

the least. The same view was taken by the committee, who displayed resentment against Thomas W. Lawson for the sweeping charges he made against Congress.

"What do you think would be accomplished by an investigation if conducted?" asked Representative Garrett.

"One of the many things is, as Mr. Henry said," replied Mr. Gardner, "to make Lawson pay for the wrong he has done."

At the outset of the hearing, Chairman Henry read telegrams from the New York Stock Exchange and Bernard Baruch. The latter stated he would testify on Monday, H. G. S. Noble, president of the New York Stock Exchange, telegraphed that the committee's request regarding records would be complied with.

Mr. Gardner, although reiterating his assertion that there had been a leak, said he was not able to identify anybody and did not accuse anybody, but added that the committee would look for the source.

"Least of all," he added, "has it ever occurred to me that either the President or Secretary Lansing or Secretary Tamm had anything to do with this leak."

Mr. Gardner also suggested the possibility that embassy employees might have known of the peace note in advance of others, and the leak might have occurred by orders from countries to which the note had been sent.

Representative Gardner said: "Technically under the precedent of the House which I cited the other day I am only required to charge that there has been a leak."

"On the floor of the House I said I know there has been a leak and I state it without any hesitation. The whole stock market shows that there was a leak. I might have gone further and added that everybody knows there was a leak."

"At the outset I am anxious to explain my connection with the whole matter. It had its origin in Mr. Lawson's accusations against the House of Representatives."

"I felt absolutely convinced from the start that Mr. Lawson was attacking in error; but I felt that public opinion would be against us if we did not hasten to open up the whole matter for public investigation."

"In a few days I found to my consternation that an opinion was gaining ground among my neighbors at home that we were trying to draw a red herring across the trail by substituting an attack on Wall Street for a defense of ourselves. I thought that I saw where the difficulty lay."

"I did not for a moment suppose that Chairman Henry was afraid of investigation; but I recognized it as extremely probable that he might be apprehensive lest a public investigation should result in a situation which might leave a cloud on the reputation of more than one perfectly innocent man."

"The danger I felt was not imaginary and yet I believed that in the interest of representative government and for the good name of Congressmen an investigation ought to be held. Accordingly I telegraphed Representative Wood of Indiana as follows:

"In my opinion the investigation of Lawson's charges presents a question of the privileges of the House. If the Speaker is bound to recognize you and you can present some sort of a resolution without the consent of Chairman Henry of the Committee on Finance, should be glad to support you in person but cannot get to Washington until Wednesday morning and must leave for Detroit late Wednesday afternoon."

"I stopped off in New York and convinced myself that the precipitate selling of war stocks previous to the official announcement of the president's note was recognized as conclusive evidence of a premature disclosure of a leak."

"We all know that the President's note was released for publication at 12:05 A. M., December 21. Let us observe the course of events, beginning a day or two previously, as revealed by the press.

The LOCOMOBILE at the Salon Fourteen new examples of Coach Work designed by the Custom Department, and made by Healey, Holbrook, Locke, & Rubay. The Astor, January 2nd to 10th.

NINE SUN reported rumors of a leak and an impending investigation. The note was signed and sent by cable to the European Powers on Monday, December 18. Following the publication of the note on the 21st appeared Secretary Lansing's comments and his explanation thereof.

"The beginning of the downward tendency in the stock market was first apparent between 12:45 and 1:45 of December 19. United States Steel had opened at 10 o'clock at 123 1/2, and had risen as high as 116 1/2. Between 12:30 and 1:45 a steady decline began, bringing it down from 116 1/2 to as low as 102 between 1:45 and closing, and closing at 112."

"On December 20 it opened at 112 and remained practically stationary until 12:45. Between 12:45 and 1:45 it dropped from 112 1/2 to 110. Between 1:45 and closing it continued its downward course, closing at 108. Then came the publication of the note.

"On December 21 it opened at 104 1/2 and showed an upward tendency until almost noon, rising as high as 107 1/2. Between 11:45 and 12:45 a steady decline brought it as low as 102 1/2. Between 12:45 and closing the drop continued, reaching its lowest point at 100 1/2, and closing at 101."

"On December 22 it opened at 104 and steadily and evenly rose, closing at 107 1/2. My counsel, Judge William M. K. Gleott of the New York Stock Exchange, went to court to-day, but he will be in Washington Monday. He will present to you a complete comparison of the course of prices in the New York Stock Exchange since the note was sent, with a statement of the news and rumors from Washington. This comparison presents a chain of evidence which beyond a peradventure proves the existence of a leak."

"If you find a prima facie case that there was a leak you cannot take the position that you will do nothing at all about it. You must inform you as to the names of those who profit by the leak and the names of those responsible for the leak."

"A year ago when I returned to my house here in Washington I discovered by certain water stains on the walls that either my roof or my walls had been leaking during my absence."

"I did not take the position that the matter was unworthy of investigation, because I did not know whether the walls or the roof were to blame and was equally ignorant of the dates on which the leaks occurred."

