WEATHER FORECAST.
Fair to-day and to-morrow; little change in temperature.
Highest temperature yesterday, 38; lowest, 27.
Detailed weather reports on editorial page.

The Sun.

IT SHINES FOR ALL

VOL. LXXXVI.—NO. 172. NEW YORK, WEDNESDAY, FEBRUARY 19, 1919.—Copyright, 1919, by the Sun Printing and Publishing Association. PRICE TWO CENTS.

WAR DODGERS BRIBED THEIR WAY INTO NAVY; KEPT AT CIVILIAN JOBS

Medical Examiner Convicted of Accepting $500 Bribe Here.

GOT 3 YEAR SENTENCE

Detective Work Done by Joseph Whitehead, Son of Multimillionaire.

DANIELS ORDERS INQUIRY

Youths Wore Uniforms, but Divided Their Earnings With Graft Takers.

Lads of draft age who didn't want to go into the trenches and therefore elected to enlist in the local Third Naval district as "seamen" did not even have to go to sea, provided—so it became known yesterday—they made propositions of a financial nature to certain medical examiners and other attaches at the enrolling office at the district headquarters in the old Stewart Building at 280 Broadway.

As a result of generalized accusations made in evening newspapers last night and still later unearthed in much detail by THE SUN the "scandal" developed into a first class uproar which caused Secretary of the Navy Daniels to issue statements at Washington, which also sent local navy men scurrying to and fro and, for the time being, played the deuce generally in the naval neighborhood of Broadway and Chambers street.

One young man who wanted to serve his country in the army, for instance, but was turned down because of defective sight by army examining officers, got a navy job, carrying a uniform with it, at the Third Naval district headquarters in the Stewart Building by presenting an examining person in navy blue with a new set of O. Henry's complete works and a navy cloak valued at $50. And after the young man who had bought his way into the navy upon payment of O. Henry books and a cloak was settled at his job he was told that he might give his days to his regular job of writing fiction and "just report once in a while in uniform to keep up the bluff."

Physician in Naval Prison.

A physician named Benjamin Davis, who hails from Pennsylvania and was a medical examiner at the Third Naval District headquarters enrollment office, ranking there as a Lieutenant, senior grade, now is behind the bars of a naval prison after he had accepted $500 in marked bills in a bedroom at the Plaza Hotel from a youth in the Naval Intelligence Department who posed as an honest sailor man ambitious to be an aviator.

A navy Lieutenant also is a prisoner in the brig of the training ship Granite State at the North River foot of Ninety-seventh street, as a result of investigations of rottenness around headquarters offices of the Third Naval district while the war was on and since the armistice was signed.

It should be said hurriedly that no one was more exercised last night by the details now being revealed by THE SUN this morning than Rear Admiral Nathaniel R. Usher, commandant of the Third Naval district. Rear Admiral Usher more than welcomed the investigation of the scandal which is now under way. That also is the attitude of Secretary Daniels. A distinguished lawyer from the Judge Advocate's office at Washington who has been giving his services to the navy and many military and civilian employees of the naval intelligence bureau are working persistently on the case or cases.

From Washington it was learned last night that to one young man, now in his early twenties and the son of exceptionally wealthy parents, who make their home permanently at the Hotel St. Regis, Fifth avenue and Fifty-fifth street, is due the credit for "landing" Medical Examiner Benjamin Davis and other attaches of the headquarters offices of the Third Naval district, who either have been openly accused—in Davis's case convicted—or are soon to be hauled up on charges of trafficking in preferential appointments during the war.

Identity of Informer.

The young man who lent invaluable service to the cause of righting wrongs, as Washington authorities said last night, is Joseph Whitehead. At the time America entered the war he lived at the St. Regis with his mother and stepfather, Col. Kelly Evans of the Canadian army. His mother before her marriage to Col. Evans a few years ago was the widow of the Mr. Whitehead who made a great fortune from the bottling privileges of the popular "soft" drink known as coca-cola. At the time of young Mrs. Whitehead's marriage to Col. Evans she lived in Atlanta and was known as "the wealthiest widow in the South."

