

PRESIDENT REFUSES ARMISTICE TO GERMANY; ASK IF HIS 14 PEACE POINTS ARE ACCEPTED; BRITISH DRIVE FIVE MILES NEAR CAMBRAI

FOCH HURLING GERMANS BACK ON SEA FRONT

Haig Smashes at Shoulder of Lille Salient to Hurry Retreat.

OPEN FIGHTING AHEAD

Battle Around Cambrai Furious and One of the Most Vital of War.

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LONDON, Oct. 8.—Marshal Foch has decided that the Germans in their retreat from the coastal regions of Belgium and the adjacent districts of northern France are not moving rapidly enough. To-day Field Marshal Haig started a new drive in the Cambrai-St. Quentin sector, the apparent purpose of which is to crush in the southern shoulder of the Lille salient, forcing the Germans to hurry their retreat and driving them into the open country east of the Hindenburg system of defences, where they can be handled more easily. The German is never a good fighter in the open, but only behind the strongest kind of defences.

The British Third and Fourth armies drove forward on a front of about twenty miles, from Cambrai southward, with a large American contingent operating with the Fourth British Army. They penetrated four to five miles, taking a dozen villages and many prisoners. The battle already has developed into one of the most furious of the war and promises to become one of the most vital. The barrage which preceded the attack seldom if ever has been equalled.

North and South Carolina and Tennessee troops played a large part in the brilliant advance of the day. They captured Brancourt and Prement, marking the apex of the advance in that section of the line, and at the latest reports were holding fast to them.

The Third and Fourth armies advanced on separate but converging lines. On their right, east and a little north of St. Quentin, the French made an independent but coordinated attack in which they made equal progress, taking the villages of Esignay and Fontaine. When this attack of the British, Americans and French is completed the Hindenburg line, so called, will be only an unpleasant memory.

YANKEE DRIVE ON, USING MIST BARRAGE

Gain in Argonne—Rescue "Lost" Battalion.

By the Associated Press.

WITH THE AMERICAN ARMY NORTHWEST OF VERDUN, Oct. 8.—The American troops continued their advance east of the Argonne until late Monday night. After the capture of Chatelet Chebry they gained further ground. The advance was aided somewhat by the use of smoke bombs and a heavy fog. A platoon of misshapen soldiers, the "lost" battalion, was rescued at 6:40 o'clock yesterday. Though it had encountered terrific opposition it was found to be virtually intact, few of its members being killed or wounded.

The lost battalion, whose whereabouts was a mystery for some time after its disappearance in the attack along the edge of the Argonne, comprised several hundred men, under the command of Major Charles Whittlesey. Completely surrounded by the Germans, they made their stand with their pistols and rifles and a few machine guns as defensive weapons.

When relief reached them their stock of cartridges was almost gone, and the men were in a weakened condition from lack of sustenance and the effects of the gas. The Germans, who had surrounded the trapped infantrymen had no blankets to protect them.

YANKEE MAKE BRILLIANT DASH FOR 2 MILE GAIN

Attack on Seven Mile Front East of Meuse and North of Verdun.

SMOKE BOMBS ARE USED

Pershing Believed to Be Getting Positions for a More Rapid Advance.

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LONDON, Oct. 8.—While the British and Americans on the Cambrai-St. Quentin front and the French on their right extending around to the Rhema sector were driving the Germans from some of the very strong positions they have occupied since 1914, the French and Americans made a brilliant attack on a front of seven miles east of the Meuse and north of Verdun. According to the latest reports received an advance of between one and two miles had then been achieved.

Following the capture of Chatelet Chebry they have pushed on, aided by fog and the use of smoke bombs. The deadly nature of this last attack, the purpose of which apparently is to aid the American advance west of the Meuse in the Argonne, is obvious. It is the impression here that Gen. Pershing, after much slow and difficult progress west of the Meuse, is gaining positions now which will make his further progress much faster. The fight of the American First Army has been a tremendous struggle, but it is a most nervous menace to the enemy's contemplated retreat to the Meuse.

The War Department has decided to provide more big guns for each of the eighty divisions that America expects to have in France next year.

