

WEATHER FORECAST.  
Fair and warmer to-day; to-morrow  
fair; gentle to moderate south winds.  
Highest temperature yesterday, 74; lowest, 55.  
Detailed weather reports on editorial page.

IT SHINES FOR ALL

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# SALES OF HARD LIQUOR END ALL OVER U. S.; PALMER WILL NOT STOP SALE OF 2.75 BEER; CITY SPENDS LAST WET DAY IN DRINKING

## GERMANY NOT ALONE IN GUILT. ARTS BAUER

"Confession Wrung by Thumbscrews on the People," Cries Premier.

### REVOLUTION IS UNLIKELY

Nation Intends to Live Up to Terms to Limit of Strength, He Says.

By KARL H. von WIEGAND.  
Staff Correspondent of THE SUN.

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BERLIN, June 29 (delayed).—Gustav Adolf Bauer, Germany's new Premier, told me to-day that the two hardest and "unnecessarily humiliating" conditions of peace that Germany was called upon to sign were those in which Germany was compelled to admit sole guilt for causing the war and calling for the delivery of certain German officers, including the ex-Kaiser, to the Allies for trial.

"The confession of sole guilt wrung from Germany by thumbscrews on the German people," he said, "was subscribed to because the people were on the torture wheel, with their national unity broken. It lay within the power of our enemies of yesterday to do that. The pistol was at our breast.

"Sentiments of national honor contend that we should have given the word of honor. An individual might have been able to do that; but a Government responsible for sixty million people cannot indulge in that sort of bravado.

Says History Will Tell.

"We have signed the confession that as written for us, but that does not convince the German people that they are alone guilty, nor does it alter the historic fact that Germany does not bear the sole guilt. In law courts confessions wrung from the defendant under torture threats are useless and this applies in the universal court of higher political morality.

"A different view will be taken by historians of the future."

"There is much talk of a reactionary revolution," I suggested.

"That is chiefly talk," the Premier said. "I do not believe the Right considers itself strong enough to attempt anything at this time. This is shown by the refusal of the parties of the Right to take over the Government in Weimar when the crisis was at its height. President Ebert called the party representatives together and asked the Right if they would undertake to organize a Cabinet and take the responsibility of signing or rejecting the peace terms. They 'comply declined the invitation.'"

Will Try to Fail.

Touching upon the new German policy under the peace terms Premier Bauer said the severity of the peace would compel the Government to refer upon most extensive nationalization and socialization plans as a means of fulfilling the obligations assumed.

"And I want to assure you again," he said, "that we intend to live up to the terms to the limit of our strength. Only communal and national cooperation can make that possible. We are going about it slowly and scientifically, with well thought out plans, and not with sudden deceptions and ruptures, as our radical friends demand. To follow their advice would only disjoint the entire nation and destroy all our chances of reaching the goal we are aiming at."

The Premier talked of the Government's new departure along the line of attempting to lower the prices of commodities by paying the difference between the cost and selling prices. He expressed the hope this would put an end to usurious prices, but admitted it was only an experiment, the success of which cannot be foreseen. He said it was planned to appropriate 225,000,000 to that purpose during the next three months, in which period wheat will be sold for 20 instead of 60 cents a pound, meat at \$1.12 instead of \$2.75, rice at 64 cents instead of \$1.40, and bacon at \$1.12 instead of \$1.90 and potatoes at 3 cents each.

"Only by this means," he said,

Continued on Fourth Page.

## Crown Prince Leaves, Amsterdam Hears

By the Associated Press.

BRUSSELS, June 30.—The German Crown Prince, Frederick William, escaped from the island of Wieringen Sunday, according to an Amsterdam despatch to the 'Soir.'

[Despatches from Paris last Thursday said that the Crown Prince had escaped from the island of Wieringen, but on the following day denial of the escape was made by the Dutch Government.]

LONDON, July 1.—German counter revolutionaries have a motor launch in readiness to rescue the former German Crown Prince, Frederick William, who is thought to be at the head of the military forces of Germany, according to a Rotterdam despatch to the 'Daily Mail.'

The Dutch Queen, the despatch adds, has sent her consort to persuade the former Prince that it would be detrimental to Holland if he participated in a revolt in Germany.

She reminds him that hospitality was extended to him by Holland.

## JAPAN MAKES APOLOGY TO U. S.

Official Regrets for Violence to Soldiers at Tientsin Proffered.