The story of the war experiences of young Joe Whitehead, told in detail at Washington last evening and corroborated authoritatively here by various persons, is the story of the whole miserable tale of graft which is now being unearthed by the Navy Department. Many navy men have known the story in detail ever since the first inklings of it began to make navy men suspicious last May but not a breath of the scandal was felt in public until last night.

And the story of young Whitehead and the court-martial and conviction of Lieut. Benjamin Davis include revelations about young men of draft age who by bribing Davis and others were accepted for enlistment upon false medical reports; who, always for a consideration, were conveniently moved from the neighborhood of the sea and war zones; who were transferred from one district to another that they might escape sea service and, finally, were permitted to don navy uniforms, which saved them from the draft, but were

Continued on Fifth Page.

SEE GILLETT AS NEXT SPEAKER

Friends Base Claim on the Reported Lineup of Pennsylvania Votes.

MANN STILL CONFIDENT

Penrose Urged to Take a Hand and Conference To-day May Settle Issue.

Special Despatch to THE SUN.

WASHINGTON, Feb. 18.—The election of Representative Frederick Gillett (Mass.) to the Speakership of the Sixty-sixth Congress virtually is assured if a report from usually reliable quarters is to be credited. This report is to the effect that more than twenty-five of the twenty-eight votes of Pennsylvania have been organized for Mr. Gillett and that this will be confirmed at a meeting of the Pennsylvania delegation to-morrow.

If Pennsylvania swings into line behind Gillett it is generally expected that Indiana, which has adopted the unit rule and has taken an anti-Mann stand publicly, will follow suit.

Mr. Gillett's committee declare to-night that the combination would elect its candidate on the first ballot with votes to spare. Mr. Mann's committee, on the other hand, declared it already had enough votes pledged to its candidate to insure his election on the first ballot, without counting any strength in Indiana and not more than six of the twenty-eight Pennsylvania votes.

Another interesting development centres around the probability that one of the four votes in the New York delegation, which has been counted for Mr. Mann from the first, will swing to Mr. Gillett under pressure of public opinion in New York State.

While Senator Penrose (Pa.) refrained from any public "overt act" in influencing the Pennsylvania delegation, it has been generally known that the senior Pennsylvania Senator, with other Senate Republican leaders, has believed that Mr. Mann's defeat is a matter of imperative necessity for the Republican party.

While he has been urged to press this view more openly on his colleagues in the House, Senator Penrose has been unwilling to play a prominent part in the deliberations of the delegation at the other end of the Capitol.

To-day, however, Senator Penrose was waited upon by a delegation from the House and urged strongly to take a hand. It was shown that a number of votes in the delegation have been wavering and that the Senator's influence would swing the balance of power. Following this conference it was announced that a meeting of the delegation had been called for to-morrow and that it was hoped some definite stand would be taken at that meeting.

'REDS' SHOOT ELEVEN BISHOPS.

Hostages Held to Protect Trotsky in Pensa.

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

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HELSINGFORS, Feb. 18.—Official Bolshevist statement says that by orders of different extraordinary commissions during the month of January eleven archbishops of the Orthodox Church were shot, including the Patriarch Vladimir, Metropolitan of Kiev.

Another official declaration admits that in Pensa on February 10 the local Soviet, while awaiting the arrival of Leon Trotzky, Minister of War, to inspect the Red troops, arrested 200 men and women of the bourgeoisie as hostages to be shot in the event of any attempt being made on the life of Trotzky.

STRIKE TIES UP BARCELONA.

City Has Had No Water, Light or Street Cars for Two Days.

MADRID, Feb. 18.—The strike situation in Barcelona continues serious. More than 50,000 persons are on strike, and Barcelona has been without water, light or street cars for two days.

The Cabinet to-day was occupied almost exclusively with a discussion of the situation in Barcelona.

REFERENDUM IN 14 STATES, WETS' PLAN

Liquor Men Believe Thirteen Will Reject Prohibition.

