GOSSIP OF THE STREET

WESTERN UNION ISSUES UNIQUE REPORT TO ITS EMPLOYES

President Carlton Introduces Innovation by Direct Message to Men—Richard Spillane's Comment—Gossip of the Street

NOT all corporation reports, it would seem, are intended for stockholders and the public. In a recent number of Finance and Commerce Richard Spillane calls attention to a new kind of report issued by Newcomb Carlton, president of the Western Union Telegraph Company, to the company's employes. With Mr. Spillane's remarks this unique report is given below:

"The company's earnings for 1917 were good.

"The stockholders received 7 per cent in dividends, or $7,000,000.

"The employes received over and above their salary ratings of 1916 the following:

Increases in salaries and wages	$3,250,000
Special payments to employes	2,170,000
Pensions, insurance, sickness and accident benefits	741,000
Total	$6,291,000

"The eight-hour day and vacations with pay cost $1,155,000.

"We were also able to put $5,000,000 away for a rainy day, which is prudent and protects stockholders and employes.

"The next special payment to employes is due July 1.

"The board of directors has just authorized another payment on the same terms covering the second six months of 1918 and payable January 1 next.

"The company has had its hands full of business, with a heavy increase in Government messages, the tolls on which, figured at regular rates, would amount to $7,500,000 for the year, but for the handling of which we received only $3,000,000, or a difference of $4,500,000 against the company. This is a large sum of money and must be set down as a part of the company's direct contribution to the costs of the war.

"Of the entire business of the company about 95 per cent was satisfactorily handled. The other 5 per cent varied from unsatisfactory to rotten. Who fell down? Some one must have. I am very far from placing the blame wholly upon the operators, clerks or messengers involved. There is probably as much bad management in the company as there is bad handling by employes. This suggests co-operation to eradicate both.

"The employe who does his best day in and day out to promote good telegraph service is helping to win the war just as much as the soldier in the trench, and is just as much a patriot.

"Those who spread dissatisfaction or strife or who attempt to use the present war emergency to promote their own ends are traitors and work for Germany.

"There you have it.

"There are many improvements yet to be made in the relationship between capital and labor. We are reaching out for the solution and are trying to give our employes a square deal. Ask any fair-minded old-timer if there has been an improvement in the last few years.

"We know that more than 95 per cent of our employes aim to give the company a square deal. But less than 5 per cent are Bolsheviki, who would, if they could, do to the Western Union what has been done to Russia.

"Shall we permit this small Bolshevik contingent to interfere in the continuance of our good relations and in our patriotic efforts to maintain continuous and effective telegraph service in this supreme emergency?

"If there are among us employes who feel they are not getting a square deal the manly way to express their dissatisfaction is either to tell us or move on to some other job. There are thousands of openings. I have said to many of our employes: 'If you cannot get what you think is a square deal write to me, for I am not president for the stockholders alone, I am equally the representative of the employes,' and we stand or fall on that proposition.

NEWCOMB CARLTON."

Mr. Spillane's comment follows:

"'Not president for the stockholders alone, but equally the representative of the employes!'

"What treason is this man Carlton preaching?

"As an 'old-timer,' as one who worked for the Western Union long before Mr. Carlton had any connection with the company or, possibly, hope or idea of being connected with it, the present writer is shocked to see how this man has departed from the traditions of Dr. Norvin Green and the lamented Jay Gould and George J. Gould and Colonel Clowry.

"No one who ever worked for the Western Union can but lament the good old days, when the whole policy of the institution was based on the broad and generous spirit of Russell Sage.

"One of the pleasant memories many old-timers have is of the inspiration there was in the daily view of Mr. Sage in an $8 suit of clothes and a twenty-five-cent straw hat ascending in an elevator at '195' to exercise his privilege as a director of getting a free lunch in the company restaurant in the 'sky parlor' above the big operating room.

"The Western Union was something worth while in those days. It made rich the men who controlled it. Six or eight years ago it was a noble example of high finance. It was paying 4 per cent dividends and had slightly less than $20,000,000 of fictitious assets on its books. But for the interference of such persons as Theodore N. Vail and Mr. Carlton it would have made a fine wreck and a noble ruin. They have mussed things up dreadfully. They seem to have had no sense of the sanctity of age and decrepitude. They junked the good old Western Union of former days and have gone and made instead the Western Union we have to put up with today. They have boosted the business in five or six years from less than $40,000,000 a year to more than $70,000,000 and increased the dividend rate from 4 to 7 per cent and raised salaries and put in pension systems and all such fool things.

"The Western Union seems so different from the Western Union of the eighties that we have to wipe our 'specs' before we can recognize it.

