from an exhaustive investigation which has been begun.

The belief here is general that Germany knew that troops were en route shortly after they left port. But the question of how the news got over there remains unanswered. There remain only two possibilities, according to officials here, one being that some official of a neutral Government friendly to Germany managed to get the flash over in cipher and the other being the dreaded "dummy" cable message to a neutral country.

Although there is the sharpest supervision over cables by the censors, it has proved impossible to check these dummy cables, despite every form of vigilance. By means of a prearranged code a spy might send an innocent routine business message to a firm in Holland or a Scandinavian country, or a routine personal message, which translated by the receiver, would indicate that the transports had left and that the news was to be expedited to Berlin. Once cables are received in neutral countries there is no check over them.

Second Contingent in Danger.

The attack on the transports on June 22 and the grave danger to which other contingents of the expeditionary force were exposed now explain why the Navy Department and the War Department were so amazed and deeply concerned when the news was cabled on June 27 that the second contingent had arrived at a French port.

To naval experts this was regarded as virtually tantamount to informing the German U-boats just where to strike at the American troop ships. The news report, it now develops, fairly electrified Secretary Baker, Secretary Daniels and their advisers, because they knew that at precisely this time American troop ships were either in the war zone or about to enter it.

It was felt here that the German Admiralty would certainly know the French port to which the transports were going and with this added information could practically draw a line of operations for the submarines to operate collectively.

Officials here knew that the last contingents of the Pershing force were due to arrive about to-day. This virtually made a week of anxious suspense. Only this afternoon when Secretary Baker was asked why he held back announcement of the transports' arrival replied in a manner clearly showing that his anxiety had not been removed.

London Investigation Centre.

It has developed that an effort apparently was made to announce the arrival of the first contingent on Tuesday morning. The second announcement on Wednesday was so worded, it is said, as to indicate clearly that the sender of the despatch believed a first preliminary cable despatch had got through and been published.

But the centre of the investigation will be in London. So far there is nothing definite here to show where the responsibility for permitting the news to get out should be placed. Press reports indicate that Reuter's News Agency is not held blameless for having disseminated the news after its publication was permitted and it is likewise reported that Major-Gen. Pershing himself had admonished the Associated Press for having sent the news to America. But the investigation will go deeper than this. It is desired to know how it was possible for either of these news agencies to obtain permission to cable the news, and particularly why the news was permitted to be published in London.

So far as informing Berlin was concerned there could scarcely have been a more direct method than by publishing the news in the London newspapers. Highly paid German agents watch the London newspapers like hawks, as soon as they get hold of them in neutral countries, and then they have carte blanche to send anything they please to the Berlin Foreign Office. These agents, it has been learned, operate, as a rule, from Holland, where it is a simple matter to speedily keep Berlin informed.

One result of this premature publication probably will be the establishment of an American censorship on inbound cable despatches. So far as can be ascertained the British authorities fully concur in the indignation of the American Government over the affair. The essence of censorship, both Governments believe, is keeping valuable military information from the enemy. In this case the news was virtually communicated to Berlin. To the American army officers it was like telling the Germans where to go to "get them." It is regarded as miraculous that the American expedition has escaped.

DISASTER ON TIGRIS BLAMED ON LONDON

Continued from First Page.

its capture. The question appears to have been threshed out by an interdepartmental committee in London and the combined staffs, and all the military authorities in London and India, and, so far as I then knew, in Mesopotamia, were in agreement that Gen. Nixon's force was adequate for the capture of Bagdad, but not sufficient to insure its retention. In consequence presumably of this united opinion the advance upon Bagdad received the sanction of his Majesty's Government."

Turning to the medical arrangements Lord Hardinge said: "It cannot be denied that the wounded coming down the river suffered terrible hardships and privation. I share entirely the horror and indignation the revelation of these sufferings has created."

Owing to the conflict between the rumors and the official reports Lord Hardinge instituted investigations which resulted in a report that was incorporated in the commission's report. The only observation he could make was that the sending of hospitals and personnel to other theatres of the war had exhausted an organization which had never been intended for operations outside of India.

Regarding the shortage of river transport Lord Hardinge asserted that the army had strained every nerve to collect steamships from India, Burma, China, Egypt and even the Thames, but owing to storms and the light draught of the boats required a large proportion foundered on the way.

Why He Ignored Council.

Much of the newspaper criticism had been based upon the extent to which the former Viceroy had conducted business with the home Government by private telegrams, ignoring the Indian Council. He explained that he had inherited this system from three successive Secretaries of State for India and had found it convenient and expeditious. The members of the Council had made no complaint concerning it.

Lord Hardinge concluded that so far as personal imputations were concerned he believed his record of service was the best reply.

"I may have failed in my endeavor, my lords," said he, "but such a verdict should be given only in the light of India's military effort taken as a whole and of the internal situation in that vast empire, and it should be indorsed not only by my fellow countrymen here but by my fellow subjects in India, to whose continued confidence and good opinion I attach the highest value."