CINCINNATI, Feb. 18.—Referendum elections will be sought in fourteen States of the Union on the Federal prohibition amendment, according to an announcement made by the National Association of Distillers and Wholesale Liquor Dealers here to-day. The States are: Arkansas, California, Colorado, Idaho, Maine, Michigan, Missouri, Nebraska, Nevada, New Mexico, Ohio, Oregon, Utah and Washington.

Leading distillers here say they believe at least thirteen of these fourteen States will reject the amendment and thus defeat national prohibition.

LITTLE ROCK, Ark., Feb. 18.—According to an opinion of the Arkansas Attorney-General's office a proposed amendment to the Federal Constitution cannot be submitted to a referendum because the Federal Constitution specifically provides that proposed amendments shall be ratified or rejected by the Legislatures of the States.

Statewide prohibition was defeated by a vote of the people in 1914. The 1915 Legislature passed a Statewide prohibition bill. In 1916 the repeal of this law was put up to the people and the vote was against repealing the measure.

If you can save money you can invest while you save. Ask for particulars of Partial Payment Plan. John Muir & Co., (1 B'way.—Adv.

GLASS OFFERS BIG NOTE ISSUE AS SUBSTITUTE

Drops Demand for Sweeping Power in New Loan.

FOUR CLASSES PLANNED

All Would Be for Short Terms and Some Free of Tax.

SCHEME WINS APPROVAL

Ways and Means Committee Expected to Accept $7,000,000,000 Project.

New Plan to Finance Government in Detail

Special Despatch to THE SUN.

WASHINGTON, Feb. 18.—The new plan for financing the Government offered by Secretary Glass contemplates the issuance at the discretion of the Secretary of the Treasury of notes subject to any or all of the following conditions:

Notes the income of which is entirely free of Federal taxation.

Notes the interest on which would be subject to both the income tax and the war excess profits taxes.

Notes the income from which would be subject to the income surtaxes and to the war excess profits taxes.

Notes with $30,000 to each purchaser exempt from all Federal taxes but with the income from notes held in excess of $30,000 subject to the income surtaxes and the war excess profits taxes.

Special Despatch to THE SUN.

WASHINGTON, Feb. 18.—The Treasury Department, convinced that the Ways and Means Committee and Congress itself will refuse the broad powers sought by the Secretary of the Treasury in fixing the interest rate and other factors of the expected issue of Liberty bonds, to-day submitted to the Ways and Means Committee in secret session its compromise plan for financing the Government in the immediate future.

The plan in detail THE SUN is able to present herewith. It would provide for an issue of notes instead of bonds, the total authorization for the notes being $7,000,000,000. These notes would be of the short term kind, maturing in from one to five years, with the Secretary of the Treasury having the right to fix the interest rate.

Advantages in Note Plan.

On the various classes of notes the Secretary of the Treasury would have the right to fix varying interest rates under the Treasury Department plan. This, it was explained, would make one class of notes attractive to one class of investors and another class more attractive to another class.

Unsettled and changing conditions existing now, the Treasury Department argued to the committee, would make the temporary financing plan, through the issuance of notes as money is required, a better one than issuing another big bond issue when it might have to be made so attractive that the market price of former issues would be forced down. Later, it was pointed out, when conditions are more favorable the bond issue could be made.

The Ways and Means Committee probably will reject the original bond plan of Secretary Glass, which lodged wide discretion in the Treasury, but the committee is expected to approve the latest proposal for the issuance of short term notes. Experts of the committee already are at work drafting plans for the new legislation, and these will be presented immediately upon completion. The committee will meet again to-morrow.

The Treasury Department, if the plan submitted to-day is approved by the Ways and Means Committee and then by the House and Senate, plans to begin issuance of notes early in April.

Protection of Previous Issues.

Assistant Secretary of the Treasury Leffingwell was before the committee to-day explaining the Treasury plan. The committee was particularly anxious about the possibility of depressing prices of former issues of Liberty bonds and suggested that if authority was given to the Treasury Department to issue the $7,000,000,000 in notes at rates fixed by the Secretary of the Treasury provision should be made for permitting the conversion of old Liberty bonds into the new certificates. This Mr. Leffingwell disapproved on the ground that it would not be feasible.

