elements in Germany than a continuance of these concessions.

With reference to the all important submarine issue Germany is endeavoring to persuade the United States to conduct secretly all further negotiations. According to German circles here, what the Imperial Government most fears now with respect to the cases of the Arabia and the Marina, vessels sunk without warning and with jeopardy to American lives, is another note or communication of some kind from the United States Government. Count von Bernstorff is understood to feel that matters would be very seriously complicated by "further notes." He too is understood to take the view that "secret negotiations" offer the only logical solution.

Germany also believes that negotiations between the two Governments concerning the British Admiralty announcement to arm merchant vessels fore and aft should not be conducted publicly. It is believed in Berlin that the Foreign Office can make out so strong a case backed with documentary evidence that President Wilson will virtually be obliged to warn the Entente that these merchant ships cannot be regarded as peaceful commerce carriers and allowed the privileges accorded to such vessels in American ports.

If Berlin can carry this point it will be felt that all the efforts of the pro-Americans in the fatherland will have achieved big results. It will mean, it is said, that Germany is removed from the restrictions which prevent submarines from sinking these ships without warning and that the campaign against British commerce and food supplies can be carried out in the most effective manner.

Berlin fully realizes that the American rapprochement, if once established, might lead to further important results. Among these are naturally the embargo on munitions destined for the Entente and curtailing of American food supplies to the Entente countries, but German diplomats do not expect to see these results loom up even as probabilities now.

They are concerned in making a start toward cultivating American friendship. As inspired articles in the German press point out, this start has been made by the Entente's rejection of the peace offers, which is characterized as "an insult to Germany and an affront to President Wilson."

'DAWN OF DELIVERANCE.'

London Observer's View of Reply to President Wilson.

LONDON, Jan. 14.—The *Observer*, commenting on the Entente reply to President Wilson, says:

"The effect on opinion in the United States is already profound and will become still deeper as more time and thought can be given to the issues now raised. The United States will not try to stop the clock of progress and wider liberty and equality in Europe. The United States never can be asked to resist the claim of France to Alsace-Lorraine, to support the war caste in Germany, to keep Italians, Poles, Czechs, Slovacs, Serbs and Rumanians under a foreign yoke, to abet the Turks on this side of the Bosporus or to aid a bloody tyranny beyond it. No. It is the dawn of the great deliverance."

Referring to the silence of the Entente note on the German colonies the *Observer* says:

"South Africa, Australia and New Zealand are free communities, each with its own Monroe Doctrine, and they will never allow the German menace to reappear in their neighborhood. Not one single inch of colonial territory will Germany ever get back until the guarantees for her future good behavior are as absolute as human contrivance can provide. Consistently with that condition there is no desire to deprive the German people of adequate economic opportunities outside of their frontiers.

"Probably the best thing would be to create in the Ottoman Empire and in Africa an international domain open on equal terms to Germany as to all countries, including, of course, the United States. This is a big question. In this matter British statesmanship ought to be foremost in the councils of wisdom and moderation when the main aims of the war are attained, if at the same time there is a change of system and of heart in Germany itself."

Consideration for U. S. Wise.

The *Chronicle*'s editorial of Saturday, which attracted much attention, made a plea for respect for the rights of neutrals and complained that some of the British newspapers "write habitually of neutrals with a studied insolence which must be very embarrassing to the Foreign Office." After defending in a general way the interests and views of non-belligerents the *Chronicle* said:

"It is particularly necessary to show consideration for America in the matter of sea rights, in regard to which American opinion has always been very sensitive. It is not politic to irritate America by pedantic procedure without any naval value or military necessity. We were justified in scheduling on the blacklist certain commercial firms in neutral countries, but we fear the blacklisting has been enforced in too rigorous and undiscriminating a fashion. From the commercial point of view the blacklist has not been all gain.

"These and other points on which we are at variance with the United States are very far from vital, but cause irritation without any counter availing benefit to this country. If only our Foreign Office would act in a broad and not in a pettifogging spirit in such matters all would be well. The American people have a great regard for Lloyd George and he has it in his power to remove all causes of friction between the two countries. Let him exercise his power and rivet American sympathy still closer. The best hope for the future of mankind is a complete understanding and sympathy and harmony between the British Empire and the great republic."

ARMIES INACTIVE ON WESTERN FRONT

Rain and Snow Prevent Operations Beyond Minor Trench Raids.