After Lord Haringe's explanation the House passed to the next business on a statement by Earl Curzon that the Government was not yet fully advised as to the steps, disciplinary or otherwise, which might be necessary. He hoped that the discussion would be resumed next week.

HERO CAPTAIN TELLS OF FOILING U-BOAT

Aspinwall Describes How He Ran Ship Aground After Three Hour Battle.

BRINGS THRILLING TALE

Admits His Legs Felt Like Macaroni, They Were That Wabbly.

"Don't talk to me about heroes! I'd like to see the man who feels all right when shells from a submarine are potting his ship and busting around his precious head. My throat was just a lump and my legs felt like macaroni, they were that wabbly. But we saved her, boy—we saved her!

"And when we ran the Pancras ashore and the sub. that had been chasing us for three hours saw the game was up I shouts to the sorehead captain of the U-boat, 'So long, you sauerkraut eating old dear; I wish I'd got you!' He snarls back through the fog, 'English pup!' or words to that effect, in my own language and better than I speak it; drops back into his lovely old tub and down she dives, and that, thank God, is the last we saw of her."

Thus Capt. William Aspinwall of the Booth steamship Pancras, which arrived at an American port Monday night with a properly attested yarn of a battle with a German submarine in the Mediterranean. In this battle the submarine fired thirty-seven shots, but wounded only one man and scarred the Pancras only to the extent of a halliard shot away. The Pancras replied with a dozen shells without—score one for a skipper honest enough to admit it—hitting the raider so far as any one could see.

Ran His Ship Aground.

With a second U-boat whistling signals to the attacker Capt. Aspinwall ran his ship aground on the Spanish coast and the German had to turn back. But the Pancras was floated undamaged and is ready to set forth again.

Aspinwall is the same Liverpool skipper who in 1914 received a gold watch inscribed:

From the President of the United States to William Trow Aspinwall, master of the British steamship Gregory, in recognition of his humane services in effecting the rescue at sea of the members of the American steamship Oklahoma.

Of which more hereafter. Aspinwall wears the chain the President gave him, but there's a dollar watch at the end of it. His mother in Liverpool keeps the gold one, and to his son in an anti-aircraft battery on the British front the captain has written, "The watch is yours if you get the Kaiser." To which the son replied, "The last piece of green paper you sent me from the United States pleased me very much; regarding the Kaiser, I'm on my way."

The Amazon is Capt. Aspinwall's pet fraction of the seven seas, but in wartime he has had to forsake his regular routes and go about the Admiralty's business elsewhere. On her last voyage from a British port his new ship, the Pancras, a 390 footer, carried 6,000 tons of coal and 60 tons of Red Cross supplies, destined for a Mediterranean port.

It had left Gibraltar and was moving along eastward when began the events the first of which is narrated in the captain's official log, headed "Report of engagement with enemy submarine and subsequent grounding," as follows:

"May 15, 6 A.M. Thick fog. Engines stand by and slow. 6:50 A. M. Fog lifted slightly. Sabinal Pt. abeam, two miles off. I then sighted submarine right ahead about two miles distant, also a fishing boat on starboard quarter. Engines full astern. All hands at stations, and turned around, going all we could with our engines."

U-Boat of Newest Type.

Elucidating the captain said to a SUN reporter yesterday:

"We were about 120 miles from Gib. The fog was bad and I was up and down all night. At 4 o'clock in the morning First Officer Jackson reported more fog. 'Good Lord,' I said, 'is there no rest at all for sailormen?' I put on my bathrobe, shaved a slice off the old plug and went on the bridge.

"I picked up the glass and took a good squint around. The first thing I saw was something curious. 'What's that?' I said to the first officer, 'rocks? No, it can't be. Point Sabinal is abeam. Holy humpilty! Full speed astern!' But I didn't wait for Jackson. I jammed her down myself and astern we went, and then full speed ahead.

"What I saw through the glass was a submarine—one of the new ones, at least 200 feet long—either the U-37 or the U-47, I believe, though my reasons for so believing are not for your ears. You might say it looked like a black water snake lying out there, with a black box on its back and two things sticking up like, you might say, two fingers—that seems mixed, but I guess you get the picture.

"About 7 o'clock the German began firing, with two guns against our one. Everybody aboard the Pancras except the gunners was excited—no use saying they weren't, for it's human nature, though when shells are popping all around there's no use running, for if you don't get hit one place you'll like as not be in another.

"The doctor came running and saying, 'We've a man hit, sir.' 'Go away,' I said, 'That's your job; I'm busy!' So I shouted, 'Stand by your boats and leave me alone.

"The sun was coming up and as it was back of the submarine and our gunners had to shoot right into the glare the Germans had a better chance than we did, aside from the difference in targets."

Shells burst all around the Pancras but none hit her. The only one that exploded over her with any success scratched the back of a fireman's neck and carried away the signal halliards and ensign.

Second Submarine Answers.

