

WEATHER FORECAST.
Snow or rain to-day, followed by fair weather to-morrow.
Highest temperature yesterday, 41; lowest, 28.
Detailed weather reports on last page.

LLLOYD GEORGE PUTS BILL AGAINST GERMANY AT 120 BILLION; CONSCRIPTION TO END, BUT BRITISH NAVY MUST BE KEPT UP; McADOO URGES FEDERAL RULE OF ROADS FOR 5 YEARS MORE

PRESENT R. R. CONTROL THREATENS DISASTER, DIRECTOR'S WARNING

People Have Right to Longer Test of Unified Operation, He Asserts.

UNREST IS INCREASING

Friction Develops Between Federal and State Authority.

WILSON BACKS APPEAL

Director - General Disclaims Being Committed to Government Ownership.

Special Despatch to THE SUN.
WASHINGTON, Dec. 11.—Continuance of the present form of Government control and operation of the railroads, with certain necessary modifications in the law, for a five-year period, beginning January 1 and ending January 1, 1924, was recommended to Congress to-day by Director-General McAdoo.

Mr. McAdoo offers this as the only solution of the question as to what to do with the railroads. Continuance of the present control under existing law, he points out, is manifestly impracticable. He advances reasons to prove that it would result in disaster to the transportation system and consequently to the country. On the other hand he declares only three months remain of the present session of Congress, a time too brief in which to pass constructive legislation for the return of the roads under a law providing for better Government control.

Reasons for Five Year Test.
He suggests a five year test period of Government control for several reasons, chief of which are:

- It would take the railroads out of politics.
- It would give ample time for a test of unified operation to show its worth.
- It would settle unrest in railroad personnel, among officers and employees alike, and would still the apprehensions of the security holders.
- It would offer opportunity for constructive building up of the roads to a big efficiency by the necessary backing of Government control and the possibility it would afford of planning improvements ahead.
- It would give the public opportunity to study the question and see the results of unified operation under normal conditions, so that public sentiment would crystallize and would take the ultimate settlement away from the eve of a Presidential election.

Government Ownership Question.

Mr. McAdoo makes it a point to declare himself as not convinced on the question of Government ownership and not prepared to say it would be advisable. He does not believe that continuance of Government control on a better basis would necessarily lead to Government ownership.

In conclusion, Mr. McAdoo issues a warning that as the present control cannot continue without disaster, it will be necessary, unless Congress acts, to turn the roads back to private operation and control immediately, notwithstanding the possible losses, the disruption and the legal entanglements such a course would entail. He adds: "The President has given me permission to say that this conclusion accords with his own view of the matter."

It is known that Mr. McAdoo has been considering for many days the advisability of submitting recommendations to Congress on the railroad situation. He hesitated because he did not wish it to appear that he was voluntarily advancing his own ideas on the subject to the exclusion of Congressional or other study. He was convinced by his friends that Congress and the country should have the benefit of his judgment as to the wisest course to pursue in view of his experience with the problems involved and the knowledge this experience had brought him.

Unrest Begins to Appear.

Another influencing factor was that unrest is beginning to appear all down the line in railroad operation. Officers and men are wondering what is to become of them and how things are to turn out. The Director-General feared for the discipline and morale that he considers absolutely essential to successful operation of the transportation system.

Mr. McAdoo is doing his utmost to keep up the pressure of efficiency on the roads, but is finding a serious handicap in the discussion by the street of what is ultimately to happen to the railroads. It is convinced that

BOARD GIVES UP STEEL CONTROL

War Industries Body Refuses to Fix New Maximum Prices of Output.

LOWER SCHEDULE JAN. 1

Judge Gary Offers Immediate Reduction, but Brookings Declines to Act.

Special Despatch to THE SUN.
WASHINGTON, Dec. 11.—The War Industries Board announced to-day virtual relinquishment of control over the iron and steel industry of the country when it declined to receive the proposal of the general committee of the American Iron and Steel Institute for a reduction, under Government sanction, of the present maximum prices for iron and steel products.

