WEATHER FORECAST.
Fair and much colder to-day; to-morrow fair, continued cold; northwest winds.
Highest temperature yesterday, 46; lowest, 38.
Detailed weather reports on last page.

The Sun.

IT SHINES FOR ALL

VOL. LXXXV.—NO. 93. NEW YORK, SUNDAY, DECEMBER 2, 1917.—Copyright, 1917, by the Sun Printing and Publishing Association. 56 PAGES. PRICE FIVE CENTS { In Greater New York.

MRS. DE SAULLES IS FREED; VERDICT QUICKLY FOUND; TO HAVE CUSTODY OF SON

Eleven for "Not Guilty" on First Ballot Taken, Is Report.

BOY IS LARGE FACTOR

'He Was Most in Our Minds' Juror Ohm Tells Happy Mother.

BLANK MIND PLEA WINS

Freed Woman Holds Reception and Goes to Her Roslyn Home.

At 9:20 o'clock last night Blanca de Saulles was acquitted of the charge of murdering her divorced husband. It is what the lawyers call a "clean verdict." The jury did not excuse her on the ground of insanity, but simply said "Not guilty," which means that at the moment of the shooting she did not know what she was doing.

The jury was out an hour and forty minutes, but reached the decision well within that time. The jurors agreed not to talk about the case outside, but it was admitted that "several" ballots were taken.

It is understood that on every ballot all of the jurors were for acquitting Mrs. de Saulles, but that at first one or two of them favored mentioning insanity in the verdict.

Mrs. de Saulles went straight from the court room to the jail, got her belongings, which were already packed in anticipation of the verdict, and was taken by her family immediately to their home, the Crossways, in Roslyn. There she arrived before 11 o'clock to spend the night and for an indefinite period thereafter. She expects that her boy will be returned to her to-day by the relatives of John S. de Saulles.

Holds a Reception.

After her acquittal she held a reception for a few minutes in a room near the court room which has been used by her lawyers, Henry A. Uterhart and County Judge Lewis J. Smith. Outside the door a crowd gathered, which a home guardsman with a rifle was unable to keep away from the portal. In response to raps at the door Mr. Uterhart led his client a few feet in the corridor. There a woman dived through the press and kissed her and Mrs. de Saulles returned the salute.

Then Juror No. 4, Philip H. Ohm of Bellmore, who is 53 years old, a retired grocer, and has two sons of his own, got through the crowd and shook hands with Mrs. de Saulles. His gray head wagged as he beamed down upon them.

"I just want to say," he said, "that we are all pleased that you are going to get your boy. 'We' means all of us. I came to say it for them. It was the boy that was in our minds most of all."

He withdrew his hand and Mrs. de Saulles, whose placid wanness of the long trial had given way to a flashing smile of happiness, answered quickly: "Yes, you see that I get him too. They've done everything——"

Mr. Uterhart broke in, "Yes, I'll see to that." Then Mrs. de Saulles, with Sheriff Knapp's wife on one side and her sister, Amalia Errazuriz, on the other, and with the lawyer Mr. Uterhart treading close behind and surrounded by friends, including a group that chattered ever so fast in Spanish, fairly ran down the stairs. She went through the long tunnel from the basement and up the steps to where the big iron gate swung open to receive her for the last time.

Down the steps to meet her came a little dog, frolicking—Sandy, he's really the Sheriff's dog, and is supposed to be essentially disposed toward all prisoners. But Mrs. de Saulles has been his special favorite, and Sandy barked around her. Mrs. de Saulles patted him and passed on up to her room.

The jury had gone to the Garden City Hotel for supper at 6 o'clock when Justice Manning ended his charge and gave the case to them. It had returned to the court house at 7:40 o'clock and gone to its room on the second floor. A quick verdict was expected.

Rush for Court Room.

None of the hundred men and women who had come to see the finish left the court house after the dinner hour. At quarter after 9 the knots of gossipers in the corridor made a pell mell rush into the court room, for the jury had been heard rapping at its door, which meant that it was ready to emerge. A minute after the crowd was seated a uniformed guard brushed aside the few people at the door and Mrs. de Saulles entered.

She was followed by her sister and brother, William Errazuriz, Mrs. Seaman and half a dozen friends and the two lawyers for the defence. Mrs. de Saulles was biting her lips, but otherwise seemed unmoved. She was smiling faintly. Mr. Uterhart grinned broadly.

Like everybody else, Mrs. de Saulles had "a straight tip" as to what the jury had done. The defendant leaned far over the counsel table and spoke to him. He nodded his head. She turned and looked at the door expectantly and for a moment rested her head in her hands on the table.