While the increase obviously points to greater use of artillery in blasting the Allies' way into Germany, committee members decline to say specifically what explanation had been given by the War Department.

With to-day's estimate the army has asked for more than \$4,000,000,000, the amount to be raised by the new war revenue bill, for placing the army on a basis of 5,000,000 men. This sum is in addition to \$12,000,000,000 already provided in the Regular Army appropriation bill and to \$5,000,000,000 in the fortifications bill.

Special Despatch to The Sun.

WASHINGTON, Oct. 8.—The point of complete exhaustion, especially in the larger varieties of shell and projectiles, is being reached in the munitions reserves of the German armies in France and Belgium, according to estimates and computations based on advice from abroad, which have been made here this week by ordnance experts acquainted with the enemy's artillery in use and with the resources for munitions production in Germany.

The recent loss of large quantities of ammunition and guns to the advancing Allies, with the destruction of scores of munitions dumps to prevent them falling into the hands of the forces of Gen. Foch, has left the Germans in a position, it is said, where they are no longer able to meet the bombardments and barrages of the Allies with an equalized fire except at some strategic points.

Text of President Wilson's Reply to Germany

WASHINGTON, Oct. 8.—The following communication was handed to the Charge d'Affaires of the Swiss Legation to-day:

Sir: I have the honor to acknowledge on behalf of the President your note of October 6th, enclosing the communication from the German Government to the President; and I am instructed by the President to request you to make the following communication to the Imperial German Chancellor:

Before making reply to the request of the Imperial German Government, and in order that that reply shall be as candid and straightforward as the momentous interests involved require, the President of the United States deems it necessary to assure himself of the exact meaning of the note of the Imperial Chancellor. Does the Imperial Chancellor mean that the Imperial German Government accepts the terms laid down by the President in his address to the Congress of the United States on the 8th of January last and in subsequent addresses and that its object in entering into discussions would be only to agree upon the practical details of their application?

The President feels bound to say with regard to the suggestion of an armistice that he would not feel at liberty to propose a cessation of arms to the Governments with which the Government of the United States is associated against the Central Powers so long as the armies of those Powers are upon their soil. The good faith of any discussion would manifestly depend upon the consent of the Central Powers immediately to withdraw their forces everywhere from invaded territory.

The President also feels that he is justified in asking whether the Imperial Chancellor is speaking merely for the constituted authorities of the empire who have so far conducted the war. He deems the answer to these questions vital from every point of view.

Accept, sir, the renewed assurance of my high consideration.

ROBERT LANSING.

BILLION MORE FOR BIG GUNS

War Department Asks \$1,100,000,000 for Huge Increase in Ordnance Plans.

DETAILS KEPT SECRET

Army's Estimates Now Total Eight Billions, Besides 17 Billions Already Provided.

WASHINGTON, Oct. 8.—Huge increases in the artillery programme have been decided upon by the Ordnance Department, which today asked the House Appropriations Committee to add \$1,100,000,000 to its estimates of \$2,647,000,000 to carry out its part of the enlarged army programme.

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MILITARISM HAS FAILED, IS DERNBURG'S PEACE PLEA

Dawn of New Era Coming, When Germany Must Bow for Own Good, He Says, Backing Maximilian.

AMSTERDAM, Oct. 8.—"Militarism has not attained its aim of peace by annexation, violence and oppression—a peace of understanding is coming instead," said Dr. Bernhard Dernburg, former German Minister of Colonies, speaking at Chemnitz, Saxony.

"With Prince Maximilian," he added, "the old German ideal comes to the fore—not what is useful, but what is right and moral."

"Such a peace will bring a new era and a new and better life will dawn for Germany and the world based on justice in thought and action. A new era means a fundamental revolutionary transformation of Governmental system for the entire future."

"Militarism is an expression of violence without the restriction of authority. It terrorizes the entire state life. President Wilson's fourteen old and five new points can be accepted by us if put forward honestly without humiliation for Germany. We shall not accept an unjust, humiliating peace. The new Ministry is not only a Ministry of peace, but if necessary a Ministry of national defence and, if it must be, to the bitter end."

