

the Atlantic catastrophe which befell the world.

"Now, however, Russia has swept aside the culprits and she is laboring to find through an armistice and peace an opportunity for her internal reconstruction. I need not supplement the clear words in which the Chancellor yesterday stated the attitude of the German Government toward these aims.

"Here again our policy will adhere to the principle of firm but moderate statesmanship based upon facts. The principles hitherto announced to the world by the present rulers in Germany and appear to be entirely acceptable as a basis for reorganization of affairs in the East—a reorganization which, while fully taking into account the right of nations to determine their own destinies, is calculated permanently to safeguard the essential interests of the two great neighboring nations, Germany and Russia.

"I am profoundly satisfied that we shall be able to pursue this course in full agreement with our allies and, I take it, also with the almost unanimous normal sentiment of the civilized peoples of the German people here assembled—a fact which will give our action necessary weight.

After referring to the Teuton victory in Italy and to the bitterness caused in Germany by Italy's entrance into the war, Dr. von Kuhlmann said:

"Nevertheless, there are some who in this hour of our challenges will not withhold sympathy from the Italian people."

The effect of Germany's military success, the Foreign Secretary said, was not to be overestimated. It was not the great words spoken by the Emperor at the outset of the war during the war-borne triumph, and the evolution of relations between the people and the Crown which have on the basis of the most sincere and mutual confidence forevermore been rendered freer and more active, and therefore, stronger.

**Dictators in Democracies.**

"In Germany the Government is carrying out the programme laid down by the Chancellor, yesterday, not giving way under pressure, and not proceeding with clear perception of historical necessity. The development has been actually opposite that of England and France, where the Government is tending more and more toward absolute dictatorship.

"In France, actuated by the dogmatic desire to continue the war, the Government has been called to power as the last card in the game. At the same time in Germany the Chancellor is making the Government programme a matter of detailed discussion with the various parties in France the newspapers devoted to Premier Clemenceau's Cabinet entirely without consulting Parliament in an absolutely dictatorial manner, and as one of the first functions of the Government is the repression of pacifist efforts is announced.

**British Constitution Annulled.**

"In England the development which has now occurred in France took place some time ago. The party for war to the end and through the end of the war, he was invested with powers under which, disregarding the provisions so dear to the British Constitution, he was made de facto dictator.

The Foreign Secretary said Mr. Lloyd George probably had not quite come up to the expectations of his friends, but that inasmuch as the necessity of carrying out the war, unless Lord Northcliffe should be recalled to, "we may probably for some time to come see the western democracies under the leadership of their dictators, discussing in full harmony questions regarding the command of the allied forces."

When the civil general of the missions entered the foyer Premier Lloyd George led the way, followed by Premier Clemenceau, whose aggressive appearance was strongly emphasized by his piercing eyes, bushy overhanging eyebrows and bristling, shaggy mustache, which afforded a striking contrast with the mild demeanor of the British Premier.

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**SECRET OFFER TO ITALY IS REVEALED**

**Bolshevik Officials Publish Alleged Inducements Made to Enter War.**

**MANY PROMISES MADE Added Territory and Large Loan Said to Have Been Assured by Allies.**

**COPENHAGEN, Dec. 1.**—A despatch from Copenhagen, Sweden, to the "Morning Telegram" says that the Bolsheviki, between the lines of the Russian press, have announced that the Bolsheviki Council are still staying in that city. Gen. Kaledin has ten Cossack infantry regiments, also batteries of field machine and twenty machine guns.

**PARIS, Dec. 1.**—The offensive on the Italian front continues in the hands of the Italians, according to the report from Berlin. They attacked yesterday Monte Piave, between the upper Piave and the Brenta, where Berlin claims they were repulsed. The significant point, however, is that the Austro-German forces are making no further attacks, but seem to be entirely on the defensive.

The official report from Italian headquarters to-day says:

There was no infantry fighting yesterday. The artillery fire continued with marked intensity along the whole front, the enemy fire being particularly violent from Monte Simele to Monte Casselomberto, on the Asiago plateau.

Our batteries dispersed assemblies of troops here and there and effectively shelled enemy movements between the Piave and Piave Vecchia.

Our air force was very active. Enemy encampments in the valley of Arten were bombed. Three enemy machines were brought down in aerial duels. One captive balloon was set afire and another forced to land.