The jury arrived, looking properly solemn at first. Mrs. de Saulles scanned the juror's faces as they filed in. Some smiled at her, others did not, but when they were seated in the box, juror No. 5, William Jones of Freeport, winked at her—or possibly it was at Uterhart. Anyway, it was in her direction and she smiled again.

A rap at the door of the Judge's chambers and the court room group stood up for the last time as Justice Manning entered. The Justice in his black robe read a few grave words. He announced that whatever the verdict there must be no disturbance in the court room, no voice had to be raised in approval or disapproval, and any offender would be sent to jail.

Clerk Sealey then had his turn. He asked them if they had agreed upon a verdict, and they said they had.

"Jury, rise and look upon the de-

Continued on Sixth Page.

How Large Incomes Have Increased

Special Despatch to THE SUN.

WASHINGTON, Dec. 1.—The subjoined table shows the increases in the number of large incomes in the last four years, or since income taxes were levied. The table also shows the striking increases since the European war:

Classification.	1913.	1914.	1915.	1916.
$100,000 to $150,000..	285	1,189	1,793	2,900
$150,000 to $200,000..	311	496	724	1,284
$200,000 to $250,000..	145	233	380	726
$250,000 to $300,000..	94	139	216	427
$300,000 to $400,000..	84	147	254	469
$400,000 to $500,000..	44	69	122	245
Over $500,000.....	135	174	351	582

206 HAVE OVER MILLION INCOME

86 Are New and Ten Are in $5,000,000 Class, Revenue Figures Show.

U. S. GETS $809,393,640

437,036 Persons Pay Taxes and New York Leads States With $81,495,783.

Special Despatch to THE SUN.

WASHINGTON, Dec. 1.—A great increase in the number of large fortunes in the United States is indicated in the report of the Commissioner of Internal Revenue, comprising the income tax figures for 1917, which was made public to-day.

Ten Americans each paid a tax on yearly incomes of $5,000,000 or more this year. In the same period the national prosperity increased the number of those enjoying yearly incomes of at least $1,000,000 from 120 to 206. In 1916 taxes were paid on incomes of $500,000 to $1,000,000 by 269 citizens and this year there were 376 in this class. The statement shows that $5,122 certified to receiving $3,000 to $4,000 annually, while in the previous year 69,045 gave their incomes as $3,000 to $4,000, and 34,102 certified to incomes of $10,000 to $15,000.

The number receiving other incomes are: Between $4,000 and $5,000, 72,027; between $5,000 and $10,000, 450,531; between $15,000 and $50,000, 59,211; between $50,000 and $100,000, 10,452; between $100,000 and $150,000, 2,900; between $150,000 and $200,000, 1,284, and between $200,000 and $1,000,000, 2,238.

437,036 Persons Pay Taxes.

Income taxes were paid last year by 437,036 persons. The number of married men subject to income tax under the old law was 355,107; unmarried men, 47,461; unmarried women, 26,833; married women making returns separate from those of their husbands, 7,635.

The four States in which the largest individual income tax was collected are New York, $81,495,783; Pennsylvania, $17,860,341; Illinois, $11,739,952, and Massachusetts, $10,959,847.

Increases in income taxes and in revenue from tobacco and corporation taxes sent the internal revenue receipts of the United States up to the record high mark of $809,393,640, which exceeded the income for 1916 by $298,670,352. Income tax collections from individuals aggregated $180,108,340, as compared with $67,943,594, during the previous fiscal year, being an increase of $112,164,745.

Significance in Increases.

Great interest attaches to the taxes paid as a result of the demand made on Congress that munition manufacturers should be forced to support the Government's preparedness plans. Commissioner Daniel C. Roper in his report on the result of the legislation directing the munition makers' tax says:

"Under the revenue act of September 8, 1916, every person manufacturing the articles named in section 301 shall pay for each taxable year an excise tax of 12½ cents per annum on the entire net profits actually received or accrued for the manufacture of the said articles. This tax applies to comparatively few manufacturers."

Prior to the end of the fiscal year 498 munition manufacturers filed returns. Of this number 269 showed a taxable profit, and the total assessment against the industry was $27,837,775.

GILLETT WILL LEAD HOUSE REPUBLICANS

Massachusetts Man Temporarily Succeeds Mann.

Special Despatch to THE SUN.