"The submarine was just getting our range when we ran back into more fog," said Capt. Aspinwall, "and headed for Adra. We lost sight of him, but he followed us up on the inshore side, sounding his whistle. The blast sounded like compressed air, not steam. Another submarine began answering him on the port side. The fog got so thick we had to slow down.

"About 9:40 A. M. the first submarine drew up so close—about half a mile from us, I guess—that we could see it plainly, its gunners working, its captain and everything. We were in fine position to be torpedoed, though we kept the stern wiggling back and forth. But just then the lookout sighted land ahead.

"There was only one thing to do—get into shore where the water was too shallow for our beastly little friend. We did that. We ran her aground within the three mile limit. At that I think the German would have let us have a torpedo if he had had one. The fact that he fired only shells makes me think he was out of torpedoes.

"The submarine's captain had his forehead and the upper part of his face smeared with black stuff. That's the way the blighters have of avoiding personal recognition.

"Another German trick is to lash a ship's boat with several men in it to a periscope. The idea is that a British ship will come along and, thinking the men are survivors of some wreck, will come up close and let itself be blown up by the submarine beneath the boat. A daisy little idea, but we keep away from such decoys, thank you!

"Well, we ran the Pancras ashore, as I said, and the submarine departed after getting the horse laugh from us. Taking stock, we found all our officers were badly burnt about the hands from the smoke boxes that had been lighted and thrown overboard to give us a smoke screen. We were fast on sandy bottom, eighteen feet of water forward and thirty-six aft. Two Government patrol boats that had heard our distress signals tried to tow us off, but couldn't make it. The next day the Admiralty sent the salvage steamer Valkyren of Denmark, and, working all night and the following day, we floated the Pancras by discharging coal."

How U-Boats Get Fuel.

The official report to the owners ends: "About 147 tons of coal was left on the beach at Adra in charge of Lloyd's agent. Salvage people claim £20,000. Ship not damaged in any way."

"And listen to this," said Capt. Aspinwall. "The Spanish authorities wanted to hold us 'for firing on another vessel in neutral waters.' Nothing said about another vessel firing on us in neutral waters! But I slipped 'em five pounds and away we went.

"And speaking of Spanish waters there are thousands of tunny fisheries along the coast. Some of them have their corks bobbing, not little corks, mind you, but as big as my two arms could hold. If the Admiralty wants a tip, let it haul up one of these bay bobbers and it will find, not a net but a ten gallon can of petrol. That's the way the U-boats are getting their fuel.

"I haven't seen this myself, but truthful men have and have told me. Here's another queer thing related to the same subject: You never see a U-boat resting near the Spanish coast without one of those fishing boats loafing alongside it."

The Pancras went on to her destined port and on her way back in ballast picked up thirty-six Americans from the torpedoed Standard Oil ship Petrolite, who had been rescued from boats and taken to Gilbraltar.

The foundering of the American steamship Oklahoma off the Sandy Hook lightship in January, 1914, the drowning of thirty-two men and the saving of five by the men of the Booth liner Gregory forms one of the most terrible of sea stories—and one of the most heroic, too, no matter what Capt. Aspinwall may say.

His second officer, John Sydney Williams, and third officer, Frederick D. Roberts, who jumped into the sea and rescued the sailors, have since been killed on the Somme front. They received binoculars from the President at the same time Capt. Aspinwall got his watch. The New York Press Club gave the Captain a medal. He wore it yesterday.

"You'll notice the gold bar from which the medal was suspended is missing," he apologized. "I gave it to my little sister in Liverpool, and she wears it as a brooch day and night."

CUBA TO CELEBRATE FOURTH OF JULY

War Alliance With U. S. Causes New Departure.

HAVANA, July 3.—Cuba's new alliance with the United States in the war against Germany will be celebrated in notable fashion here to-morrow night, when the American Independence Day will be observed on a scale which the island republic never before has experienced. In previous years the Fourth of July celebration in Cuba has been restricted in the main to members of the American colony, who have assembled usually in the afternoon in the Tropical Garden in the outskirts of the city, as they plan to do also to-morrow.

This year owing to the entrance of Cuba into the war on the side of the United States and to the wave of popular patriotism which followed that action notables in Cuban official and commercial life will join with members of the American colony in a patriotic celebration for the benefit of the American Red Cross. The ceremonies will be held in the large Campoamor Theatre.

President Menocal and members of his civil and military staff, William E. Gonzales, the United States Minister, and the attaches of the American Legation, officers of the United States navy and many Cubans and Americans of prominence probably will attend.

The coats of arms of the United States and Cuba will be displayed together in electric lights and there will be fireworks in Central Park, near by. A band concert and the singing of patriotic songs of both republics, a series of tableaus depicting the work of the Red Cross on European battlefields, drills by Havana Boy Scouts and the unfurling from the stage of the flags of the Entente Allies compose the main features of the programme.

Mrs. John Draper, president of the Havana branch of the American Red Cross, is in general charge of the plans for the festivities.

PROVOST GUARD FOR BOSTON.