The necessity for taking some definite action quickly was brought to the fore again to-night when the Secretary of the Treasury issued a statement declaring that the campaign for the sale of the Government obligations must be started not later than April 21. Said Mr. Glass:

"The Victory Liberty Loan campaign will begin not later than April 21. The requirements of the Treasury are imperative and cannot be financed without such a campaign. The form and terms of the securities to be issued remain to be determined. Whether they be bonds or notes it is absolutely essential that the widest possible measure of distribution be realized. This will necessitate a campaign of the same character as that conducted in the past through the existing Liberty Loan organizations. They have pledged again their united support in order that the Victory Liberty Loan bonds or notes may be distributed as widely as possible among the American people."

HARTSHORNE, FALES & CO., Members N. Y. Stock Exchange, 1 Wall St.—Adv.

BORAH ALONE IN REFUSAL TO DINE WITH PRESIDENT

Senator Says He Objects to Secrecy and Opposes League's Plan.

LODGE AND KNOX TO GO

Both Will Refrain From Criticism Before They Attend Dinner.

ATTACK BY VARDAMAN

Poindexter Withholds Delivery of His Speech Until To-day.

Special Despatch to THE SUN.

WASHINGTON, Feb. 18.—In declining to accept the President's invitation to attend the dinner at the White House at which President Wilson has advised the Foreign Relations Committee of the Senate and the House Foreign Relations Committee that he will divulge to them certain supporting reasons for the acceptance of the League of Nations constitution Senator Borah (Ida.) will stand alone among the legislators.

The course which Senator Borah has mapped out for himself, according to Senate comment to-day, was one which in view of his own utterances on the subject of secrecy in diplomatic matters he could not well have avoided. Despite rumors that other members of Congress expected to decline the honor just as Senator Borah had, a search of the rolls of the two committees failed to discover any other adherent to the Borah programme.

Senator Lodge (Mass.) already has accepted the invitation, and it is known that he will observe the injunction to silence on the general subject of the League of Nations until the White House meeting is held.

Senator Knox (Pa.) let it be known to-night that he would have nothing to say on the subject of the league, either in the Senate or in private, before the dinner, and that he would accept the White House invitation.

No Secrecy in the Senate.

It is growing evident, however, that the Senators, when they come to discuss the subject of international affairs in the Senate, cannot hold themselves to be bound by secrecy as to the points which President Wilson is expected to lay before them.

It has been pointed out that once placed in possession of the information which the President has expressed willingness to communicate the Senators will be in a position where, in the discussions of the problems of peace in the open Senate or in the Foreign Relations Committee, they must make use of the facts to make clear their own presentation of the arguments for or against the league constitution.

Senator Poindexter (Wash.) to-day put over his speech until to-morrow. He was unable to crowd in the necessary time in to-day's session to speak his mind. He is expected to discuss the situation at great length and will dwell particularly upon the extra constitutional character of the document, holding in fact that in several respects the league treaty is directly a violation of the American Constitution.

Borah's Letter of Refusal.

Senator Borah's letter was made public as soon as it was known that Secretary Tumulty had received it. It was written yesterday and reads:

I greatly appreciate your note honoring me with an invitation to meet the President February 26 to discuss the League of Nations—a matter of most vital concern to the whole country. Meetings at the White House, according to a long standing custom, are always regarded as strictly confidential upon the part of the guests. This meeting, I take it, would be regarded as especially confidential, otherwise the President would have spoken according to his custom to the open Senate.

The differences between the President and myself on this question are fundamental. I am sure no suggestion of mine would modify in the slightest the view of the President and nothing could induce me to support this league as outlined in this proposed constitution or anything like it.

I feel, therefore, that it would not be fair to the President to accept his confidence or receive from him confidential information concerning this subject. Neither in my view of the

Continued on Third Page.

"Sun" Fund Smokes Bring Dreams of Home

"SOME day when you see a tall, skinny soldier boy beating it toward Flatbush you can just think of the pleasure you gave him when he was in Rimaucourt, France. The cigarettes which the courtesy of THE SUN made possible gave us dreams of the day when we shall come sailing home to 'Little Ol' New York.'" Sergeant Douglas E. Prendergast was in Base Hospital 59 in France when he had this dream.