WASHINGTON, Dec. 1.—House Republicans have solved their leadership problem. Representative Frederick Gillett of Massachusetts will be the actual minority leader during the coming session, or at least during as much of it as Representative Mann, the nominal leader, is unable to attend the sessions of Congress and assume that post.

Until recently an involved system of having no regular leader, but a succession of them according to the legislation before the House, has been the plan tacitly agreed upon, out for the sake of better organization it was thought wise to fix on one man.

The selection of Mr. Gillett is looked on with favor by almost all elements of the Republican party, but it comes rather as a surprise. It has been generally supposed that in view of the policies to be followed in the coming session a man of greater aggressiveness would be selected and Representative Lenroot of Wisconsin was the choice of a great many.

The possibility that Mr. Lenroot soon might be plunged into a primary campaign and then into a special election campaign as the nominee to succeed the late Senator Husting had great weight in determining the Republican selection of a temporary leader. However, Mr. Gillett is the ranking Republican member of the Appropriations Committee and is regarded as one of the brainiest men in the House. The only argument ever advanced against his ability as a leader was that he was not as aggressive as Lenroot and one or two others.

35 CENT RAISE ON ANTHRACITE

President Authorizes It to Enable Payment of Higher Wage to Miners.

TAKES EFFECT AT ONCE

Fuel Administrator Garfield Says Customary Reduction Will Be Made in April.

WASHINGTON, Dec. 1.—A general increase of 35 cents a ton was added to the price of anthracite coal at the mines to-day by President Wilson to meet a proposed wage increase for anthracite miners. The new prices are effective beginning to-day and will add more than $30,000,000 to the public's annual coal bill.

The wage increase was agreed on by operators and miners' representatives here two weeks ago, contingent on higher coal prices to absorb the raise. When their negotiations were ended the operators and miners turned over to the Fuel Administration their agreement and estimates of what it would add to the cost of production. They asked that prices be raised at least 45 cents a ton.

Fuel Administrator Garfield said tonight he gave the problem the most careful consideration, hesitating to decide whether it would be worse to add to the burden of those who buy coal or permit workmen to leave the mines for higher pay elsewhere, thus reducing the coal output. It was evident, he said, that the producers were ready to fight the wage increases if forced to pay the entire amount themselves.

Under the original proclamation of President Wilson the cost of furnace coal to the New York consumer was $8.05 a ton. The price at the mine was fixed at $4.45 a ton, and to this was added $1.45 freight, a jobber's profit of 20 cents, as allowed by the President, the same amount for lighterage, and an estimated cost of $1.75 for unloading, screening, shrinkage, cartage and retailer's overhead expense, making a total of $8.05. To this price, under the new allowance, 35 cents a ton will be added.

Dr. Garfield's Recommendation.

The situation in the anthracite industry and the factors influencing his decision that prices should be increased were set forth by Dr. Garfield in a letter to the President recommending that the increase be put at 35 cents a ton. The letter made public to-night at the White House along with the President's order, said:

"The labor problem in the anthracite mines is not different in any material respect from that in the bituminous fields. Most of the comment in my letter of October 26 is applicable to the anthracite situation. It therefore is unnecessary to repeat it here. On November 17, after a conference of about two weeks, the anthracite operators and miners reached an agreement, a copy of which I enclose.

"In response to my request the operators' association furnished statements showing in detail the tonnage and actual labor costs since the last wage increase, May, 1917, and the additional cost per ton if the increase of November 17 is added. These figures were based upon an examination of over 68,000,000 tons, or 85 per cent. of the total tonnage estimated for 1917. If the proposed wage increase becomes effective the increased cost placed upon the operators will range from 26 cents per ton to 56 cents per ton. A small high cost tonnage shows additional costs per ton as high as 70 cents. The weighted average of the above mentioned tonnage accurately figured is 37.2 cents per ton. The increased cost to operators producing about 41,000,000 tons, or substantially one-half of this year's tonnage, will be 35 cents and upward per ton.

Reduction to Come in April.

"I, therefore, respectfully recommend that the prices fixed by your proclamation of August 2, 1917, as modified with respect to the price of pea coal by my order of October 1, 1917, be uniformly increased in the sum of 35 cents per ton; provided, however, that these increases shall not apply to any coal sold at the mine under existing contract containing a provision for an increase for the price of coal thereunder in case of an increase in wages paid to miners.

"In this connection I desire to say that it is my expectation to order the reduction in anthracite prices which has been regularly given beginning April 1, 1918.

"I desire also to call attention to the fact that the Board of Conciliation created by the commission appointed by President Roosevelt in 1902 has performed its tasks so acceptably to all concerned that there is no occasion for the introduction of an automatic penalty clause provided in the case of the bituminous field, nor was the inclusion of any such clause provided for in the agreement of November 17 between the operators and the mine workers."