The board, as previously announced, will go out of existence January 1. Robert S. Brookings, chairman of the price fixing committee, told the steel men the present prices, which were fixed in agreement with the industry, would be allowed to expire December 31, and that no new maximum prices would be fixed. The determination of the Government to relinquish control of the industry, Mr. Brookings said, excepted only embargoes, over which the board would continue to have authority.

Judge Elmer H. Gary, chairman of the United States Steel Corporation, went to the conference with the war board equipped with a new schedule of maximum prices, effective January 1. They were not submitted, however, in view of the announcement by Mr. Brookings.

The prices which Judge Gary, as chairman of the institute's steel committee, was prepared to submit were materially lower than the prices now in force. He made them public with the understanding that the board had not been recommended, they represented what the steel industry believed to be a proper price basis beginning with the new year.

The present prices with the proposed reductions in the basic steel products were: Bessemer pig iron \$32.20, basic pig iron \$32 and foundry pig iron \$34, each to be reduced \$3 a gross ton; blooms and large billets, now \$47.50, to be reduced \$4 a gross ton; heavy shapes, now \$67.20, to be reduced \$4 a net ton; sheared and universal plate, \$72.80, to be reduced \$4 a net ton; merchant bars, \$64.95, to be reduced \$4 a net ton; black sheets (No. 28), \$112 a gross ton, to be reduced \$6 a net ton; tin plate, \$7.75 a hundred pounds, to be reduced 40 cents.

The proposed prices also contained reductions in about the same proportion in the less important products of the steel mills, with the exception of plain and barbed wire and wire nails. Iron ore was eliminated from the industry's list of new prices.

A similar policy of relinquishment is being followed by the War Industries Board in connection with practically all other industries, and it is expected that by the first of the year all limitations and restrictions that have been imposed during the war will have been lifted. Members of the board said that with a more plentiful labor supply, which is expected to follow demobilization of the army, industrial conditions will rapidly change to normal and that the assistance of the board in gaining these ends is not regarded as desirable.

12 SPIES SHOT IN TOWER.

Death Sentences of Two Women Were Commuted in London.

LONDON, Dec. 11.—During the war twelve spies were shot in the Tower of London, according to the report now current. Carl Hans Lody, who was at one time a resident of Omaha, Neb., was the first to be put to death.

Two women spies were sentenced to death, but were reprieved, the sentences being commuted to long prison terms. One of the women, Lizzie Werthe, regarded as very dangerous, was tried in company with a man named Rowlands. Rowlands was shot. The other woman spy was Eva De Bournoville, who is undergoing penal servitude for life.

Clynes to Be Peace Conference.

LONDON, Dec. 11.—John Robert Clynes, former Food Controller for Great Britain, will be one of the British representatives at the peace conference, according to announcement made here.

Strike in Havana Grows.

HAVANA, Dec. 11.—The general strike in Havana continued to spread to-day. Waiters and cooks at the various hotels and cafes walked out and guests had difficulty in obtaining meals.

GERMAN SOVIETS TO GO OR ALLIES WILL HOLD FOOD

Plan to Refuse Help Until Soldiers' and Workers' Councils Dissolve.

RESERVE INVASION RIGHT

Prussian Guard Marches Into Berlin and Refuses Radicals' Pleas to Disarm.

COPENHAGEN, Dec. 11.—According to reports from Berlin, the Entente Governments intend to refuse to send foodstuffs to Germany until a demand they are said to have made for the dissolution of the Soldiers' and Workers' Councils is carried out. The Allies, the reports add, will reserve the right to march into Germany.

Representatives of the troops that are to guard Berlin took an oath in the Town Hall at Steglitz, swearing absolute loyalty to the German People's Republic, Independent Socialists, according to advices reaching here, exhorted the soldiers to disarm, but they refused.

The Prussian Guard entered Berlin yesterday and was welcomed by thousands. Outside the city the guard was stopped by representatives of the Independent Socialists, who vainly invited the troops to disarm.

Commenting on this incident, one paper says that the guard thereby placed itself at the disposal of the counter-revolution.

Dr. Schiffer, the German Finance Minister, in a statement issued in Berlin, says that if peace had actually come this fall the amount of money required for imperial taxes for the coming year would have reached 14,000,000,000 marks (approximately \$2,500,000,000 under normal exchange) and that the taxation of the various States would have totalled 5,000,000,000 marks (\$1,250,000,000). These calculations, however, he says, have been upset by recent events.