**Asiago Wrecked by War.**

An Associated Press correspondent examined yesterday the Asiago front, accompanied by an Italian Colonel commanding one of the batteries on the line. From his observation post on the summit of the mountains flanking the Asiago plateau he could look down on the battle line and ascertained that Asiago, now held by the enemy, with his lines of entrenchments beyond and his batteries stretching from the long range of summits extending from Monte Meletta eastward to the Brenta River.

It was a most impressive mountain scene, at an altitude of 5,000 feet, with the clouds lying below instead of above and the canyons cutting through the gorges. The ground was covered with an inch of snow which had fallen in the night and the ponds formed in shell holes were coated with three inches of ice.

The men of duty were around campfires, looking well and contented. The Colonel said living conditions, rations and supplies were in good shape.

Some of the men were in tents on the mountain slopes, others in trenches and dugouts, while others were in rough frame barracks, which are being constructed hastily.

**No Life Seen in Town.**

Asiago itself presented a desolate spectacle in the midst of the fire swept plateau to which it gives the name, with the Italians on one side and the enemy on the other, and showing no sign of human life. The houses, churches and tall chimneys could be seen plainly, but the Colonel said the whole place was in ruins, without a building intact.

Sixty planes showed no sign of life in the town and no smoke arose from the factories or residences.

The artillery fire was heavy and continuing during the night. The enemy was bringing up heavy guns of large calibre. Twenty monster projectiles had come in a bunch early in the day, opening great craters which were frozen ponds. There had been no infantry advances and the Colonel was satisfied with the repulse the enemy had received. The enemy doubtless had received another advance, the Colonel said, but the strength of the Italian lines gave assurance that he would be repulsed again.

Austrian prisoners who had been brought in said they recently came from the Russian front. The enemy lines were made up, according to this officer, of German, Austro-German and Italian troops, but there were no Bulgarians or Turks.

Along the road leading to the front there was increasing activity, with vast stores of material being pushed forward. The correspondent passed batteries of heavy guns drawn by trains, tractors and huge stacks of 8 and 13 inch shells. Infantry was moving forward, being strung along the road for three miles. This and frequent evidence of troops on many roads gave visible sign of the power being concentrated, while on every hand the officers and men were confident that the enemy's great drive from the north had been held, as that from the Piave side had been.

**GUN FIRE INCREASES.**

**Belief That Teutons Cannot Assume a More Defensive.**

Special Cable Despatch to THE SUN.

ROME, Dec. 1.—Prolonged and intensified artillery actions are in progress along the entire Italian front. Whether these are a prelude to further massed infantry attacks by the Austro-German forces or are an alteration or abandonment of the original plans of invasion is unknown here.

A report that Austro-German troops are being withdrawn from the Italian front for a sudden offensive in Macedonia is not credited, aside, besides the doubtful success of such an attempt, a more Austro-German offensive on the Italian front is now impossible.

**OFFENSIVE STILL LIES WITH ITALY**

**Berlin Claims Repulse of Attack Between Piave and Brenta.**

**ASIAGO CITY OF RUINS**

**Spirit of Defenders Seems One of Confidence That foe Is Checked.**

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**White Rock**

The Leading Mineral Water Because of its Superiority

**BRITISH WIN BACK PART OF THEIR LOSS**

*Continued from First Page.*

was not clear. Berlin asserts that the British were thrown back upon Graincourt, Anneux and Cantaine, on the north side of the salient. The loss of ground here is not mentioned in the British report. Berlin reports also that the Germans stormed the heights on the west bank of the Scheldt, on both sides of Bantoux, and also captured Gonnelle and Villers-Guislain. The losses on both sides are exceptionally heavy.

On the Verdun front, Paris reports, the Germans lost night made two violent attacks, one against Beaumont and Champs Wood and the other north of Loivre northwest of Rheims, and in the Argonne.

The Berlin official accounts of the fighting follow:

**German Day.**—In Flanders the artillery activity remained within moderate limits. Southeast of Arras the battle raged continued in increased violence. The artillery near Cambrai broke out again yesterday with great violence. Our own counter attacks for the improvement of our positions met with complete success. The strongest fire by our artillery and mine throwers prepared the way into the enemy's lines, which tanks and cavalry entered between Moeuvres and Bourlon and from Pontaine and La Polle we threw the enemy back onto the villages of Gonnelle, Anneux and Cantaine. On both sides of Bantoux our troops took by storm the heights on the western bank of the river Rening from the Scheldt. They penetrated the enemy lines and captured the villages of Gonnelle and Villers-Guislain.

