RUSSIANS BEATEN IN TWO DAY BATTLE

Fail to Drive Germans From Height Near Meste Canesci, on Rumanian Border.

MUSCOVITES FALL BACK

Take Up New Positions East of Jacobeni—Lose 1,200 Men to Teutons.

LONDON, Feb. 14.—After obstinate fighting which raged for forty-eight hours German troops remain in possession of mountain positions near Meste Canesci, in the Bukowina just north of the Rumanian line, which the Russians stormed two weeks ago.

Though the Germans have succeeded in getting back only a part of the ground then lost, they have taken in the last forty-eight hours more than 1,200 prisoners, three cannon, twelve machine guns and six mine throwers and have pushed the Russians back from the immediate vicinity of the Golden Bystritsa and the Rodna and Borgo passes.

The Germans were able to accomplish this, however, by bringing to bear more and heavier artillery and using more troops than the Russians could muster at that point. The Russians made a tenacious defence and once overcame all the advantage the first onrush had given the Germans.

Attack in Deep Snow

The German attack began on Monday after violent artillery fire. On a considerable front the gray clad lines started through deep snow, clambering up to the Russian positions perched upon heights. They captured one height.

No sooner had night come than a Russian counter attack to regain the height was launched. All night long Russians and Germans struggled hand to hand, hurled bombs, raked each other's ranks with machine guns as one or another bit of trench changed hands. When morning came, however, the brown clad Russians were back on the mountain top and the gray lines had fallen back, leaving 153 prisoners.

But the Germans were preparing another attack. It was launched again on a wide front and succeeded at some points. The fighting lasted the entire day and the lines swayed forward and back until finally the Russians were forced from two heights and had to retreat two-thirds of a mile to a new position, where they dug themselves in.

The Official Reports.

The official accounts of this and other fighting on the eastern front follows:

German—Front of Archduke Joseph—In the Meste Canesci sector yesterday our troops gained new successes. Several Russian positions were stormed and held against violent counter attacks. The number of prisoners rose to twenty-three officers and more than 1,200 men, the amount of booty to three cannon, twelve machine guns and six mine throwers.

Front of Field Marshal von Mackensen—Along the Sereth and Danube there were outpost skirmishes and artillery fire.

Russian—During February 12 the Germans, after violent artillery preparation, attacked with strong forces our positions on both sides of the Jacobeni-Kimpalung high road and after a number of attacks occupied a height two and one-half miles east of Jacobeni. On the rest of the front all the attacks were beaten back.

Monday night our detachments by a counter attack and after an obstinate battle lasting all night dislodged the enemy from the height and restored the position, capturing seven German officers and 146 men. In this battle the gallant regimental commander Col. Tosenke was killed.

Germans Take Offensive.

Tuesday the enemy, after strong artillery preparation and with superior forces, again assumed the offensive on both sides of the same high road. After a battle that lasted the entire day the enemy captured two heights about two and a half miles east of Jacobeni. Our detachments withdrew two-thirds of a mile and occupied a height about one mile east of Jacobeni, where they consolidated themselves.

On the remaining sectors of the Rumanian front there were scouting reconnaissances and infantry firing.

Galician Front—After very intense artillery preparation, in which shells charged with chemicals were used, the Germans in strength of more than a battalion attacked our detachments occupying positions south of Drisviaty Lake (below Dvinsk, on the northern end of the front), and broke into our trenches. They were driven back and our positions were reestablished as a result of our fire and counter attacks.

In the neighborhood of the villages of Semanki and Lecheniata the Germans discharged poisonous gases. The number of casualties has not been ascertained.

Monday night the Germans attacked our positions in the region north of Kiselin (in Volhynia, northwest of Lutsk). They were stopped by our curtain of fire. In the region northwest of Cieksinets our detachments after an obstinate struggle occupied the near edge of a crater formed by an explosion.

Our airplanes dropped bombs on the Povrusk railway station east of Kovel and on the depots north of the Povursk station. Bombs were dropped on the station at Rodenrois, east of Riga; on the little town of Lihinhof, in the vicinity of Friedrichstadt; on Valeika, the village of Sviatica, north of Vygonov Lake, south of Kiselin; on Radsivilov and in the regions south of Brody. In the Riga region, south of Friedrichstadt and west of Dvinsk three enemy airplanes caught by our fire were forced to descend behind the enemy lines. East of Kovel Pilot Captain Kostratzki fought six aerial engagements with German machines.