"If we continue as we have been going on, ruin is inevitable," the Finance Minister declared. "We squander money on irrelevant details of State administration. There is lack of employment, and consequently our credit at home and abroad is falling. A new bill for war taxation will be introduced at once and will be retroactive as far back as 1914."

PARIS, Dec. 11.—A despatch to the Temps from its Geneva correspondent says that a German newspaper in Switzerland announces that Crown Prince Rupprecht of Bavaria, accompanied by several high persons of the Bavarian kingdom, are now at Corro, in the canton of Grisons.

The newspaper, the correspondent adds, says Rupprecht is preparing to attempt the restoration of the house of Wittelsbach, the ruling house of Bavaria.

RADICALS DEFEATED IN CHEMNITZ POLL

Majority Socialists Get 78,500 Votes; Reds 6,600.

By the Associated Press.
BERLIN, Dec. 10 (delayed).—"A fortnight ago, Dresden; to-day, Chemnitz. The people speak plainly," says Vorwarts, commenting on the result of the elections in Chemnitz to the Soldiers' and Workers' Council there. The majority Socialists having polled 78,500 votes, as against 6,600 by the Independent Socialists. In Dresden the old party polled 117,566 votes, as compared with 8,440 for the Independents.

Vorwarts points out that not a single vote by a capitalist was polled, the only votes being those of laborers. The Vossische Zeitung declares that the result in Chemnitz "shows that the Spartacists have no footing among the people."

An article in Vorwarts attacks Adolf Hoffman, one of its former editors and an Independent Socialist, for voicing a threat to disperse the National Assembly when it is called. The newspaper believes it will be impossible for the bourgeoisie to secure a majority in the election. If such a wonder happens, it says, "then it will be an expression of the will of the people, to combat which we would not choose the Russian method of dispersing the assembly, but would employ the social democratic method of regulation to limit the next election would have a better result."

By the Associated Press.

MUNICH, Dec. 10 (delayed).—As the result of an announcement issued by the Bavarian Government concerning regulations for the coming elections Theodore von Fuchs, president of the Bavarian Chamber of Deputies, now non-existent, has issued a denial that the chamber was dissolved legally and protests against new elections. The statement of Herr von Fuchs has opened a bitter fight between the old conservatives and the new radicals. The Centrist organ, the Bavarian

No Way to Try Kaiser, Says Viscount Bryce

Special Cable Despatch to THE SUN.
LONDON, Dec. 11.—Viscount Bryce said to-day to a correspondent of THE SUN in regard to the punishment of the former Kaiser: "I cannot recall any precedent for the trial and punishment of the sovereign of one country by enemy Powers which have vanquished him in war. So far as I know international law has not provided any jurisdiction in such cases."

AIR BOMB JUST MISSED KAISER

Royal Attendant Tells of Emperor's Flight Into Holland.

HISSED BY THE NATIVES

French Aviators Hang Over Train but Run Out of Projectiles.

Special Cable Despatch to THE SUN from the London Times Service.
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THE HAGUE, Dec. 11.—"The flight of William the last," this is the title Vorwarts gives to the following written by the Kaiser's own attendant: "On Tuesday, October 29, at 2:30 P. M. I received an order to come immediately. I started, and suspecting something approaching a departure, I took the necessary papers for a journey. When I arrived at the castle I received a commission to prepare with the personnel appointed to start for Spain on a court train. I arranged at 11 o'clock this night provisions for ten days from the castle's war store, where enormous treasures of food of every description had been stocked, and had them packed into the court train.

"On October 30 at 4 P. M. we entered Spa. The Kaiser, with his suite of sixteen gentlemen and forty-five servants, continued to reside in the train.

Kaiser Just Missed Air Bomb.
"On November 3 the Kaiser undertook a journey to the front at Alost, Belgium. We left this station after some delay. Had we remained ten minutes more we should have been no more for ten minutes after the court train's departure (the Kaiser and some of his suite had left in motor cars) the station was bombed by French aviators and completely ruined, also munition transport and a hospital were destroyed.