The enemy, who resisted stubbornly, sustained heavy losses. Four thousand British were taken prisoner and several batteries were captured. Counter attacks by the enemy against Gonnelle, Anneux and Cantaine were repulsed, collapsed with heavy losses.

A sharp artillery duel continued on the Verdun front. The British on the east bank of the Meuse there was strong artillery activity at times.

**German Night.**—On the battlefield near Cambrai strong British counter attacks against the positions captured by us yesterday.

**SOME GROUND LOST.**

**British Also Unable to Withdraw All First Line Troops.**

*By the Associated Press.*

**BRITISH HEADQUARTERS IN FRANCE.** Dec. 1.—In their operations in the Cambrai sector the British have made a turning movement, but the British were able to pull back most of their troops and guns at the first attack and were then able to reoccupy the British line up to a certain number of miles. So far as could be ascertained this morning, no British guns were captured by the Germans. The German casualties were exceedingly large.

There is no concealing the fact that the enemy gave the British an uncomfortable time yesterday, but the situation this morning is not one to cause particular uneasiness.

Some scattered British in the front

**GREAT WAR COUNCIL OPENS ITS SESSIONS**

**Three Premiers and Col. House Meet in Trianon Palace.**

**MAY BE GENERALISSIMO**

**France Wants to Have Chief—England Not Ready to Agree Yet.**

*From a Staff Correspondent.*

VERSAILLES, France, Dec. 1.—The men who will frame the decisions of the inter-allied conference met here to-day as members of the Supreme War Council. They are the heads of the four principal missions, Premier Lloyd George, Col. E. M. House, Premier Clemenceau and Premier Orlando, who, with their military advisers, form the inner conference which will coordinate the strategic and economic conditions so as to obtain unity in control of action, now acknowledged to be indispensable for a definite victory on the battlefield.

In reaching its decisions the Supreme War Council will act as a kind of super-international conference and it is not beyond the bounds of probability that, being a permanent body, in future it will exercise the functions that are now lodged in the conference which has met at irregular intervals determined by the exigencies of the progress of the war.

Apart from momentous decisions of a strategic nature the question before the council that is attracting the greatest interest is whether there shall be a generalissimo of the allied armies.

France is avowedly in favor of the creation of such a post, to which she believes a French general should be appointed. Italy and the United States are understood to favor a unity of command but are still open to conviction.

The solution now indicated as most probable is that the experiment of having the Supreme War Council act in an advisory capacity with the chiefs of the armies shall have a fair trial and if this should prove to be unsatisfactory England will agree to the appointment of a single head of the armies.

The sessions of the Supreme Council began at 11 o'clock in the Trianon Palace, the delegates motoring from Paris. Viscount Northcliffe accompanied Premier Lloyd George but took no part in the meeting. The three Premiers and Col. House held a brief consultation while their military advisers waited in the foyer. Gen. Cadorna of Italy and Gen. Poch of France together, while Gen. Robertson and Gen. Wilson of the United States made another group.

When the civil general of the missions entered the foyer Premier Lloyd George led the way, followed by Premier Clemenceau, whose aggressive appearance was strongly emphasized by his piercing eyes, bushy overhanging eyebrows and bristling, shaggy mustache, which afforded a striking contrast with the mild demeanor of the British Premier.

Premier Orlando came next, short and thickset, with closely cropped gray hair, looking the part of the bustling business man. Col. House came last, accompanied by Gordon Auchincloss, secretary to the mission, and by First Secretary Frazer of the American Embassy, who has been

**INTEREST ON BONDS IS PAID BY RUSSIA**

**Bank Declines to State Who Gave It Authority to Take Action.**

The uncertainty which existed on the last minute as to whether the Russian Government would pay the interest due yesterday on \$25,000,000 of bonds placed here in the latter part of 1916 was removed when the National City Bank began early in the day to cash the coupons presented for payment.

Because of the factional Government in Russia and the frequent changes in the governmental heads even the bankers who placed the bonds with investors in this country have feared that the interest might not be paid promptly.

The bonds bear five and a half per cent. interest annually, and this is payable in two semi-annual installments. The payment due yesterday called for \$637,500. The National City Bank handles payment of the interest, but the principal of the bonds is held by the Russian Government with several institutions in this city. It being one of the depositors, it did not dare, however, pay the interest without being ordered by the proper authority to do so. The order to pay the interest was received in this country early in the morning of yesterday, but the bank declines to give the name of the person who authorized the payment except to say that the proper authority gave it.

