With the Bulwark Are Found.

LONDON, Nov. 27.—Thirty bodies out of the 801 officers and men who lost their lives in the destruction of the battleship Bulwark off Sheerness yesterday were recovered to-day. For the most part the bodies are so mutilated as to make identification difficult.

Many persons went to Sheerness seeking information regarding the fate of the missing crew. The Admiralty has not given out a list of the dead. The naval authorities have begun their investigation into the causes of the disaster. In spite of the opinions expressed by experienced naval officers who saw the explosion from Sheerness, that the Bulwark was destroyed by an explosion of her own magazines, perhaps through the accidental bursting of a shell as ammunition was being stored away on board, the belief is prevalent among a considerable section of the public that the destruction of the vessel was caused by a torpedo fired by a German submarine.

It is believed nothing has been discovered to suggest that a shell was fired from the hand in the loss of the Bulwark. Two large North Sea trawlers have swept the river up and down without result. At low water to-day an object that looked like the broken steel mast of the Bulwark peeped out. Divers reported that the upper deck of the Bulwark was blown clean away. They fastened the wreckage with three sets of moorings to hold it for the present.

GERMAN WARSHIPS ARE SUNK BY RUSSIAN RUSE

Czar's Cruisers, Disguised as Kaiser's, Open Fire in Fog on Baltic.

Special Cable Despatch to The Sun. LONDON, Nov. 27.—The Morning Post's Petrograd correspondent claims to be able to disclose partial details of a remarkable feat of the Russian Baltic fleet under Admiral von Essen, indicating that the incident is that to which the British press bureau referred on September 4 when it announced that German ships had arrived, damaged, at Kiel, where some of them had sunk. The Post correspondent says:

"German vessels had been in the habit of cruising in the Baltic up to the limit which the Russian fleet had decided to hold and were doubtless putting severe pressure on Sweden. Admiral von Essen painted several cruisers and destroyers in the German colors and contrived in foggy weather to join the German ships, unsuspected until it was too late.

"At a convenient moment he opened fire and sank on German cruiser and badly damaged another, while his destroyers did good work against the German smaller craft. After this the Russian vessels went home untouched.

"The Germans naturally kept silence about the affair, which not only was rather discreditable from a purely naval point of view, but involved other considerations still more discreditable. The Russians kept quiet for other reasons.

"As a piece of naval work it was highly creditable to the Russian fleet and a number of coveted crosses of St. George were issued in connection with it."

The statement of the British Admiralty referred to said:

Churchill Says England's Sea Power Is in No Danger

Asserts Loss of Superdreadnought a Mouth Could Be Borne.

Special Cable Despatch to The Sun. LONDON, Nov. 27.—Winston Churchill, First Lord of the Admiralty, in a long statement in the House of Commons to-day regarding the naval situation said that the time had not yet arrived to discuss profitably particular naval incidents of the war, because all the facts could not yet be disclosed.

The action in the Pacific, the loss of the Aboukir, Hogue and Cressy and the expedition to Antwerp, he said, were good instances of this. All facts regarding these incidents ought to be and would be made public as soon as possible.

"This war is so serious and formidable," the First Lord continued, "that if improvement can be effected commanding officers ought to give place to others better able to discharge their public duty. The same principle is applicable to the heads of departments. The Premier ought not to allow any consideration of party or personal friendship to stand for a single moment in the way of making any necessary changes."

The Admiralty, he said, desired to make public all information possible without prejudice to the public interest, and he thought they had done this. He would not have believed any criticism would be published, but criticism must be restrained when the person is unable to reply without disclosing facts the disclosure of which would work harm to the nation.

"The Navy's Four Perils." "The incidents so far," he said, "are but a small proportion of the work the navy is doing throughout the world. The navy was confronted with four main perils. The first was that of being surprised by the outbreak of war before it could be mobilized. Once mobilized, that danger passed. The second peril was the possibility of the escape of a number of the enemy's fast liners equipped to destroy commerce. That has been successfully surmounted, and only 1.9 per cent. of the British mercantile marine has been destroyed. The third peril was the danger of mines. The enemy has pursued methods which until the present war would not have been believed by any civilized Power would practise. The risks and difficulties arising from these methods must not be underrated, but they are being restricted and controlled.

"The fourth peril is that of submarines. The British power in submarines is much greater than the enemy's. The only reason it has been unable to produce results on a large scale is that a large command seldom has been afforded to British submarines. Mr. Churchill did not include an invasion of England by Germany among the perils.

Comparing the losses for the four months of war he said that as far as the Admiralty was aware, the numbers of submarines lost by Great Britain and Germany were equal, but that the proportional loss to Germany was much greater because Great Britain had double the number of such vessels constantly employed. Regarding the loss of the British navy he said that the British navy had shown an enormous superiority in gun power and had not lost a destroyer, while Germany had lost eight or ten.

