300,000 since the agreement between the trade unions and the Government last March. Further delay means further losses. Help quickly and thoroughly and you strengthen your claim upon the British people for the redress of any grievance at the end of the war.

Christmas Day Appeal.

"I want you to remember this Christmas morning that while we are comfortable here at home hundreds of thousands of our kin are in the damp, dreary trenches with death all about them. The proposals I bring to you mean not only victory but the saving of numberless lives of these brave men.

"I entreat the skilled workmen of Great Britain, in whose keeping are the doctrines of labor, to lift their eyes above the mists of distrust and suspicion and ascend the height of the greatest opportunity that ever opened before their class. By so doing there will emerge after this war that future hope which the great leaders of democracy of all ages have pictured in their dreams."

After the meeting Mr. Lloyd George had a conference with the district committee of the Amalgamated Society of Engineers and discussed with them immediate action toward the changes asked by the Government. The meeting was described as highly satisfactory.

Under the munitions bill, which was passed by Parliament last June, the Minister of Munitions has the authority to commandeer workmen for duty in the munition industry and to decree that trade union rules be suspended during the war in cases where they forbid the use of unskilled or female labor or prescribe working hours. At the same time the Government promised the trade unionists that it would not permit the munition factories to make profits except for the Government.

Trade union leaders gave their approval of the measure and promised full cooperation in the prosecution of the war.

The skilled workers have made various complaints recently of the working of the arrangement, their chief grievance being that, as they alleged, the Government was going into partnership with the capitalists and taking half the war profits. They also have complained about the workings of the Munitions Courts, established by the munitions bill to settle labor disputes in the munitions industry.

SALONICA ARMY ALMOST 400,000

Gen. T. S. Hutchinson Says the Fortifications Are Impregnable.

Gen. Thomas S. Hutchinson, who fought in the Balkan wars as an artillery officer in the Greek army and has just returned from a business trip to Greece, brings the news that the Franco-British army quartered at Salonica is much bigger than the outside world has been given to understand. Gen. Hutchinson says that on November 9 and 10, when he was at Salonica, the British and French forces numbered more than 200,000 men, and that early in December the Mediterranean was dotted with British and French transports carrying reenforcements to the East. It has been recently reported that the Allies have been landing about 4,000 men a day, making the present force close to 400,000.

"When I got back to Athens from Salonica," said Gen. Hutchinson yesterday at the Waldorf-Astoria, "I met several British artillery officers just in from the Dardanelles, and they didn't seem to feel that the campaign in that part of the world had been a failure. They said that even though they had not penetrated far inland, they had at least managed to furnish food for thought for at least 350,000 Turks and kept them from being employed elsewhere.

"I cannot say what the feeling of the Greeks toward the English is, but they are absolutely pro-French. You have evidences of this on every side. The French language is employed in much of the business transactions, in society, and you will even find the announcements on the moving picture screens entirely in French. Close friends of the King told me they believed he was honestly and absolutely neutral. But the people hate the Bulgarians, and if the latter invade Greece I think the Greeks will surely get into the war. The interests of the two people are diametrically opposed.

"Three days before we got to Algiers we passed a big fleet of British transports bound eastward and at Algiers we were told a submarine had got two of them after they passed us. French officers I met at Algiers told me it was known that there were twenty Austrian or German submarines in the Mediterranean and the Ægean. The sea is dotted with British and French craft of every description who are looking for the foe.

"From what I saw of the fortifications at Salonica I don't believe there is a chance of the Teutonic forces capturing the place. I got the impression from what I heard that it is the intention of the Allies to concentrate an overwhelming force at Salonica and then when preparations are absolutely complete to start on a big drive straight across to Adrianople and thus cut off Turkey entirely."

WAR ON TOWN WITH BOULDERS.

Austrians Roll Down Big Stones From Tyrolean Cliffs.

Special Cable Despatch to THE SUN.

ROME, Dec. 26.—The official statement issued by the Italian War Office to-day follows:

In the Tyrol-Trentino theatre: On the Carnia front there were intense artillery duels. The enemy bombarded the inhabited village of Lonalitch and caused damage and also rolled enormous boulders from the overhanging cliffs above Loppio upon Riocameras, in the Adige Valley, without serious damage. We shelled numerous marching columns and munition stores.

On the Isonzo front there is nothing to report.

There were artillery duels on some parts of the front, especially in the Gludicaria Valley, between the Lardaro forts and our batteries opposite.

BALLIN GIVES PEACE VIEWS.

Freedom of Seas and Restriction of Armament, He Says.