"Mr. Carlton may be giving a square deal to the employes, but is he giving a square deal to the memory of Jay Gould and Russell Sage?"

Conversion of Liberty Bonds

With the third issue of Liberty Bonds the conversion privilege becomes quite complicated, as there will be six different kinds of Liberty Bonds outstanding when the present issue is finally completed and the various conversions arranged.

There are the 3½ per cent bonds of the first Liberty Loan, issued June 15, 1917. They are exempt from all taxes except estate and inheritance taxes and are convertible into any higher-rate bonds issued during the war, except short-term five-year loans, within six months from date of issue of such subsequent high-rate bonds.

There are the first Liberty 4s, which are the 3½ per cent bonds converted into 4 per cent bonds. They are exempt from the normal income tax, but are subject to the supertax and excess-profits tax on incomes and earnings, except the income from holdings of $5000 of bonds. They are convertible into the new 4¼ per cent bonds if application is made before November 9, 1918. When converted they retain their former dates of maturity, redemption and interest payments, but in other respects assume the status of the new issue.

The second Liberty Loan 4s are the bonds originating under the second Liberty Loan. Their maturity is November 15, 1942, but they are redeemable at the option of the Government on or after November 15, 1927. Tax-exemption features and that of conversion into the 4¼ per cent bonds are the same as the first Liberty 4s.

Three Kinds of Liberty 4¼s

There will be three kinds of Liberty 4¼ per cent bonds outstanding.

There will be the first 4¼ per cent bonds, which will be issued in the conversion of the 3½ per cent bonds or the first 4 per cent bonds. The date of their issue will be May 9, 1918, and their maturity June 15, 1947. Their tax-exemption features are the same as the 4 per cent bonds and, in addition, they may be used for paying the Federal inheritance taxes. They are not convertible into any future issues.

The second 4¼ per cent bonds will be those issued in conversion of the second 4 per cent bonds into the 4¼ per cent bonds. They will mature on November 15, 1942. They may be redeemed at the option of the Government on and after November 15, 1927. Their tax-exemption and inheritance-tax features are the same as the first 4¼s and they are not convertible into any future issues.

The third 4¼ per cent bonds are those originating with the third Liberty Loan, now being offered. They are dated May 9, 1918, with maturity on September 15, 1928, with no redemption provision before that date. These will be the only ten-year 4¼ per cent bonds, as the first 4¼ per cent bonds mature January 15, 1947, and the second 4¼ per cent bonds mature November 15, 1942. Interest dates on the third 4¼s are September 15 and March 15. The tax-exemption and inheritance-tax features and the nonconvertibility into future issues are the same as those of the first and second 4¼ per cent bonds.

It will be seen that there will be three issues of 4¼ per cent bonds available for investment: one that will be a thirty-year bond redeemable at the option of the Government after fifteen years, another that will be a twenty-five-year bond redeemable at the option of the Government after ten years and the third, a straight ten-year maturity.

Business Career of Peter Flint

A Story of Salesmanship by Harold Whitehead

(Copyright)

Mr. Whitehead will answer your business questions on buying, selling, advertising and employment. Ask your questions clearly and give all the facts. Your correct name and full address must be given to all inquiries. Those which are anonymous must be ignored, unless to technical questions will be sent by mail. Other questions will be answered in this column. The most interesting problems of inquirers will be woven into the story of Peter Flint.

LXIV

WHEN I got down to breakfast this morning I found four letters waiting for me. It's so seldom I get a letter at all that I wondered for a minute whether I had a bunch of jobs offered me. The first letter I opened was from Philip Rogers. Good old Philip! This is what he said:

Dear Peter—Hope you'll have good luck today and land a job. I am writing this a few minutes after you left because I wanted you to start out today full of pep.

By the way, I know how uncomfortable a fellow feels if he hasn't a few dollars to spare, so I'm taking the liberty of slipping a $10 bill in this just to help you out. You need not hesitate to take it. It's just an investment on my part which you can return when you are good and ready. Good luck to you.

Think of this letter from the man I have double-crossed. I must need that $50 note somehow, for I never could bear to let Philip know I had used his name. There was a P. S. on his letter which said, "Why don't you go and see Jack Field, secretary, Hardware Association?"

The next letter was from mother, which said:

My dearest Peter—How is my dear boy? Well and happy, I am sure, and still doing well in the publishing business.

Of course, I know you haven't forgotten, but it's your dad's birthday next Tuesday, and as you are doing well I am sure you will want to buy him a little remembrance.

We thought of joining together and buying your dad one of those easy chairs he has always wanted. We can get it for $32. I am willing to pay twenty, if you and the two girls will pay the other $12 among you, that is, if you will pay four of it. The girls think you ought to pay more than they do, as you are making so much money, but I didn't think so.

