ITALY DEPLORES ALLIED CRITICISM

Uphold Justness of Course in Dealing With Jugo-Slavs

FEELINGS ARE HURT

Will Defend Ideal Against All Who Spur It, Newspaper Says

London, Jan. 3.—The Italian Information Bureau has issued the following extract from an article in the Corriere della Sera, explaining the relations between Italy and the Jugo-Slavs from an Italian standpoint:

"When recently discussing the question of the frontiers and the difficulty of determining them purely on an ethnical basis—a fact which is now being demonstrated by the experience of all the old and new States which are readjusting their own borders—we said: 'This truth must not be left out of account by those in Allied countries who examine our affairs with a severity which they do not adopt with regard to their own or those of their other friends. Let them assist us in instilling into the minds of our neighbors ideas of tolerance and moderation which will make possible the conciliation that was prepossible the conciliation that was predicted during the Congress of Rome.'

"The assistance, however, does not reach us; and this is serious, because from the attitude of many Entente circles the Jugo-Slavs are drawing strength and inspiration to oppose the most sacred Italian rights, while in their turn, from the Jugo-Slavs excesses, many Italians are being induced to return to that conception of Italo-Slav relations which Austria and Germany have always favored for the purpose of basing the defense of their Adriatic aims on the dissensions of the two peoples. But even that is not enough the language of a certain section of the Allied press.

Aims Differ Widely

"There undoubtedly exists a strong divergence of opinions between the Italians and the Jugo-Slavs with regard to the determination of their respective frontiers. But it is possible that this divergence, which concerns a territory in which, with more than 400,000 Italians, there are mixed at the most 750,000 Jugo-Slavs, should be allowed to become one of the most imposing, vital and serious of European problems, in which anybody has the right to intervene without having regard of any sort towards a nation which, in serving the cause of the Entente, has shed the best of its blood, lavished wealth which, proportionately, has not been equalled by any other of the Allies, and staked its very existence.

It is possible that the press of the world must be alloed to be wchoked by this preoccupation when, for example, it appears from the German census of 1910 that in the three districts into which Alsace-Lorraine was divided, the French-speaking inhabitants were 294,000 (11 per cent) as against 1,634,000 (87.2 per cent) speaking German; when it is known that nine million Czechs will annex in Bohemia a couple of million Germans; when Poles, Rumanians and even Jugo-Slavs themselves are demanding the incorporation within their borders of many Germans, Magyars, Bulgars and Albanians?

"Is it for Italy alone that there must be this problem of a frontier which, in order to satisfy the ethnic geographical and historical demands of a great and victorious nation, must include nuclei of populations of another race?

"This question may be permitted in the case of a journal which co-operated with all its power in Italy's intervention.

Today, as yesterday, we are convinced that conciliation is the vital interest of both peoples, just as it was their vital interest that the policy of nationalities should lead to that break-up of Austria. But this conviction does not deprive us of the right—indeed it imposes on us the duty—of looking well in the face of those who, with the purpose or the pretext of intervening in the work of conciliation, go beyond the limits of the most necessary discretion, destroy the bonds of recognition and fraternity which must exist between the Allies and trample upon our dignity and our supreme interest.

"To put it quite plainly and give a concrete example, we say to our colleagues of the new Europe, whose authority and competence we recognize, that the tone in which, on various occasions, but particularly in the number of November 28, they have spoken of Italy, of her government, and of the past of London, cannot be regarded by an Italian either as friendly or just.

Calls Problem Small

"There are so very many European and international problems beside which that of the Italo-Jugo-Slav frontier becomes insignificant. Then why this zeal, this fervor, this love which cause the rights of a small people to be placed above those of Italy, and make it appear an enormity that Italy should demand the Austrian fleet, against which her own fleet has been in battle for three and a half years, and should not recognize the ridiculous treaty of reason made by Austria in article nortis?