LONDON, Jan. 14.—Rain and snow put a damper on military activity on the front in France and Belgium to-day. Trench raids and artillery bombardments only are mentioned. The British statement makes no mention of the fighting on the Ancre announced yesterday by Berlin. The statements follow:

British—Early last night a hostile party endeavored to raid one of our posts northwest of Guendecourt. The attempt failed completely, the enemy being driven off with losses. During the night our patrols carried out successful enterprises in the neighborhood of Neuve Chapelle and Armentieres.

We bombarded enemy trenches northwest of the Ancre this afternoon with good results.

Elsewhere there was the usual artillery activity, which was most marked opposite Serre, south of Armentieres and northeast of Ypres.

French—The usual cannonade occurred south of the Somme and in the region of Verdun. Several enemy reconnaissances south of Berry-au-Bac were repulsed with losses.

An enemy airplane was forced to land in our lines near Pont-a-Mousson. The aviators were made prisoners.

Belgian—There is nothing to report except some artillery activity in the direction of Het Sas.

German—Except for lively artillery firing on both sides of the Somme there was little fighting at any point owing to rain and snow. During the night hostile patrols which advanced at several points were repulsed.

GALATZ UNDER FIRE FROM THREE SIDES

Mackensen's Troops Storm Vadeni, on Other Side of the Sereth.

OITUZ PEAK CAPTURED

Germans Fail in Big Attack on Riga Front, Petrograd Announces.

LONDON, Jan. 14.—German heavy guns are throwing shells into Galatz from the southwest as well as from southeast and east. Capturing the town of Vadeni to-day, Von Mackensen drove practically the last Russian from the neck of swampy ground just south of the mouth of the Sereth and across from Galatz.

Three regiments of Von Mackensen's army, supported by artillery, made the attack on a front stretching from Kotumikhali, on the Sereth, to Vadeni, which is only a mile from the river. The line was held by the Russian rearguard, whose orders were to hold the southern bank of the river as long as possible. After beating back several attacks they gave up Kotumikhali and later Vadeni.

Vadeni an Important Town.

This town is of importance in Von Mackensen's plan for the Sereth battle. It is only six miles from Galatz. It is the last station south of the Sereth on the Barila-Galatz Railroad, and its possession brings within easy gun range the bridge on which this road crosses the river.

In the Carpathians the Teuton progress was not so marked, but Berlin reports that a mountain peak south of the Oituz valley road was taken by storm. The Russian statement reports the repulse of several Austrian attacks in the mountains.

The Russian statement announces also the failure of a Teuton attack on the centre of the Russo-Rumanian Sereth position, east of Focsani, of which Berlin says nothing. The Russian guns drove the Germans back to their trenches when they tried to attack.

German Attacks Futile.

Again Petrograd reports the failure of a German counter attack on the Riga front, made against the same Russian positions that were vainly attacked yesterday. Russian guns and a sally by the infantry repulsed the Germans.

To-night's German statement reported the capture of Vadeni. The statement issued during the day follows:

Front of Archduke Joseph—In the eastern Carpathians, north of the Golden Bystritza, German grenadiers entered Russian positions at several places, inflicted severe losses on the enemy and returned, as they had been ordered, to their own positions with booty and prisoners.

South of the Oituz road a mountain top occupied by the enemy was carried by storm, and fifty prisoners fell into the hands of the aggressors.

Front of Field Marshal von Mackensen—Military activity was limited by unfavorable weather conditions. A Russian advance on the Sereth northwest of Braila was repulsed.

The Russian Report.

Further withdrawal of Russian forces on the south is reported in the Russian official report, which says:

Western (Russian) Front—In the region of Riga, south of Lake Babit, the Germans launched an attack in dense formation against our positions seven versts east of Kalnzem. The attack was repelled by our fire and a counter attack.

Rumanian Front—The Austrians attempted to attack east of the Putna, but were repelled by our fire. Their attacks north of the Slavic River and south of the Oituz River were repulsed. The enemy attacked the Rumanians six versts west of Braila and eighteen versts south of the confluence of the Slatina and Trotus rivers but were repulsed by our fire. The enemy detachments which attempted to assume the offensive in the region of Radulescl, ten versts east of Focsani, were driven back to their trenches by our fire.