Brig.-Gen. Edwards to Police Appearance of Troops.

BOSTON, July 3.—Plans for the establishment of a provost guard were announced to-day by Brig.-Gen. Clarence R. Edwards, commander fo the Department of the Northeast.

The guard will have the same function as the civil police department, with a broader scope, attending not only to the conduct of the enlisted men but also to their personal appearance.

Quarters for the guard will be secured at a local armory which will be vacated when the National Guardsmen are sent to camp.

50 U. S. CIVILIANS HELD IN GERMANY

Passports Delayed—Moewe Captives Must Remain.

WASHINGTON, July 3.—About fifty American civilians are detained in Germany, it was said at the State Department to-day, although Germany has promised that they will be allowed to leave as soon as certain conditions as to passports are fulfilled.

The Government is negotiating through Spain for the release of the American sailors taken into Germany on the raider Moewe, but there seems now almost no chance that they will be freed. Germany has given notice that the men are considered prisoners of war because they were on an armed merchantman.

Germany has taken no notice of the American Government's note of June 12 suggesting a mutual agreement that officers taken prisoners by either party be paid at the same rate as corresponding officers in the captor country.

Chile Gets Britain's U-Boats.

BOSTON, Mass., July 3.—Six submarines built at Quincy for Great Britain and recently turned over to the Chilean Government in part payment for a warship commandeered by the British Government were commissioned at the Boston Navy Yard to-day. The vessels had been interned here and the transfer of ownership was made with the approval of the authorities at Washington.

GERMANS IN 5 MILE VERDUN OFFENSIVE

French War Office Says One Post Was Lost and Recaptured Five Times.

FOE'S PURPOSE IN DOUBT

Artillery Fighting Renewed With Great Severity Close to Rheims.

Special Cable Despatch to THE SUN from the London Times

PARIS, July 3.—The German army is engaged in what appears to be a military offensive of some importance on the historic battlefield of Verdun, on the left bank of the Meuse, which was a charnel house a year ago, and in the sector from Dead Man's Hill to Avocourt.

The details which have been made public by the War Office leave the ultimate German intention in doubt. The battle front is five miles long, with its centre at Esnes. The German attacks seem to be most violent west of Dead Man's Hill, along the valley through which the Germans might hope to turn the flank of the French positions on the famous Hill 304. The desperate character of the fighting is shown by the fact that one position, consisting of a small post, was lost and recaptured five times before it was rendered untenable by either army.

There has been a flaring up of the artillery fighting along the whole French front from St. Quentin to Verdun, particularly in the neighborhood of Rheims, upon which city the Germans nearly every day throw 1,000 shells. It seems at present that the recrudescence of the German offensive is due more to apprehension regarding the intentions of the French than to any wide or general scheme of attack.

BIG BATTLE IS RENEWED.

Heavy Artillery Fire All Along the Western Front.

LONDON, July 3.—Unusually heavy artillery fighting on the entire western front from the neighborhood of Nieuport, on the Belgian coast, to Verdun, is recorded in all of the official statements issued up to midnight. Both the French and German reports say that new and important efforts are being made to revive the Verdun battle as a big feature of the western situation.

The official statements follow:

British Night Statement—In the Ypres region there has been considerable artillery activity on both sides. The enemy raided our trenches this morning southeast of Laventie; two of our men are missing.

British Day Statement—We successfully raided west of Havrincourt and north of Nieuport, capturing a few prisoners, last night. South of the Cojeul River the enemy attacked our advanced posts, but was driven off.

French, Day—After a renewed bombardment the Germans at about 6:30 o'clock yesterday evening began a series of violent attacks on the trenches we had recaptured on both sides of the Allies-Paissy road. Very severe fighting continued throughout the night, resulting in a complete check of the enemy. We maintained all our positions.

Two Attacks Repulsed.

Two attacks on small French posts further west were repulsed with ease.

On the left bank of the Meuse (Verdun front) the artillery fighting became very violent toward the middle of the night in the sector between Hill 304 and Avocourt Wood. At about 2:30 o'clock this morning the Germans attacked on a front of 500 meters at the southeast corner of the wood.

Their vain assaults were broken up by our fire, and the enemy, unable to approach our lines, did not renew the effort.

In a raid on German lines in Champagne we blew up a blockhouse of the enemy.

French, Night—Quite marked artillery activity was displayed north of St. Quentin and on the left bank of the Meuse, near Hill 304, as well as in Champagne in the sectors of Mont Carnillet and Mont Teton. East of Coucy-le-Chateau there were patrol encounters. We made some prisoners, including one officer. The day was calm on the rest of the front.

Belgian, Night—The artillery fighting was very spirited in the region of Woesten, Lizerne and Steenstraete. An enemy attempt to cross the canal in the neighborhood of Het Sas was broken by our fire. The artillery was moderately active on the rest of the front. An enemy airplane was brought down by our artillery between Dixmude and Keyem.

German Official Report.