FRANKLY ADMIT BLAME

No Counter Charges Made Concerning Several March Incidents.

Special Despatch to THE SUN.

WASHINGTON, June 30.—Japan has apologized to the United States for violence of the Japanese against the United States soldiers of the Fifteenth Infantry at Tientsin, China, last March 12, and for the affronts to P. Stewart Heintzleman, the American Consul-General, which occurred at the same time. The formal apology, accompanied by expressions of regret, virtually ends the incident. It places the Japanese in the position of being in the wrong and admitting it, and it serves as a notice that the United States Government will expect Japan to prevent incidents of this character in the future.

Acting Secretary of State Polk handled the case for the United States, and although he appeared to minimize its seriousness, at the same time he pressed for full recognition of the rights of the American citizens involved. The Japanese sought to treat the matter as a "local brawl" and to place the Americans in the wrong. The clash resulted in the serious injury of one American soldier and minor injuries to other Americans and Japanese.

The apology of the Japanese Government has been made all the more unreserved and complete by frank admission of Japan's blame and no counter charges against the Americans. Apologies were tendered to Paul H. Reinsch, the American Minister at Peking, and to Mr. Heintzleman, and were addressed to Col. Wilder, who commanded the Fifteenth Infantry, but had been transferred.

Acting Consul-General Kamel, accompanied by Consular Chancery Khamito, called on the American Consul-General and tendered the apology on instructions from the Tokio Government. "I have the honor to convey to you under instructions from my Government a formal expression of my deep regret for the fact that on March 12 last my compatriots, having entered the French concession, used violence upon American soldiers and that on your way back from the Japanese concession behaved rudely against yourself."

Gen. Kamel has addressed the following apology under instructions from Tokio to Col. Wilder: "Which I regret for the violence to which my compatriots resorted in the French concession against soldiers under your command on the night of March 12 last, I also have the honor to communicate to you my deep regret for the possible lack of friendliness and caution on the part of the Japanese, even though in the midst of confusion, in treating the wounded American soldier on the same night."

Simultaneously Mr. Ohata, the Japanese Minister at Peking, called on Mr. Reinsch and expressed his regret. Mr. Tokugawa of the Japanese Legation also called at the American Legation on the same matter.

It is expected here that the action of the Japanese Government in directing that these apologies be made will do much to restore harmony between Americans and Japanese in the Far East.

Italy Abolishes Censorship.

Rome, June 30.—An official decree abolishes the censorship from midnight.

## CHINA EXPECTS MORAL SUPPORT IN U. S. SENATE

Peace Treaty Circles Are Shocked, but Sympathize With Refusal to Sign.

### WILSON'S HANQ SHOWN

Decision to Reject Reservations Held to Be Meant to Block Objectors Here.

By LAURENCE HILLS.

Staff Correspondent of THE SUN.

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PARIS, June 30.—The action of China in refusing to sign the treaty and absenting herself altogether from the momentous gathering, while not coming as a complete surprise, nevertheless profoundly shocked and stirred the conference as representing the first actual break in allied solidarity. The move has not met with condemnation, but rather has stirred sympathy.

By daring to brook the displeasure of the Allies by refusing assent to the treaty the Chinese have revealed themselves in a new light, and they have excited an admiration which the Americans share. Whatever may have been President Wilson's feeling as he saw the result of the bargain he made to save the league, it is certain that three at least of the American mission members sympathize deeply with China and approve her action.

Hope for Support of Protest.

The Chinese do not conceal the fact that they are looking to the American Senate and hoping for its moral support in the protest they have made. In Presidential circles it was admitted that this had injected a new factor into the situation that is unfavorable to the treaty.

The Japanese delegates are insisting that the Chinese envoys have been instructed by their Government to sign and throw out the suggestion that the Chinese delegates acted as they did because of fear for their personal safety. This is denied by the Chinese, however, who said they were obeying the wishes of their Government as well as of their people.

Their explanation is generally considered one of the strongest documents of the kind ever issued and is likely to have a profound effect in America and throughout the world. The most surprising feature was the Big Three's persistent refusal to recognize the rights of any nation to sign the treaty with reservations, on the ground that there was no precedent for such action.

The Chinese show that they do not intend to buy and sell back with such reservations, but do not mention the fact that the United States did the same with respect to the Hague treaty, which was a general international treaty like the present one.