"It is natural that Italy should seek for the clearest explanations of this mystery, and should ask whether it is not desired in certain spheres, for some recondite purpose, to perpetuate Italo-Slav dissensions. They are sometimes too severe and unjust toward us, and are playing the game of the people in France who still cherish the anti-Italian tradition and whom our French friends have not yet succeeded in depriving of all their influence, as well as the game of the people in Italy who cherish the Gallophobe and Anglophobe tradition. The latter, who dispute certain Adriatic positions with us on the basis of ethnic ratios, play a very strong card when they remind eminent English writers that they belong to a State which, for strategic reasons, took Malta from Italy and Cyprus from Greece.

"But we, who desire to see our relations with France and England placed on the most solid and stable foundation, are dismayed by these dissensions which leave a melancholy seed for time to fructify. And, therefore, let us speak plainly, and let us request those who concern themselves in the Allied press with our affairs to do so with a little more discretion, unless they wish seriously to disturb the relations of the Italian people with the people to whom the Italians believed and still believe they are perennially united in brotherhood; and to do so above all in a different frame of mind; that is to say, not in the frame of mind of one shows a preference, not for the old and tried companion in arms, but for the new arrival, inferior in number, inferior in civilization, inferior in the position occupied in the war.

"We hope we shall not be misunderstood. We hope, above all, that we shall not be done the injustice of having attributed to us in the day of victory thoughts very different from those which guided us at the Congress of Rome, free from any engagement in the territorial questions, we do not feel ourselves to be free from the engagement which we have assumed, intimately within our own conscience, and openly before the public, to keep faith with that Mazzinian ideal of which is summed up the purest and most abiding tradition of our Risorgimento—the ideal which before and during the war has indicated to us, and which indicates in peace our rights and duties. But we believe that the best way of serving that ideal is to defend it against any one who spurs it, whether it be in Italy or abroad, whether it be on this or on the opposite shore."

L'ARRIVO DI WILSON NELLA CITTA' ETERNA

Roma Degnamente Accoglie il Capo degli Stati Uniti

ENTUSIASMO IMMENSO

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Authorized by the act of October 6, 1917, on file at the Postoffice of Philadelphia, Pa.
By order of the President,
A. S. BURLESON,
Postmaster General.

Roma, 3 gennaio.

Il treno speciale che conduceva il Presidente Wilson e' arrivato alla stazione di Roma alle ore 10.30 di questa mattina.

Quando il treno si fermo' innanzi alla sala reale d'aspetto scoppio' un formidabile applauso che duro' varii minuti. Il Presidente era atteso dal Re, dalla Regina Elena e dalla Duchessa D'Aosta.

L'incontro tra il Presidente Wilson ed i Reali d'Italia fu cordialissimo. Impossibile descrivere l'enthusiasmo quando il Presidente e Re Vittorio Emanuele apparvero sul piazzale esterno della stazione. La folla dietro i cordoni di truppa e dalle finestre applaudiva freneticamente.

Una banda americana suono' lo "Star Spangled Banner" mentre i veterani della guerra, un imponente gruppo di ufficiali, le rappresentanze della Croce Rossa Americana rimanevano nella posizione di saluto e la folla a capo scoperto.

Dopo le presentazioni il Presidente Wilson, accompagnato dal Re, dal Principe di Udine, dall'Ambasciatore Americano, e dal Conte Macchi di Cellere passo' in rivista la guardia d'onore. Nella sala reale d'aspetto si trovava schierato il personale dell'ambasciate Americana, Inglese, francese e giapponese.

Mentre le truppe presentavano le armi, il Presidente ed il Re d'Italia si avviarono per prendere posto nelle berline reali. Il piazzale esterno della stazione presentava un colpo d'occhio impressionante. Una folla immensa applaudiva agitando bandierine americane ed italiane. Il Presidente era profondamente commosso dalla imponente dimostrazione e rimaneva con il cappello levato per parecchi minuti.