German, Day—Western theatre: The artillery activity did not revive generally until toward evening, when it reached considerable strength in the Ypres salient.

Front of Crown Prince Rupprecht: Our own advances into the British lines north of La Bassee Canal, west of Lens, and at Bullecourt, gave good reconnoitring results. In an outpost engagement at Hargicourt, northwest of St. Quentin, prisoners were made by us and war material captured.

Front of the German Crown Prince: The French again attempted to recapture lost trenches on the plateau of La Bovelle, Champagne, and on the left bank of the Meuse, Verdun. Southeast of Cerny two attacks broke down with heavy losses before our defence.

At Avocourt Wood and Hill 304 our destructive fire prevented the enemy storming troops, which were preparing for an attack, from leaving their trenches. On Poehl Mountain in Champagne one of our enterprises succeeded in accordance with our plans. Our reconnoitring party brought back prisoners and booty.

Six enemy airplanes were shot down, one of them by Capt. Baron Richthofen.

CHICAGO BARS KAISER EULOGY.

40,000 New Spelling Books Ordered for Public Schools.

CHICAGO, July 3.—The new Board of Education of Chicago awarded a contract to-day for 40,000 new spelling books to take the place of the volume that contained a eulogy of the German Emperor and caused considerable agitation here several months ago.

FOUR SWEDISH SHIPS SUNK.

U-Boats Open Campaign Along Norwegian Northern Coast.

LONDON, July 3.—German submarines have opened a campaign against the Swedish merchant fleet along the Norwegian northern coast, according to an Exchange Telegraph despatch from Copenhagen to-day.

Newspaper reports say that four vessels were attacked and sunk yesterday outside the blockade zone, the crews being compelled to take hastily to the lifeboats.

RUSSIANS ATTACK ON ENTIRE FRONT

Continued from First Page.

Austro-German forces are in retreat over the Little Stripa River.

In the other sectors artillery is coming into heavy play along the northern sector from Riga to Prepet, and desultory firing has started in both the Rumanian and the Caucasian theatres. Northwest of Riga a Zeppelin dropped twelve bombs on a small town, and the Russians say two Russian airplanes have been lost. One gentle touch came in a note dropped from a German airplane saying that military honors had been accorded to a Russian airplane's crew when they were killed in a fall behind the German lines.

From the German point of view it is admitted officially that the Russians widened the gap they made in the Teutonic lines on the western bank of the Stripa River, but it is claimed that German reserves halted the progress of the Russians and that strong Russian attacks at Koniuchy broke down under Teutonic fire.

Official statements follow:

Russian—In the direction of Zlochoff our offensive continues successfully. Yesterday afternoon, after a severe, stubborn battle, the Zoralsky regiment occupied the village of Presovce, while the gallant troops of the Fourth Finnish Division and the Cheshskoslovatsky brigade occupied the strongly fortified enemy positions on the heights to the west and southwest of the village of Zboroff and the fortified village of Korshiduv.

Three lines of enemy trenches were penetrated. The enemy then retired across the Little Stripa.

The Finns have taken 1,560 officers and soldiers prisoner, while their captures include four trench mortars, nine machine guns and one bomb thrower. The Cheshskoslovatsky brigade captured 62 officers and 3,150 soldiers, 15 guns and many machine guns. Many of the captured guns were turned against the enemy.

Enemy positions to the west of the Uzefuvka also were taken.

Altogether in Monday's battle in the neighborhood of Zlochoff we took 6,300 prisoners, officers and soldiers, 21 guns, 16 machine guns and several bomb throwers. Prisoners are continuing to arrive.

Southeast of Brzezany the battle continues with less intensity. In Sunday's battle in this region we took prisoner 53 officers and 2,200 men.

Fusillades are reported on the rest of the front and on the Rumanian and Caucasus fronts.

Aviation: On June 28 a German Zeppelin dropped twelve bombs on the town of Venden (northeast of Riga). A German battleplane brought down one of our machines in the region of the village of Savitch on the Beresina River (west of Minsk). The airmen were killed.

A German airplane has dropped a note within our lines from which it is evident that one of our machines lost on June 28 fell in the rear of the German positions and that the dead airmen were buried by the Germans with military honors.

German Statements.

German (Day)—Army group of Prince Leopold—Although between the Baltic and the Pripet the activity of the fighting increased only at Riga and Smorgon, there was heavy artillery fighting on the middle course of the Stokhod, where Russian local attacks on the Kovel-Lutsk railway line failed with heavy losses and also on the Zlota Lipa.

The battle in East Galicia continued. Breaking forward across the heights on the western bank of the Stripa, Russian massed attacks succeeded in extending northward the gap which the enemy made in our lines on the previous day. Assistance given by our reserves enabled us to cause the enemy to halt. At Koniuchy strong Russian attacks in the morning and afternoon broke down with heavy losses in front of our new positions. Further south the enemy up to the present time has not found strength to repeat his attacks against the height positions at Brzezany.