The significance of this action for America, as expressed in diplomatic circles, is that the President hoped in his stand with regard to China to head off reservations in the Senate, on the ground that the Allies would not accept reservations as a matter of policy.

Expect Warning to Have Effect.

All eyes are now turned toward the American Senate to see what the effect of this warning will have, with China believing that the Senate will support her position that reservations are permissible.

The Chinese statement shows first, that the Chinese proposed to make reservations exactly as America did at the Hague, and as the Root plan now provides. Second, that upon this being refused they then proposed to embody their reservations in a separate annex for which there is said to be no diplomatic precedent. Third, that being refused this right, their last suggestion was to sign the treaty after first notifying the President that they objected to the Shantung articles and that they would ask further consideration.

This suggestion was made June 24, and drew from the Big Three a declaration against all reservations of any nature, suggesting to many that it was inspired possibly by a desire on the part of the President to see the Root plan.

The Chinese, with all their requests refused, say in effect in their statement that the responsibility for their refusal to sign rests with the Big Three and not upon China. This is now said to be necessary to make a separate peace with Germany, as has been proposed by America.

PARIS, June 30.—In spite of their refusal to sign the peace treaty Saturday, the Chinese delegates are not regarded as having withdrawn from the Peace Conference and will continue to take part in the proceedings. The delegation at present is awaiting instructions from Peking. If the Chinese Government is disposed to sign, it is said in conference circles, it is still possible for its delegates to do so.

## THREE BROKERS INDICTED IN OIL STOCK FRAUDS

Newman and Pierce Held for False Advertisement of Rangeburnett's Value.

### CLIENTS ACCUSED TOO

Swann Seeks New Man in His Probe of Dubious Financial Transactions.

By the Associated Press.

PARIS, June 30.—Irish-American delegates here in the interest of the Irish independence movement, sent a new note to Premier Clemenceau to-day in which they charged the British with bombarding Irish towns from airplanes, wantonly murdering women and children.

They said also the British are issuing frequent orders of banishment.

Appointment of a special investigation commission was requested.

Three brokers were indicted yesterday by the June Grand Jury, which is investigating stock transactions. They are Paul A. Newman of Paul A. Newman & Co., Walter J. Pierce of Walter J. Pierce & Co. and Charles B. Toole of Toole, Henry & Co.

Newman and Pierce are accused of falsely advertising the value of Rangeburnett oil shares, which they promoted in a swift campaign ending about the middle of May. This is the second indictment against Newman, the first one having charged him with forgery in the third degree.

Toole is accused of selling stock belonging to clients and failing to turn the money over to them. Toole & Henry, a New York Stock Exchange firm, was forced into bankruptcy April 2 by creditors. The assets were estimated at \$600,000 and the liabilities at \$980,000.

Douglas Henry, the other member of the firm, was suspended on April 2 by the Stock Exchange under the rule requiring that action when a member of the exchange confesses insolvency.

Advertisement Causes Indictment.

The advertisement which caused the joint indictment of Newman and Pierce appeared in the 'Globe' on May 13. It said:

"We have consistently urged the purchase of Rangeburnett Oil. Day after day, week after week, those who heeded our advice have made enormous profits, some as much as 5,700 per cent, on their investment in seven weeks. We now predict a further advance to very much higher prices. Buy now—buy today."

This was published over the name of Walter J. Pierce & Co., 50 Broad street. According to the District Attorney, Newman admitted that he paid for it.

It is charged that at the time of this publication the Rangeburnett company had not taken out of oil or sold any oil, or paid or earned any dividends. Newman and Pierce, the District Attorney says, had been engaged in creating a fictitious market value for the stock by sending agents to the curb to buy and sell back and forth, in other words to wash sales. So on May 13 the stock was traded at \$5, although, considering the value of the plant, it should have been at least \$10. The Rangeburnett company, it was worth only 70 cents, according to the District Attorney.

Shares Take a Quick Tumble.

Then, knowing that the price was about to fall, Newman & Pierce are represented as having stopped washing sales and begun to sell as fast as they could to the public. On May 15 Rangeburnett dropped to \$2.50 and a little later it sank as low as 15 cents. The county prosecutor asserts that no one who bought the stock as advertised made any profit at all, and that the brokers knew their advertisement was false before they printed it.