If you care to do this, send me the $4 any time you like.

Mother's P. S. (I wonder why women always have a P. S.) said, "Don't you think you could come down home for a few days? You must need a rest after all this long siege of hard work."

My, but it would seem good to be able to go home and forget all my troubles of the last few months. Oh, if I were only back home again with mother! I've made a mess of things so far. I ought to have thought how to keep out of trouble and then I wouldn't have to think how to get out of it.

The third letter was from the Perleville Novelty Company in answer to my letter applying for the job they advertised. It said:

Dear Friend—You are indeed fortunate to write at this time, for it so happens that Boston is not represented, but you must as quickly as people are clamoring for our agency there, for it means big money.

We have looked you up, however, and believe you will be the best desirable agent for our high-class line. (Hm, I thought to myself, I don't see how they could look me up in such a short time.)

Our novelty, the most wonderful novelty ever offered to the public, is our Perleville kitchen set, comprising ten useful kitchen articles as described on the inclosed leaflet. These only have to be shown to a woman to at once make her eager to possess them. The sets sell like hotcakes for $2 and cost you only $1.25.

Now, remember, dear friend, we do not ask you to buy these sets before you sell them. We trust you. Merely send us the orders and we will supply you with all the sets you sell, so that you can deliver them and collect the money and then remit to us.

As an evidence of good faith, however, we must ask you to buy ten sets at once. If you do not sell them we will buy them back from you again. This is merely done to insure your interest in this work.

This agency is valuable, so don't delay accepting it. Read the attached circular as to what other men have done and then get busy.

Telegraph us before some one else gets ahead of you.

I really got quite excited over this until I opened my fourth letter, and that was of such a nature as to make me forget all about this one from the Perleville Novelty Company.

TODAY'S BUSINESS EPIGRAM

Think how to keep out of trouble and you won't have to worry how to get out of it.

What does this mean to **YOU?**

Business Questions Answered

I am getting a lot of good ideas from Peter Flint's business career and as one good turn deserves another I am sending you what I think is a good idea. A short time ago I received a very clever circular letter. I don't usually read circular letters, but this one had a Villa Mexican bill attached to it and it said, "There's money and money, but one of Uncle Sam's dollar bills would buy a wagon load of Villa money." It then compared their goods with the general line of goods on the market. I forget what they were advertising now, but it certainly got me to read their letter. H. F. A.

I do not think this a clever letter. The purpose of a sales letter should be to impress the receiver with the goods the seder is selling. Personally I would call this letter a failure. You remembered the stunt, but not what the stunt was for.

(CONTINUED TOMORROW)

FIVE WANT STONE'S TOGA

Governor Will Not Fill Vacancy Until After Funeral

Jefferson City, Mo., April 16.—Discussion of a probable appointee for United States Senator to fill the vacancy created by the death of Senator W. J. Stone centers all political interest here at present.

Governor Gardner said he would not appoint a Senator until after Mr. Stone's funeral. Festus J. Wade and William H. Lee, both St. Louis bankers; David R. Francis, ambassador to Russia; former Governor Joseph W. Folk and William T. Kemper, a Kansas City banker, are mentioned as possible appointees.

Tonnage Lack Hurts Tin Industry

Washington, April 16.—A series of conferences with the war indemnities board has been begun by manufacturers of tin products to consider measures to relieve the shortage of tin. Lack of sufficient tonnage was declared by the tin representatives to be seriously interefring with importations. Action to obtain tin and tin plate to supply canners was said to be imperative. The question of increasing home production especially in Alaska, was one of the subjects discussed.

SPY SCARE MAGNIFIED, DECLARES GREGORY

Attorney General Declares Exaggeration Marks Reports on Enemy Activities

LITTLE DAMAGE DONE

Legal Head Deplores Lack of Laws Under Which to Punish Offenders

Washington, April 16.

Attorney General Gregory asserted that reports of enemy activities in the United States are grossly exaggerated, in a letter to Representative Currie, of Michigan, made public by Mr. Gregory.

Replying to a letter from Mr. Currie saying that a strong feeling exists through the country that the Government is dealing too leniently with spies and dangerous enemies, the Attorney General explained at length the extensive work of the Department of Justice in policing the country under war conditions. He emphasized the difficulties under which the department is laboring, including the lack of necessary laws under which to punish offenders.

"The public assumes," Mr. Gregory wrote, "that there is a great deal of enemy activity going on in this country and it is but natural that vague rumors are magnified into definite and sensational stories. The talk of damage done by enemy aliens in causing incendiary fires is an illustration of this. Repeatedly both in reputable newspapers and in publications got out by citizen societies, exaggerated statements are made as to the amount of damage.