German (Night)—There has been lively artillery fighting from the Stokhod to the Narayuvka. New strong attacks of the Russians took place at Brzezany. They failed with heavy losses.

"Enemy Convicts" Honored.

Dr. Karl Liebknecht, the German Socialist leader, and Dr. Friedrich Adler, an Austrian Socialist, have been elected honorary members of the Congress of Workmen's and Soldiers' Delegates of All Russia. Dr. Liebknecht is serving a sentence in a German prison and Adler, the assassin of Count Stuergkh, the Austrian Premier, is in an Austrian prison under sentence of death.

The All Russia Congress of Cossacks has adopted a resolution opposing the dissolution of the Duma, which it declared would be a violation of the fundamental laws of Russia.

The congress declared that the state of autonomy proclaimed by the inhabitants of Ukraine is a menace to the union of the Russian State. The congress offered its support to the Government in any action taken relating to the Ukraine.

DRIVE STUNS GERMANS.

Russian Power Is Great Surprise to Them.

Special Cable Despatch to THE SUN.

LONDON, July 3.—Despite the reports in the past fortnight, even from Berlin, that a Russian offensive was impending the German official communication on the first day's fighting is construed to indicate that the Germans were utterly surprised by the power and immensity of the attack launched by Gen. Brusiloff. The entire tone of the communication indicates that it was framed to prepare the German public for serious news which is expected to come from the eastern front.

German attacks on the Chemin des Dames and at Verdun are regarded by critics as merely signifying that Von Hindenburg feels a necessity for making a showing somewhere and is compelled to make it against the French, where his biggest available forces are massed but where the possibility of real accomplishment is nil.

Gen. Brusiloff's strategy is described as precisely paralleling that of June, 1916, when he launched his wonderfully successful offensive.

Much heavy fighting lies before the Russians before they can take Brzezany, their primary objective. This place, fifty miles from Lemberg, is protected by a lake and the deep defiles of the Ziota Lipa and by hills rising 1,300 feet east and south.

When Count von Bothner fell back here last summer after his stubborn defence of the Stripa line he established himself in all the high ground where he could command the Russian positions at Koniuchy. The Russians still have many of these higher positions in front of them before they can reach the Ziota Lipa, which in itself is a formidable barrier, as the stream is deep cleft in the hills.

In this part of Galicia after the Austrian breakdown last year the Germans reconstituted the army and entrusted these key positions largely to German and Turkish soldiers, who have held them since almost the last success of Brusiloff's offensive was won at this point before the operations in Rumania turned his attention to battles in another field.

FRENCH OVERJOYED.

All Newspapers Pay Highest Tribute to Kerensky.

PARIS, July 3.—The Russian offensive shares with the American army in France the honors of the day in the French newspapers. The news from Gen. Brusiloff's headquarters, coming on the heels of the arrival of the American vanguard, fills France's cup of joy to overflowing. The temporary wave of despondency and impatience, which found an outward manifestation in two dozen interpellations of the Government in the Chamber of Deputies, has vanished.

The reappearance of the Russian army on the scene of the great war drama had been discussed in France some time, but the general public had hardly shared the optimism of public men who returned from visits to Russia. Russia's loyalty never had been doubted, but her ability to carry out big military operations at an early date had been questioned. The news, therefore, came as an agreeable surprise and morning newspapers hastened to make an honorable amend.

"The Russians have just shown the pessimists and sceptics who doubted that they were capable of resuming the offensive that they have lost nothing of their dash and pristine valor," the *Matin* says. "The revolution has revived Russia's patriotism. She is to-day like immortal France of 1793. Her army regenerated and organized is, so to speak, an army of volunteers who also have for a motto that of our fathers, 'Victory or Death.' Their effort is only a beginning. It will develop. It is sustained by the greatest force in the world, a force which is essential to the strength of armies—moral confidence."

All newspapers pay the highest tribute to the efforts of Minister of War Kerensky, who made the event possible.

HERO OF LUTZ DRIVE HEADS DON COSSACKS

Gen. Kaledines, Who Captured 80,000 Men, Honored.

PETROGRAD, July 3.—Gen. Kaledines, the picturesque figure who led the forward drive of the Russians over the Stokhod River in the latter part of July, 1916, has been chosen Hetman, or leader, of the Don Cossacks. Kaledines is known as the breaker of the Lutz front. During his drive of a year ago he captured 80,000 prisoners.

The Stokhod River had, at that time, been the chief obstacle to the progress of the Russians. Kaledines crossed the river at the bend in front of the Lutz triangle and dealt the Austro-Germans a smashing blow.

His Cossack followers were the first Russian troops to adopt resolutions favoring a continuance of the offensive under the new provisional Government. They are rated as the most intelligent of the Russian troops by reason of the superior school facilities that the Cossacks have long enjoyed in return for their military service.

MASKED CENSORSHIP AND CREEL SCORED

Security League Speakers Denounce Garbling of Annotated Wilson Speeches.