Nella prima berlina presero posto gli aiutanti di campo del Re. Nella seconda il Re d'Italia ed il Presidente Wilson. Nella terza la Signora Wilson, la Regina Elena e la Duchessa D'Aosta. Seguivano quindi altre berline con gli alti dignitari de State ed autorita' civili e militari. Il Corteo reale freneticamente applaudito raggiunse la Piazza dell'Esserdra, ove sosto' per ricevere il saluto del Sindaco di Roma, che trovavasi a capo dell'intero consiglio municipale. Oltre il Sindaco di Roma erano presenti i sindaci di Trieste, Trento, Fiume e Spalato.

La dimostrazione continuo' imponente fino a che il corteo raggiunse il Quirinale. Il corteo era preceduto e scortato dalla squadrone dei Corazzieri Reali, Guardie del Re.

Dopo l'arrivo al Palazzo del Quirinale, la folla invase la piazza. Gli applausi assordanti che scaturivano dai petti di centinaia di migliaia di persone costrinsero il Presidente Wilson ad affacciarsi al balcone. La dimostrazione fu indimenticabile.

Durante il tragitto dalla stazione al Quirinale, parecchi aeroplani volarono sulle percorse vie, gettan do fiori sul corteo.

Roma non poteva piu' degnamente accogliere il capo della grande nazione americana.

Young Brakeman Killed

Chester, Pa., Jan. 3 — Patrick A. Egan, nineteen years old, a brakeman, was killed at Thurlow yesterday by falling between cars on the Pennsylvania Railroad. The young man was a son of Edward Egan, of No. 1321 West Third street, a supervisor of the road.

RESERVE BANK SHOWS WORTH

Enters Fifth Year With a Fine Record for Achievement

HAD SMALL BEGINNING

Philadelphia District to Play Big Role in Reconstruction

The Federal Reserve Bank of Philadelphia is entering on the fifth year of its existence, having rounded out four years of activity on November 16. From a suite of two rooms on an upper floor of the Lafayette Building to a handsome banking building of its own on Chestnut street in a span of four years is a record achieved by few institutions.

Conceived in the year before the war—the Federal Reserve act was approved December 23, 1913—the Federal Reserve system was forced to justify its existence against an almost hostile banking spirit, and at the beginning the task was not easy. Banks were reluctant to keep their reserves in an institution which would not pay them the customary 2 per cent on balances, and added to this was the forced subscription to a stock which at that time had a questionable dividend prospect. The story will be remembered by some of the banking examiner who in going over the assets of an up-State bank found that the stock of the Federal Reserve Bank was included among the doubtful securities. Upon questioning by the examiner the banker responded, "Well, are we not to include among doubtful securities those which do not pay a dividend?"

Conditions have changed since then. The stock is 6 per cent cumulative, and the Reserve Bank of Philadelphia has paid up its dividends to date. Earnings are running at the rate of well over 70 per cent per annum on the capital. This, of course, is a result of the war.

Reserve requirements, too, have changed. Under the old national bank act the banks in reserve cities such as Philadelphia were required to maintain a reserve of 25 per cent against demand deposit liabilities and country banks a reserve of 15 per cent. Under the Federal reserve act the reserve requirements of reserv city banks were reduced to 15 per cent and country banks to 12 per cent. Later amendments reduced the reserve requirements of reserve city banks to 10 per cent and of country banks to 7 per cent; but all of the reserves must now be kept with the reserve bank. Balances maintained with correspondents may no longer be included as reserve. The reduction of the reserve requirements which allows banks a greater use of their lending funds offsets the fact that the reserve bank does not allow interest on reserve balances.

Statements Show Growth

How the Reserve Bank has grown is best shown in comparative statements of condition on its different birthday anniversaries. The bank opened for business on November 16, 1914, and its first statement issued as of November 20 is interesting to look back upon. The condition of the bank was given as follows: Assets, gold coin and bullion, $17,532,542; silver notes, legal tenders and minor coins, $1,934,608; expenses, etc., $23,617; total, $19,794,973. Liabilities—Capital paid in, $2,688,114; deposits, $17,106,858; total, $19,794,973.