Quotes Fire Statistics

"Statistics show that considering the vastly increased value of merchandise and plants, the actual fire loss to property of all descriptions in 1917 was not appreciably larger than that of the year of 1913. Likewise, the report recently made by the National Board of Fire Underwriters shows in substance that during the last year not one fire had been clearly proven to be the work of alien enemies, and at a recent conference in the Treasury Department of all of the men in all departments charged with protection of plants and supplies it was stated without dissent that in instance was known of a fire caused within the last year by alien enemies."

The Attorney General suggested that "the very necessity for keeping secret many of the activities of the department undoubtedly contributes to the impression of which you have complained," and added:

"It would be absurd to say that every hostile act has been successfully run down and the offender brought to punishment, or that every enemy agent or propagandist at work in this country has been discovered. I do, however, assert that every possible effort is being made to ferret out and punish activities of this character and that this work in other departments as well as my own is being done from day to day with constantly increasing efficiency.

Prepared Before War

"Long before we entered the war this department recognized the necessity of an efficient system for the prevention as well as the detection of enemy activities and began at that time to strengthen and build up its bureau of investigation, which now for a long time has been operated on a war basis. In addition to this, the department has accepted the services and to a great extent supervises the activities of more than 200,000 citizens of proven loyalty, systematically organized throughout the country as an auxiliary to the work of the department. It is a fair statement to say that the country has never been so thoroughly policed in its history by the Federal authorities as it is today.

"In connection with enemy alien activities you will recall that under the most conservative estimate there are in this country today more than 150,000 Germans, 600,000 Austrians and 400,000 Hungarian enemy aliens; that is, unnaturalized males upward of fourteen years of age, and estimating three to a family there would be within the United States about 4,000,000 persons who are either male enemy aliens or members of their families. If you will bear in mind that we have quite as much, if not more, trouble with native and naturalized Americans as we have with enemy aliens, you will get some idea of the magnitude of the work which daily confronts this department.

Lack of Law Causes Disorders

"Most of the disorder throughout the country is caused by the lack of laws relating to disloyal utterances. Congress did not pass the original espionage act in the form in which my department prepared it, and Section 3 of the law as passed by Congress has been the only weapon with which the Government could attack this dangerous evil.

"Although the only clause of Section 3 which has been of value is the one aimed to prevent obstruction of enlistment and recruiting, my department has succeeded under that one clause in securing the conviction of more than 250 offenders in different parts of the country and in obtaining the imposition of sentences in some cases of fifteen and twenty years' imprisonment. It is earnestly hoped that Congress will act favorably upon legislation now before it which will give the Government adequate weapons with which to prevent the spread of flagrant disloyalty.

"Another serious defect in the legal situation is the fact that there is no law providing for the control of departures from or entries into the United States by persons other than those who are alien enemies.

"I need not say that so long as the Federal Government is impotent to suppress industrial treason and disloyal utterances, just so long there will be danger of disorder and there will be a steady increase in the feeling among the irresponsible of disrespect for legally constituted authority."

Chicago, April 16.

Federal agents have dismantled two wireless plants here, one of which is said to have been powerful enough to communicate with Germany. The keeper of one of the stations was taken into custody, but his name was withheld.

FIRST DISCOUNT BANK OPENS

Foreign Trade Bankers' Corporation Has Capital of $2,000,000

New York, April 16.—Spoken of by its promoters as "America's pioneer discount bank," the Foreign Trade Bankers' Corporation opened for business at 25 Wall street. The bank has $2,000,000 capital and was organized by George A. Gaston, president of Gaston, Williams & Wigmore, Inc., and Max May, former vice president of the Guaranty Trust Company. Its banking affiliations, it is understood, include the Merchants' National Bank.

The principal purpose of the new institution is to encourage and foster foreign trade by trading in bank and trade acceptances. The officers of the new bank include Max May as managing director and William T. Law as secretary. Mr. Law was formerly assistant treasurer of the United States Mortgage and Trust Company.

LEAP 100 FEET IN BAY TO SAVE U. S. DIRIGIBLE

Three Officers Save Big Army Airship After Spectacular Flight Over New York City

New York, April 16.—One of the big army airships which has been exciting admiration by its recent flights over the city probably would have been wrecked in Jamaica Bay late yesterday afternoon had not three young officers dared death by leaping into the bay when the dirigible was 100 feet above it. Their leap lightened the load and soon the airship was lowered, but not until an airplane, with two officers who had put out from Fort Tilden to the rescue, also had plunged into the cold water.