AMSTERDAM, via London, Dec. 26.—Albert Ballin, director of the Hamburg-American Line, in an article in the *Vossische Zeitung* says that the men who finally construct a lasting peace will have the task of restricting the armament of the European nations and must see to it that the present war is not followed by an economic conflict which would keep the nations apart.

"Thus," he says, "the demand for the freedom of the seas is at the forefront. Ways and means must be found to assure this freedom not only in time of peace but also in time of war."

PERSIAN CABINET IS NOW PRO-ALLY

Shah Ousts German Sympathizers and Is Expected to Aid Russian March.

VICTORY FOR ENTENTE

Special Cable Despatch to THE SUN.

LONDON, Dec. 26.—A Teheran despatch says that the Persian pro-German Cabinet has been dissolved by the Shah and one favorable to the British and Russian interests has taken its place.

This news is of peculiar significance and of great importance to the Entente cause. It means that a serious blow has been dealt to the German and Turkish propaganda in Persia, which during recent months was growing to an alarming extent. It means also that the Persian Government will be openly in sympathy with the allied cause and will exert its power in expediting the passage of a Russian force across Persia to the aid of the British, who have been badly worsted by the Turks in the Tigris Valley.

The despatch says that Prince Firman Firma has been named Premier. He is strongly pro-Ally and is closely connected with the Russian nobility.

The fall of the pro-German Cabinet is a decided victory for the British and Russian diplomats. News of the change, however, was not unexpected, for it was clearly foreshadowed last month by the Shah's reception of the British and Russian Ministers. At that reception he expressed his friendship.

The meeting of the British and Russian representatives with the Shah was quickly followed by the dismissal of Premier Mohammed Ala Khan and two Ministers who were strongly pro-German.

For many months a Russian force has been fighting against Turks in the Persian Caucasus. The Russian have gradually made headway until they are now within 220 miles of Kut-el-Amara on the Tigris, where the British are making a stand against the Turks.

Germany has made consistent efforts since the beginning of the war to foment trouble in Persia and to arouse the population against Russian and British interference. From time to time German agents have been reported in about every part of the Shah's country. A few weeks ago it appeared as if their mission had been successful when a general rebellion was forecast and advices said that the Shah had fled from Teheran, fearing for his life.

A battle between Russian forces and Turkish troops aided by Persian rebels was reported in progress several days ago twelve miles from Teheran.

Persia has been definitely under Russian and British domination since December, 1911, when Russia demanded the dismissal of W. Morgan Shuster, the American Treasurer-General of Persia. For many years previous to that time both Great Britain and Russia had held a threatening hand over the Persian Government, but not until then did the situation assume a definite basis with Great Britain taking control of the southern part of the country and Russia the northern part.

Ever since there has been a Persian "question" Russia has been back of it. The present Czar is believed to have made up his mind to acquire the country if possible and might have carried out his designs if Great Britain had not objected. Persia is on the road to England's Indian possessions. The result was the division of the country into two spheres of influence with Russia and England supporting the Persian Government by loans.

Mr. Shuster was called to Teheran in June, 1911, to bring Persian finances out of chaos if possible. He was doing very well when a revolution occurred in the country and the old Shah, Mohammed Ali, was dethroned. That was two months after Mr. Shuster began his work. A constitutional government was established, Mohammed Ali's son Ahmed Mirza, then 12 years old, was proclaimed heir to the throne and a regent, Nasr-ul-Mulk, became head of the Government.

Mr. Shuster was retained, but in November, 1911, clashed with the Russian Government because of the appointment of a British collector of taxes in the northern zone, where Russia held sway, and the publication of an article accusing Russia of seeking to absorb the country. In December Russia demanded Mr. Shuster's dismissal and the Persian Government, being helpless, complied.

BRITISH IMPERILLED.

Turks Trying to Cut Off Retreat and Force Surrender.

Special Cable Despatch to THE SUN.

CONSTANTINOPLE, via London, Dec. 26.—The Turkish forces on the Tigris are encircling the British at Kut-el-Amara. Progress in this movement, which if finally successful will cut off the retreat of the British expedition and compel its surrender to avoid destruction, is reported in the official statement issued by the War Office to-day. The statement is as follows:

The encircling movement around the enemy at Kut-el-Amara continues. Bombardment of the enemy positions has had good results.

DENY TURKS SANK SHIPS.

British Say Monitors on Tigris Escaped Artillery Fire.

Special Cable Despatch to THE SUN.

LONDON, Dec. 26.—The official press bureau issued a statement to-day denying the recent report sent out by the Turks of the sinking of British monitors on the Tigris.