"On the return journey we saw six enemy airmen still above our train, but we were lucky, as they had thrown all their bombs at the station.

"When we returned to Spa at noon of November 4 we were informed that the Kaiser should be coming for Berlin. Our joy was great, but things turned out differently. The Kaiser had not complied with the request of the General Staff to retire from Spa as quickly as possible, as his presence occasioned fears of the worst, but he took up his quarters at Villeneuve, where he previously had lived.

"I had to contend with all sorts of things, because the couriers who should have brought fresh provisions, meat, game, vegetables, &c., from Berlin, had not arrived at the station. I told the court official he must see that the necessary provisions were obtained. This was done to a limited extent.

Knew Wilhelm Was Fleeing.
"On Saturday, November 9, at 5 P. M., we received news that the train of the Kaiser was coming for Berlin. I told the court official he must see that the necessary provisions were obtained. This was done to a limited extent.

"Thus it happened the Kaiser left the train at 5 o'clock in the morning and fled in motor cars across the Dutch frontier. We followed in the train, reaching Eysden at 10 o'clock. Scarcely had the train stopped when we heard people in the factory situated opposite the train asking the mocking question whether we wanted to go to Paris.

"On Monday, the 11th, at 9 o'clock in the morning we left Eysden for Maarn via Maastrecht. Our experiences on the journey were simply indescribable. Every single station we passed swarmed like an ant heap with people endeavoring to surpass each other in howling, hissing, holding up their hands, showing their tongues and spitting. We reached the Maarn station at 3 in the afternoon, the

Continued on Second Page.

Tobacco Helps Troops in Task Before Them

A SOLDIER "over there" writes that hard work is before the troops for several months and that tobacco will help them.

"We are all rejoicing over the cessation of hostilities and sincerely hope they will not be resumed," writes Virgil J. Brueggeman of the Medical Department, "but whether we're fighting or sight seeing we need THE SUN Tobacco Fund smokes."

Read on page 9 a list of the more recent volunteers for the smoke fund party next Friday night in the St. Andrew's Yama Yama room.

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

If you have money, buy more LIBERTY BONDS from us. If you need money, we will buy LIBERTY BONDS from you. John Mulr & Co., 61 B'way—Ad.

STIFF TERMS FOR EXTENSION OF ARMISTICE

Foch May Force Occupation of More German Territory.

NO "SECRET PACT" MADE

U. S. Fully Advised of French British Stand Affecting Navy and Reparation.

Special Despatch to THE SUN.
WASHINGTON, Dec. 11.—Further tightening of the allied and American grip on Germany, involving if necessary the occupation of more enemy territory, is understood to mark the agreement reached to extend the armistice period, which expired to-day. Officials and diplomats here expect soon to hear what new conditions Marshal Foch has insisted upon.

It is known that in some respects Germany has not lived up to the original terms, especially in the matter of the delivery of locomotives, &c., and the new conditions are believed to be intended to speed up effective results. Teuton pleas of inability to fulfill conditions as prescribed will not soften the demands of the victorious Allies.

There is agreement between the United States and the Allies as to the course they will pursue. This matter is being dealt with by the supreme war council at Versailles through Marshal Foch, who is in touch with the Germans in the field. It is regarded as certain that President Wilson is being kept advised of developments by wireless.

America Is Fully Advised.

Officials explained to-day that all important steps now being taken by the Allies are made with the full knowledge of the Government of the United States and that the reports of secret agreements between France and England, or among France, England and Italy are being circulated merely to attempt to create ill feeling between America and the Allies.

These reports of a British-French-Italian secret agreement to stand together at the peace table originated apparently from the fact that Premier Clemenceau, Premier Lloyd George, Marshal Foch, Premier Orlando and Baron Sonnino, the Foreign Minister of Italy, met in Downing street, London, just as President Wilson started on his trip. Subsequent statements emanating from both London and Paris clearly indicated that the French and the British were a unit in support of two major features of the peace program, reparations without stint for France and continued sea supremacy for Great Britain.