The American soldier, in and out of action, wounded, convalescent and on the way home, has only praise for the smoke fund.

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

GERMANY FEARS RENEWAL OF WAR; SIGNS NEW TRUCE AS ALTERNATIVE; JUNKERS AT LAST REALIZE DEFEAT

PRUSSIAN BLUFF IS DISAPPEARING

Spartacans Are Crushed and People Want Return of Old Time Tranquillity.

EBERT ON SHORT TRIAL

Government to Get Chance to Prove Value, but Faces Much Intrigue in Berlin.

Special Wireless Despatch to THE SUN.

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PARIS, Feb. 18.—"They are trying to fool themselves and the Allies into thinking that they are what they used to be, but underneath they know that they have lost their wallop," is the rough characterization of the German situation, in the view of many Americans here. That is the reason, it is said, why Foreign Minister Brockdorff-Rantzau in his speech at Weimar elaborated on what Germany would and would not do and why Germany finally agreed to do exactly what Marshal Foch ordered when the time limit expired on Sunday night.

Events in Berlin and Weimar now are showing interesting currents, which may be summed up as follows:

The power of the Spartacans seems to have been broken permanently through the death of Dr. Karl Liebknecht and Rosa Luxemburg, their leaders. The people are giving a chance to the Weimar National Assembly and the new Government, in which the Social Democrats are the dominating force, to prove that it can govern.

If it cannot prove its value within six months there is danger that the former Kaiser may be back upon the throne or that Field Marshal von Hindenburg will be dictator unless the Allies remove Wilhelm from Amerongen and place him on trial for the crimes of the war.

People Want Tranquillity.

It is with this in view, it is said, that the German people now are being provided with a surfeit of disorder and uncertainty, as a result of which the demand is increasing for a Government that can restore tranquillity.

Three months have passed since the first armistice was signed and the inbred German longing for order and discipline is asserting itself. The people are beginning to look back to the good old days before the war when everything went with well ordered smoothness. The old stiff necked Prussians do not show the slightest sign of repentance for their conduct of the war; they try to carry things with the old bluster, but the moment an officer of the Allies asserts himself they cringe and crawl. Brutal force is the only thing they understand and their attitude then becomes "Poor Germany, without a friend in the world. She has been starved, abused and misjudged; it is not fair."

Everywhere in Germany, notably in Berlin, one sees the people striving and straining to ignore the ugly truth that the colossal German Empire has been crushed. Every one will tell you the German army was undefeated, but a frank conversation with any German officer above the rank of Major brings out the reluctant admission that the German army was beaten and was on the verge of disaster when the armistice was signed.

Critics of Kaiser Hissed.

At several public meetings in Berlin speakers of the Social Democratic party said guardedly that Germany under the Kaiser had wronged the world, but these speakers were hissed by the large crowd, the members of which would not admit that blame should be placed upon "the old gang." On February 5 a big meeting was held in Philharmonic Hall in Berlin to demand the return of the German colonies. Many among the crowd muttered to each other: "What's the use of all this? Paris is the place where it will be decided and the cursed Allies will make the decision." But they applauded ostentatiously when the speakers declared that the Allies must return the German colonies.

The strong measures taken by the Government to repress street fighting and the disgust of the German people with disorder have been powerful influences in eliminating the Spartacan movement. Plain proof that the Spartacans' power had gone came on February 6 when the National Assembly at Weimar opened. The Spartacans had planned to recommence street fighting on that day in an effort to disrupt the National Assembly and to seize again the Government buildings. On the evening of February 5, however, Government troops with machine guns took possession of the Ministry of War and the Foreign Ministry and other detachments tramped the darkened streets of Berlin throughout the night. When morning came more troops arrived and by afternoon the city looked like a camp. Not a Spartacan showed his head; not a shot was fired.

Junkers Want Kaiser Back.

The movement for the return of the former Kaiser originated naturally with the former imperial officials, junkers and army officers, but it gathered headway through sympathy when it became known that the Peace Conference in Paris was considering the extradition of the former Emperor from Holland for trial as responsible for the war. Street venders in Berlin sell openly post cards of "Our Kaiser" and pictures of the chateau in which he lives at Amerongen.