88 SURVIVORS LANDING.

Sinking of Steamer Azul and Sailing Vessel Eudora Indicated.

LONDON, Feb. 14.—Thirty-eight survivors of the British steamer Azul and the sailing vessel Eudora, which were sunk by a submarine, are coming ashore.

The name of the place where the seamen are landing evidently has been deleted by the censor in London. The Azul, a steamer of 3,074 tons, was reported February 12 by Lloyd's as probably sunk. Twelve survivors from the vessel had been rescued, the despatch said. The steamer was last reported as having sailed from Buenos Ayres January 1.

There are two sailing vessels named Eudora—a four masted British schooner of 1,992 tons and a three masted Norwegian schooner of 215 tons. The British Eudora was last reported in Buenos Ayres.

RYNDAM BACK AFTER 6,000 MILE CRUISE

Captain Took Responsibility of Returning, Although She Was Near Europe.

The Holland-America liner Ryndam, which docked yesterday after a cruise seaward and back of about 6,000 miles, might have continued on her original course toward Falmouth and Rotterdam if the United States Government wireless station at Arlington, Va., had not philanthropically sent out the boundaries of the blockade zone in which German undersea boats will sink all neutral vessels without warning.

Capt. Willem Krol, after his wireless operator had given him the Arlington warning, called his officers together, plotted out the restricted area and found that they could not get to Rotterdam without going through the zone, and that the only other ports open to them seemed to be Vigo, Spain, and Bergen, Norway.

The skipper then decided that he would rather turn back to New York than take doubtful chances at ports that might have little or no coal. So on his own responsibility, when he was 140 miles from the danger area and 400 miles west of the Irish coast, he headed for Sandy Hook. The passengers did not know what was happening until noon the next day, when the skipper addressed them at luncheon, telling about the new German order and that he thought it best for their safety to land them in New York.

Some passengers were much disappointed, but most of the twenty Americans took the decision good humoredly and were glad to get back. Fifteen voyagers engaged passage by wireless aboard the Scandinavian-American liner Frederik VIII., which left here yesterday afternoon. The Ryndam had ample coal for the fifteen day excursion and plenty of food. She brought back a large quantity of wheat and flour consigned to the Netherlands Government.

THINKS AMERICANS SAFE IN GERMANY

Berlin Trade Association Sees No Reason to Be Alarmed or Hysterical.

BERLIN, via London, Feb. 14.—An appeal to Americans in Germany not to become alarmed and to conduct their business as usual is contained in the weekly bulletin of the American Association of Commerce and Trade, an organization representing American business interests in Germany. The bulletin says:

"Americans resident in Germany should always bear in mind that during the present war reports and information reaching Germany must pass for the greater part through cables and censorships of nations waging war on Germany. It is not to be supposed that these nations will permit favorable reports to reach the ears of Americans residing in Germany or countries allied with Germany. We say without the slightest hesitation that reports of every nature must be taken with a grain of salt. We cannot know definitely what the situation is, and certainly cannot know the intentions of those who are at present at the head of the Government of the United States. It is our belief that they do not desire war with any nation in the world, and certainly the traditional friendship of more than one hundred years between Germany and the United States is a good guarantee that these relations should continue.

"At the present time we cannot see any reason why Americans should become alarmed or hysterical and neglect or abandon their business. We know there are many Americans in Germany, owners of businesses or representatives of firms, who would suffer almost irreparable loss should they leave the country. Establishments once closed and the personnel dispersed will have difficulties in reopening, and many years of valuable labor would be lost.

"No matter how the situation may develop we believe Americans in Germany, who conduct themselves properly and circumspectly, will have nothing to fear and will in no way be disturbed. The treaty of 1799 between Prussia and the United States, as well as subsequent treaties between the two countries, guarantee full protection to the citizens of the respective countries."

The association is continuing its activities as usual and American firms in Germany are also carrying on their business. Only three or four members of the American dentists colony in Berlin, which is quite numerous, have left Germany, and the remaining Americans in the German capital are apparently settling down to their usual routine after the flurry following the breach of relations with the United States.

HEAVY FIGHTING IS RESUMED ON CARSO

Italians Repulse Attacks of Austrians in St. Peter District—Big Guns Active.