The enemy, three regiments strong and supported by artillery, launched an attack against our advanced guards from Kotumikhali on the Sereth as far as Vadeni, ten versts northwest of Braila. After repelling several attacks our advanced detachments abandoned the village of Kotomikhali under pressure of superior enemy forces.

TREATY DISTURBS AUSTRIA.

German-Turkish Convention Taken as Slap at Dual Monarchy.

(By the Wireless Press.)

AMSTERDAM, Jan. 14.—The new commercial treaty which Germany and Turkey signed on Tuesday has excited irritation in Austria-Hungary, where it is felt Germany has stolen a march upon the Dual Monarchy.

All the Austrian newspapers hint at their resentment, while in Hungary the press is openly critical. The *Magyar Orszag* of Budapest says that Germany has taken unfair advantage of the situation caused by the fact that the ten year commercial agreement between Austria and Hungary has not yet been renewed, and until it is the Dual Monarchy can conclude no commercial treaty.

Three opposition Deputies in the Hungarian Chamber have given notice that they intend to interpellate Count Tisza upon the treaty.

ITALIAN GENERAL LOST.

Baldini, Chief of Albania Force, Victim of Battleship Wreck.

ROME, Jan. 14.—Lieut.-Gen. Bandini, commander of the Italian Albanian expeditionary corps, was among those lost aboard the Italian battleship Regina Margherita, which was sunk by a mine on December 11.

To-day's official report of military operations says:

Trentino Front—The artillery was active. By our accurate fire we disturbed important enemy movements behind the lines and hit battery emplacements.

Julian Front—The activity of the artillery was restricted by bad weather, which, however, did not interrupt the customary useful activity of our patrols.

ZITA'S BROTHERS AID ENTENTE

Two Princes With Belgian Artillery Mentioned for Bravery.

Special Cable Despatch to THE SUN.

PARIS, Jan. 14.—The list of men mentioned in despatches for bravery includes Prince Sixte and Prince Xavier of Bourbon, brothers of the Empress Zita of Austria, who are volunteer ambulance drivers with the Belgian artillery. The citation says:

"They spontaneously placed themselves in the service of the right, and have shown absolute devotion to duty and disdain of danger at the front."

MUNITIONS EXPERT OF ENTENTE IS HERE

Gen. Minchin Believes Germans Were Responsible for Recent Explosions.

RUMANIANS A SURPRISE

Dr. Philip Newton Says Czar's Officers Were Disappointed by Campaign.

Major-Gen. Frederick Falkoner Minchin of the British army arrived last evening unlisted aboard the American liner New York and thus created some speculation regarding his mission. He was known to his fellow voyagers as "Mr. Morton." He frankly admitted his identity, saying he was a member of the Anglo-Russian Commission and that he was here on business of the war and expected to stay about two and a half months.

He is the munitions expert of the commission, and it was said by other Britons aboard that he received by wireless news of the explosions at Kingsland and Haskell shortly after they occurred, and that he did some meditating on the subject. In response to the question, "Do you think the Germans had anything to do with the destruction of the plants at Kingsland and Haskell?" he said:

"The explosions could not be a mere coincidence, could they?"

As to whether or not he would do anything personally to discover the persons guilty of blowing up the plants Gen. Minchin would say nothing. He declared that the British and their allies were more determined than ever to win the war, and that he was convinced they would.

Expect More Sensations.

Several passengers who talked with the General on the trip declared that he expected at least two other events, presumably inspired by German plotters, that would be equally surprising. The General himself said nothing of this. He is tall, sinewy and bears his 56 years like a young man. He said he was born in Ireland and had been in the British army since young manhood.

Mrs. Hugo French, daughter of former Postmaster-General Wynne, was a passenger by the New York. Her husband, a captain in the Dragoon Guards, who was badly wounded on the French front, is convalescing and will shortly return to duty. She has been nursing him for several months. She will spend three months with her father in Washington and then go back to nursing in a London hospital.

Dr. Philip Newton, who was brevetted a General in the Russian army for his work in the field, and who on his previous visit to New York raised $50,000 and bought sixteen auto ambulances, said they had done marvellous work on the Carpathian front, carrying 2,200 wounded from the firing lines in six days. The Russians were intensely disappointed in the Rumanians, he said. A jesting Russian General remarked of them: "Well, what can you expect of people who knock off fighting at 7 P. M. to fiddle in a cafe?" Dr. Newton said he saw 8,000 Russians attack an enemy position and that only 800 came back, only four of whom were whole.