The big dirigible, more than a hundred feet in length, cigar-shaped and having so much of the appearance of a Zeppelin that it has been called the "American Zeppelin," had made a spectacular flight over New York during the afternoon observed by hundreds of thousands of persons, and was on its way back to its quarters, at Fort Tilden, on the Rockaway coast, when the accident happened.

The leap of the men caused the airship to right herself and a long line was dropped. That was caught by a large motorboat, and under direction of the officers in the dirigible the big unmanageable craft was towed over an island and the gas was let out of her and she landed without trouble.

GOOD LEATHER SHOWS STRENGTH ON MARKET

Uppers in Particular Display More Firmness and Prices Advance

NEW BUYING MOVEMENT

Revised Army Shoe Specifications Make Tanners Worry Over Utilizing Offal

Boston, April 16.—The leather markets are taking on a firmer tone and some advances have been asked on desirable grades. The upper leather market in particular is showing more strength as a result of more interest and more buying on the part of local shoe manufacturers. Tanners of colored side leather have advanced their prices two cents a foot on the good grades and are now quoting forty-four cents. A number of large sales were made late last week at the old basis of forty-two cents.

Good grade sides which are needed for colored leather are stronger and if tanners are to go into the market for these hides they find that finished leather should be worth more money. Good grade black leather is well sold up as the demand is chiefly for the best stock. Black sides are quoted at forty cents for the top grades, while the lower grades are easy and sell at a variety of prices depending on how eager the tanner is to sell. However, the scarcity of good leather swings the trade to the next best quality.

Rumors of more foreign business are causing a firmer tone in the trade. It is believed that representatives of the British Government are in this country and will make arrangements to purchase leather for Government use. The same buyer who made the large purchases for England last September is expected to be at the head of the buying this time. If any purchases are made, however, they will not be made individually, but through the Hide and Leather Control Board at Washington. While these stories lack confirmation from the proper authorities they are generally accepted in the trade here and some action is expected soon. If the leather to be purchased is similar to that bought last fall it will mean the cleaning up of some of the cheaper grades of gun-metal sides and calf, as well as the accumulation of wax splits which have been dragging since the time of the last big English buying.

Army Shoe Outlook

Army shoe business is coming in the near future. The plans now call for about a million and a half pairs of the new "Pershing" shoe each month, beginning July 1 of this year. According to the preliminary specifications for this shoe, there will be large quantities of good grade sole leather wanted. The shoe will have an outer sole of nine iron or over, a middle sole of eight iron and a top or second middle sole of seven iron. The inner sole must be at least seven iron and not more than seven and one-half iron. This makes a total of thirty-one iron of sole leather. Allowing about three iron for the thickness of the upper leather, which is lasted under the shoes, the soldier will have thirty-four iron or nearly three-quarters of an inch of leather between him and the ground. All of the soles, whether outer, middle or inner, must be of outside quality, meaning that only the best grades of leather can be used.

This will add to the cost of the shoe, as a manufacturer cannot use a belly inner sole, such as is allowed in the old army shoes. The counters for this new shoe must also be cut from first quality leather and cannot be made from bellies. In fact, the shoe affords no opportunity to use up the heads, bellies or shoulders, and because a large quantity of this leather will be used tanners are wondering what they will do with the offal.

The upper leather will be bark tanned, made as nearly as possible in the old "lay away" process. This will take from sixty to ninety days to tan and as there is none on hand, it will be well into the summer before any large quantity can be delivered to the shoe manufacturers. This leather must go to the shoe man in the form of bends with at least 10 per cent of the side removed. The disposal of this offal is causing the tanners much concern. It will be necessary for the tanner to figure his price for the bends at enough money to cover the loss which will arise from the cropping of this leather. Light hides must be used to make this new army leather and only the best stock will make desirable leather. Light hides of good quality are already stronger in price and the weaknesses of a few weeks ago have disappeared. A restraining influence in the hide market is the belief that if a runaway market develops the Government will step in and regulate prices.

Another large sale of belting butts was made last week. Several tanners were asked to bid on a lot of from fifteen to twenty thousand butts. The selling price has not been made public. Tanners who quoted 94 cents for number ones and 91 to 92 cents for twos did not receive any of the business. These prices are now generally asked for future business. Heavy and medium weight steer bellies sell at 37 cents. Cow bellies are not as active and are held at 30 to 32 cents, with sales at both figures.

Good grades of patent leather are wanted for quick delivery. Patent sides bring 50 cents in this market and some special selections are held at 2 cents more. Patent kid and colt are active but on these as on other leathers the demand is for the better grades.