**Investors Worried.**

The revolution in Russia has raised the question as to whether the Russian Government will pay the bonds contracted with its allies as a result of the war. Investors in the United States are interested in knowing what will happen to the \$50,000,000 of Russian Government 6 1/2 per cent. bonds and \$25,000,000 of 5 1/2 per cent. bonds sold to Americans in 1916. The \$50,000,000 issue matures July 10, 1918, and the \$25,000,000 issue matures December 1, 1921.

Bankers familiar with the financing done in the United States for Russia's war effort express a belief that the bonds will be paid, but whether they will be paid promptly at maturity they cannot say. If they are not paid promptly at maturity they believe that the United States, France and Great Britain will force payment. One banker said that under international law the succeeding Government must hold the bonds for the debts of the previous Government.

**Norway, Denmark and Sweden to Continue Neutrality.**

**CHRISTIANIA, Dec. 1.**—The Kings of Norway, Denmark and Sweden at their conference here, says an official statement, reached an agreement on the following points:

First—The desire is expressed regarding the relations of the three kingdoms to the war, however long the war may last and whatever form it may take, the cordial relations and mutual confidence of the three kingdoms shall be maintained.

Second—In conformity with the previous declarations and policies of the three countries it is the full intention of their Governments each for itself to observe the utmost degree of neutrality toward all belligerent Powers.

Third—The desire is expressed reciprocally to aid one another with merchandise during the present difficulties and special representatives are to be appointed immediately to facilitate the exchange of merchandise.

At the meeting there was a discussion in reference to legislation dealing with the relations of foreigners and Scandinavian subjects. An agreement also was reached regarding the continuation of preparatory measures toward safe-guarding common interests of neutrality during and after the war. The desirability of cooperation between the three countries was expressed as at previous conferences.

**9 P. C. PROFITS ONLY FOR MEAT PACKERS**

**Chicago Houses Fail to Get Raise From Hoover.**

WASHINGTON, Dec. 1.—Protest to-day by Chicago packers failed to shake the Food Administration's decision to enforce regulations which will cut packing profits to 9 per cent. The objections were presented to Administrator Hoover personally by representatives of the five great packing houses.

The decision that earnings shall not exceed 9 per cent. maximum profit was reached, the packers were told, after investigation of pre-war profits and after consideration of the entire situation. Pre-war profits, it was found, were slightly less than 9 per cent. Any profit higher than that, Mr. Hoover declared, would force producers and consumers of the country to pay for plant expansion and would raise a serious question of public policy and the rights of the public in extensions of the war.

Any regulations imposed by the Government, the packers said, would be observed, but any responsibility for future shortages in production would fall on the Food Administration. It is not their desire, they added, to earn excessive war profits, but money must be had for extensions.

**PERSHING LOSES TWO MORE**

**Both Die From Natural Causes—Lieut. Belfry Wounded.**

WASHINGTON, Dec. 1.—Gen. Pershing's Reserve Corps attached to the British forces, has been seriously wounded in action, the War Department was advised to-day by Gen. Pershing. Lieut. Belfry, the son of the Rev. G. W. Belfry, Belvidere, Ill.

These deaths among the expeditionary forces from natural causes also were reported by Gen. Pershing.

Private Gustav J. McGraw, infantry, November 28, from cardiac disease, Belvidere, Ill.

Gen. Pershing reported that in a casualty list announced November 1, the name of Frank J. Cook should have been given in place of Frank J. Cook. Cook died of pneumonia. His next of kin is his aunt, Mrs. Frank S. Hart of Waterbury, Conn.

**BRITISH DOWN 16 AIRPLANES.**

**Scout Patrols Fire 15,000 Rounds Behind German Lines.**

LONDON, Dec. 1.—The British official report of aerial operations issued to-night says:

Yesterday our scout patrols fired more than 15,000 rounds from their machine guns on enemy troops and transports on the roads behind the fighting line.

Five enemy hostile airplanes were brought down out of control. Seven of our machines are missing.

**THE ANDERSON GALLERIES**

Announce the Opening, Monday, December 3rd, of their New Home at

**PARK AVENUE AND FIFTY-NINTH STREET NEW YORK**

with exhibitions of the following collections, which will remain on public view until the dates of their sales as noted below.

Duplicates from the Library of **MR. HENRY E. HUNTINGTON** of New York

Consisting of **EARLY AND MODERN ENGLISH LITERATURE** To be sold Monday Afternoon and Evening, December 10th.