FEES TO PORTERS NOT TIPS.

Comptroller of Treasury So Holds, Having State Laws in Mind.

WASHINGTON, Dec. 1.—Payments of money by Government employees to porters for carrying luggage are not tips, the Comptroller of the Treasury ruled to-day in the case of a Department of Agriculture agent who sought reimbursement for 30 cents paid porters in Arkansas and Tennessee, where there are State anti-tipping laws.

The Comptroller held that the money was given for services rendered and that consequently State laws were not violated.

$158,140 for Poets' Ambulances.

Robert Underwood Johnson, chairman of the American Poets' Ambulance Corps in Italy, announced yesterday total receipts to December 1 of $139,465 and assurances from special subscriptions of $18,675, making a total of $158,140.

FLORIDA & CAROLINA RESORTS.
4 steel trains via shortest route. Booklets. SEABOARD AIR-LINE, 1184 B'way.—Adv.

TRAINMEN ASK 40 P. C. RAISE ON ALL RAILWAYS

Brotherhoods Put Demands in Hands of All General Managers at Once.

ASK ANSWER BY DEC. 31

They Stipulate That Crews Are Not to Be Reduced or the Mileage Increased.

CLEVELAND, Ohio, Dec. 1.—Practically every railroad in the United States received to-day a request from the Brotherhood of Railroad Trainmen and the Order of Railway Conductors for increased wages approximating 40 per cent. The general chairmen of both labor organizations were to present the wage schedule to the general managers of the roads throughout the country to-day.

The new wage scale is signed by W. G. Lee, president of the Brotherhood of Railroad Trainmen, and A. B. Garretson, president of the Order of Railway Conductors. A request that an answer to the proposal be made in writing to the general chairmen of the labor organizations on or before December 31, 1917, accompanies the schedule.

Article A of the schedule refers to passenger service as follows:

"Rates to be paid employees on steam trains, or upon trains propelled by other motive power, on runs of 155 miles or less a day: Conductors, not less than 3.5 cents a mile, $5.43 a day, or $162.90 a month.

"Ticket collectors, not less than 3 cents a mile, $4.65 a day, or $139.50 a month.

"Baggage electricians, not less than 2.9 cents a mile, $4.50 a day, or $135 a month.

"Baggagemen, not less than 2.5 cents a mile, $3.88 a day, or $116.50 a month.

"Flagmen and brakemen, not less than 2.33 cents a mile, $3.61 a day, or $108.30 a month.

All miles in excess of daily minimum and extra service to be paid for at the above rates.

Overtime for Trainmen.

"Article B—Passenger trainmen on short turn around runs, no single trip of which exceeds eighty miles, including suburban and branch line service, shall be paid overtime for all time on duty or held for duty in excess of eight hours (computed on each run from the time required to report for duty until released from duty and responsibility at the end of that run) within ten consecutive hours, and also for all time in excess of ten consecutive hours computed continuously from the time first required to report until finally released at end of last run, and will be computed for each employee on the basis of actual overtime worked or held for duty. Time shall be counted as continuous service in all cases where the interval of release from duty at any point does not exceed one hour.

"Other passenger trainmen shall be paid for overtime on a speed basis of not less than twenty miles an hour, computed continuously from the time required to report for duty until released at the end of last run. Overtime shall be computed on the basis of actual overtime worked or held for duty.

"Overtime in all passenger service per hour shall not be less than one-eighth of the daily rate.

"Article C—Regular assigned passenger trainmen who are ready for service the entire month and who do not lay off of their own accord shall receive a monthly guarantee as set forth in Article A, as a minimum for the calendar month, exclusive of overtime and extra service.

Crews Not to Be Reduced.

"Article D—Reduction of crews or increase in mileage in passenger service from assignments in effect November 1, 1917, shall not be made if such change affects any portion of these increases in wages."

Article E, paragraph 1, refers to freight service as follows: "Through and irregular freight, snow plough and circus trains to be paid as follows: Conductors, 5.3 cents a mile; flagmen and brakemen, 3.81 cents a mile.

"Runs of 100 miles or less, eight hours or less, either straightaway or turn around, to be paid for as 100 miles; overtime pro rata; actual minutes to be counted.