CHAUTAUQUA, July 3.—Government censorship under the guise of public information, and George Creel, head of the bureau, were severely scored in the conference of the National Security League to-day by Prof. Albert Bushnell Hart of Harvard, and Dr. John H. Latane, head of the department of history of Johns Hopkins University.

The criticism of the work of Creel was precipitated when a resolution was presented by Gov. Hodges of Kansas to the effect that the Government be requested to prepare and distribute through school teachers a handbook on patriotism.

Dr. Latane was on his feet immediately waving a copy of the official Government publication entitled "War Message and Facts Behind It." It was put out April 3 by Creel.

"There are seven errors in the last three lines on the first page," said Dr. Latane. "The document proceeds to quote from the navy code of 1900 as being the standard for the navy in the present war. Every student of history knows that this was withdrawn by Secretary Moody in 1904.

"It is an insult to the American people to put out such stuff as this," Dr. Latane continued. He then referred to the annotations on speeches of President Wilson, which he declared to be as badly garbled as similar documents from Germany.

"It was a poor job," was the comment of Prof. Hart, the Harvard historian. "If Uncle Sam puts out the book it will be Uncle Sam's book. Will Uncle Sam tell the truth? When the history of the war of 1812 was written by the Government it was never told that there were 400,000 men enlisted and never more than 6,000 under arms. The errors of the civil war have never been told."

President H. N. MacCraken of Vassar College pointed out that it is not within the province of the Government to present courses in the curriculum of schools.

Without a dissenting voice the delegates struck out the provision that the Government should prepare the text and decided to formulate such a book themselves.

JAPAN MAY ENTER ATLANTIC.

Naval Minister Tells Diet Fleet May Operate There.

TOKIO, July 3.—Japan may send a fleet to the Atlantic, said Tomosaburo Kato, Minister of Navy, in the Diet to-day. The Minister was replying to criticism of the opposition that the despatch of Japanese warships to the Mediterranean was not required by the terms of the Anglo-Japanese alliance and was merely for the benefit of the Entente and not for Japan.

M. Kato said the Government was justified in cooperating with her allies to bring about the defeat of Germany.

FOUR AMERICANS DECORATED.

Two New Yorkers Among Recipients of French War Cross.

PARIS, July 3.—Four ambulance drivers of the American Field Service were decorated with the War Cross by General Gouraud at a review of the troops at the front.

They were Benjamin F. Butler and John M. Grierson, Jr., of New York; Brownlee B. Gould, Toledo, and H. Wynkoop Rubinkam, Chicago. They were cited in army orders for courage and devotion in taking away the wounded during a recent bombardment.

Germans Capture Buffalo Soldier.

OTTAWA, Ont., July 3.—The casualty list issued here to-day contains the names of the following Americans: Wounded, B. McCormick, Roxbury, Mass.; prisoner, T. J. Malone, Buffalo, N. Y.

COUNCIL MENACED IN PRICE PLAN ROW

Congress Angered by Rosenwald's Attack on Defence Board Change.

GRAFT HINTS PASSED

Daniels Wants All Costs Probed—Coal Quarrel Still Simmering.

WASHINGTON, July 3.—Developments to-day in connection with the price fixing problem indicated that the Administration is still without a definite policy regarding this matter, members of the Cabinet being wide apart in their views, and that meanwhile Congress may take a hand in reorganizing or changing the functions of the advisory commission of the Council of National Defence.

Among to-day's developments were:

An attack in the Senate on Julius Rosenwald, a member of the advisory committee and chairman of the committee on supplies, for a statement issued in Chicago in which he said that adoption by Congress of Section 3 of the pending food bill would put the committees of the Council of National Defence out of business.

A suggestion emanating from a member of the Cabinet that as a solution of the problem a new commission might be named to fix prices and coordinate Government purchases, authority which the Federal Trade Commission lacks.

The announcement was made by Secretary Daniels, who belongs to the radical wing in the Cabinet, that he would ask the Federal Trade Commission to investigate the cost of all raw articles and would have prices fixed upon them. Secretary Daniels has already asked for an investigation of coal, oil and cement costs.

Fight Against Council.

That hostility to the Council of National Defence and its multiplicity of committees is growing in Congress was evidenced in the Senate in the attack made on Mr. Rosenwald.

The section of the food bill which Mr. Rosenwald criticised was added to the House measure by the Senate. It prohibits the sale to the Government of supplies by those acting in an advisory capacity to the Government in which they have a personal interest. Mr. Rosenwald declared that this would be "to legislate the committee of the Defence Council out of business by putting the members in the same class with Representatives and Senators. This is stupid, short sighted, nonsensical and foolish. It means a return to the old slipshod days of unloading on the Government rotten contracts in a time of great national emergency."

Senator McKellar of Tennessee, after calling the attention of the Senate to this interview, said the "sooner these committees were put out of business the better it would be for the American people." He declared the position of Mr. Rosenwald was a travesty.

"It's the impudence of wealth," interposed Senator Vardaman. "It's the contemptuous feeling a man of wealth has for one who is trying to do something for the Government. I think the Senate ought to take notice of a man of this sort and take action that will not enable him to hold a Government job."