The Turkish official statement issued on December 23 said that Turkish artillery had sunk two British monitors on the Tigris at Kut-el-Amara and had caused an explosion on a third one.

TURKS' GUNS HIT CRUISER.

Torpedo Boat Shelling Ari Burnu Region Also Struck.

Special Cable Despatch to THE SUN.

CONSTANTINOPLE, via Amsterdam and London, Dec. 26.—The official Turkish statement issued to-day says:

Our artillery hit an enemy cruiser attempting to approach the coast of the Bay of Saros three times and the cruiser withdrew. An enemy cruiser and torpedo boat shelled the region of Ari Burnu. Our artillery hit the torpedo boat.

RUSSIAN SCOUTS REPULSED.

Germans Say Their Patrols Met Success in the East.

Special Cable Despatch to THE SUN.

BERLIN, via Amsterdam, Dec. 26.—The following report on fighting in the Russian theatre was issued to-day by Germany Army Headquarters:

German patrols were successful in the region of Dunsberg and Dwinsk. Strong Russian reconnoitring detachments were repulsed northwest of Czartorysk and near Berestiany.

GERMANS PREPARE NEW DRIVE IN WEST

French Think Recent Developments Presage a General Onslaught.

TROOPS MAKE READY

Special Cable Despatch to THE SUN.

PARIS, Dec. 26.—The *Temps* and the *Liberte* express the opinion to-day that the Germans are preparing for a strong offensive in the west.

To find the weakest point in the allied line the Germans are making many minor attacks which nevertheless are costing dearly in lives. On Tuesday and Wednesday there were two days of continuous fighting between Ypres and Armentieres, with a loss to the Germans of 8,000.

The *Temps* says:

"It is not known where the Germans will attempt the supreme effort. The Noyon part of the front nearest Paris may be selected, as well as the English line at Ypres, and it is possible that the Champagne will be the chosen field of battle."

FRENCH BLOW UP TRAIN.

Explode Munitions Cars at Station in the Vosges.

Special Cable Despatch to THE SUN.

PARIS, Dec. 26.—A heavy artillery attack was made by the French to-day against the German positions south of Bailleul, on the railroad between Hazebrouck and Armentieres, southeast of Ypres, and in the Blaireville region, south of Arras.

A German munition train which had stopped at the station at Hachinette, southeast of Bonhomme (Diedelshausen), just across the French frontier in the Vosges, was fired on by a French battery and an explosion was observed.

No infantry actions are reported on the western front.

The official communiqué issued by the French War Office to-night follows:

In Artois there was great activity on the part of our artillery to the south of Bailleul (northwest of Armentieres) and in the region of Blaireville, south of Arras.

In Champagne, in the region of the Navarin farm, there was some effective firing against enemy sappers.

In the Woevre our artillery fire blew up an enemy munition depot to the northeast of Regnieville.

In the Vosges one of our batteries brought within its fire a munition train which had stopped in the station at Hachinette, to the southeast of Bonhomme. A heavy explosion was seen by our observers.

The afternoon communiqué was as follows:

The night was calm along the whole front.

RAIN CHECKS FIGHTING.

Germans Report Diminished Activity Against France.

Special Cable Despatch to THE SUN.

BERLIN, via London, Dec. 26.—The following official statement was issued by the War Office to-day regarding the operations in the Western theatre:

In consequence of the rain, the activity on most of the front was slight. There was keen fighting to the north of Albert (south of Arras), at various points in Champagne and in the Vosges, to the north of Sennheim (the Wattweiler sector).

MINE EXPLOSION FAILS.

British Trenches in La Bassee Region Undamaged.

Special Cable Despatch to THE SUN.

LONDON, Dec. 26.—The following official report from British headquarters in France was made public to-night by the press bureau:

There was mining activity south of the La Bassee Canal, where an enemy mine was exploded but failed to damage our trenches.

North of the Somme our artillery was effective against the enemy's positions to the east of Albert.

Elsewhere on our front there was nothing but intermittent minor artillery firing.

GREECE GIVES FREE HAND TO GERMANS

Continued from First Page.

a landing at the port of Kavala, in northeastern Greece on the Aegean Sea, according to despatch to the Overseas Agency from Sofia.

Agency from Sofia. The despatch adds that the Greek commander protested.

An Athens despatch received here, via Messina and London, several days ago said that Greek transports had taken a large force of Hellenic troops to Kavala, where the troops were landed to watch the Bulgarian forces on the frontier.

ITALY IS QUIZZED.

Greece Wants to Know Object of Advance in Albania.