"Article E, paragraph 2: Local, way freight, mixed, pick up or drop, mine, roustabout, pusher or helper, work, wreck and construction service to be paid as follows: Conductors, 5.8 cents a mile; flagmen and brakemen, 4.29 cents a mile. Runs of 100 miles or less, eight hours or less, either straightaway or turn around, to be paid for as 100 miles; overtime pro rata; actual minutes to be counted."

Article F, paragraph 1, dealing with milk service, reads as follows:

"On roads where train crews are required to load or unload milk or milk cans into or from cars or stations they will be paid way freight rates as provided in article E, paragraph 2. On roads where train crews are not required to load or unload milk or milk cans into or from cars or stations they will be paid the rates as provided in article E, paragraph 1.

Rates for Yard Service.

"For yard service the following minimum rates will apply: Conductors or foremen, $5.30 a day, and $5.50 at night.

"Brakemen or helpers, $5 a day, and $5.20 at night.

"Eight hours or less to constitute a day's work; overtime, pro rata; actual minutes to be counted.

"The differential for Denver and West to be maintained.

"General rules:

"Paragraph 1—All minimums to be preserved in all service either as to service conditions or compensation in every form.

"Paragraph 2—All the above rules, rates and conditions shall apply to all persons filling the various positions for which these organizations legislate.

"Paragraph 3—None of the rates of pay or conditions herein requested to operate as a reduction in pay or a less favorable condition.

"Paragraph 4—All classes of service not herein named and all special allowances made to men named in individual schedules will carry the same percentage of increase in compensation as given in through freight service."

BRITISH REGAIN PART OF LOSS IN CAMBRAI FIGHT

Counter Attacks Restore Less Than a Mile of Front Near Gouzeaucourt.

BATTLING HAND TO HAND

Turning Movement Results in Capture of 4,000 or More of Byng's Men.

LONDON, Dec. 1.—Only by the fiercest kind of fighting did the British win back to-day a part, and not a very large part, of the ground which the Germans took away from them yesterday. The German attacks were delivered in heavy force, several divisions being employed, and their maximum gain on the southern edge of Gen. Byng's new salient, about eight and a half miles southwest of Cambrai, was about two miles and a quarter, with almost as much advance on the northern side of the British wedge. The British won back to-day less than one mile of this and lost heavily, including 4,000 prisoners, to accomplish it, Berlin reports. Heavy fighting is still in progress along most of the fifteen mile front.

Official Report on Battle.

An official report from British Headquarters in France to-night says:

Reports from various sectors on the Cambrai battle front, together with captured orders and objective maps, enable the following account to be given of the battle which began yesterday morning:

The enemy's intention was to deliver a simultaneous encircling attack with a large number of divisions and drive our troops from the important positions we had gained on the 20th of November. The following order was issued on the 29th of November by Gen. Vondermorwitz, commanding the Second German Army:

"Soldiers of the Second Army: The English by throwing into the fight countless tanks on November 20 gained victory near Cambrai. Their intention was to break through. But they did not succeed in doing so, thanks to the brilliant resistance of our troops who were put into the line to check their advance.

"We are now going to turn their embryonic victory into defeat by an encircling counter attack. The fatherland is watching you and expects every man to do his duty.'

Owing to the magnificent defence and stubborn resistance of our troops the enemy's object has been completely defeated. From Vendhuile in the south to a point two kilometers west of Moeuvres in the north the enemy advanced in masses in an endeavor to break through our defences by weight of numbers. From Masnieres northward our positions are intact and very severe losses were inflicted on the hostile masses by artillery, rifle and machine gun fire.

In places where the enemy temporarily broke through he was caught by the point blank fire of our field artillery and driven back by immediate counter attacks. South of Crevecoeur the enemy succeeded in forcing his way into our lines on a considerable front, capturing a number of prisoners and in places reaching our gun positions.

In these operations we have taken several hundred prisoners and many machine guns.

This afternoon the enemy repeated his attacks on our positions in the neighborhood of Masnieres, Marcoing, Fontaine Notre Dame, Bourlon and Moeuvres, and so far as reports hitherto show he has been completely repulsed.

The number of German prisoners taken in November was 11,551, including 214 officers. In the same period we have taken 138 guns, including 40 heavy guns, and also 303 machine guns, 64 trench mortars, besides great quantities of engineering stores, ammunition of all natures and war material of every kind.

British in Serious Position.

It is freely admitted that for a time the situation of the British was serious, but a hurried retreat saved most of the forces. Doubtless it was in this movement that most of the British prisoners were taken. Some British guns also were lost, but it is hoped that the British succeeded in blowing up those they were compelled to leave. Berlin reports the capture of several field batteries.