With this sympathy for the former Kaiser there is open expression of the same feeling for the former Crown Prince. The great majority of the people of Berlin—not only the junkers but the middle class and some of the lower class—say they believe he told the truth

Continued on Second Page.

REDS CALL BIG RHINE WALKOUT

General Strike Ordered in the Ruhr Industrial District.

FORTIFY FOR BATTLE

Councils Demand Withdrawal of Ebert Forces—Suppress Newspapers.

COPENHAGEN, Feb. 18.—A general strike has been declared throughout the Ruhr industrial district along the Rhine. Spartacans have occupied Bochum, Hamborn and a number of other places, according to a report from Berlin.

The Spartacans are reported to be fortifying the waterworks and electric power houses at Dusseldorf, Muhlheim and Hamborn, and are preparing to resist the Government troops now being sent into the district. The anti-Government leaders have given orders that no coal requisitioned by the Government be delivered.

Newspapers Suppressed.

Despatches from Berlin say the Spartacans have stopped all work in the newspaper offices at Muhlheim and by force kept the newspaper staffs from going to the offices. Armed Spartacans are reaching Muhlheim from Essen, Dusseldorf and other places and Muhlheim is regarded as the centre of the Spartacan movement.

A strong party of Spartacans went to the village of Hervestdoesten, where it is reported they repulsed the Government troops.

The general strike, the workers' councils have decided, shall continue until the Government troops are withdrawn. The miners in the Ruhr district have joined the strike.

Soviets Call Conference.

By the Associated Press.

BERLIN, Feb. 17 (delayed).—The trouble in the Ruhr industrial district is due primarily to the action of the General in command of the Seventh Army Corps in dissolving the Corps Soldiers Council at Muenster because of the council's anti-Government attitude.

The Ruhr district Soviets called a central conference, at which it was decided to demand the reinstatement of the Muenster council in all its rights, the removal of the commander, Gen. von Watten, and his officers and their trial and punishment by a court to be established by the district Soviets.

The immediate withdrawal of all Government troops in the district is also demanded. The conference named a committee to prepare defensive measures in the district and has retained as hostages two officers who attended the conference as representatives of Gen. von Watten.

The councils in the Ruhr district are virtually all in control of the Spartacans, or the Radical Independent Socialists.

GERMAN MINISTER TO RETAIN HIS POST

Count von Brockdorff-Rantzau Changes His Mind.

COPENHAGEN, Feb. 18.—Count von Brockdorff-Rantzau has decided to retain his portfolio as Secretary for Foreign Affairs, the Weimar correspondent of the *Politiken* wires. He reached this decision, it is stated, because the Government and the other parties, including the Independent-Socialists, had expressed confidence in him.

PARIS, Feb. 18.—A Berlin despatch says Count von Brockdorff-Rantzau withdrew his resignation as German Secretary for Foreign Affairs only on the condition that the Armistice Commission should be under the authority of the Ministry of Foreign Affairs.

Despatches from German sources received on Monday stated that Count von Brockdorff-Rantzau had announced he would resign if Germany's conditions in reference to a renewal of the armistice were rejected and that he did sign when the armistice was signed. The Cabinet, however, it was added, had requested him to remain in office.

LEAGUE OPENS BALTIC SEA.

Makes Waters Free If Northern Nations Join, Says "Times."

LONDON, Feb. 18.—Referring to the League of Nations covenant, the *Times*, in an editorial, emphasizes the satisfaction it gives to contentions of the British navy during the war regarding neutral countries bordering on enemy nations. The provision regarding passage over the territory of a member of the league, the newspaper says, makes the Baltic an open sea if Sweden and Denmark join the league.

"The right claimed by the league to cut off communication between a criminal Power and any countries, whether members of the league or not," the editorial continues, "in effect abolishes neutrality in a war like the one just passed and reenforces the disciplinary strength of sea power in a future war."

CECIL TO BE ENVOY TO U. S.

Lord Robert Will Succeed Reading, London Papers Say.