LONDON, Dec. 27 (Monday).—The Athens correspondent of the *Daily Telegraph* sends this:

"The Italian troops who landed at Avlona (Albania) are spreading around the district. Their outposts have come in touch with the Greek outposts in southern Albania.

"Local newspapers state that Greece has made friendly inquiries of Italy to ascertain the object of the extension of her military operations in Albania.

"Italy has given reassurances, it is stated, and has also asked the help of Greece to attain the object in view."

CASTELNAU IN ATHENS.

Received by King and Will Confer With Greek Staff.

Special Cable Despatch to THE SUN.

ATHENS, via London, Dec. 26.—Gen. de Castelnau, the French chief of staff, arrived here to-day and was received in audience by King Constantine. He also will confer with the chiefs of the Greek staff and with the diplomats of the Entente Powers.

Paris Censored News of De Castelnau.

Special Cable Despatch to THE SUN.

PARIS, Dec. 26.—The French press was allowed to-day to publish the fact of the presence of Gen. de Castelnau at Salonica, where he arrived on December 20, although it has been an open secret since he left France on December 15.

FULL TEXT OF GERMAN CHANCELLOR'S SPEECH EXPLAINING KAISER'S STAND

Socialist Leaders Squelched When They Interrupt With Questions.

ALL BLAME IS LAID TO GREED OF BRITAIN

The London correspondent of THE SUN *sends the complete text of the address of Dr. von Bethmann-Hollweg, the German Imperial Chancellor, in the Reichstag on December 9 and the speech made by Dr. Scheidemann, leader of the Socialists in the Reichstag, at the same time. The Chancellor's speech was the Government's reply to the Socialist demand for a statement of the Government's attitude on the subject of peace.*

Owing to the censorship and to telegraphic interruptions the cabled accounts of the Chancellor's address, as well as that of Dr. Scheidemann, were incomplete, giving only the more important statements of the Chancellor, and these were obviously in a mutilated form. Furthermore, the German censor did not permit the sending of a full account of the frequent interruptions made by Dr. Karl Liebknecht, the Socialist.

The Chancellor opened his review of the situation by saying that since the Reichstag adjourned last August, Bulgaria had intervened in the war. Since the beginning of the war the Entente Powers had made increasing efforts to induce King Ferdinand to join in on their side. Austrian, Hungarian, Turkish and Greek territory was most liberally promised. Not only was enemy and neutral territory given away, but even the allied Serbia, for whose menaced integrity Russia had unchained the war and for whose liberation the Entente pretends to be fighting now, was not spared. The Chancellor continued:

"In order to induce Bulgaria to fight for the Entente, Serbia was asked to make territorial cessions which she was not inclined to do. Thus our enemies remained at variance. The justifiable national demands of Bulgaria in Macedonia after the last Balkan war were considerably restricted in favor of Serbia.

"Left in the lurch by Russia, Bulgaria, who had borne the main burden of the war, had to see how the fruits of her victories fell to her Serbian neighbor. [Hear, Hear.] Serbia was to be given preference before all others because she was the advanced Power (*Vormacht*) against Austria-Hungary. Now King Ferdinand has redeemed his pledge which he made to his people at the end of the second Balkan war, namely, that the Bulgarian colors, which, after glorious fighting but severe disappointments, had been cased, are now flying free over what, when the pledge was made, was lost territory. [Vigorous cheers.]

"Serbia, instead of seeking an understanding to save the country the sacrifices of a fresh campaign, decided not only to oppose the united attack of the allied German and Austro-Hungarian armies, but also to attack her Eastern neighbor.

"Our troops have fought in the Serbian mountains, brilliantly overcoming all hardships. We tender them our warm thanks, and also to our loyal Austro-Hungarian comrades and our newly won friend, the Bulgarian army, which, fighting by our side, is regaining for Bulgaria her rightful place in the Balkans.

Heroic Bravery of Turks.

"With heroic bravery the Turks have up to now kept watch on the Dardanelles, the immediate fall of which Mr. Asquith predicted as far back as the summer. To-day the Dardanelles stand firmer than ever. At Bagdad, too, the Turks have given the English an appreciable blow.

"The opening of a way to the Near East is a landmark in the history of this war. From the military point of view direct connection with Turkey is of inestimable value economically. The imports from the Balkan States and Turkey will supplement our supplies in a most welcome manner. Moreover, our future prospects are full of promise.