Great Britain, he said, has lost six older armored cruisers, while Germany has lost two but Germany's loss is proportionally four times the British.

With respect to the fast cruisers, which the First Lord said, had been the most important factors in the war, the British have lost two out of thirty-six, while the Germans have lost, including the interned, practically a fourth of their twenty-five. The prospects for the future with regard to these ships are still more satisfactory for Great Britain, he said, because she has an enormous delivery of cruisers rapidly nearing completion.

Comparing the losses for the four months of war he said that as far as the Admiralty was aware, the numbers of submarines lost by Great Britain and Germany were equal, but that the proportional loss to Germany was much greater because Great Britain had double the number of such vessels constantly employed. Regarding the loss of the British navy he said that the British navy had shown an enormous superiority in gun power and had not lost a destroyer, while Germany had lost eight or ten.

Great Britain, he said, has lost six older armored cruisers, while Germany has lost two but Germany's loss is proportionally four times the British.

With respect to the fast cruisers, which the First Lord said, had been the most important factors in the war, the British have lost two out of thirty-six, while the Germans have lost, including the interned, practically a fourth of their twenty-five. The prospects for the future with regard to these ships are still more satisfactory for Great Britain, he said, because she has an enormous delivery of cruisers rapidly nearing completion.

Comparing the losses for the four months of war he said that as far as the Admiralty was aware, the numbers of submarines lost by Great Britain and Germany were equal, but that the proportional loss to Germany was much greater because Great Britain had double the number of such vessels constantly employed. Regarding the loss of the British navy he said that the British navy had shown an enormous superiority in gun power and had not lost a destroyer, while Germany had lost eight or ten.

Great Britain, he said, has lost six older armored cruisers, while Germany has lost two but Germany's loss is proportionally four times the British.

With respect to the fast cruisers, which the First Lord said, had been the most important factors in the war, the British have lost two out of thirty-six, while the Germans have lost, including the interned, practically a fourth of their twenty-five. The prospects for the future with regard to these ships are still more satisfactory for Great Britain, he said, because she has an enormous delivery of cruisers rapidly nearing completion.

Comparing the losses for the four months of war he said that as far as the Admiralty was aware, the numbers of submarines lost by Great Britain and Germany were equal, but that the proportional loss to Germany was much greater because Great Britain had double the number of such vessels constantly employed. Regarding the loss of the British navy he said that the British navy had shown an enormous superiority in gun power and had not lost a destroyer, while Germany had lost eight or ten.

"FAVORABLE" IS RUSSIAN DUKE'S BATTLE REPORT

Message From Commander Doesn't Claim a Rout of Germans.

BIGGEST SUCCESS ON FRONT NEAR CRACOW

Czar's Troops Have Reached Gumbinnen in East Prussia.

"DISORDERLY RETREAT" ON RIGHT OF VISTULA

Unofficial Reports Say Triumph Is Greatest in 100 Years.

SUMMARY OF THE WAR NEWS. The Petrograd Army Messenger, organ of the Russian General Staff, says a German army corps of 50,000 surrendered in Poland and that the Grand Duke Nicholas will announce soon the details of a great Russian victory.

There is irritation in Petrograd and London over the withholding of an official statement of victory, but correspondents insist that the reports are accurate and that the German armies in Poland are hopelessly trapped.

Berlin's latest announcement is that there was no decisive battle on the eastern front on Thursday. It is reported in London from Copenhagen that German newspaper correspondents in Poland have been forbidden to communicate with their papers.

The destruction of the battleship Bulwark remains a mystery. Winston Churchill, England's naval head, takes an optimistic view of his country's naval predominance and asserts that battleships and battle cruisers are being completed so rapidly that England could lose a superdreadnought monthly for a year without losing command of the seas.

The London Morning Post's correspondent at Petrograd tells of a fleet of several Russian cruisers early in September. Painted the color of German ships they contrived to join the German Baltic fleet in foggy weather and opened fire, sinking one German cruiser and badly damaging another. The Russian ships were undamaged.

The hull in Belgium and France was virtually unbroken. Neither Paris nor Berlin claims an important advance. The artillery fire has slackened and 400,000 men appear, from official reports, to be resting in camps and trenches.

The news as regards Turkey is mostly from Petrograd, where it is said the Russians sank two Turkish submarines in the Black Sea. Constantinople asserts that the Arabs are entering the holy war, and that Egyptian advance guards on the Suez Canal deserted to the Turkish invaders.

Ambassador Morgenthau reports to the United States Government that the reason the Turkish fleet at Ahrle fired in a direction of a launch of the Tennessees was because the helmsman discarded blank shots warning the launch from a mine field.