"I do not seem to me that the right way to go about the matter is to find out from the President who he talked his peace note over with and then summon the various gentlemen and find out whether there was any way in which they might inadvertently let the cat out of the bag. Next I should get a list of those employees of the White House and the State Department and the embassy abroad who handled this particular peace note. I think you will find that list quite formidable in length. In our embassies abroad, for instance, if I understand the custom, there are two men to work together in deciphering all code despatches."

"Simultaneously with the foregoing investigation from this end of the line I should make inquiry through the medium of the New York Stock Exchange as to who the parties were who reaped the largest profits from the abrupt fall in prices on December 21. By comparing the results of these investigations from two different ends of the line you will, in my opinion, arrive at one or two results."

"Points Out Result. 'First, either you will discover the man through whom the leak originated; or second, you will find that the methods of communicating such despatches to foreign governments and to the public ought to be radically changed. The attainment of either of these objects is well worth the pains of an investigation. 'If the published statements to which I have called your attention and the documents which Judge Gleott will present to you present a prima facie case that there was a leak in connection with the President's peace note it will then become your duty, gentlemen, to let the country place the blame for that leak where the blame belongs. We can all see the footprints on the sand. It is for you to discover who made them.'"

"Why do you think would be accomplished by an investigation if conducted?" asked Representative Garrett of Mr. Gardner.

"One of the main things is, as Mr. Henry said, to make Lawson pay for the wrong he has done. Put up or shut up in his stains on Congress," was the reply.

The sentence to which Representative Gardner evidently refers occurs in THE EVENING SUN's Wall Street article of December 20, published on a page devoted to news of the stock market. Mr. Gardner did not quote it accurately. The sentence in question in THE EVENING SUN said: "Reports from Washington in the afternoon to the effect that

WILSON CHAGRINED BY SENATE ACTION Embarrassed Because His League to Enforce Peace Idea Lacked Support.

HIS HANDS ARE NOW TIED Entente and Central Powers Are Both Offended by the Developments.

WASHINGTON, Jan. 6.—President Wilson is understood to be deeply chagrined over the half-hearted, conditional endorsement of the peace note by the Senate, which has given to his move for peace. Careful scrutiny of the language of the President particularly desired in support of his League to Enforce Peace idea is lacking.

As the matter now stands the President has pledged this Government to cooperate with European nations in the maintenance of future peace and realizes that he has no authority for his pledge. Before the country could be committed to such a policy the President must have the support of the Senate, which would need to ratify the necessary treaties. And the Senate now in advance states its unwillingness to recommend any such course.

Officials and diplomats here now say it would have been much better had no action whatever been taken by the Senate over the President's note. The sharp attacks on the President's policy which the President is placed in an extremely embarrassing position with foreign capitals. It is explained.

To foreign chancelleries President Wilson is placed in the position of having endeavored to force an endorsement of his own personal ideas and having failed. Administration Senators are plainly chagrined at the situation caused by the Hitchcock resolution. They are blaming the introducer for having brought the Senate into the peace matter at all.

Administration officials are now beginning to realize that the long debate in the Senate over the note has adversely affected the President's original position in the eyes of all Europe. The President's note, it is explained, placed him in the position of seeking for peace or an end to the belligerents in order that he might know the prospects for peace.

President Wilson declared specifically that it was not a move for peace or an offer of mediation, but the efforts of certain supporters of the President in the Senate to have the note endorsed as a peace note has caused diplomats to distrust the explanation of the text. In that sense it has more than ever offended the Entente.

The fact that Senator Lewis emphasized the need of Senatorial endorsement of the note on the ground that the country was on the verge of war has naturally offended the Central Powers. The Senatorial quarrel has therefore given offense to both factions and has in no sense added to the prestige of the President's step.

Administration leaders hoped that after the Hitchcock resolution had been passed in the Senate a substantial Senate would come spontaneously or at least appear to come without pressure from the White House, but the fact that

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FINDS BRITISH NAVAL LOSSES NEGLIGIBLE "Times" Expert Says Only Nine Big Ships Were Lost in Course of 1916.

LONDON, Jan. 6.—The naval correspondent of the Times, writing on naval losses in 1916, says the British navy lost nine battleships and cruisers, apart from light cruisers, as compared to eight in 1915 and seven in 1914. Six of the vessels were sunk in the Jutland battles. The others were sunk by mines.

Information has reached the State Department that the Entente reply probably will not be here until next week. Meantime the President's attitude will continue to be one of watchful waiting. Whether or not the President will send a second note cannot be officially discussed, it is said, until the Entente's reply is here.

KAISER FOR FIERCER WAR. Tells Army It Must Force Peace on His Enemies.

AMSTERDAM, via London, Jan. 6.—A Berlin telegram says that the following order of the German Emperor to the army and navy has been officially published: "Conjointly with the allied (Central Powers) rulers, I proposed to our enemies to enter forthwith into peace negotiations. Our enemies refused my offer. Their hunger for power desires Germany's destruction. The war will be continued. Before God and humanity I declare that on the Governments of our enemies alone falls the heavy responsibility for all the further terrible sacrifices from which I wished to save you."