It is true that Great Britain and France are pledged to stand together regardless of subsequent arguments or developments on the questions of full reparations for France and supremacy on the sea for Great Britain. The British are pledged to support the French stand and the French will back British sea supremacy through thick and thin. Italy is virtually pledged to support Britain and France unwaveringly on these two vital points.

Agreement Was Not Secret.

But this agreement, it is explained, has not been reached secretly nor was it made in Downing street. It was made early in November in Versailles in the presence of Col. E. M. House and Gen. Tasker H. Bliss, representing the United States. It forms the basis and the only basis upon which the Entente Allies would have been willing to agree to the armistice plan or to the fourteen points laid down for the peace conference by President Wilson. The President knows that

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President Wilson's Speech to Troops Expected to Give Keynote of Policies

By the Associated Press.
PARIS, Dec. 11.—The address which President Wilson will make to the American troops, probably as soon after his arrival in France as possible, is expected to be one of the most important delivered during his stay in Europe, and is being looked forward to by Europeans, who hope to gain from this a more definite idea of the President's exact position regarding numerous vital points.

It is reasonably certain that the President will make this speech at the American front, but at what place has not yet been determined.

NATION LEAGUE DIVIDES FRANCE

"Pertinax," Foreign Office Spokesman, Says Opposition Grows.

PICKS FLAWS IN SCHEME

Sembat, Answering Attack, Asserts Militarists Are Only Opponents.

Great Britain's Stand.

He points out that Great Britain has refused to agree to this, as is shown by her most recent attitude in regard to the maintenance of the supremacy of the British maritime and naval power, and which even the United States fails to accept by the very actions of the President in sanctioning the development of an American fleet.

"Where, then, are the Powers where the statements ready to subordinate the independence and force of their country? he asks. After endorsing similar Anglo-Saxon views he concludes that all limits artificially and prematurely imposed upon the sovereignty of independent States are capable of producing restraints which can result only in the most serious reactions, in which, he says, lie the great danger of the league. Finally he cautions the negotiators in the congress to temper their professed love for humanity with a little realism.

Sembat Favors League.

Marcel Sembat, representing another shade of French opinion, although not the most extreme, attacks the views in the Echo de Paris, which he charges are those of official France, and declares he fears the European peoples are in danger of being robbed of their supreme hope—a league of nations—which, he adds, the masses of the French people translate as the abolition of armaments and conscription.

6 DEAD, 30 HURT IN BLAST ON BROOKLYN

Coal Dust Explodes on Cruiser at Yokohama.

WASHINGTON, Dec. 11.—Six men of the crew of the armored cruiser Brooklyn were killed and thirty others injured, some seriously, in an explosion of coal dust which rocked the vessel last Monday at Yokohama, Japan, where she was coaling. The Navy Department was so informed to-day in a despatch from the commanding officer of the Asiatic fleet, of which the Brooklyn was flagship.

19 WAR PROJECTS CANCELLED.

WASHINGTON, Dec. 11.—Abandonment of nineteen war construction projects, including several nitrate and other chemical plants, was announced to-day by the War Department.

Figures on the total amount involved in these cancellations were not available, largely because the extent of expenditures already made has not been fully determined. It was said, however, that the total expenditure contemplated in all the projects was well in excess of \$100,000,000.

PIEZ WILL SUCCEED SCHWARZ.

General Manager of Fleet Corporation to Be Director-General.

WASHINGTON, Dec. 11.—Charles Piez, vice-president and general manager of the Emergency Fleet Corporation, is to succeed Charles M. Schwab as director-general. It was said to-day at headquarters here of the Shipping Board.

Germany's Ability to Pay.

The Premier said a British Imperial Commission had been appointed to investigate the capacity of Germany to pay, and that he had received its report. He summarized his remarks on this point as follows:

WILSON TO LAND AHEAD OF TIME

President Is Expected to Arrive in Brest at 10 A. M. To-morrow.

COURSE CUT BY LINER

Storm Rips Decorations in City—Pavilion Erected for Reception at Quay.

By the Associated Press.

BREST, Dec. 11.—The U. S. S. George Washington, with President Wilson and party aboard, changed its course after leaving the Azores and will arrive in Brest in advance of the time announced, according to a naval wireless despatch received to-day.