RUSSIAN COMMANDER REPORTS ON VICTORY. Grand Duke Nicholas Says Germans Are in Retreat. Special Cable Despatch to The Sun. PETROGRAD, Nov. 27.—The following despatch was received from the Grand Duke Nicholas this evening:

On the Czestochova-Cracow-Tylnark front our successes have assumed marked importance. Our troops took 4,000 prisoners yesterday. Our offensive movement was particularly fortunate in the region of the lower Sarmawa, where a whole battalion of the Third West Prussian regiment surrendered.

Our troops also carried powerfully fortified Austrian positions on the left bank of the Raba, where it is certain our troops forced the river up to their necks in water and a rush of ice floes and attacked the enemy. The Austrians offered desperate resistance to our attack at Boshania, which we carried by assault. Here we took more than 2,000 prisoners, ten guns and a number of machine guns.

On the right bank of the Vistula the enemy is in disorderly retreat in the region of Cracow and is being vigorously pursued. The morale of our troops, seasoned and fortified by days of continuous fighting, is, according to the reports of our army commanders, of the highest order.

According to trustworthy reports, the Austrians fixed a wireless apparatus and anti-aircraft guns to the spire of the cathedral in the centre of Cracow.

On the left bank of the Vistula our troops, advancing from the Lower Bzura River, reached Gumbinnen. In the centre we captured Berezynia and villages in the valley of the Merga. At Berezynia, which we carried by assault, we destroyed the Germans with the bayonet. We are continuing our offensive in that region. Between Berezynia and Glynova our cav-



Winston Churchill.

while the enemy could not produce half such a number within a year.

At the outbreak of the war, Mr. Churchill continued, Great Britain could afford to lose a superdreadnought monthly for a year even if the enemy lost none and yet maintain approximately the same superiority she held at the outbreak of the war. As a matter of fact the relative strength of the British fleet is now substantially greater than at the outbreak of the war.

Mr. Churchill paid a tribute to the workmen in the great yards who are patriotically training their efforts to the utmost to further the new construction.

Economic Pressure Grows. "The economic pressure on Germany," Mr. Churchill said, "continues to develop steadily and satisfactorily. He cited trade figures called yesterday that nearly 160 ships are arriving and departing from ports of the United Kingdom daily.

"Moreover," he added, "Great Britain is restricting the importation of vital military commodities into Germany and Austria. The enemy's armies depended primarily upon the military material and commercial supplies of guns, explosives and scientific apparatus of war which they had accumulated in time of peace. This has given and is still giving them a marked advantage in both theatres of the war, but as time passes, the advantage is gradually changing hands.

The deficiency of essential commodities is beginning to show in the enemies' military organization.

"We have suffered mischances, but we have had a very fair share of luck. There is absolutely no reason for nervousness, anxiety or alarm. There is every reason to be optimistic in the power of the navy to give effect to the wishes and purposes of the empire. We have powerful allies on the seas. The utmost cordiality characterizes the cooperation of the Admiralties of the four countries, but even if we were single handed, as in the days of Napoleon, we should have no reason to despair of our capacity to go on indefinitely drawing our supplies and transporting our troops wherever we required them and to continue this process with a strength which would grow stronger each month the war continued until the end of the war at a not very distant date—the purposes for which we are fighting should be added."

The French navy, he added, completely controls the Mediterranean and the Japanese navy the Pacific.

INTEREST ON BONDS PAID ONLY IN TURKEY. Documents Handed to Officials for Registration Are Reported Missing. Holders Must Go to Constantinople to Get Their Money. Order Says.

Special Cable Despatch to The Sun. AMSTERDAM, via London, Nov. 27.—The Turkish Minister of Finance has announced, according to a Constantinople dispatch, that the interest on the loan of 1904 will be paid only to those bondholders who present themselves at the central office of the Ministry of Finance at Constantinople.

Ten million dollars of this loan was held by the London house of J. P. Morgan & Co., and by the Imperial Bank of London. Most of the bondholders was placed in France. The action of the Turkish Ministry means that interest payments will be suspended on the bulk of the bonds which are held abroad, and the owners would find it almost impossible in any time to go to Constantinople to make collections.

FRENCHMEN THANK HERRICK. Wounded Officers Sent Flowers and Address to Departing Envoys.

Special Cable Despatch to The Sun. PARIS, Nov. 27.—Twenty-five wounded French officers who are being cared for in the American Ambulance at Neuilly have tonight a magnificent farewell dinner to be presented to Mr. Herrick, the retiring American Ambassador, and Mrs. Herrick, on the platform of the Invalides railway station at 8:30 to-morrow morning when they depart for the United States.

Lieut. Francois De Tesson, one of the wounded officers, who before the war was a writer on the Petit Journal, has written an address to Mr. Herrick in English. Six of the officers who are able to walk will be present to make the presentation. Over one-half the officers sign the address with their left hands, their right hands having been disabled.

The