With justified indignation at our enemies' arrogant crime and with determination to defend our holiest possessions and secure for the Fatherland a happy future you will become as steel. Our enemies did not want the understanding offered by me. With God's help our arms will enforce it. "WILHELM I. R."

BRITISH CUT TURK RAILROAD. Berlin-Constantinople Line Broken by Aerial Fleet.

LONDON, Jan. 6.—By bombing a Turkish railway bridge British naval aviators have cut, for the time at least, the Berlin-Constantinople Railroad. The War Office announced this fact in the following statement: "On Thursday a squadron of British naval airplanes attacked the railroad bridge over the Maritza River at Kuleli Burgas. One span of the bridge is reported to have been wrecked completely."

The Berlin-Constantinople Railroad crosses this bridge, which is situated about twenty miles southeast of Adrianople. Constantinople is also cut off from communication with Turkey west of the Maritza, which includes Adrianople. Kuleli Burgas is the point of junction with the Berlin-Constantinople main line and the railroad from Salonica running through eastern Macedonia, which supplies the left wing of the Turkish-Bulgarian army opposing Gen. Sarrail. This communication line is also cut.

British aviators raised the same bridge not long ago, but no exact reports were announced.

100 AMERICANS TO O. K. NOTE. Paper Endorsing President Wilson's Action Is Being Circulated.

A paper signed by 100 prominent Americans, giving an unqualified endorsement to President Wilson's note to the belligerent Powers, is shortly to be made public, according to information which reached THE SUN last night. The purpose of this paper is to offset the bad effect of the debate in the Senate. The circulation of the paper is attributed to the pacifists, especially of pro-German leaning.

The paper is now being circulated, according to the information which reached THE SUN, and an attempt is being made to get a list of truly representative Americans. Maurice Leon, the international lawyer, said over the telephone last night that he had heard of the paper and believed it was to be made public in a few days.

DECLARES HOLLWEG PERVERTED TRUTH Author of "J'Accuse" Attacks Speech Regarding Date of Russian Mobilization.

Special Cable Dispatch to THE SUN. PARIS, Jan. 6.—The anonymous author of "J'Accuse," said to have been written by a German, is preparing a sequel to it, of which the Matin publishes advance extracts that make interesting reading at the moment when Germany is throwing on the Allies responsibility for the war.

The author commences by refuting each point in Von Bethmann-Hollweg's speech of November 3, when the German Chancellor alleged that the Russian general mobilization was decreed on the night of July 20, 1914. This assertion, which is entirely new, contradicts the German White Book which, in agreement with all other diplomatic documents, fixes the decree of Russian general mobilization as July 21.

The object of the alteration is clearly to conceal the fact that the Austrian general mobilization was decreed on July 30. Von Bethmann-Hollweg sought to distract public attention, the writer says, by attaching great weight to the significant incident of the special edition of the Lokalbote, which had apparently a very secondary if any influence upon Russia's decision.

An incident occurred on July 31, 1914, Germany had declined Greys' proposal for a conference on July 27; Count von Bernoldi (the Austro-Hungarian Foreign Minister) had categorically declined further negotiations with Russia on July 28; the Czar had proposed arbitration of the Hague tribunal on July 29, but had received no reply, and Herr von Jagow had categorically declined Mazonoff's first formula for an understanding on the same day as the Lokalbote's incident.

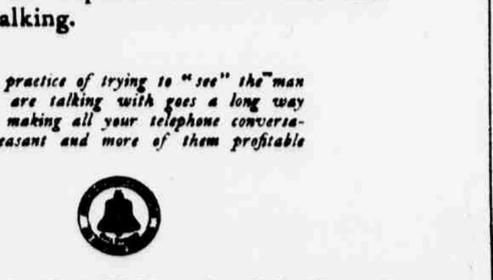
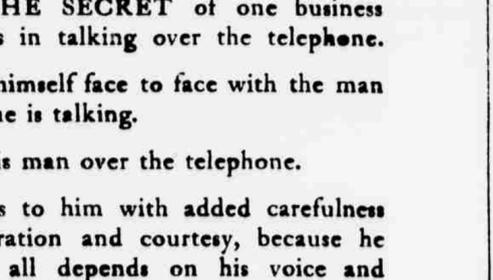
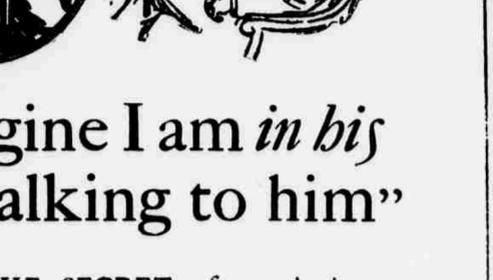
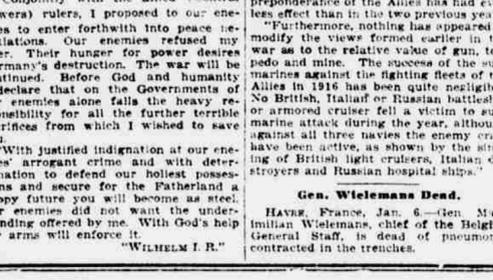
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