On Saturday and again yesterday the District Attorney sent a detective to the office of a brokerage firm of which many complaints have been received in the last month. The detective was asked the head of the firm to visit the District Attorney's office, but was told that he was out and no one knew when he would be back.

This firm, in addition to a downtown office, has another place where its circulars are prepared and mailed, and a branch in another city. It has also done a general brokerage business, mostly marginal and by installment payments.

One man says he has written eight letters to the firm and received no reply. A woman says there is due her \$30,000, including \$10,000 profits that are to her credit, according to the stock quotations.

Three other complainants have claims aggregating \$10,000. One of them is anxious to recover a \$1,000 municipal bond, which he says he put up as collateral.

In a letter received by Judge Swann yesterday an out of town investor says he finished paying on March 25 for fifty shares of an oil stock, which was not delivered to him, although he was assured it would be as soon as transferred to his name on the oil company's books.

Continued on Seventh Page.

## Lay Airplane Murders in Ireland to British

By the Associated Press.

PARIS, June 30.—Irish-American delegates here in the interest of the Irish independence movement, sent a new note to Premier Clemenceau to-day in which they charged the British with bombarding Irish towns from airplanes, wantonly murdering women and children.

They said also the British are issuing frequent orders of banishment.

Appointment of a special investigation commission was requested.

## GEORGE J. GOULD OUT AS TRUSTEE

Justice Whitaker Denounces Custodian of \$80,000,000 Left by Father.

By the Associated Press.

WASHINGTON, June 30.—Attorney-General A. Mitchell Palmer to-day issued a statement defining the stand of the Department of Justice on the enforcement of war time prohibition as follows:

"After to-day it will be unlawful to sell for beverage purposes any distilled spirits and any beer, wine or other intoxicating malt or vinous liquor, except for export. This prohibition will continue under the terms of the law 'until the conclusion of the present war and thereafter until the termination of demobilization.'"

"As long as the law thus remains in force it must be obeyed, and I intend that the Department of Justice shall do its utmost to perform the duty which the Congress has placed upon it."

"This law has been held to be constitutional and valid by the Circuit Court of Appeals sitting in New York. It plainly makes unlawful the sale of whiskey, brandy and other distilled spirits and wine. The only controversy that has arisen is as to whether the sale of beer containing so little alcohol as not to be in fact intoxicating is prohibited. The Government's contention has been that the act prohibits the manufacture and sale of beer containing as much as one-half of one per cent of alcohol. But the interpretation of the act is not a matter of difficulty and an endeavoring to have the question settled by the Court at the earliest possible moment."

"My course with respect to beer containing less than 2 1/2 per cent of alcohol—which it is claimed is not intoxicating—will depend upon the ruling which will soon be made by the district courts in which cases are now pending or in which other cases may be brought."

"I have no power to grant amnesty to anyone who may see fit to manufacture or sell beer containing an alcoholic content of less than 2 1/2 per cent of alcohol, and I am sure that brewers and dealers generally understand that the pendency of litigation will be no protection against prosecution for offenses under the law."

"But with respect to whiskey, brandy and other distilled spirits, wine, and beer containing more than 2 1/2 per cent of alcohol, and other intoxicating malt or vinous liquors, the prohibition is beyond controversy, and but one course is open to the Department of Justice. It is to issue warrants for the arrest of all persons found selling such liquors must be arrested and prosecuted. The District Attorney will cause warrants to be issued for the arrest of all persons whose evidence is furnished by the Bureau of Investigation, the agents of the Internal Revenue Bureau of the Treasury Department, local officers or others, and the Marshals and their deputies will probably serve such warrants."

"With the cooperation of local authorities it is believed that the law can be made effective. For this reason I call attention to the fact that it is the duty of local arresting officers to make arrests for offenses committed in their presence, whether the offense be against the laws of the State or the laws of the United States. I confidently expect the hearty cooperation of local municipal authorities and earnestly request that all police officers be instructed to arrest persons found selling in violation of the war prohibition act."

"The former Emperor was relieved from payment for the first period of his sojourn, as that fell within the previous year. All foreigners who remain three months in the country are liable for the payment of taxes, the same as natives of Holland."

EX-KAISER PAYS FIRST TAXES.

Holland Assesses Him \$4,800, With More to Come.

By the Associated Press.