Special Cable Despatch to THE SUN *and the Public Ledger.*

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LONDON, Feb. 18.—The evening papers say it is almost certain that when Lord Reading returns to England finally he will be succeeded as British Ambassador to Washington by Lord Robert Cecil, who has been in close contact with President Wilson over the foundation of the League of Nations.

Germany Surrenders 33,000 Guns to Britain

LONDON, Feb. 18.—On behalf of the Government it has been announced in the House of Commons, in answer to a question, that the following equipment of the German armies had been surrendered to the British up to February 9:

Heavy guns, 2,500; field guns, 2,500; machine guns, 25,000; trench mortars, 3,000; airplanes, 1,700; locomotives, 4,065; motor trucks, 1,220.

Up to February 14 the Germans had surrendered to the British 126,826 freight cars.

ITALY REJECTS AID OF WILSON

Refuses to Submit Jugo-Slav Dispute to President as Arbitrator.

SEES DANGER TO LEAGUE

Action Not Due to Lack of Confidence, Authorities Assert.

Special Wireless Despatch to THE SUN

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PARIS, Feb. 18.—Italy has refused to submit her dispute with the Jugo-Slavs to the arbitration of President Wilson. The Italians refuse to accept a different procedure in the settlement of the Adriatic territorial question from that applied to other problems of a similar nature.

High Italian authorities in Paris say their refusal is not prompted by any desire to evade a thorough threshing out of the question, nor by any lack of confidence in President Wilson's judgment and his sense of justice, but by a desire to avoid setting such a precedent, full of danger to the authority of the Peace Conference and the League of Nations, which in each difficult case of conflict brought before it for solution will be exposed to the need of substituting another jurisdiction for its own.

The Serbians last night stated that they had not decided to abandon their plan of arbitration in spite of the information which they said they had that the great Powers frowned upon the scheme. Premier Pachitch added that he expected to know the reply of President Wilson to the Serbian request by to-morrow.

Early last week the Jugo-Slav delegates to the Peace Conference asked President Wilson to act as arbitrator in the differences with Italy regarding the eastern coast of the Adriatic. President Wilson suggested that the Italians and Jugo-Slavs discuss their differences. The Italians declined to make a decision at that time. Later the Jugo-Slav delegates appealed to Premier Clemenceau as president of the conference to act as arbitrator, but there have been no reports that the French leader took any action on the question.

SERBS LAY CLAIMS BEFORE THE COUNCIL

Questions Involving Italy Remain With Commission.

PARIS, Feb. 18.—The territorial claims of the Serbs, Slovenes and Croatians were submitted to the Supreme Council at its meeting this afternoon by M. Vesnitch, M. Trumbitch and M. Zolger. According to an official announcement it was decided to submit the questions of the frontiers claimed except those in which Italy is directly interested to the commission already charged with the question of the frontiers of Banat.

The official statement on the work of the special committee on territorial claims reads:

The special committee for the study of territorial questions relating to Greece met Tuesday at 10 A. M. at the Foreign Office. This committee is composed of the following delegations: Representing America, W. L. Westermann and Clive Day; Great Britain, Sir Robert L. Borden and Sir Eyre Crowe; France, Jules Cambon and Jean Gout; Italy, M. de Martino Castolidi.

The committee is making an examination of the conditions to be considered in determining the northern boundary of Greece and northern Epirus. The different delegations presented their tentative proposals.

A memorandum on the claims of Albania has been presented to the Peace Conference. The Albanians asked the Peace Conference to acknowledge their rights, which it is said were sacrificed in Berlin in 1878 and in London in 1915.

It is recalled that the Albanians revolted at the beginning of the war against a Government under control of the Central Powers and that the Albanians permitted the retiring Serbian army to reach the Adriatic in 1915. The Albanians claim all territory given to Montenegro, Serbia and Greece after the London Conference in 1913, and assert that most of the people inhabiting those territories are Albanians.

Reparation for damage done in Albania by the Greeks and by the armies of the Central Powers also is asked by the Albanian Government.