Just how extensive the British retreat

Continued on Second Page.

Soldiers Send Thanks for "Sun" Fund Smokes

THE best judges of the value of THE SUN Tobacco Fund are the men who receive the smokes purchased with the contributions. A lot of them express their gratitude—some in poetry, some in prose, but all with eloquence—on page 10 this morning.

December got off to a flying start. The fund advanced more than $1,300 yesterday, reaching almost to the $152,000 line. Another big shipment of cigarettes and tobacco was started for France. There is still time to get in on the Christmas giving, but there must be no delay. Christmas comes this very month, remember.

This promises to be a month of great accomplishment for the fund. There are lots of things for friends and supporters of the project to do. This very week will be a good one, with Justine Johnstone night Wednesday, and the Allerton House tea Saturday afternoon.

WARNING! THE SUN TOBACCO FUND has no connection with any other fund, organization or publication. It employs no agents or solicitors.

GERMANY'S PEACE CLAIMS SMALL, SAYS KUHLMANN; INVITES NEGOTIATIONS

GERMAN POISON PLOT IN CAMPS

Illness and Death of Many U. S. Soldiers Attributed to Teuton Spies.

AGENTS SHOT IS REPORT

Unconfirmed Despatch From Texas Says Entire Southwest Is Wrought Up.

Special Despatch to THE SUN.

SAN ANGELO, Tex., Dec. 1.—Reports that army cantonments of the Southwest are filled with German spies and agents enlisted under the flag of the United States and that these spies or agents have spread germs of disease which mean death to thousands of soldiers are being circulated here.

Germs of meningitis, germs of tuberculosis and actual poison, it is said, have been discovered in various training camps of this section of the country and enlisted men of German origin have been executed. At Camp Bowie, near Fort Worth, the reports say, hundreds of soldiers have meningitis. Many already have died. An enlisted man who afterward got on the medical staff has been taken for a "hike," it is said, from which he never returned.

Advices reaching here say that this enlisted man confessed to having been detailed by the German Government to spread the germs of meningitis. From Camp Riley come reports that a German cook who had been assigned to the messroom of a certain commander was caught with quantities of poison among his supplies. He was taken and questioned by privates and confessed that he had been instructed by outsiders to poison the soldiers. He was taken out, it is said, and never returned.

From San Antonio, where the bulk of the soldiers of Texas are stationed, come reports that enlisted men instead of being inoculated against contagious diseases have been filled with germs which meant death.

Some of these agents of Germany have been dealt with, though they are not mentioned in the despatch. From other camps similar reports have come and the entire Southwest to-night is boiling over in the effort to have the rights of the Government and of enlisted men vindicated. If such things prove to be true concerning men who have already enlisted they have no desire to leave homes and families. Reports received here to-night say the War Department is acquainted with the situation in the Southwest.

GERMS IN BALLOONS SENT ALLIED TROOPS

Men in Trenches Warned Against New Teuton Trick.

BOSTON, Dec. 1.—Stories of germ laden balloons that floated across the lines from the German front were related to-day by members of a party of eighteen American volunteers in the ambulance service who arrived in this country Thanksgiving Day.

Crimson colored toy balloons are the favorite instruments of unofficial communication with the Allies in the trenches when the Teutons have depressing news to make known. Recently circulars printed in French and sent across the front told of the inaction of the Russians and of the reverse to the Italian arms. It has been discovered, however, it is said, that the little red colored messengers frequently carry also deadly germs intended to breed epidemics, and now no soldier is permitted to touch one of these balloons until it has been subjected to a careful examination by a member of the medical corps.

In the party were three of the Beloit College ambulance unit of six which sailed for France early in May. All three won the Croix de Guerre for bravery in attending the wounded amid heavy shell fire and in disregard of gas waves. They were William F. Huffman and Ellwood H. Aldrich of Rockford, Ill., and Theodore Miles of Mount Carroll, Ill.

GERMANY SWEETENS SWEDEN.

3,000 Tons of Refined Sugar Goes to Friendly Neutral.

STOCKHOLM, Dec. 1.—The final shipment of the first 2,000 ton consignment of refined sugar has arrived here from Germany. A further thousand tons is being loaded at Stettin and is due here in a few days.

It is declared that the sugar has been received without any especial compensation from Sweden's resources.

SWISS PAPER RAISES CRY OF U. S. INVASION

Alarmist Publication Concerning Troops on Frontier.

Special Cable Despatch to THE SUN.