AMSTERDAM, June 28 (delayed).—The former German Emperor for the first time in his life has paid taxes, the municipality of Amerongen having levied the ordinary taxation after examining and estimating William Hohenzollern's fortune.

For the first three months of this year the sum levied amounts to 12,000 guilder. (A guilder normally amounts to about forty cents in this city, the only place in the country where liquor is sold under license. The liquor dealers association has voted to close all places, keeping the stocks intact to await the possible lifting of the ban.)

DELaware DEALERS CLOSE.

Nervous Over Possible Seizure of Stocks by Anti-Saloon League.

WILMINGTON, Del., June 30.—The eve of war prohibition witnessed a condition of uncertainty in this city, the only place in Delaware where liquor is sold under license. The liquor dealers association has voted to close all places, keeping the stocks intact to await the possible lifting of the ban.

Continued on Seventh Page.

## U. S. OFFICIALS TO AWAIT COURT RULING ON BEER

Attorney-General Instructs Agents to Arrest Dealers in Other Liquors.

### TO FIX STATUS SOON

Asks Aid of Municipal Authorities in Prohibition Enforcement.

Special Despatch to THE SUN.

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Continued on Third Page.

## Local Police Asked by Attorney-General to Help Enforce Prohibition Despite Differences of Opinion Regarding Law

BIG HOTELS HERE WILL CLOSE BARS AND FURNISH SOFT DRINKS

Many Saloons Will Continue To-day to Sell 2.75 Beer and Light Wines, Contending They Are Not Intoxicating Drinks

### U. S. INVESTIGATORS ORDERED HERE

Raises in Rates on Foods and Rooms Start in Some Hostelries, but Others Will Not Advance Prices at Present

The entire United States went dry last midnight. For the first time in history sale of intoxicating drinks became unlawful from coast to coast. Sixty hours, approximately, after the Peace Treaty was signed in Paris one of the most drastic war measures ever drafted to affect the American people went into effect.

The anachronism is the more marked in its effect for the reason that while it is professedly an emergency expedient, effective only until demobilization, actually its duration is likely to run up to the time when prohibition becomes permanent as a constitutional provision. If there is a hiatus between the two prohibitions—war and constitutional—it will be brief indeed.

It appeared certain late last night that many other inconsistencies would feature the law's application. While the Government's contention has been that the measure prohibits the sale of all beverages containing more than one-half of one per cent alcohol the sale of beer with an alcoholic content of 2.75 per cent, and of non-intoxicating wines will continue, temporarily at least, with the tacit consent of the authorities.

Attorney-General A. Mitchell Palmer requested the assistance of the local authorities all over the country in enforcing the law.

Arrests will follow violations of the law and prosecutions will result where violations occur in respect to spirituous liquors, but until a test case is decided on the beer and light wine issue the sale of this product is likely to continue uninterrupted.

With this understanding the brewers of the country will continue the manufacture of beer of the accepted war time standard, and its sale will go on, but except for a short period, during which there may be a return to pre-war conditions before the prohibition amendment to the Constitution becomes effective, that is, when demobilization is declared completed, the sale of whiskey and other so-called hard liquor is at an end in the United States.

Acting upon the Attorney-General's request the New York Police Department notified every saloon, hotel and restaurant bar in the city that arrests would follow any attempt to sell the hard stuff after midnight, though the 2.75 beer might be sold until 1 A. M.

Despite assurances from counsel that war time beer with 2.75 per cent of alcohol could be sold without fear of legal consequences, and Attorney-General Palmer's statement that he would take no steps to prevent such sale in advance of a court decision the managers of the largest hotels in New York city decided last night to adhere to the letter and spirit of the law and discontinue the sale of everything alcoholic, including light wines and war time beer.

The hotel men came to the decision individually, but the general feeling, as several of them expressed themselves to THE SUN, was that with their huge property interests, not wholly invested in the bars, it was wisdom to play safe and obey the letter and spirit of the law.

Instructions were issued yesterday following a meeting of the hotel men that the sale of everything alcoholic, including beer and light wines, was to be discontinued on the stroke of midnight. There may and probably will be individual cases of exception to the rule, but arrangements were made, and not changed at a late hour last night, to remove all stock of wines and liquors and to disconnect the beer taps. Some of the larger hotels already had installed soda fountains where the bar would be.

The report from Washington that the Attorney-General would not press action against hotels that continued

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