LONDON, Feb. 14.—Artillery and raiding operations along the Austro-Italian front are reported in the Vienna headquarters statement of February 13 as follows:

In the Vippach Valley (Carso Plateau), lively artillery engagements continued yesterday. The Italians fired numerous gas grenades. Hostile attacks from the district of St. Peter were repulsed. The number of prisoners brought in south of the Coalba Gorge has increased to three officers and eighty-eight men. Near the Tonale Pass (Trentino front) our troops surprised a hostile point of support and took prisoners twenty-three Italians.

The Austrian headquarters report for February 12 announced the capture in the Coalba Gorge operation of two officers and about sixty men, with one machine gun, two "pistol machine guns" and one mine thrower. It also reported rather lively artillery activity on the Carso and in the Vippach Valley and successful raiding operations in Tyrol.

The Austrian Admiralty announces:

On the afternoon of February 11 a group of our seaplanes undertook a successful reconnoitring raid to Avlona (Albania), Santi Quaranta and Corfu. Another group of seaplanes in the early morning hours of February 12 attacked torpedo boats and military objects at Brindisi (in Italy, on the Adriatic). Hits were obtained with bombs. All the seaplanes returned undamaged.

The Italian War Office says:

Our artillery fire has again reached and hit the station at Tarvis. In the zone north of Sober, in the Gortia district, an enemy attack last night was completely repulsed.

Enemy aviators dropped a few bombs on Le Vallone, on the Carso, and on the Laguna di Grado. They were driven off by our artillery and pursuit airplanes.

BRITISH WIN MORE GROUND ON SOMME

Capture Fortified Post Near Grandcourt in New Attacks With Large Forces.

FIGHTING VERY BITTER

Germans in Dugouts Refuse to Surrender and Many Are Killed by Haig's Men.

LONDON, Feb. 14.—Fighting on the Ancre and Somme fronts continued today, with the British the aggressors. Haig's men captured a German fortified post near Grandcourt, south of the Ancre, but north of the Ancre the German statement reports that the British were repulsed.

These British attacks, made in strong force, were aimed at the capture of the stronghold of Serre village, where the Germans have held out stubbornly since the beginning of the Somme offensive last July. The British advanced twice and reached the German trenches, but were thrown back after desperate hand to hand fighting, Berlin says.

On the remainder of the front in France and Belgium there has been great activity by patrols and artillery in which the troops of all four armies—German, British, French and Belgian—engaged. The official statements issued to-day follow:

Large Forces in Attack.

German—Army group of Crown Prince Rupprecht: On the north bank of the Ancre the enemy after a very violent artillery preparation continued his attacks, employing strong forces of infantry. Before noon two attacks were made south of Serre. Both were repulsed in hand to hand fighting. Enemy detachments which gained a footing before our front were driven away at the point of the bayonet. Our artillery directed an effective annihilating fire against further reenforcements north of the Ancre, and in the afternoon south of the river, which were observed to be held in readiness.

As far as the Somme and also in other sectors there was violent artillery fighting.

Army group of the German Crown Prince: We made successful reconnoitring advances in the salient at St. Mihiel and on the west slope of the Vosges.

Enter German Trenches.

British—During the day we captured an enemy strong point southeast of Grandcourt and took a few prisoners. Another very successful raid was carried out this morning northeast of Arras. We penetrated 250 yards into the enemy's defences and reached his third line of defences. Two machine gun emplacements and a number of dugouts were completely destroyed. Many of the enemy were killed in the dugouts, which they refused to leave. We captured forty prisoners and a machine gun. Our casualties were very light.

We also entered the German lines last night on the Somme and northeast of Ypres and inflicted considerable casualties.

A hostile raid attempted east of Armentieres during the night was repulsed. A second enemy party reached our trenches south of Messines, but was quickly ejected.

Three of the enemy's ammunition dumps were exploded to-day by our artillery fire. North of Ypres we caused a fire in the enemy's lines.

One German airplane was destroyed in the air fighting yesterday on our side of the line and one of our machines was brought down.

The French Report.

French—East of Rheims we carried out a surprise attack in the sector of Prosnes. The two artilleries were active during the day in the regions of Les Maisons de Champagne and St. Hilaire, and also on the left bank of the Meuse in the sectors of Hill 304 and Le Mort Homme.

In the Woevre our batteries destructively shelled enemy organizations north of Flirey. The day was relatively calm everywhere else.