The President is expected to reach Brest at 10 o'clock Friday morning, instead of at 3 o'clock in the afternoon. He will start for Paris at 4 o'clock in the afternoon.

A heavy "southwester" blew up during the night, stirring big seas off the coast and tearing into ribbons the decorations which had been placed in the city.

The authorities are erecting a pavilion on Quay No. 3, where President Wilson will first set foot in France. The interior will be decorated with flags and flowers, will contain a platform where the French Ministers will extend their first greetings to the President.

WILSON WILL VISIT ITALY.

France and Allied Nations Send Shower of Invitations.

By the Associated Press.
PARIS, Dec. 11.—The Associated Press is in a position to state definitely that President Wilson will visit Italy, but no date has been fixed. A hundred invitations or more for the President to visit various places in France and the allied countries are being received daily. Naturally these are being held pending the coming of France's distinguished guest.

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Total of Contemplated Expenditure More Than \$100,000,000.

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The Premier Puts Teuton Wealth Before War at 60 to 100 Billion.

MUST PAY TO CAPACITY

Compulsory Service for Emergency Only. He Tells Auditors in Bristol.

SEA POWER WILL REMAIN

"Wherever Request Comes From We Are Not Going to Give Up Protection."

By the Associated Press.

BRIISTOL, Dec. 11.—The war bill of the Allies against Germany is \$120,000,000,000, according to the British Prime Minister, David Lloyd George, who presented this and other interesting facts before a large gathering here to-day. The cost of the war to Great Britain was \$40,000,000,000.

Before the war the estimated wealth of Germany, said the Premier, was between \$60,000,000,000 and \$100,000,000,000. So if the whole wealth of Germany were taken there would not be enough to pay the account. Therefore he had used the words: "Germany should pay to the utmost limit of her capacity."

When the Prime Minister was addressing an overflow meeting he said Great Britain would be guilty of a great folly if she gave up her navy. A voice interrupted: "Then watch Wilson!"

The Premier replied: "Well, I hope to meet him in a fortnight. I will tell him what you say."

"Wherever the request comes from we are not going to give up the protection of the navy so far as Great Britain is concerned."

Conscription at an End.

Mr. Lloyd George said the British military service act was passed in order to meet a great emergency. When that emergency was passed the need was passed and the act would lapse. He added there was no intention to renew it. Whether Great Britain would require conscription in the future is a question which Mr. Lloyd George said depended not upon the opinion which he now expressed, but upon the peace terms which were made. Continuing the Prime Minister said:

"What drove us to conscription was the existence of conscript armies on the Continent that inevitably rushed the world into war. They could not have great military machines there without tempting the men at the head of them to try their luck with those machines. The Germans always felt there was nothing to resist their perfect military machines.

Navy a Defensive Weapon.

"The first thing to do is to prevent the repetition of hundreds of the past by making it impossible to have those great conscript armies in the future. We did not have the machinery for an offensive war. Our navy is a defensive weapon and not an offensive one and that is why we do not mean to give it up. We have kept these islands free from invasion for centuries and we mean to take no risk in the future."

Mr. Lloyd George said the decision which would be taken in the next few months in the peace conference was going to leave a mark upon the world. The ages to come, he said, would be able to reap the fruits of it.

The Premier next dealt with the question of indemnity. He asserted the war had cost Germany less than it had cost Great Britain. The German bill, he believed, was \$20,000,000,000 or \$30,000,000,000. He contended it was indefensible that the person who was in the wrong and had lost should pay less than the person who was declared to be in the right and had won.

Germany's Ability to Pay.

The Premier said a British Imperial Commission had been appointed to investigate the capacity of Germany to pay, and that he had received its report. He summarized his remarks on this point as follows:

First—As far as justice is concerned we have an absolute right to demand the whole cost of the war from Germany.

Second—We propose to demand the whole cost of the war from Germany.

Third—When you come to the exacting of it we must exact in such a way that it does not do more harm to the country that receives it than the country that is paying it.

Fourth—The committee appointed by the British Cabinet believes that can be done.

Fifth—The Allies are in exactly the same boat. We shall put in our demands all together and what-

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