U. S. to Give Half of Czechs' Food.

PRAGUE, Feb. 18.—The plans for the revictualling of the Czecho-Slovaks contemplate that the United States will supply 50 per cent. and France and Great Britain 25 per cent. of the foodstuffs.

Government Convinced Delay Would Lead to Advance of Allies.

INDUSTRIES IN PERIL

Alarm Over Moral Collapse of People Also Hastened Action.

ARMY PARTY PROTESTS

250,000 Limit to Force Is Bitterly Resented—Wrath Falls on Erzberger.

By the Associated Press.

BERLIN, Feb. 17 (delayed).—The German Government's reasons for accepting the stringent terms for the renewal of the armistice as outlined in a Weimar despatch to the *Norddeutsche Allgemeine Zeitung* is that a renewal of military operations following refusal to sign would lead to the complete moral collapse of the German people.

The absolute conviction prevailed that refusal to sign or dilatory treatment of the proposals would meet with an immediate advance of the allied armies beyond the Rhine and the occupation of the most important and indispensable industrial districts of West Germany.

No Alternative but to Sign.

The representatives of the parties who participated in the Cabinet deliberations agreed unanimously that the people as a whole would neither understand nor approve such an outcome, and that therefore there was no alternative except to sign under protest.

The Berlin papers generally come to the same conclusion, except the Conservative organs, such as the *Kreuz Zeitung* and the *Allgemeine Zeitung*, which declare that the Government should have refused to sign the terms, thus forcing the Allies to take the responsibility for a renewal of military operations.

Hindenburg Party Protests.

By the Associated Press.

LONDON, Feb. 18.—Advices received from Berlin by way of Basel to-day are to the effect that the Pan-German Military party, headed by Field Marshal von Hindenburg, bitterly resents the new clauses in the armistice, especially those limiting the German army to the size of a simple police force (according to a Paris report 250,000 to maintain order), the supervision of control of ammunition factories, and the demand that Germany pay the expenses of the allied armies of occupation on the Rhine.

These conditions, it is complained, will throw out of work thousands of German officers, from Generals down, while the army of 600,000 volunteers reported by the German press to have been organized must be disbanded.

The advices add that indignation against Mathias Erzberger on the part of the military authorities is increasing.

Forts to Be Destroyed.

The final armistice conditions which the Supreme Council is considering will be made public before the end of the month, according to various newspapers, and they will include among the naval conditions the demolition of the forts on Helgoland and the Kiel Canal, the surrender for purposes of destruction of the German warships now interned and the opening of the Kiel Canal for civil transports. It is stated that Germany will be left with a fleet large enough for defensive purposes.

The naval correspondent of the *Daily Mail*, writing of the immensely strong fortifications on the Island of Helgoland, says:

"The summit of the island is one immense bomiproof and the batteries are so placed as to be invisible from the sea. The heavy guns there—11 inch and 12-inch weapons—probably were reenforced during the war by 15-inch guns. The guns are mounted in steel turrets of great thickness. All the batteries and observation posts are connected by subterranean passages and the roads leading up to them run along galleries which are shellproof.

Guns Have Long Range.

"The guns are mounted after the usual German fashion so as to give them an immense range, probably from ten to twelve and a half sea miles. To enable the island to stand the concussion of their discharge and resist fire directed against it $30,000,000 is said to have been spent before 1910, and subsequently other large sums were allotted.

"The immense seaplane sheds are said to have been of the disappearing type, which could be lowered as a protection against long range fire. There are store shops and repair works with all the usual equipment of a naval base. The fortification presumably will be blown up, but their destruction will be no easy business. They are of armored concrete and steel, and a very large quantity of explosives will be required.

"The fortifications at either entrance to the Kiel Canal are of immense strength and are lavishly supplied with the heaviest guns in steel turrets."

GERMANS VOTED TO REJECT ARMISTICE

Cabinet Favored Showdown, but Party Leaders Vetoed It.

By the Associated Press.

WEIMAR, Feb. 17 (delayed).—The German Cabinet voted early Sunday morning to reject the allied terms for the renewal of the armistice and take the chances of an allied military advance being ordered. After consultation with the party leaders, however, the decision was changed, and on Sunday