German airplanes in the evening dropped bombs in the region of Dunkirk. Several of the civil population were killed and others were wounded. Nancy likewise was bombarded by airplanes this morning. There were no casualties.

Last night our air squadrons dropped projectiles on aviation grounds at Etreillers (Aisne) and Rancourt (Somme), on the railway stations at Athies, Hombleux, Voyenne, Curchy, St. Quentin and Ham, and also on manufactories east of Tergnier, where several explosions occurred.

The Belgian Report.

Belgian—Last night an enemy attack on our posts east of Pervyse failed. To-day there was an artillery duel along the whole front.

The French afternoon statement says:

Patrol encounters occurred last night in the region of Soissons and in the Champagne, near Tahure. In Lorraine an attack by the enemy in the sector of Baccarat was broken up by our fire. In Alsace, east of Metzeral, we made a successful surprise attack and took prisoners. Elsewhere on the front there was intermittent artillery fighting.

This morning a German aviator dropped bombs on Dunkirk. There were no victims and no damage was done. In the vicinity of Pompey (Meurthe et Moselle) bombs were dropped. Two civilians were killed and two were wounded.

GUARDSMAN KILLED BY CHUM'S BULLET

Accident on Aqueduct Patrol While Hunt Was On for Mysterious Stranger.

KINGSTON, N. Y., Feb. 14.—Private Hugh Taylor of Company C, Tenth Infantry, which is guarding New York city's water supply near Forest Glen, several miles south of here, was shot and almost instantly killed by another private late last night while a squad of soldiers were chasing a stranger found lurking behind a tree. A squad of Company C in command of a sergeant had been ordered out by Capt. Harry Anderson to investigate flashes of light on the mountainside, which are believed to have been signals and in some way connected with the two civilians with flashlights who were chased from a culvert before dawn that morning.

A military investigation by Lieut.-Col. Albert Saulspaugh and Capt. Pancoast Kidder, regimental adjutant, in which Coroner Ernest A. Kelly took a hand, resulted in a decision that death was accidental. The name of the private who shot Taylor is being withheld. He is near a nervous breakdown, as he and Taylor were warm friends. The body of Private Taylor was sent to his home in Albany late to-night. A sister survives.

The private whose bullet killed Taylor said he had stumbled after crossing a hedge, but could not be sure what discharged his piece.

ARMY OFFICERS CUT IN HOUSE REPORT

Reduction From 1,000 to 250 Made by Military Affairs Committee.

HITS THE DEFENCE ACT

General Staff's Plan for Universal Training Laid Before Baker.

WASHINGTON, Feb. 14.—Further inroads by the "small army" members of the Military Affairs Committee into the preparedness programme laid down in the national defence act of last year are brought to light by a study of the bill as reported by the committee. Consideration of the bill will be taken up in the House to-morrow.

The national defence act called for annual increases in the professional army, both as to commissioned and enlisted personnel. It was realized when the act was passed that the increase in the enlisted personnel, except in time of national emergency, would be problematical and certain changes were made in the laws governing enlistments with a view to bringing a larger number of recruits into the army.

At the same time it was frequently emphasized in debate that the important part of the personnel provided involved commissioned officers, as the finished officer is the product of several years training and the efficiency of the enlisted man is regulated wholly by the training of his officer.

With this in view the act was framed in such a way as not to limit the commissioned personnel by the success in recruiting of the enlisted force of each annual increment.

Limit on Officers.

The bill recently reported amends the act by limiting the appointment of commissioned officers for each annual increment to the requirements in tactical strength of the enlisted personnel available. The net result of this is a curtailing in the number of officers which the President is authorized to appoint from 1,000 to 250.

Commenting on this George H. Myers, secretary of the Army League, in a statement to-day says:

"The provision reduces the number of officers that the President was authorized to appoint under the national defence act on July 1, 1917, from 1,000 to 250. This is done by requiring the army to be enlisted to the strength provided for in the second increment of the defence act before the officers can be appointed.

"While plans were being discussed for raising a volunteer army of 500,000 in the event of war the committee took steps to reduce the number of trained officers. The country will be in greater need of trained officers if it continues the volunteer system than if it adopts any universal military training policy. Under any system it is recognized by those who have given any thought to this subject that we will have a shortage of officers.