**RARE AMERICANA** To be sold Tuesday Afternoon and Evening, December 11th.

Mr. Huntington's Library is easily the greatest private library in the world. It includes collections made by a number of the foremost collectors and important purchases made at the Hoe and other book sales. Mr. Huntington, inevitably has acquired duplicates even of the rarest items. These duplicates are sold absolutely without reserve to the highest bidder at public auction, affording collectors an opportunity to secure volumes which may never again be offered at either public or private sale.

Books from the Library of **MR. CHARLES J. GROVES** of Boston and From Other Consignors

The items in this sale cover many fields of interest—First Editions, Early English Literature, Fine Bindings, Colored Plate Books, Extra Illustrated Books, Early Printings, Shakespeareana, Old Manuscripts and Rare Autographic Materials, Books on Sport, etc. Among the many notable items are Beccaccio's "De Genealogia Duceum," 1473, a document with Queen Elizabeth's signature in three places; Campbell's unpublished note book for his "Life of Mrs. Siddons," a Historic Letter by Paul Jones, Keimscott Press books in superb binding and a complete set of the Iconophile Society publications.

To be Sold Wednesday and Thursday, December 12th and 13th.

**OLD ENGLISH SILVER AND OLD SHEPHERD PLATE** A collection of 198 lots, including a wide variety of silver table service, the foremost silversmiths. To be sold Monday Afternoon, December 17th.

**MEZZOTINTS IN COLOR** by S. ARLENT-EDWARDS Practically a complete collection of proofs, (including a few in pure mezzotint) in unusual state, gathered by Mr. Max Rosenberg of New York. To be sold Monday Evening, December 17th.

Catalogues sent free to intending purchasers. Sales Conducted by Mr. Frederick A. Chapman.

**WEAVERS OF SPEECH**

**"An Ideal Occupation for Young Women"**

**IDEAL** because telephone operating is an important and enjoyable public service with each day bringing its opportunities to make work easier and life happier for all of us.

**IDEAL** because of the companionship with the brightest and most capable young women in business.

**IDEAL** because conditions surrounding the work are of the best—light, large, well-ventilated central offices, having cozy sitting-rooms, modern dining-rooms and every provision for the health and happiness of employees.

**IDEAL** because to those who qualify the work is permanent; the pay is good; advancement is certain, and employees are protected by a liberal Benefit Plan. Good salaries are paid even to those who are accepted for the training department course.

We have just issued an illustrated booklet describing the work of the telephone operator. If you are interested in this most attractive profession, telephone, write, or call at our nearest commercial office and ask for a free copy of "An Ideal Occupation for Young Women."

**NEW YORK TELEPHONE COMPANY**

**Palais Royal**

BROADWAY AT 48TH STREET

**Dinner De Luxe**

At Three Dollars per Cover

Including Elaborate Entertainment

EVERY SUNDAY EVENING

Six to Nine

*Reveries de Elite*

*Dancing Sunday Evening*

**\$3,750,000 CREDIT.**

**Reichstag Votes Huge Sum With Little Opposition.**

AMSTERDAM, Dec. 1.—Berlin advices received here to-day say that the Reichstag has finally adopted a vote of credit of 3,750,000 marks (\$3,750,000) with only independent Socialists voting in opposition. Count von Roeder, Secretary of the Imperial Treasury, announced that the total credit of the assessed war tax this year, estimated at 5,000,000,000 marks (\$1,250,000,000) was better than estimated in last year's budget. This year, and the same contributions of assessed property taxes raised during the war will yield more than 6,000,000,000 marks (\$1,500,000,000).

The Federal States and communities also have increased the direct taxes so that an extra amount of about 2,000,000,000 marks (\$500,000,000) has been raised. Count von Roeder said:

"These 3,000,000,000 marks (\$750,000,000) are only a modest part of the actual war expenditure. The direct taxes have served in the first place to cover payments of interest as well as the deficiency in direct taxes and they have been entirely adequate for that purpose."

The pay of German private soldiers is to be increased soon by one-third, has been announced in the Main Committee of the Reichstag, according to Berlin despatches. Non-commissioned officers are to have their pay raised 20 per cent.

A motion was submitted in committee demanding the formation of a committee of inquiry to examine into the prices for war contracts, the exports to foreign countries during the war and the formation of war supply companies.

**Argentine Strike Ends.**

Buenos Ayres, Dec. 1.—The strike of the railroad employees here was settled to-day.