The Lokalanzeiger of Berlin says that two of President Wilson's points must be considered rejected—the separation of Alsace-Lorraine from Germany and the incorporation in independent Poland of Prussian Poland. Commenting upon the address by Prince Maximilian, the German Imperial Chancellor, the Tageblatt of Berlin says:

"All Germany, or at any rate that great, honest and good Germany which is imperishable, feels that Prince Maximilian, in accordance with his duty as a man and as a servant of his people, has done what is right and necessary. Why haven't we learned earlier to know ourselves?"

TRICK TO GAIN TIME TO RETIRE

Diplomat Shows Proposals of Chancellor Purely Germanic.

WOULD SAVE COLLAPSE

Plan Is Hinted to Compensate Austria for Loss of Its Slavs.

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LONDON, Oct. 8.—A prominent allied diplomat now in London, summing up the German peace proposals said:

"Take the German Chancellor's attitude toward Alsace-Lorraine and the solution proposed is Scheidemann's solution, just as the particular league of nations proposed is Erzberger's colonial policy, and Solff's dream of a German Africa. As for the German frontier States their measure of self-determination will be that of the German or Austrian police."

"The whole business is Scheidemann, Erzberger, Solff—the whole a wailing of Von Kuehlmann's baton to give Hindenburg time to retreat from Belgium and France. The great thing is nothing but a strategic trick designed to save the German armies from collapse in the west."

Another important point is the discreet but urgent role the Vatican is playing, in urging the Austrian Emperor and the South German Kings to combine in putting pressure on Prussia to make concessions to the Catholic party, which now dominates the new German Cabinet. The Vatican as well as the new Catholic Cabinet in Holland, are in constant touch with the German Centralists. The papal policy is that the latter should carry Germany with them against the Prussian hegemony, or falling in that, the South German States should abandon Prussia and reform the old Catholic federation with German Austria.

"Thus the holy empire of the Hapsburgs would find compensation for the loss of its Slavs. The latter would form a number of new predominantly Catholic States. Such a policy if carried out would certainly imply a signal triumph for the Vatican."

"Professor Lammassch's promised acceptance of Vienna's part of President Wilson's fourteen fundamentals must be considered in the view that these fundamentals are constantly changing of late in such a manner that the autonomy demanded by Wilson for the Poles, Czechs, Slovaks and Jug-Slavs implies the complete disassociation of these nations from the Hapsburg monarchy. Lammassch's proposal will envisage local autonomy only in a Federal Hapsburg State. The differences between him and Wilson are utterly irreconcilable."

REPLY IS CHART OF DIPLOMACY, SAYS HITCHCOCK

Chairman of Foreign Relations Committee Approves Course.

LODGE OPPOSES DEBATE

Insists President Should Have Declined to Discuss the Situation.

Special Despatch to The Sun.

WASHINGTON, Oct. 8.—The reply of President Wilson to the latest Teuton peace feeler was the general topic of discussion among the Senate leaders to-night.

Senator Hitchcock (Neb.), chairman of the Foreign Relations Committee, was convinced that to-day's step by the President was one of progress toward a clarification of the situation and as such perhaps necessary in order that the course of the United States in the diplomacy of war should be as completely charted as in the diplomatic interchanges precedent to hostilities.

"The President's preliminary answer is well calculated to develop the issue," said Chairman Hitchcock. "It will prevent Germany from concealing or disguising the real issue. I believe it has been a wise step on the part of the President before replying to the note of Prince Maximilian to obtain exactly the intention of the German Government before framing his reply to the Prince's communication."

Must Accept All Conditions.

"The interpretation I would put upon the President's preliminary answer would be that he intends to reject the German overtures unless Germany accepts all the conditions heretofore laid down and at once evacuates all occupied territories. I interpret it to mean with regard to these evacuations a German withdrawal from Belgium, France, Italy, Rumania and Serbia, and perhaps also Russia, and that thereafter the conference shall deal exclusively with the details incident to Germany's unconditional acceptance of the conditions laid down in the President's speech of January 8 and subsequent supplementary conditions stated by him."

"I interpret the note also to mean that by the use of the word 'accept' the President means Germany is to accept the conditions variously laid down by him and not to accept them simply as a basis of further negotiations."