"Thanks to the farsighted policy of King Ferdinand, a firm bridge has been constructed between the indissolubly allied Kaiser Powers and the Balkans and the Near East. After the conclusion of peace, this bridge will not resound with the tread of marching batalions, but will serve for works of peace and kultur. [Vigorous cheers.]

Herr Liebknecht, the militant socialist leader, here interjected, "And of the Deutsche Bank." [Great commotion.] The Chancellor continued:

"In the reciprocal exchange of our goods we shall strengthen friendships consolidated in arms, not in order to stir up nations against each other, but in order to participate actively in the rise of countries and peoples desirous of vigorous development. [Cheers.] For what our adversaries have lost politically and militarily in the Balkans they are now attempting to compensate themselves by a policy and actions of violence against neutral Powers ['Very true!'] and thereby remain true to the principles which they have followed from the beginning. ['Hear, hear.']

"Now it is Greece's turn. The Entente asserted at first that when the Entente troops landed at Salonica Greece had asked for their assistance. Meanwhile M. Venizelos had himself expressly declared in the Greek Chamber that the landing of troops at Salonica had no connection with his earlier inquiry, whether the Entente could place in readiness 150,000 men for the assistance of Greece against Bulgaria. ['Hear, hear.']

Greece's Protests Ignored.

"Arbitrarily England and France began disembarking troops at Salonica and proceeded with the landing in spite of the energetic protest of the Greek Government. ['Hear, hear.'] Now they are behaving there as masters of the country. We are now witnessing the interesting spectacle of how the combatants of Prussian militarism employ the dominating power of the British fleet as a brutal menace to compel the Greek Government to violate its duties as a neutral.

"First the promise of a benevolent neutrality was extracted from Greece. When the principle was admitted they proceded to interpret it. Demands were addressed to Greece for the withdrawal of all the Greek troops from Salonica and the surrounding district, the free use of the port for the establishing of military defensive measures, the transfer of the Greek railways and roads to the frontier for military transport and freedom for military measures of all kinds in Greek territorial waters. That is what the Entente understands by 'benevolent neutrality.'

"The Greek Government, despite its difficult position, is resolved to continue to preserve the neutrality which corresponds with its desire and which takes into consideration the dignity, independence and interests of Greece. And that is not the end of the matter.

"With cunning stage management England impressed the world with the idea that in noble unselfishness she took up arms for the sake of violated Belgium and was called upon to inflict punishment on Germany for this act of violence. England succeeded in making capital out of that, but eventually she had to give up Belgium as her motive for the war.

"It became too publicly known that Great Britain's encircling policy, which had been carried out without the previous knowledge of Parliament, and the assumption of obligations toward France, which was chained to Russia, had so bound the hands of the British Cabinet that when the Russian mobilization unchained war Sir E. Grey resolved to join in it, whether willingly or reluctantly I offer no opinion. The *Times* newspaper was the first to admit that Belgium was not England's motive for war.

Dr. von Bethmann-Hollweg.

Hoots at Britain's Charges.

"All the more persistently did England continue to denounce us to the neutral world as a treaty breaking nation lusting for power and compelling the world to submit to its militarism, which must be destroyed. Whosoever pursues a policy of oppression such as the Entente is now pursuing toward Greece can no longer play the hypocrite. This we shall repeat before the world as often as England tries to hide her true features behind a cloud of calumny.

"Even England herself appears to begin to see this. In an article on November 20 the *Westminster Gazette* openly admitted that England had taken up arms against Germany because that was the only way in which Germany could be mastered. The world knows now at least the reason for which, at England's command, this murder of nations continues."

Speaking of the military situation, the Chancellor continued:

"In the East our troops, with the Austro-Hungarians, are occupying a far advanced, well consolidated and strong defensive position in Russia and are always ready for a further advance. [Cheers.] In the west, it is true, the French and British, with the greatest contempt of death, have squeezed in our front at some points, but the 'break through,' which was to have been forced at any cost, has failed like all previous attempts.

"The Austro-Hungarian defensive positions against Italy are firmly held. In a heroic defence the continual attacks of the Italians, carried out with gigantic loss of life, have been repulsed. The fact that Italy in these operations has been blowing to pieces peaceful towns whose 'deliverance' she made her task will hardly afford compensation for her military failures.

"In Belgium the economic situation is almost normal. Industry and commerce have been reinvigorated, monetary matters have been regulated, the post office, railways, shipping and roads are working, the production of coal is rapidly increasing and last quarter reached nearly three and a half millions of tons. Unemployment is being checked, but it is impossible to bring the labor market to its normal state because Great Britain is strangling Belgian industry by closing its oversea export. A general obligation to visit schools for instruction in the Flemish language has been introduced.