"The committee in adopting this anti-preparedness amendment recommended a bill which was introduced by Representative Tilson of Connecticut, who served as a colonel of a National Guard regiment on the border. Col. Tilson's bill proposes that a corps of officers be developed for the training of a force of citizen soldiers. To a great extent it separates officers from the organizations of the regular army. It fixes their rank on the length of their service and makes it possible to use them in the training of citizens without interfering with the efficiency of the regular army.

"Col. Tilson's bill would not only reduce the expenses to the Government of the future increments of the army but would make it necessary for an officer to serve so many years in the army before he would be promoted."

General Staff's Proposal.

A detailed plan for the establishment of a national policy of universal military training and service was laid before Secretary Baker to-day by the Army General Staff. It differs radically from that provided for in the Chamberlain bill, in that a full year of training would be required as the absolute minimum. The Senate bill is based on six months training.

The staff bill was submitted to each of the thirty-six members of that body and represents their opinion. It is understood to have been worked out in much greater detail than the Senate bill, which leaves wide departmental power to prescribe regulations.

Secretary Baker has indicated that the recommendations of the staff will be made public later, even in the event that the plan does not receive the Administration's approval, so that it can serve as a basis for discussion before the country after the adjournment of Congress, and can be compared with the Senate plan. Advocates of universal service have urged that a referendum be taken when public sentiment has been crystallized on the question.

In numerous public addresses Secretary Baker has made references to compulsory service which have been interpreted by some army officers as an indorsement of some such system, but neither he nor President Wilson has definitely committed himself. With the staff and Senate bills now available many officials believe the question will receive serious consideration at the White House, particularly in view of strained international relations.

President's Influence.

There has been little prospect that the matter will be brought to a definite issue before the next session of Congress, but it is pointed out by advocates of such legislation that if the President should recommend passage of a universal service bill the present Congress could hardly avoid a vote on the subject.

The staff bill, which is understood to have been modelled on the Argentine military system to some extent, was drawn by a committee of four officers of the General Staff, headed by Col. Lockridge. Ten attached officers, on duty at the War College, aided in the work.

Estimates of cost and numbers were included in the report of this committee, which was subsequently handed to every officer of the General Staff for his indorsement. Minor differences of opinion developed, but on the urgent desirability of passing a universal service bill the staff officers are said to be unanimous in their belief that the country can have no assurance of adequate defence unless some such system is provided.

Germans Come From Panama.

The United States transport Kilpatrick, which came in yesterday from the Panama Canal Zone, brought ten subjects of the Kaiser who had been employed there. Some of them may be sent to Ellis Island to determine their status, but it is likely most will be allowed to land to-day, having been admitted into the country before going to work on the isthmus.

DESTROYER FINISHED WEEK AHEAD OF TIME

Navy Yard Makes a Record in Turning Out the Sampson, Largest of Class.

Although navy yard officials and the 7,000 workmen under them are still haggling over the question of double pay for overtime, long distance telephone communications to Washington notwithstanding, a vast amount of work is being done at the yard in record time. As an instance of this the destroyer Sampson, newest and largest vessel of her class, was able to leave the yard yesterday, a week ahead of time.

The Sampson, Lieutenant-Commander B. C. Allen commanding, left the yard early in the morning, an hour after sealed orders had been received. It was a double surprise—the speedy completion of the repair work which made her departure possible at this time and the order to leave within the hour for a secret goal. If the work on the cruiser Birmingham and the six submarines now at the yard has been rushed with equal speed they too ought to be ready soon for seafaring.

It became known yesterday that the narrow avoidance Monday of a general strike as a result of the long distance telephone talk with the Navy Department in Washington was due to a concession on the part of the discontented workmen in the matter of deferring demands for a few days. The men were influenced too, it is said, by Rear Admiral Usher's order that those refusing to accept time and a half for overtime, pending adjustment, would be regarded as unpatriotic.

OLD ARIZONA SAILORS TO GO.

Battleship Soon to Leave Yard; Will Be Manned by Young Men.

A request that has quickened the pulses of the younger sailors aboard the battleship Arizona, now at the navy yard, but is received with grumbling by some of their older comrades because each sees a promise of trouble in it from which the old timers are to be excluded, has been made by the ship's commander, Capt. John D. McDonald. The older men are requested to apply to the Navy Department for places in the Naval Reserve ships, so that their places on the country's newest and most formidable fighting craft may be filled with younger men.