Ranking minority member of the Foreign Relations Committee, issued this statement after mature deliberation:

"I am keenly disappointed that the President should at this stage enter into a discussion with the Imperial German Government as he has done in the note signed by Mr. Lansing. In his first and second paragraphs he asks for further information and invites further discussion. It is true that in the last paragraph he inquires whether Prince Maximilian of Baden represents merely the constituted authorities of the German Empire."

Can Represent Only the Kaiser.

"Prince Maximilian is the Chancellor of the German Empire appointed by the Kaiser. I do not understand what he can possibly represent except the constituted authorities which represent the German Empire and the German people, unless a revolution has occurred or is about to occur, which has yet no knowledge. To us he stands as the representative of the German Empire and of the Kaiser. Personally I adhere to this statement of the President in his speech of September 27."

"We are all agreed that there can be no peace obtained by any kind of bargain or compromise with the Government of the Central Empire, because we have dealt with them already and have seen their deal with our Government."

Wilson Demands to Know if Maximilian Speaks for People.

AMOUNTS TO REJECTION

Inquiry, Not Reply, Is Official Description of Answer.

BLOCK WAR PROPAGANDA

Interrogations Bar Rulers From Declaring Life of Nation Is at Stake.

Special Despatch to The Sun.

WASHINGTON, Oct. 8.—No armistice will be considered by this Government or even discussed by it with its cobelligerents until the armies of the Central Empires have been withdrawn from every foot of territory invaded since the war began.

No thought of peace discussion with Germany will be entertained by this Government until Germany makes it clear that she accepts as a basis of agreement and not of negotiation the terms already laid down by President Wilson.

No peace overtures of any description from Germany will be considered by the United States until the President is satisfied that they emanate from responsible representatives of the German people. These are the salient features of a communication which the President to-day addressed to the Imperial German Chancellor.

Not Reply, but Inquiry.

This communication is not a reply to the German note of October 6, but is an inquiry designed to force a clarification of the German note itself, upon which the reply of this Government will later be framed.

Although interrogatory in its nature the President's communication delivered to-day to the Swiss Legation for transmission to Berlin is in effect a flat rejection of the German appeal for an armistice and a refusal to invite the Entente nations to take up peace negotiations. The President indignantly refuses even to sound out officially the cobelligerents until Germany, to the President's satisfaction, answers these three questions:

1. Does the German Government accept the fourteen points of the President's January 8 address and also the terms of his subsequent addresses as a basis, not of discussion, but of agreement?

2. Are the Central Powers prepared at once to evacuate all invaded territory and withdraw within their own boundaries as a guarantee of good faith?

3. Is the Imperial German Chancellor merely acting as spokesman for the Kaiser and the war party or is he speaking for the German people?

Has Not Closed Door.

It is upon the answer to these questions that the President's next move depends. In other words, he has not closed the door by demanding unconditional surrender as the prerequisite of peace, but has put it up to Germany to define her exact position before asking to be heard. In this the President undoubtedly has been actuated by the desire to avoid giving the German war party any excuse for using this Government's position to stiffen the resistance of the German people.

Had "Sun" Fund Card in July 18th Battle

EDDIE H. HILLS of First Division, Fifth Field Artillery, wrote to thank a donor for tobacco which was given to him when the fight "was at its height and we fought much better because it told us the people at home were thinking of us." This card is torn and burned as if by powder; it is a valuable souvenir.

To-night's event for the fund and the Fourth Liberty bond sale is the block party in the theatre district; the cruiser transport force band will play. Read full details on page 7.

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

SOLDIERS TO VOTE IN CAMPS.

Candidates Will Not Be Allowed to Send Literature.

WASHINGTON, Oct. 8.—Regulations under which officers and men of the army stationed in home camps may vote in the primary or general elections were announced to-day by acting Secretary Crowell. The General Staff has arranged to permit election officials to establish camp headquarters for registering the men and taking their ballots.

Literature designed to instruct the voter in the manner of casting his ballot may be distributed from camp election booths, but distribution of literature designed to influence him in regard to his choice is forbidden.