Sheepskin tanners are booking more business. The Government requirements will consume large quantities of the medium and better grades which are now in small supply in the tanneries except where army sheepskins are being made. All the big wool pullers are holding their skins for Government option and recently the dealers have been requested to hold all suitable skins at the disposal of the Government.

SEES CONQUEST LUST GROWING IN GERMANY

Trying to Shatter British Before Americans Arrive, Balfour Says

CONFIDENT OF VICTORY

Pressing Need Now, Declares Secretary, Is for Washington to Speed Troops

London, April 16.

A. J. Balfour, the Foreign Secretary, in an address to the American labor delegation, said:

"What is now most pressingly required is that the fighting forces of the United States shall be brought as speedily as possible into the field.

"The German program is to shatter the British army before the American weight can be brought into the scale. The German-inspired press has been instructed by its masters to show the utmost contempt for the American military effort. But the masters do not share that contempt. They are planning their whole campaign, and are sacrificing men with reckless extravagance in order that the American help may arrive after their blow has been struck."

In proposing a toast to the Allied cause at the luncheon to the American labor delegation, Mr. Balfour said:

"The two speeches which we have just listened to would have convinced any doubter, if such exists elsewhere, that the spirit in which the United States of America have thrown themselves into the great struggle is a spirit of idealism, not in the sense in which idealism evaporates in eloquent phrases and empty formulae, but in that spirit in which idealism recognizes that to bring his ideals to fruition one must make efforts and show these great sacrifices which now are being so surely demonstrated by our friends and brothers across the Atlantic."

Germany Changes Front

That mission, he proceeded, representing as it did the activities of the United States in so many different spheres and characteristics, had arrived at a moment of interest. It was a moment of special interest, not chiefly because of the great and anxious struggle now going on, but because the Allies had revealed to them in plain, unmistakable characteristics both the political and military policies of those who controlled the destinies of Germany.

"We have been the witnesses during the last year or year and a half," he said, "of strange tergiversation on the part of those who wished to delude either the German neutral or, it might be, even the Allied public with regard to German intentions and methods.

"There was a moment before the facile success which Germany obtained against an unresisting enemy, the enemy in the east, when German statesmen and German members of Parliament discussed public affairs which would lead one to suppose that Germany was in a high way to democratic institutions and to heartfelt adoption of the four principles which President Wilson has made famous throughout the world. Events in the east gave them a facile success over the talkers in Russia, and the whole aspect of politics and public opinion among the Central Powers has entirely changed.

"They now almost cynically admit the resolution of the Reichstag, of which we have heard so much, all the talk of no annexations and indemnities, of considering the wishes of subject populations, of spreading the principles of security and freedom throughout the world, was what we sometimes call camouflage."

All that now was thrust aside. German methods are actually being carried out before the eyes of all in the case of Rumania and in other communities bordering on the eastern frontiers of Germany.

In moments of adversity, continued the Secretary, Germany used a fine language, which she had been taught, indeed, by the statesmen of the Allied Powers and principally by President Wilson, but which she had learned but imperfectly and understood not at all.

That was one of the phases of contemporary events which made the present moment extremely interesting. The other was the plain, clear revelation of the German military program.

Bared as a Robber State

"She now stands forth undisguised as a robber State," declared Mr. Balfour. "How is she going to carry out her robbery so far as her internal politics are concerned? Her methods are simple. If things are going wrong, or are not going as well as her optimists expected, then they tell the German public: 'You must fight on because the Powers against whom you are fighting desire nothing less, and will be content with nothing less than the total destruction of your country.'

"An absolute falsehood. The destruction of Germany has never been an Allied aim, and is desired, so far as I know, by no sane man in the whole civilized world.

"But if things are going well, that argument is put aside and a new one comes in. They explain that all these attacks upon the constitution of Germany, all this talk about Germany not being a land of freedom, with the representative institutions of democracy as we in the west understand them, are quite true. But then they say:

"'A democratic government would never have given you an empire such as the military authorities and the headquarters staff have given you. We are the headquarters staff. We are the military authority. We are the true upholders of the Prussian ideals.

"'Look at what we are giving you. We are going to give you domination over the whole of Europe. You have practically control over the independent States all along our eastern border. We are going to give you a free pathway to the illimitable riches of the East.

"'We are going to turn France into a second-rate Power. Britain is to follow. America is to follow Britain and Germany is to be the Colossus which bestrides the world, without a rival and hardly without a critic.'

"All that they say to their international socialists, 'all that is given you by the blessings of the German constitution, by the tradition of the military party, by the steady insistence and determination of the governing powers in Prussia.'