Wilson's Note Understood Now.

De Lancey Nicoll, who has been visiting his wife, in a hospital in London recovering from an automobile accident, said it would be several months before she would be able to get home. "President Wilson's note," Mr. Nicoll said, "was at first misunderstood in England. Arthur Pollen, editor of *Land and Water*, seemed to interpret it properly and now it is thoroughly understood." Mr. Nicoll said he was sure that the last note to President Wilson was written in France by a French Cabinet officer, whose name Mr. Nicoll said he had heard but could not recall.

Capt. Arnold Whitridge, son of the late Frederick W. Whitridge, was met at the pier by relatives. He obtained leave of absence when he learned that his father was very ill. His commanding officer of the Royal Field Artillery gave Capt. Whitridge permission to return to New York. He learned before sailing that his father was dead. He will return to his command within a few weeks, after attending to affairs of his family.

Thomas Hugh Wegulin of Linton, Clark & Co., London brokers, who was accompanied by A. L. Ormerod of Manchester, said the swift absorption of the new war loan by the English had been expected. Everybody had been "holding up" for the loan. Mr. Wegulin said he could not tell the object of his visit, but admitted that he expected to see J. P. Morgan.

URGES BULGARS TO FIGHT ON.

Commander in Chief Tells Army of Rejection of Peace Offer.

LONDON, Jan. 15.—Reuter's Amsterdam correspondent sends a despatch received from Sofia giving an army order issued by Gen. Jecoff, commander in chief of the Bulgarian forces, informing his soldiers of the rejection of the Teutonic Allies' peace offer "by the insatiable enemy."

"The fate of the Bulgarian people and the freedom, independence and honor of Bulgaria lie with you," the order concludes. "Our task is a holy one. In it lies our strength and power. Your bravery and endurance are sufficient to guarantee the final success of our sublime work of unification."

NEW CHINA CONTRACT HERE.

St. Paul Concern to Build Additional 300 Miles of Railroad.

PEKIN, Jan. 14.—The Chinese Government has contracted with the Siems-Carey Company of St. Paul for the construction of an additional 300 miles of railway. The line is to run from Chowkiakow, in Honan province, through Nanyangfu to Siangyangfu, in Hupeh province. The work has been begun by surveyors.

Several months ago the Chinese Government gave contracts to the Siems-Carey Company for the construction of more than 2,000 miles of railways at a probable cost of more than $100,000,000. Last October the Japanese and Russian Governments made protests against certain of these contracts on the ground that their prior rights were infringed.

FRENCH CLOSE CAFE MOLLARD.

Proprietor Fined $40,000 for Illegal Sale of Absinthe.

PARIS, Jan. 14.—The Cafe Mollard, one of the principal establishments of its kind in Paris, opposite the St. Lazaire terminus, has been ordered closed and the proprietor, Louis Mollard, has been fined more than $40,000 for selling almost 1,000 bottles of absinthe in violation of the law passed in March, 1915, prohibiting the sale of this liquor.

M. Mollard is charged with having sold absinthe at $2 a bottle under the name "elixir."

NO PAPER SHORTAGE FOUND, IT IS SAID

Print Situation Due to Manipulation of Stocks, Trade Board's View.

WASHINGTON, Jan. 14.—The preliminary report of the Federal Trade Commission on the print paper investigation will be made public early this week. The report, it is understood, will not show that any actual scarcity of print paper exists, but will hold that the present situation is due to artificial manipulation of paper stocks.

Included in the report will be a compendium of the replies from publishers to the inquiries of the commission concerning actual stocks of paper on hand and estimated requirements for this year.

As a result of the evidence obtained during the investigation the Department of Justice was asked two weeks ago to take over the inquiry with a view of ascertaining whether or not there had been any violation of the anti-trust laws.

The Department has placed in charge of the matter Mark Hyman, the special assistant who worked up the case against the Eastman Kodak Company. Mr. Hyman is now going over the evidence obtained by the commission, but it will be a week or two before it is decided whether or not to take it before a Grand Jury.

PUTNAM'S WAR TALK CAUSES TEMPEST

German Sympathizers Heckle Publisher When He Dwells on U-Boats.

George Haven Putnam told last night what he thought of the Administration's policy in dealing with the submarine situation at a meeting of the People's Institute of Brooklyn in the Jefferson Building, 4 Court Square, and as a result a quiet, academic discussion boiled up into a tempestuous argument.