Changes Made in Poland.

"In Poland, Lithuania and Courland we found terrible devastation, caused by the Russians, and a state of complete anarchy. We have established new police forces, municipal administration and legal and sanitary organization. We have promoted economic industry, rebuilt railways and roads and introduced municipal statutes which give the population an interest in taking part in public life. The question of school teaching has everywhere been taken up. A university and a technical high school have been opened at Warsaw. Never in history, when millions of men were opposed in a fight for life and death, has so much peaceful work been accomplished behind the front.

"As regards our economic position, we have sufficient provisions if they are rightly distributed. This is a fundamental and determining fact. The enemy is paying higher prices for important foodstuffs than we are. [Cheers.] [Herr Liebknecht was called to order for interrupting.]

"From our military and economic situation our enemies conclude that we are on the verge of collapse. Especially prevalent is the idea that we are begging for peace. Prince Buelow in Switzerland, Dr. Solf at The Hague, Prince Maximilian of Baden at Stockholm and Cardinal von Hartmann in Rome have all been credited with missions with a view to mediation in favor of peace. But in the midst of those assertions our enemies also said, after our Serbian successes, that the Kaiser was going to Constantinople in order to dictate terms of peace from there.

"There is not one word of truth in all these legends. ["Hear! Hear."] This press campaign began when the Entente policy in the Balkans threatened to collapse, and the enemy attempts to break through in the west had failed.

"I have tried to give a clear description of the situation in the theatres of war. Against the logic of facts even our enemies can do nothing. Our calculations show no flaw, and no uncertain factors, to shatter our firm confidence. If our enemies are not yet inclined to yield to facts they will have to do so later. The German people is unshaken in its reliance upon its strength, which is invincible. It would be an insult to try to make us believe that we, who are going from victory to victory and standing far out in the enemy's country, should be inferior in endurance, activity and internal moral power to our enemies, who are still dreaming of victory.

Have No Fear of Words.

"No, we shall not yield to words. We shall resolutely carry on the war which the enemy wanted in order to complete what Germany's future demands from us." [Loud and prolonged applause, in which an interruption by Herr Liebknecht was drowned.]

Herr Scheidemann, official spokesman for the Socialist party, moving the Socialist interpellation, said that only he could speak about peace whose strength enabled him to accept with the calm consciousness of power any misinterpretation of his utterances as a sign of weakness.

"We are strongly opposed," he said, "to all who wish to make this war a war of conquest, but we are also opposed to all designs against Germany and her safety. [Cheers.] We won't hear of the separation of Alsace-Lorraine." [Loud cheers.]

Referring to the recent peace utterances in the British House of Lords and House of Commons, Herr Scheidemann said:

"This was spoken in the Parliament of a land which began the war in order to indulge its lust for annexation. England's starvation plan failed because it ought to fail. Certainly we lack some things, but we have over twenty million pigs. We have gathered so many potatoes that we are able to use three-fourths of them for food and industrial purposes. The enemy's hope of military successes has not brightened.

"It is indeed, criminal if hostile statesmen and politicians try to delude their nations into thinking that the military situation could change to our disadvantage. If the enemy press were to write in favor of peace it would evoke an outburst for peace in every country. In the name of our Austrian brother party, I declare it unanimous in its determination to defend the country and in its wish for peace.

"The German people desires war not a day longer than is necessary for the assurance of that aim. The German people pledges everything to secure the independence of the country. We can openly say that we wish peace because the German people is strong enough and is resolved to protect its hearths and homes if the enemy does not wish peace. We wish, therefore, that the first decisive step toward ending the war should emanate from Germany." [Loud cheers and clapping of hands on the Socialist benches.]

Opposes Making Peace Offers.

After Herr Scheidemann's speech Herr von Bethmann-Hollweg replied. He concluded as follows:

"When history pronounces judgment on the guilt for this most horrible of all wars and its duration, it will disclose the terrible mischief caused by ignorance and hypocrisy. As long as the evasion of their guilt and ignorance is maintained by foreign rulers and their mendacity governs enemy nations any offer of peace from our side would be a folly which would prolong the war. All disguises must first be dropped.

"The war of destruction is still waged against us. With mere theories and peace protestations we cannot make progress. If our enemies come to us with peace proposals proper to the dignity and assuring the safety of Germany then we are always ready to discuss them.

"In full consciousness of our successes we decline responsibility for the continuation of the distress which fills Europe and the world. Nobody shall say we desired unnecessarily to prolong the war because we wanted to conquer any more pledges.