"And in the Prussianized Germany there is a steady determination to prove to the world that force is the way, and the only way, to achieve success. They preach that doctrine and practice to show in the case of Germany it is successful."

For some reasons, which he was unable to explain, apparently in the ordinary German, who might call himself a Socialist, international Socialist or whatever he pleased, there was deep down in his nature a predatory instinct, so that when success appeared to crown his efforts he was like a wild beast falling upon his helpless prey.

It was clear from the events now going on in the west the object of the Germans was to overcome one faction of the forces opposed to them in the belief if these forces were knocked out the others must give in and a German peace must be the result. It was for this reason they had concentrated their efforts in front of the British army.

VOLOGDA IN SPOTLIGHT AS DIPLOMATIC CENTER

Little Rusian Town, Until Recently Obscure, Harbors Representatives of Eleven Nations

Washington, April 16.—Vologda, a small city in the heart of a Russian district of many and divers enterprises, has become one of the remarkable spots in the world.

About 300 miles northeast of Moscow—now the Russian capital—the little municipality today harbors the government representatives of eleven Allied nations, accredited to Russia.

United States Ambassador Francis put Vologda on the map when he declined to leave Russia at the coming of the Germans. Since then he has been joined by the representatives of Japan, China, France, Italy, Serbia, Belgium, Brazil, Siam, Portugal and Greece.

Scanty cables fail to disclose the character of the "allied colony's" housing and living.

The Vologda district is a marshy country with fishing and agriculture abounding. It is a junction point for railways running from Moscow to Archangel and from Petrograd to Siberia. It is commercially lively and offers a strategic point for retreat should the diplomats wish to leave hastily.

Philadelphia Arrivals at New York Hotels

J. A. Arnold, Flanders.
J. E. Burt, Woodward.
G. H. M. Cook, Marie Antoinette.
T. Cronin, Jr., Marseilles.
F. W. Chowlier, Flanders.
H. E. Curtiss, Flanders.
J. Dwight Latham.
Mrs. J. Downes, Latham.
J. Franklin, Marseilles.
Mrs. J. Franklin, Marseilles.
M. Gladstone, Remington.
J. Howard, New Victoria.
Mrs. H. Howard, New Victoria.
F. Kauffman, Ansonia.
Mrs. F. Kauffman, Ansonia.
W. C. Lange, Herald Square.
W. L. McDowell, Latham.
J. R. Mitchell, St. Andrew.
Mrs. J. R. Mitchell, St. Andrew.
H. T. Morris, Ansonia.
H. A. Harnburn, Lauderbie.
J. A. Rowan, Grand.
W. C. Weber, Webster.
C. F. Wyckoff, Algonquin.
Mrs. M. G. Adams, Park Avenue.
V. K. Allison, Union Square.
W. E. Appleton, Cumberland.
Mrs. W. M. Appleton, Cumberland.
Miss A. Bubberston, Brossell.
M. M. Cohen, Latham.
H. Crossman, Park Avenue.
Miss D. Gardner, Cumberland.
J. M. Hughes, Albert.
C. E. Hatch, Park Avenue.
E. Johnson, Park Avenue.
Mrs. E. Johnson, Park Avenue.
O. Kolsky, Wallick.
G. Krommesch, Breslin.
S. Louise, Grand.
H. Marion, Grand.
H. Mass, Bristol.
Mrs. H. Mass, Bristol.
A. J. McCarty, Cumberland.
F. H. Meyer, Wallick.
J. Moores, Union Square.
Mrs. J. Morrison, Continental.
J. A. Morrison, Continental.
L. Platt, Grand.
H. Reiff, Grand.
R. H. Richards, Wallick.
C. G. Rice, Union Square.
S. Robinberg, Park Avenue.
Mrs. S. Robinberg, Park Avenue.
W. Smith, Woodward.
Mrs. W. Smith, Woodward.
T. L. Stevens, Flanders.
Mrs. T. L. Stevens, Flanders.
E. Trout, Wallick.
Mrs. T. C. Williams, Cumberland.
Miss A. Wolbert, Bristol.

Trade Representatives

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L. Stein & Co.—L. Stein, manufacturer pianos, Grand.
Bellas-Hess Mail Order House—Henry Fischer, ready to wear, 95 Morton street, Herald Square.

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COUNCILS MEET THIS WEEK
April 15—Coatesville, I. O. O. F. Hall, Coatesville
April 15—Chester, I. O. O. F. Hall, Chester
April 17—Arcanian, Cumberland & Germin
April 18—Linganore, 1011 Columbia Ave.
April 18—Chadler, 1315 Columbia Ave.
April 18—Bridesburg, Ash & Edgemont Sts.
April 18—Norristown, Trust Bldg.
April 19—Germantown, Vernon Hall
April 19—Frankford, 4510 Frankford Ave.
April 19—Haverford, Rittenhouse Hall

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SHIP EVERY TEN DAYS, PLEDGE OF U. S. STEEL

Corporation Will Launch First Vessel for Government About May 15

Hoboken, N. J., April 16.