The subject under consideration was "What Is America's First Duty After the War?" Among the other speakers were Herman A. Metz, Adjt.-Gen. L. W. Stotesbury and Algernon Lee, and in the audience, as it developed, was a sprinkling of persons with German sympathies.

"We should have done much more than we have done," said Mr. Putnam, digressing slightly from the main topic. "We have not even protected American lives, let alone innocent women and children and old men. The submarine has been used in killing defenceless women and children and——"

"You're off the subject!" a man with a strong German accent interrupted.

"No, I'm on the submarine and not under it," was the repartee with which the speaker came back at the heckler.

"I'm not opposed to the Germans," he continued, "but I am opposed to the Prussian theory that holds the will of the ruler to be divine. I believe in a human government. I also believe in a divinity, but I do not mix the two. The Germans of 1848 came here because they preferred the American theory of a government based on the human side to the Hohenzollern theory based on the divine side. The German ideal of 1848 will be realized at the close of this war."

There were other interruptions before Mr. Putnam concluded. Mr. Metz complained that the munition plants had stolen his workmen away from him by offering higher wages. One of his suggestions for the future was that the United States should manufacture its own cotton goods rather than export the raw material and buy it back finished.

G. B. SHAW KEEN ON BUSINESS.

Declines to Help Milwaukee Woman Violate Copyright Law.

MILWAUKEE, Jan. 14.—The drama uplifter needs first of all some business experience, according to George Bernard Shaw, who calls Mrs. Edith Adams Stewart, director of Milwaukee's Little Theatre, exasperating because she wants his permission to violate copyright and contract agreements.

Several weeks ago Maurice Browne, director of the Chicago Little Theatre, protested to Mr. Shaw because Mrs. Stewart was planning to put on "The Philanderer," asserting that he and Winthrop Ames had the American rights. In answer to that Mrs. Stewart wrote a letter to Shaw in which she asked:

"Is the hand of the great master to turn his thumbs down on us and doom poor Androcles to the beast of gold who is roaring in the arena?"

She explained to him that the theatre is based on "patience, diligence, sincerity and faith."

Mr. Shaw in reply wrote:

"Your sentiments are excellent, but you are not yet at the beginning of being a woman of business."

In a postscript he added:

"You are really a most exasperating woman. I cannot get over it. If I had room I would add half a dozen more postscripts."

The body of the letter is typewritten and the postscript is in Mr. Shaw's own handwriting.

VOPICKA LEAVES BUCHAREST.

U. S. Minister Reported to Have Left Jan. 13.

BERLIN, Jan. 14, via Amsterdam to London, Jan. 15 (Monday).—An official communication issued here to-day says the neutral Governments represented at Bucharest were requested to recall their Ministers and that they left Bucharest January 13 on a special train placed at their disposal.

The only neutral diplomats known to have remained in Bucharest when the Rumanian Government went to Jassy are Mr. Vopicka, the American Minister to the Balkan States, and the Dutch Minister. On January 5 it was announced that the German Government had asked that both be transferred, on the ground that they had been unneutral after the German occupation of Bucharest. Germany was reported to have asked merely the transfer, not the recall, of Mr. Vopicka. Secretary Lansing cabled him for an explanation.

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BRITISH LACK MEN TO WIN IN WEST

London "Times" Military Correspondent Says 60 More Divisions Are Needed.

NO CHANCE FOR DECISION

Concentration of Scattered Troops Urged by the Expert as Wise Policy.

Special Cable Despatch to THE SUN *from the London Times.*

LONDON, Jan. 14.—The military correspondent of the *Times* writes as follows upon the situation caused by the failure of peace talk:

"We ought to see clearly enough now if we have not before that our military effort on land, especially on the decisive western front, has not been adequate to secure a decision or even to deserve it.

"Some of our friends abroad boast with a tendency to exaggeration that we British have 2,000,000 men in France and suppose we shall soon win through. We might say also that France has 3,000,000 men in the field and will also soon win through, but statements of this nature serve rather to obscure issues than to illuminate them.

128 German Divisions.

"The truth of the situation in the west is that Germany has 128 divisions opposed to us and that the number of French, British and Belgian divisions is not yet such as to promise a decision in offensive war. Before the war we supposed that two or even three to one superiority was not too great for the attacker. It must be repeated again and again that we have nothing like this superiority and victory depends upon obtaining it. Over and over again in this war the Nelsonian maxim, 'numbers alone annihilate,' has been shown to be correct."