Senator Reed brought out a "Who's Who," reading from it an allusion to Mr. Rosenwald being at the head of the clothing firm of Rosenwald & Weil of Chicago.

"And he is at the head also of the supply committee of the Council of National Defence, which might buy clothes from Mr. Rosenwald's firm," commented Senator Reed. "It's too much of an advantage to give any man and the Government ought to stop it. Congress ought to legislate against it."

Senator Lewis of Illinois said that he had a high regard for Mr. Rosenwald, but that he regarded his statement as most unfortunate. Senator Reed said that he felt sure that the average business men in his State had a different "moral horizon" from Mr. Rosenwald.

"If it's better to disband these committees, throw away their work and create a new government bureau," said Senator Brandegee, "well and good, but I do not think that we should proceed too rapidly on the assumption that that had better be done."

The suggestion of a commission to fix prices and an agency to coordinate the government purchases, emanating to-day from a Cabinet member, was regarded as significant. Such a plan might end the dispute over coal prices which has threatened a disruption of the Cabinet.

While there is an armistice between Secretary Lane, who obtained from the coal producers the offer of $3 for bituminous coal at the mines, and Secretaries Daniels and Baker, who characterize this price as "exorbitant and unjust," it is regarded as a strong probability that the differences will flare up again unless there is some agency established with power to settle the question.

Authority Is Lacking.

The lack of authority on the part of the Federal Trade Commission to fix prices, certain members of the Cabinet believe, should be supplied to some Governmental board or department not necessarily the trade commission.

President Wilson is known to deprecate the dispute that arose in the Cabinet over coal prices, but he also agrees with both sides of the controversy that coal must be supplied more cheaply both to the Government and to the general public. The President will favor legislation that has for its purpose the lowering of prices to the public. With Secretary Lane and other Cabinet members he is understood to be of the opinion that little has been accomplished if only the prices to the Government have been lowered while the general public is forced to pay the same or perhaps higher prices that will make up for reductions made to the Government.

The opinion is growing among Administration men that the only solution of the whole problem is a general system of price fixing. This plan is certain to meet opposition in many quarters, but votes daily are being mustered to carry the fight through Congress as a natural sequence to the unusual powers that already have been granted the Government in the prosecution of the war.

AMERICAN HAS TITLED FIANCE

Pennoyer of Page's Staff to Wed Lady Ingestre.

LONDON, July 3.—The engagement is announced of Richard E. Pennoyer of California, secretary to Ambassador Page, to Lady Ingestre, daughter-in-law of the Earl of Shrewsbury, Premier Earl in the peerages of both England and Ireland. The wedding will be the sixth among the forces of the embassy since Ambassador Page has been here.

Lady Ingestre is the daughter of Lord Alexander Victor Paget and a sister of the Marquis of Anglesey. She was born in 1881 and was married in 1904 to Capt. Viscount Ingestre, eldest son of the Earl of Shrewsbury. The Viscount died in 1915. Lady Ingestre has three daughters and one son.

CHINESE PRESIDENT BOWS TO MONARCHY

Li Yuan-hung Asks to Be Punished, but Is Made Duke of First Class.

NEW CABINET CREATED

Young Emperor Pardons All Political Offenders—No Disorder Reported.

PEKIN, July 3.—According to an edict issued in the name of Hsun-tung the young Emperor who was put back on the throne under the protection of Gen. Chang-hsun, President Li Yuan-hung has submitted to the monarchy. The edict follows:

"Li Yuan-hung memorializes us to take over the Government, saying he was forced by the troops during the first revolution to become the nation's head. He bemoans his defects as head of the republic and asks us to punish him. We recognize his mistakes, and also his merits. We hereby appoint him a Duke of the First Class."

The imperial emblem is everywhere displayed, marking the restoration of the Manchu monarchy. There has been no disorder. In a long edict Emperor Hsun-tung, who was restored to the throne to-day, explains how, being youthful, he was forced to relinquish sovereign power to Yuan Shih-k'ai, late President of the Chinese Republic.

The country being threatened with disintegration and party strife and the people appealing to him to take over its administration to save the people from suffering, the young Emperor says he was compelled to take action. China's future government will be based on the following:

"The country shall be administered according to the constitutional laws promulgated by the late Emperor.

"Expenses of the imperial household shall remain the same as those fixed by the republic.

"Blood princes shall not be allowed to interfere in politics.

"There shall be no difference between Manchu and Chinese. Marriage between them is allowed.

"All foreign treaties and contracts shall remain in force.

"The stamp tax and other petty taxes are abolished.

"The republican criminal civil code is abolished and that introduced the first year under Hsuan-Tung's Government is reinstated.

"Political offenders are pardoned.

"The wearing of queues is optional."

Further edicts have been issued making the following appointments:

Grand Secretary (equivalent to Premier), Gen. Chang-hsun; Minister of Foreign Aff