The request also discloses that repair work on the Arizona, like that on the destroyer Sampson which left the yard yesterday, has surpassed expectations in the matter of speed. The Arizona stripped her turbines several months ago and it was feared she would not be ready for active service before April. It is now said the work will be completed in a few days.

SOCIALISTS ATTACK MILITARY TRAINING

Assembly Hearing on Preparedness Measures Enlivened by Much Talk.

ALBANY, Feb. 14.—Lieut.-Col. Frederick A. Wells of Brooklyn, who served on the Mexican border with the Twenty-third Regiment until he resigned to run for the Assembly and is chairman of the Military Committee, defended the service of National Guardsmen on the border against attacks of the Socialists at a hearing to-day on the Shipiacoff bill to repeal the Stivers conscription law and the Slater military training act.

The committee also heard arguments for and against the Meyer bill for compulsory military camp service and the Welsh bill extending military training provisions of the Slater act to all working boys between the ages of 16 and 19. The effect of the latter bill is to provide for not more than three hours of military training a week for every boy, instead of only to school boys of the prescribed ages.

The Socialists, headed by Assemblyman Shiplacoff, rapped everything and everybody connected with the National Guard and militarism generally. Col. Wells insisted that the unfair criticism would not be tolerated. There were pacifists, Quakers and Socialists lined up against all the preparedness measures. They included Winter Russell of New York, Dr. Henry Newman of Brooklyn, James Danahym, a Columbia University student; Edward Thomas, Miss Caroline Brooks, Mrs. Helen Fisher and Mrs. Bella Neumann.

The Socialists intimated that they would go to jail in preference to obeying the laws the legislators proposed. Dr. John H. Finley, chairman of the Military Training Commission, smiled while the Socialistic pyrotechnics were illuminating the Assembly Chamber, and in discussing the bills explained their purpose. Half a dozen other speakers favored the bills including Dr. Thomas A. Storey, State Inspector of Physical Training, and Mrs. C. Fisher Meyer of New York.

"We believe it most essential," said Dr. Storey, "that the youth of our State should receive proper physical and military training. We recognize the wisdom of giving force and effect to the provisions of the Constitution of the State in relation to the defensive forces of the State. We believe that this training is necessary to bring to the youth of the State a realization of their duty and obligation to their fellow men and to their country."

Children Killed by Bombs.

BERLIN, by wireless, Feb. 14.—A despatch from Bruges, Belgium, to the Overseas News Agency says that sixteen children were killed last Saturday by bombs dropped by British aviators in a crowd of skaters.

HALF BILLION IN STOCK GAMBLE

Continued from First Page.

tained from the banks. It was thought that those firms had borrowed $450,000,000, I wanted to see where we were at. I felt that the prices were going too high and that there was too much speculation.

"One of my friends expressed the opinion that we were on the eve of a much larger speculation. I said I hoped to be out of the business before it came. But what gave me the greatest concern at the time was the lack of short interest in the market."

Mr. Bache said that no opinion was expressed at the meeting as to whether stocks would go up further, nor was there any argument as to a drop. "Everybody was there to get facts and to make his own opinion," he said. In answer to Mr. Whipple's request Mr. Bache gave the following figures as to the number of stocks held on long accounts and the short interest for the following days:

	Long.	Short.
December 18	724,800	34,100
December 19	716,300	36,900
December 20	749,100	39,800
December 21	755,900	40,000
December 22	784,600	40,300

Mr. Bache explained that in the short interest was a big block of United States Steel common that had been sold for a customer abroad but which could not be delivered because of the war. Mr. Bache said that none of his customers was an employee or an official of the Government.

In the morning George A. Ellis of Hutton & Co., who had testified in Washington, was recalled. He said in answer to questions that E. F. Hutton had started for Savannah to leave on his houseboat for a long trip. That was because of ill health.

Mr. Whipple Shocked.

Mr. Whipple wanted to know the condition of Hosmer Barrett and was shocked to learn that the witness, having recovered from an illness that required two nurses, had gone to Memphis, Tenn., because of illness in the family. Mr. Whipple desired to get more information in regard to the telegram that had been sent by J. Fred Essary, newspaper correspondent in Washington, over Connolly & Co.'s private wire on December 20 forecasting the President's peace note. Mr. Whipple got Mr. Ellis to admit that Mr. Hutton probably had seen that message.

The absence of the two brokers aroused the anger of Mr. Whipple. He made a statement to the committee asking whether it would not be wise to issue subpoenas for the two men. He said:

"Mr. Hutton has not been finally dismissed. We understood that he was always available. I am astounded that he has left town. The committee is now confronted with a startling situation.