The writer urges the concentration on the decisive front of all scattered troops and proceeds:

"Lord Kitchener proposed to continue day by day and year by year the development of fresh forces, whereby it was expected that when other Powers were exhausted we should be most capable of continuing the war. This plan gradually lapsed for many reasons, the chief of which was the recruiting muddle, which even at the present day is far from being cleared.

Trade Above Victory.

"There was a party in the late Cabinet which thought more about trade than victory. To the evil influence of this party the writer has no hesitation in assigning the main responsibility for the prolongation of the war. This care for trade brought the value of our exports to $2,500,000,000 in 1916, almost a record, but what advantage accrued from reaching such a figure at the cost of a prolongation of the war no one has attempted to explain.

"The balance of power, though inclining toward our side, does not incline far enough to cause the enemy's scale to kick the beam. We have left 4,000,000 men of military age in civil life. There never was any military policy more penny wise and pound foolish."

After outlining ways of speedily obtaining more men, the writer proceeds:

"We need another sixty divisions in the west. The necessary men exist, and there is every probability that the appearance of these new divisions in the field will decide the war."

APPAM CASE IS ON THIS WEEK.

U. S. Supreme Court to Determine Ownership of German Prize Ship.

WASHINGTON, Jan. 14.—Important litigation comes before the Supreme Court this week beginning to-morrow with the hearing of cases to determine possession of the German prize ship Appam and her cargo, held at Newport News, Va.

The Appam suits involve interpretation of ancient treaties between Germany and the United States. Prominent international lawyers will appear in behalf of the German and British claimants. After capture by the German raider Moewe a year ago the ship was taken by a prize crew on a cross-Atlantic dash of 3,000 miles to Hampton Roads. The former British owners are now claiming the prize for alleged violation of American neutrality laws.

Following the Appam cases the court will hear proceedings testing validity of Kentucky corporation tax laws affecting State revenues and proposed revenue legislation.

TWO SUBMARINES CAPTURED.

Austrian Vessels Fall Into the Hands of Italians.

ROME, Jan. 14.—The capture of two submarines is reported in an announcement to-day from the War Office. The statement follows:

The enemy submarine V'-12, which the German navy ceded to Austria-Hungary, has fallen into our hands and become a unit of our torpedo squadrons. Another enemy submarine, the VT-12, belonging to the Austro-Hungarian navy, also is in our possession.

DR. VAN DYKE STARTS HOME.

Retiring Envoy Honored by Diplomatic Corps at The Hague.

THE HAGUE, via London, Jan. 14.—Dr. Henry Van Dyke, the retiring American Minister to the Netherlands, was given a cordial farewell this evening when he left The Hague for Flushing. He will sail for England to-morrow.

The Dutch Minister of Foreign Affairs, the Belgian, British, French, Italian, Japanese, Brazilian, Spanish, Swedish and Rumanian, the Apostolic Delegate, the Mayor of The Hague and others were at the station platform to bid Dr. Van Dyke good-by. On the eve of his departure he received from Paris the Societe des Gens de Lettres' diploma as a corresponding member of the society, which is considered a high literary distinction.

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WILSON MAY LIFT MEXICAN EMBARGO

Expected to Announce To-day Free Shipment of Munitions to Carranza.

PERSHING WILL RETURN

Outcome of Commission Meeting Likely to Cause Storm in Congress.

WASHINGTON, Jan. 14.—The reported plan of President Wilson to lift the embargo against arms and ammunition destined for Mexico is brewing a storm in Congress which will break with a bitter attack upon the Administration's entire Mexican policy as soon as announced officially.

The expectation is that the announcement will be made at to-morrow's meeting in New York of the Mexican commission, when announcement of the withdrawal of the Pershing expeditionary force from Mexico is also expected.

If President Wilson lifts the embargo on arms into Mexico he will be acting in the face of the advice of two American members of the commission—Secretary of the Interior Franklin K. Lane and John R. Mott. Of these Secretary Lane, at least, took up the negotiations of the joint commission favoring the lifting of the embargo and emerged from the meetings even more strongly opposed to such action.

How Guns Are Used.