Elbert H. Gary, chairman of the United States Steel Corporation, announced to the stockholders that a ship constructed at the Government's request by the United States Steel Corporation will be launched at Newark, N. J., by the middle of May, and the corporation's two yards at Mobile, Ala., and Newark will be prepared to turn out a completed ship every ten days.

"We did not wish to go into the business of building ships," Mr. Gary said. "This was entirely out of our line, but we were approached by gentlemen interested in governmental affairs to see if we could assist in building ships when they were most needed. After careful study we decided that we could build ships at least as cheaply and as rapidly and get into the business as quickly as any one else. We started two plants, each having ten ways, one located near Newark, N. J., and the other at Mobile, Ala."

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IN MEMORIAM

YOUNG.—In loving memory of my dear father, JAMES P. YOUNG, who died April 16, 1914. DAUGHTER.

Deaths

ABBOTT.—On April 14, ALVINA, widow of Theodore Abbott, aged 69 years. Relatives and friends invited to funeral services, on Wed., at 2 o'clock, at her late residence, 2004 N. 12th st. Int. private.

ASHTON.—April 14, ABRAHAM ASHTON, husband of Margaretta Ashton (nee Wolf), aged 66. Relatives and friends, Morning Glory club, invited to funeral services, Thurs., 1 p. m., 152 E. Allen st., Northwood, Pa. Remains may be viewed Wed. after 7 p. m.

ATACK.—April 15, WILLIAM T. ATACK, aged 76. Relatives and friends, employes Joseph Bromley & Co., 5th st. and Lehigh ave., Penna. Assembly No. 3, A. O. M. P., Excelsior Lodge, No. 46, I. O. O. F., invited to funeral services, 2053 N. 8th st., Thurs., 2 p. m. Friends may call Wed., after 7:30 p. m. Int. Hillside Cem.

BARBER.—April 13, HENRY F., husband of Kate Barber, aged 62. Relatives and friends, employes of Phila. Storage Battery Co., invited to funeral Wed., 2 p. m., 2029 Van Kirk st., Wissinoming. Friends may call Tues., 7 to 9 p. m. Int. private. Auto funeral.

BEANS.—April 15, JANE C. BEANS, sister of Dr. S. T. Beans, of 845 N. Broad st. Relatives and friends invited to funeral services, Wed., 2 p. m., apartments Albert Wolf, Penna. Assembly No. 3, A. O. M. P., Excelsior Lodge, No. 46, I. O. O. F., Richboro, Pa., Thurs., 11 a. m.

BENGTSON.—April 8, Captain JOHN BENGTSON. Relatives and friends, P. and R. R. Relief of Port and Richmond Enterprise Assn. No. 2, Masters, Mates and Pilots, invited to funeral services, Wed., 1 p. m., parlors Francis J. Flanagan, 2922 Richmond st., Int. Belvidere, N. J. Remains may be viewed Tues., after 7 p. m.

BLUM.—April 12, SERGEANT EDWIN W. BLUM, of the 23d Engineers of Truck Co. 6, U. S. A., son of Conrad and Amanda Blum, aged 26. Relatives and friends invited to funeral, Wed., 2 p. m., parents' residence, 2295 W. Cumberland st. Int. Greenmount Cem. Remains may be viewed Tues., eve.

BOISBRUN.—April 14, ELLEN, wife of Charles J. Boisbrun. Funeral, to which relatives and friends and Rosary Society of St. Monica's Church are invited, on Fri., at 8:30 a. m., 2417 S. 16th st. Solemn mass of requiem Church of St. Monica 10 a. m. Int. Holy Cross Cem. Auto service.

BOND.—April 13, CHRISTINE V. BOND, aged 51. Relatives and friends invited to funeral services, Tues., 2 p. m., 530 Penn st., Camden, N. J. Int. private. Friends may call Mon., 7 to 9 p. m.

BONNIN.—At Cooper Hospital, Camden, N. J., April 15, JAMES H., son of late Louis W., Jr., and Mary Bonnin. Relatives and friends, employes Penna. R. R., Camden, N. J., invited to funeral services, Wed., 3 p. m., grandmother's residence, Mrs. Sarah E. Bonnin, 1203 S. 53d st. Int. private. Remains may be viewed Tues., 8 to 10 p. m.

Continued on Next Page

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