"Connolly on the witness stand in New York swore that he, and he alone, was the author of the Washington telegram. It has been proved that he was not the author. He testified in the presence of Mr. Hutton, and this could not have escaped his attention.

"It appears now that Hutton must have seen the telegram signed 'Essary.' Therefore Hutton knew when he heard Connolly testify that he was not telling the truth and that a misstatement was being foisted on the committee. Some time ago it was advertised that the committee would resume in New York, and Mr. Hutton found it convenient yesterday to go South. If he were here, in view of the allegations of frankness made by him and the members of his firm, he might give his views."

Rebukes Administered.

Though an executive session was suggested it was not held until the noon recess. After that Mr. Whipple made another statement severely censuring Mr. Hutton and Mr. Barrett and announcing that the men would not be called as witnesses unless they chose to return to the city of their own accord. Concerning Mr. Hutton he said:

"This committee in its report can make the inferences which circumstances and the absence of Mr. Hutton would seem to justify, and thus Congress will have all of this matter that seems necessary for them to deal with; but if Mr. Hutton and the members of his firm do not think it to their advantage that this gentleman [Hutton] should come here and lay before this committee the benefit of his knowledge the responsibility must rest with them, and rest with them alone."

Concerning Mr. Barrett Mr. Whipple said that Mr. Barrett was apparently selling stocks short on the morning of December 20, and continued:

"Mr. Barrett apparently is the only man who can lay information before this committee which would exonerate his firm from the inferences which must otherwise be drawn, but the committee can and perhaps are bound to make the report, upon the inferences from existing facts and the absence of Mr. Barrett under these circumstances, that neither he nor his partners wish to justify themselves before the country and before this committee from the inferences that otherwise must inevitably be drawn. The responsibility therefore, it has seemed to me as counsel for the committee, must rest upon the firm alone."

Mr. Content's Statement.

Harry Content produced a statement of his accounts between December 11 and 22 inclusive. He said he knew of no men in official life who had accounts with his firm. He was questioned about his own dealings during the week of the peace talk and he explained that he had been short of stocks up to December 20, but had gone long. "I think that on December 21," he said, "I lost about $35,000. I heard we were on the verge of war and I sold everything."

Mr. Content said that the only advance information he had about the peace note had come over the stock ticker on the afternoon of December 20. He was asked next about Mr. Lawson's account with his firm. In answer to questions he gave an account of Mr. Lawson's dealings as follows:

	Bought.
December 18—1,000	Chile Copper
500	Smelters
200	Industrial Alcohol
200	Marine preferred
December 21—3,000	U. S. Steel
	Sold.
December 18— 200	Marine preferred
200	Industrial Alcohol
500	Utah Copper
December 20— 500	Chile Copper
2,000	U. S. Steel
December 21—2,000	U. S. Steel
200	Industrial Alcohol
500	Utah Copper

It was on December 20 that the tip on the peace note was put out. Mr. Content explained that between December 11 and 23 Lawson bought 23,700 shares of stock and sold 26,600 shares. He explained that these figures included 5,200 shares which Lawson had sold short on December 9.

Mr. Content said that on December 22, taking into consideration certain stocks still held by Mr. Lawson, the Boston man's profits were $27,000. Down in Washington Lawson could not guess within $500,000 what he had made on the slump in prices.

Lawson "Always Peculiar."

Representative Garrett gave an unusual twist to the inquiry by asking Mr. Content: "Do you know of any peculiar conduct that marked Mr. Lawson's life since the death of his wife?"

"He was always peculiar," said Mr. Content.

"Do you know whether it was a custom to have a plate set at table for his wife?"

"I never heard of it."

"Have you heard that he always purchases a seat for his wife when he goes to the theatre?"

"I don't believe that, for I have gone to the theatre with him."

J. B. Regan, proprietor of the Hotel Knickerbocker, who testified during the afternoon, said that he knew intimately Mr. Tumulty, the President's Secretary. He testified that Mr. Tumulty stopped at his hotel on December 2 and 3 and on December 17 and 18. When Secretary Tumulty arrived on December 18 Mr. Regan had met him at the station with an automobile and taken him to the Knickerbocker.

"He dined with me as my guest that evening," said Mr. Regan, "and I saw him the next day for half an hour."