Information brought to American members of the commission impressed them with the belief not only that ammunition shipped to Carranza has been turned against American soldiers and probably will be in the future but that it finds its way surely and in large quantities to the various bandits, Villistas, Zapatistas and followers of Salazar, and by them is employed not only in border forays and attacks on American troops in Mexico but in the terrorizing of foreign interests and the outraging of American citizens in Mexico.

At first disinclined to believe this, the American commissioners finally were forced to accept the charge as proved and turned a deaf ear to the pleadings of the Carranza commissioners. The latter urged that Carranza forces couldn't reasonably be expected to "get Villa" without ammunition or, though this was not put into words, with only such ammunition as it was possible to smuggle over the border.

The American commissioners took the position that Carranza hadn't been able to "get Villa" when the embargo was off and millions of rounds of Mauser ammunition was being shipped into Mexico monthly and that Villa was no better off since he was obliged to depend on Carranza soldiers for his ammunition.

Trade of Ammunition.

It was pointed out to the commissioners by men who returned from time to time from observing conditions in Mexico that regular traffic by which the "soldaderas" or women camp followers of the Carranza forces traded ammunition for food with the "soldaderas" of the Villa and Zapata forces thrives in proportion to the amount of ammunition possessed by the Carranza forces.

It was also said that trainloads of ammunition shipped to the northern part of Mexico from the south constantly are attacked and captured by Villa or other rebel leaders; that the northern forces of Carranza no sooner collect a good supply of munitions in Chihuahua or Torreon than Villa attacks the city, takes the ammunition, sacks the place and withdraws to the mountains, and that further south Carranza officers have been known to trade frequently large supplies of munitions for foodstuffs from the fertile Zapata territory.

The American bullet in Mexico is the greatest problem with which American citizens and troops have to contend. This has been repeatedly demonstrated not only through the activity of the bandits but through attacks upon Americans by Carranzistas. Every time President Wilson has lifted the embargo outrages against foreign interests have increased.

VILLA LOOTS MINES.

Takes Bullion, Money and Supplies From American Properties.

El Paso, Tex., Jan. 14.—While Villistas were actively circulating the story on the border to-day that Villa is planning a government for Mexico and has ceased his activities pending the completion of his plans, American concerns doing business in the territory at his mercy reported further depredations.

To-day officials of the Alvado Mining Company, an American concern, made the declaration that Villa has recently taken 381 bars silver bullion, worth $275,000, and looted the commissary of $40,000 money and supplies. Other American companies in the Parral country were robbed of bullion, about three tons of bullion being taken by Villa, all told.

Villa proposes Miguel Diaz Lombardo, his former Secretary of Foreign Affairs, for President in the new government which he proposes to form, according to border reports. He is said to have hopes that as soon as the American forces are withdrawn from Mexico he will be able to drive the Carranzistas out of the State, set up a government and by offering protection to Americans and other foreigners win the approval of the United States to himself instead of Carranza.

FUNSTON IN MEXICO.

General With Staff Will Review Pershing's Troops.

COLUMBUS, N. M., Jan. 14.—Major-Gen. Frederick Funston, accompanied by Capt. Fitzhugh Lee, his aid, and Lieut. J. L. Collins of Gen. Pershing's staff left to-day in an automobile for the punitive expedition's field headquarters in Mexico. A heavy infantry guard followed in motor trucks.

On his way south Gen. Funston will review various troop detachments, holding a general inspection at the camp at Colonia Dublan, where the field headquarters are situated. His trip, it is understood, may be extended to El Valle, the southernmost point of Pershing's line and 172 miles from Columbus.

60 VILLISTAS KILLED.

Carranza Troops Lost Heavily, but Defeated the Bandits.

CHIHUAHUA CITY, Mexico, Jan. 14.—The Villa chief Zeferino Moreno and sixty followers were killed in the fight on January 10 at Pilar de Conchos, forty miles north of Parral, according to details of that action received from Gen. Pablo Gonzales, commanding the Government troops in the field.

The Carranza troops lost Col. Lozano and three officers and eight men killed besides a number of wounded. They captured a small number of prisoners.

AMERICAN FLIER WINS FIGHT.

Johnston Brings Down German Aviator in France.

Special Cable Despatch to THE SUN.

PARIS, Jan. 14.—Choteau C. Johnston, an American aviator with the French army, saw his opponent fall on Tuesday after a fight with a German airplane.