"In former speeches I described the general aim of the war, and even to-day I cannot enter into details. I cannot tell you, for instance, what guarantees the Imperial Government will demand as regards Belgium and what basis of power it thinks necessary for such guarantees. One thing our enemies must recognize—namely, the longer and the more bitterly they wage war the greater will be the necessary guarantees.

"Neither in the west nor in the east must our enemies of to-day hold in their hands means of invading our country by which they will be able to threaten us more strongly than before. It is known that France gave loans to Russia only on condition that Russia strengthened and consolidated her railways and fortresses in Poland against us. Against this we must politically and militarily be secured.

"We also have to safeguard our economic development. I believe there is nobody in the German fatherland who does not strive for this end. As regards the means to attain it we must reserve complete freedom for our decisions.

Small Nations Not Threatened.

"We do not threaten small nations. We do not wage the war which has been forced upon us in order to subjugate foreign peoples, but for the protection of our life and freedom. For the German Government this war has remained what it was from the beginning—namely, a defensive war of the German nation and its future.

"The war can only be terminated with a peace which according to human judgment offers us security against its repetition. Upon this we are all agreed. This is our strength, and we will continue to be so.

"In enemy countries the Socialist interpellation has caused considerable sensation, especially of a pleasant nature. Our enemies perceive in the question as to Germany's peace conditions a sign of slackening in the German strength and a hitch in the unanimity of the German nation. But I hope and believe that the discussion of the interpellation, will in its main points, disappoint the pleasant expectations of our enemies.

"In the statement of Herr Scheidemann there appears to be the apprehension that we might possibly avoid an honorable peace, and decline reasonable peace proposals, which might be made to us, solely because we wanted to keep all the conquered territories or even to conquer still more. I must admit that the history of the war up till now quite naturally leads to the notion to end the war, and I publicly state in what light the German Government views peace.

"We have gained gigantic successes and have deprived the enemy of one hope after another.

"After the comradeship with Bulgaria had been established, after the great successes in Serbia, after the opening of the road to our Turkish ally, thereby threatening the most vulnerable point of the British Empire, must not our enemies now more and more recognize that 'they have lost the game, must not the thought arise among many of us, who see that the war can no longer end at our expense, why still more sacrifices, why does not the German Government offer peace?

"As a matter of fact none of our enemies have approached us with peace proposals, and, indeed, they believed it to be of their interest falsely to attribute peace proposals to us. This is due to their unparalleled self-deception, which we would have still further aggravated if peace proposals came from our side instead of theirs.

"If I am to speak of our peace conditions I must first see the peace conditions of our enemies. In the first intoxication of the belief of an easy victory our enemies set up exaggerated war aims and proclaimed the impending destruction of Germany. In England, in order to attain this idea, they were willing if necessary to continue the war for twenty years. In the meantime, however, they have become somewhat anxious as to the duration of the war for such a time, but nevertheless the final ambition, despite all events which have occurred, remains fixed."

The Chancellor then quoted some war aims published in the *National Review* and in the *Statesman* and continued:

"The same thing goes on in the French press. They still demand Alsace-Lorraine. M. Hanotaux, in the *Figaro*, in contrast to the usual legend of an attacked France, recently openly acknowledged that France has made this war in order to conquer Alsace-Lorraine.

"But the assertion that Germany must be crushed must be maintained. Their eyes are so fixed upon this aim that they cannot disabuse their minds of it and therefore a further hundred thousand men must be driven to slaughter. As the latest stimulus for inciting the blind rage of war they now place their hope in a war of exhaustion. We all know that our provisions are sufficient and that we only have to distribute them properly. Germany is also sufficiently provided with raw materials.

"As to the exhaustion of men in the war, our enemies have learned that it is not only a question of numbers. A fact that cannot be denied is that France is now calling out the 1917 class, and that she has already used up the greater part of the 1916 class.

"I can speak as regards the exhaustion of German human material. We have not gone so far in the calling up of recruits as Russia or France, which have extended military service to men over 45 years of age. In view of the numbers of men liable to serve at our disposal we have no intention of extending the age limit. Our losses are not only relatively but absolutely smaller than the French, for Germany has 30,000,000 more people than France. Our losses are painful, but in fighting for hearth and home we do not lose breath.

"To what a pitch the hate against us leads our enemies is shown in the Baralong case, in which the crew of a British warship murdered the helpless crew of a German submarine. This was hushed up in the British press. The British were always proud of the spirit in their navy. Can they reply to this murder, which remains a black stain on the history of the British navy?