Mr. Regan said that he was accustomed to speculate in stocks and among his other ventures 1,000 shares of United States Steel bought on December 22 and sold on the following day. He said he received no hint of the forthcoming peace note from Mr. Tumulty on December 17 or 18. He explained that Mr. Tumulty had come on to New York to attend a Lambs gambol and was asked by one of the Congressmen to describe a gambol for the record. Mr. Regan did so.

Mr. Regan said that he was not in any syndicate or pool for dealing in stocks at any time.

Other Witnesses Called.

Among other witnesses called during the day was Charles I. Hudson of C. I. Hudson & Co. He said he had no Government clerks or officials among his clients. Stuart S. Gibboney, mentioned in Lawson's gossip aas a go-between for Secretary McAdoo and his brother, Malcolm McAdoo, denied that he knew Malcolm McAdoo. He had no information concerning the peace note and he did not deal in stocks. He was a friend of Secretary McAdoo, socially and politically.

J. Horace Harding of C. D. Barney & Co. denied emphatically that any Government official, Secretary McAdoo or Mr. Gibbóney had any dealings with his firm. He had no foreknowledge of the peace note except what appeared on the stock ticker. He had not filed with the chairman of the Stock Exchange Clearing House any statement of his customers' accounts and was unwilling to do so except on the express promise that nobody but members of the committee should see that list.

Frederick R. Lockwood of F. M. Lockwood & Co. and Louis Sterling of Logan & Bryan were the last two witnesses of the day. Both denied having any Government clerks or officials on their list of customers. The inquiry will be resumed at 10 o'clock this morning at the Custom House.

FIFTY VESSELS RELEASED.

Passage Opened Through Ice to Chesapeake Bay.

BALTIMORE, Feb. 14.—A city ice crushing boat managed to get to Annapolis to-day and broke a channel through the Severn River to the Chesapeake. Fifty sailing vessels marooned there for two weeks got ready to leave.

No oysters have been received from bay ports for more than a week except a few over the eastern shore peninsula. Tributaries of the Chesapeake are frozen and heavy supplies are being hauled over the ice by teams. It was possible to-day to walk from Fort Howard, two miles out, to Fort Carroll, an island fort.

LEAVES MUTINEERS BEHIND.

Dutch Tank Steamer Sails for War Zone With Mixed Crew.

The Dutch tank steamer J. B. Augkesler, unable to sail for France with 45,000 barrels of oil from the Tide Water plant in Bayonne on Tuesday because forty-five Chinese of the crew mutinied, sailed yesterday with twenty-eight of the Chinese and the places of the seventeen others filled by English speaking sailors.

The seventeen Chinamen left behind because they led the trouble were removed to Ellis Island, where they will be detained for deportation.

PROGRESSIVES SEEK SPEECH BY WILSON

Will Invite President to Address Them as a "Liberal Democrat."

ATLANTA, Ga., Feb. 14.—After a conference of Progressive leaders here today, at which plans were laid for the South to be well represented at the national Progressive conference at St. Louis April 12, Mathew Hale, chairman of the Progressive National Committee, announced that President Wilson would be invited to address the St. Louis conference.

The President will be invited as a "liberal Democrat" and Hiram Johnson, Senator-elect from California, also will be asked as a "liberal Republican," Mr. Hale said.

John M. Parker of New Orleans, who was candidate for Vice-President on the Progressive ticket, told the conference to-day that national prohibition, woman suffrage and universal military training should be among the planks which Progressive leaders should put before the country in 1920. Resolutions adopted recommended that the St. Louis convention consider these subjects and among others those of uniform marriage and divorce laws, nationalization of the public school system and public ownership of public utilities.

Other resolutions adopted pledged the delegates to stand behind the Government as "good Americans" in the present international situation and against "compromise with reactionary elements" of other parties, but to invite cooperation of "liberal elements."

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361 " " $6.50
69 " " $7.00
57 " " $8.00
94 " " $8.50

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$5.00 Sweaters; now $3.98

$4.00 Bath Robes; now $2.98

$1.50 Flannelette Pajamas, 85c

$2.00 Lined Gloves; now $1.50

$5.00 Silk Reefers; now $3.00

Kayser's Leatherette Cloth Gloves, 65c

Tan Cape Gloves $1.25 (all sizes)

Gray Mochas, $1.25 (7 to 7¼ only)

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