LONDON, Dec. 1.—The *Daily Mail* prints a despatch dated Friday from Berne that certain western Swiss papers like the *Independance Helvetique*, which is pro-German, cry alarmingly:

"Beware of America. The troops she has collected on the Swiss frontier want to take a short cut via Porrentruy and Basel to the Rhine and plant George Washington's little hatchet in the sensitive hinder parts of the German army."

"Beware of Germany," cries the *Gazette de Lausanne* in reply. "Remember why the tales about a French march through Belgium were invented at the beginning of the war."

The Zurich *Post* observes that it is both stupid and dangerous to attribute such intentions either to Germany or the United States. It adds:

"After her experience in Belgium, Germany is not likely to repeat such an experiment in Switzerland. In any case we do not need sensation mongers to warn us. We Swiss can depend on our army and our statesmen to keep watch and defend our interests whenever they are jeopardized."

New Fatherland Party Warns Against Truce

STOCKHOLM, Dec. 1.—Advices received here from Berlin say that the new Fatherland party has presented a memorial to the Reichstag containing a warning against a general truce, which, the memorial declared, would work to the advantage of England.

The memorial also requested the Reichstag to declare that its resolution of July 19, advocating peace, is no longer consonant with the present situation.

PARLEY TO-DAY FOR ARMISTICE

German Commander Advises Bolsheviki of Readiness to Negotiate.

SIX FEATURES IN REPLY

Leninites Win in Coalition Agreement With Russian Socialists.

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

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PETROGRAD, Dec. 1.—An answer has been received from the German commander in chief on the Russian front respecting the conduct of the peace negotiations launched by the Bolsheviki. The negotiations will be opened to-morrow. It contains six paragraphs, as follows:

The German commander in chief on the eastern front is ready to enter into negotiations with the Russian commander in chief.

The German commander in chief is authorized by the German high command to negotiate an armistice.

The Russian commander in chief must appoint a committee duly authorized in writing and send it to German eastern headquarters.

The German commander in chief likewise will appoint a duly authorized committee.

The German commander in chief must be informed of the day appointed in sufficient time to make the necessary arrangements and prepare a special train at the place where the Russian committee purpose crossing the German lines.

The Germans will arrange direct telegraph communication between the committees and the Russian higher command.

This is signed Von Hofmeister, Lieutenant-General commanding division.

Secret Propaganda Ordered.

A divisional order of the 216th German division, signed by Major-Gen. Kreinburg, commander of the Sixty-second Brigade, follows:

No. 266. Secret. Not to be taken into the first line trenches. According to headquarters' instruction, immediate energetic measures must be taken for carrying propagana into the enemy's forces. The object is to disorganize the enemy army and get information. The propaganda must be carried on by supplying literature for the more intelligent elements and by conversation through carefully chosen men among the mass of the Russian soldiers.

Company commanders are instructed to find convenient points for sending the literature and to choose men capable of speaking in the right way to the Russian soldiers. Minute instructions follow as to how, when and where this propaganda is to be conducted, and how reports are to be made to the German command.

Result of Russian Elections.

The elections here for members of the Constituent Assembly have resulted in the extremists getting six seats, the cadets four and the social revolutionary extremists two. The other parties, owing to their extremely small poll, will not be represented.

An agreement has been reached between Lenine's extremist and international groups respecting the formation of a socialist coalition responsible to a new council, which is to consist of 108 members of the executive committee of the Soviets, 108 peasant delegates, 100 army representatives, 35 trade unionists, 10 railway union members and 5 post and telegraph officials.

The agreement does not mean that the Lenine faction has given up one iota of its principles, but that the other parties have accepted its tenets. It is a complete triumph for the Leninites.

Eight keys to the cellars of the State Bank here have been handed to M. Obolensk, the extremist commissioner of the bank, who is now in actual possession.

The employees of the bank continue their strike. All other banks are closed, greatly to the inconvenience of the inhabitants, who are running short of ready cash.

The strikes of the employees of the ministries continue, steadily increasing the chaos.

A declaration has been issued by the Lenine Government that all the art treasures in the Petrograd palaces are the property of the people. Lenine has written to the people's commissioner of labor, who is housed in one of the palaces, ordering him to prevent the owners from taking away any of their property of artistic value.

CONSULTATION IS HELD.

Russian Soldiers Reach Austro-German Headquarters.

BERLIN, via London, Dec. 1.—The *Tageblatt's* correspondent at Czernowitz, Austria, reports that a delegation of Russian officers and soldiers called at the headquarters of the Austro-German command, where they were in consultation one and a half hours to-day. The Russians were heartily cheered when they addressed the populace, and their spokesman announced "Friends, we wish peace." The Russians then returned to their front.