"Herr Scheidmann thought that all these press remarks did not reflect correctly the real popular feeling. It may be that among our enemies there are some thoughtful individuals who, in the bottom of their hearts, wish to end as soon as possible this great bloodshed. To them, perhaps, belongs the future; certainly not the present. The speeches made recently in the House of Lords found scarcely an echo in the British press. On the contrary, with few exceptions, they provoked only the discussion of wild war aims. I cannot look beyond that.

"The attitude of the hostile Governments is completely decisive. Mr. Asquith, in the Guildhall, announced that the objects of the war were the same as at the outbreak of the war; namely, the freedom of the small nations, especially Belgium, and the destruction of Prussian militarism.

"I need not say a single word about the freedom of the small nations. A year ago the world perhaps believed this British philanthrophy, but after what has happened in Greece probably even the small nations will be cured. Since England fights for them they fare badly.

"From the first day we knew that behind the phrase 'the protection of small States' was hidden the desire to finish forever the great State whose development had been observed for so long with envy and distrust. This is what is called 'destruction of Prussian militarism.' This English battle cry was taken over by all the Allies. M. Sazonoff, M. Viviani and M. Briand repeatedly declared they would not lay down their arms before Prussian and German militarism was conquered.

"Moreover, each of the Allies has its own special demands. The English Colonial Secretary desires that Alsace should be returned to France and that Poland shall be returned to the nationality to which it belongs. M. Sazonoff hinted very clearly at Constantinople as one of Russia's war aims.

"These war objects of our enemies do not correspond with the real military situation, but I should hurt the feelings of our enemy rulers if I said that I regarded their demands as bluff. The situation is too obvious. With the knowledge of their Governments the people of the hostile countries were deceived from the first day as to the truth. By wholesale manufacturing and distribution of false news they created an inextinguishable hatred against us.

"They now see that victories are not gained by these means. They have suffered numerous military and diplomatic defeats. They have sacrificed hecatombs and they cannot hide the fact that in the east and in the west we are standing far in enemy country and that we have opened a way to the southwest and are holding valuable securities."

APPEALS FOR A CABLE TO U. S.

Berlin Trade Organization Sends Radio to Speaker of House.

BERLIN, via London, Dec. 26.—The American Association of Commerce and Trade of Berlin has sent wireless messages to the Speaker of the House of Representatives and the Chamber of Commerce of the United States, at Washington, urging the pressing need of re-establishing cable connections with Germany under control of the American Government.

The vital issues involved are pointed out, and congressional action toward this end is asked.

ASKS AID HERE AGAINST YUAN.

Gen. Hwang Says Chinese Emperor Trampled People's Will.

WASHINGTON, Dec. 26.—Gen. Hwang Hsing, who was a leader in the Chinese army and participated in the revolution which established the republic, is recuperating in this country from a long illness. He is bitterly opposed to the plan to restore the Chinese monarchy. In a letter addressed to the United States Representatives in Congress he said:

"To-day Yuan Shih-k'ai poses before the world as being unanimously elected by the 400,000,000 of Chinese and accepts the imperial throne. As soon as the Chinese Parliament went through the formality of electing Yuan as President he ordered its dissolution on November 4, 1914; provincial legislatures were dissolved on February 5, 1914, and all local legislative bodies were dissolved about that time.

"It stands to reason that he will not do a whit better, but rather worse, under a monarchy. He trampled on the Constitution and will of the people in contracting the quintuple loan to make war upon republicanism.

"The writing on the wall is plain, and I on behalf of the millions of long-suffering, deserving people appeal to the patriotic representatives of this sister republic to give us your strong moral support."

UNITED CIGAR STORES BIGGEST CHRISTMAS BUSINESS

Dec. 11, 1915 (Double Certificate Day to encourage early buying) $601,987
Dec. 24, 1915 (Day before Christmas) $547,100

TOTAL CASH SALES for the TWO BIG DAYS of December, 1915

$1,149,087

This wonderful business, exceeding by a large amount the sales made in UNITED CIGAR STORES for the corresponding two days of any holiday season in all their history, is offered as proof that National Prosperity is here.

To every friend and patron who made this showing possible our sincerest thanks.

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GLASS ENCLOSED TEA ROOMS
Dancing in the GLASS ROOM after 10:30 P. M.
Admission—Morn. Session 9:30 to 12.30 . $1
" —Aft. Session 2:30 to 6:30 . . . $2 {Including Afternoon Tea
" —Eve. Session 8:30 to 11:00 . . $2 {Including Buffet Supper
EXHIBITION SKATING by ALFRED and SIGRID NAESS of the HIPPODROME
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