Unfortunately it was not officially noted and he will not receive credit.

ZEPP ALARM KILLED AVIATOR.

Bedora Lost Control of Machine in Paris Defence Work.

PARIS, Jan. 14.—Lieut. Bedora, a military aviator, is dead as a result of injuries received in an accident on Thursday night at the time the false alarm that a Zeppelin was approaching Paris was sounded.

While adjusting his helmet the Lieutenant took one hand from the steering gear and his machine dipped on one wing. He was about to land, and as he was too close to the ground to recover his equilibrium his airplane crashed to earth. The machine gun operator who accompanied the Lieutenant was badly injured.

MEXICANS PLEASED WITH CONFERENCES

When the Results Are Made Known People Will Rejoice, Say Leaders.

ONE REASON FOR THE JOY

Government Officials Have Heard Wilson Is Handling the Situation.

MEXICO CITY, Jan. 14.—It is stated here by men high in the councils of the provisional Government and in close touch with the international situation that the result of the conferences between the Mexican and United States commissioners has been most satisfactory to Mexico. It is pointed out that when the result is made known the Mexican people will have cause for universal satisfaction and rejoicing.

These men, who have had an opportunity to become acquainted with reports and communications furnished to the heads of the Government at Queretaro, say that it is certain that President Wilson is now handling the situation personally.

They declare that the conference results came not so much through an appeal to international law by Mexico, but as an involuntary granting of rights to a civilized people and an appeal to justice.

It is stated authoritatively that before the results of the conference were reached a manifesto was prepared to be presented to the Mexican nation giving an outline of the situation should the result have been unsatisfactory to Mexico. It is thought now that within a short time a report will be made to the Mexican people giving the facts of the conference which have been adjudged favorable.

Marcelo Caraveo, a former Villa general, who was imprisoned in Chihuahua by Gen. Trevino and liberated when Francisco Villa attacked the town last September, was shot at Teotitlan del Gamino, Oaxaca, yesterday. Gen. Caraveo soon after being liberated by Villa surrendered to the Carranza authorities, and was brought to Mexico city and confined in the penitentiary. He escaped from the penitentiary last week.

The strike at Vera Cruz, which involved most of the labor unions there, came to an end to-day. The street car employees began the strike, demanding higher pay and other concessions. Other unions quit work in sympathy, and the docks and railway terminals, as well as the street car lines, were tied up.

The Mayor induced the men to return to work, as many lines of business were paralyzed. The street car employees have sent a deputation to the Governor at Orizaba to ask his assistance in reaching a satisfactory agreement with their employers.

Nova Scotia Schooner Torpedoed.

HALIFAX, N. S., Jan. 14.—The Nova Scotia schooner Harry Adams, loaded with fish from St. John's, N. F., for a Mediterranean port, was torpedoed in the Bay of Biscay, according to cable advices received here to-night. The crew took to the open boats and landed yesterday at Ferrol, Spain.

Beginning This Afternoon at 2:30
At the American Art Galleries
Madison Square South, New York
ON FREE VIEW 9 A. M. UNTIL 3 P. M.
At Unrestricted Public Sale This (Monday), Tuesday, Wednesday, Thursday, Friday and Saturday Afternoons at 2:30 o'Clock
An Extensive Collection of
Antique Chinese Porcelains
A large number of Jades, Sung and Ming Pottery, Enamels, a large collection of Snuff Bottles, Ivory Carvings, Greek and Roman Glass, Ecclesiastical Vestments and
A Number of Flemish Tapestries
The Property of Mr. Edson Bradley
of Tuxedo, New York and Washington, D. C.
The sale will be conducted by
MR. THOMAS E. KIRBY
and his assistant, Mr. Otto Bernet, of
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Combination Rink and Hockey ..... $2 to $3.50
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Also a brand new shoe of our own design, 9 inches high, and reinforced so as to give the weakest ankles strength. Priced $12.
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To-morrow (Tuesday) and Wednesday Evenings
Promptly at 8:15 o'Clock
To Be Sold at Unrestricted Public Sale
By Direction of Executors, Attorneys and Private Collectors.
In the Grand Ball Room of the Hotel Plaza
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Exceedingly Valuable
Modern Paintings
of Artistic Distinction
By the Masters of the Barbizon, Modern French, Dutch, German and American Schools, and the Remarkable Group of
Impressionist Paintings by Claude Monet
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