London Sees Bid for Confidential Parleys in Secretary's Speech.

ANSWERS LANSDOWNE

"Firm, Moderate Statesmanship, Based on Facts," Advocated by Minister.

RUMANIA IS THREATENED

Berlin Ready to Deal Separately With Her or Any of Entente Allies.

Special Cable Despatch to THE SUN.

LONDON, Dec. 1.—Foreign Minister von Kuhlmann's speech in the Reichstag, according to fuller reports which have reached here, apparently is an effort to induce the allies to engage in confidential exchange regarding peace terms. He said that the Germans were willing to disclose their terms under such circumstances and that they were not excessive. The speech is treated by the London papers to-night as of first importance.

While the speech is in effect an answer to Lord Lansdowne's proposals rather than an announcement to the Entente Governments, it is seemingly the most direct invitation to the Allies to consider peace terms that has yet been extended. While it is apparently contradictory of the Imperial Chancellor's swashbuckling speech on Thursday, the contradiction is explained as necessary on account of German public opinion, the Chancellor boasting that Germany, victorious, is willing to fight to a finish, while the Foreign Secretary is put forward to discuss the serious business of initiating negotiations.

Hopeful Sign for Understanding.

In answer to the letter of the Marquis of Lansdowne, in which he proposed that the Entente Allies restate their war aims, Dr. von Kuhlmann said:

"It may be that Lansdowne's letter can be taken as a hopeful sign that even in England the forces of moderation are gaining ground. But to-day it is certain that the Pope's message is receiving no response from the western Powers and that France and England are resolved to rely only on violence. Therefore the German people will stand up and be prepared to beat force with force until the dawn of the better and more humane understanding which is beginning to appear in the eastern sky shall arise in the nations of the west, which are as yet filled with greed for money and power."

Dr. von Kuhlmann extended both an invitation and a threat to Rumania, saying that rumors of a Rumanian offer to negotiate were untrue, as a portion of Rumania was still held by Rumanian troops and it was conceivable that Rumania might continue the war at her own risk. Should Rumania decide to consider peace separate negotiations would be necessary.

This is an obvious feeler toward the separation of another nation from the Allies to clear the entire eastern front. Dr. von Kuhlmann asserted German sympathy with the new Russian regime and blamed the old autocracy for beginning the war.

Speaks for Germanic Allies.

At this point Dr. von Kuhlmann interjected the most significant remark in his whole speech, definitely insisting that he spoke for all the Germanic allies and making it evident that the speech was intended to be taken as an offer of peace negotiations if the Entente were willing.

Dr. von Kuhlmann attacked Premier Lloyd George and the British leaders generally, indicating his belief that they are uncompromisingly in favor of fighting to a finish. This attack seemingly was designed to weaken the present British Government and encourage the hopes of the pacifists of England. Von Kuhlmann speaking as if he regarded Lord Lansdowne as the real representative and spokesman of the British people and desired to discuss matters with him, ignoring the British Government.

SIMPLE TO LEARN AIMS.

Kuhlmann Asserts Germany Welcomes "Clearing of Situation."

AMSTERDAM, Dec. 1.—In his address to the Reichstag Main Committee yesterday Dr. von Kuhlman, the German Foreign Secretary, said Germany had shown great reserve on account of the fact that she had a fraudulent design and that once German astuteness had succeeded in bringing together her adversaries at the conference table she would come out with impossible claims, reckoning that the people, being tired of war and prepared for far reaching sacrifices, would not give their statesmen the support necessary to refute German demands. On this account, it has been said, it would be necessary for Germany's enemies to continue the fight until Germany was forced to make a detailed statement of her terms.

"If our adversaries are anxious to know what our aims are," he continued, "this matter is very simple indeed. There is a sufficient number of ways at their disposal. History has not furnished a single example of any great diplomatic assembly purporting to settle international affairs ever having been convened without previously having informed itself as to the intentions of the parties concerned."

Germany, said Dr. von Kuhlmann, welcomed the clearing of the situation as regards the western Powers "under pressure of our recent successes." He added:

"Those in favor of war to the extreme have come out into the open, demanding victory and nothing but victory. How they intend to use this victory is shown by the secret document published by the Russian Government.

"Our eyes at the present moment are turned toward the East. Russia has set the world ablaze. The gang of bureaucrats and sycophants, rotten to the core, overruling the weak and misguided though probably well meaning autocrat, surreptitiously brought about the mobilization of that country, which was the actual and immediate cause of