Conditions November 12, 1915, and November 15, 1918, were as follows:

	November 12 1915	November 15 1918
Gold	$10,285,989	$134,617,286
Total bills	1,805,965	191,260,173
Earned assets	4,201,234	108,936,729
Resources	23,205,655	396,491,394
Capital	3,372,530	7,398,000
Reserve deposits	19,032,572	74,816,035

The first paper rediscounted by the Reserve Bank was on November 23, 1914, one week after it opened. The paper was presented by the Penn National Bank and was for $50,000. Recently the Reserve Bank put on $35,000,000 bills in one day.

Early Handicaps Overcome

The early growth of the Reserve Bank was naturally slow. The European war had broken out before the Reserve Banks had opened, and in the excitement which existed in the last half of 1914, the banks resorted to Clearing House certificates for settlement among themselves, and for the first time took advantage of the Aldrich-Vreeland act to issue emergency currency.

In the first days of the war a group of bankers from the large cities met in New York and pondered as to how this country could meet an adverse balance of $500,000,000 due Europe. Early in 1915 the situation changed, gold began to flow into this country from Europe in payment for war purchases, money was easy, munition companies, which in some cases demanded advance payments, had their treasuries so bulging that they purchased short-term paper in competition with the banks.

With the advent of our country into the war the need of the Reserve Bank became apparent, and it has proved such a strong foundation for banking operations that British bankers have suggested remodeling the British banking structure along similar lines.

As fiscal agents for the Government, the Federal Reserve banks have handled the machinery for the sale of treasury certificates, flotation of Liberty Bonds, sale of war stamps, restriction of credits and of security issues, compilation of business data and the issuance of currency to meet business needs.

SUNSET DIVISION COMING HOME

Nearly 17,000 Officers and Men Assigned for Early Convoy

Washington, Jan. 3.—(By A. P.)—Virtually the entire Forty-first Division (Sunset) was included in a list of units announced today by the War Department as assigned for early convoy from France. The list shows the headquarters and headquarters troop of the Forty-first, the 161st Regiment complete, 163d complete, 164th complete and 162d, less the Second Battalion.

In all, more than 500 officers and 16,000 men of the Sunset Division, comprising troops from Washington, Oregon, Montana, Idaho and Wyoming, were ordered home. Other units of the division are the 181st and 182d Infantry Brigades Headquarters; 146th, 147th and 148th Machine Gun Battalions; 116th Ammunition Train, 116th Supply Train, 116th Sanitary Train and 164th Ambulance Train.

Today's list also includes the Sixth, 101st, 104th, 304th, 306th Trench Mortor Batteries; 301st Water Tank Train, and 142d Aero Squadron.

Soldiers Urge More Letters

Letters from home vere never more needed by American soldiers and sailors than at present, according to a statement issued today by the headquarters of the Y. M. C. A. It is urged that relatives of men in the service continue writing to them until their return has been definitely arranged for.

BAVARIA TO LEAD GERMANY

Masaryk Tells of Allied Plan to Destroy Prussian Supremacy

Wireless to Evening Public Ledger
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London, Jan. 3.—A dispatch to the Daily Express from Geneva says that advices received there from Vienna state that Doctor Masaryk, the new president of Czecho-Slovakia, has announced at Prague that President Wilson and Premiers Lloyd George and Clemenceau have agreed to the following program:

Creation of a new German confederation under the direction of Bavaria and the further destruction of Prussian supremacy by the separation of Posen, Silesia and the Rhine provinces.

INDORSES DANIELS'S PLAN

London Paper Sees Safety in Greatest Navy in United States

London, Jan. 3.—Great Britain "should entirely welcome" Secretary Daniels's plan for America to build the largest navy in the world, the Morning Post declared today.

The newspaper pointed out that a big American navy would serve the common purpose of keeping Germany impotent and save Great Britain a big expense.

"We need have no fear that America would use her navy aggressively," the Morning Post concluded.

WERE READY TO BOMB BERLIN

Canadians Worked Hard to Get Machines Ready Before Nov. 11

London, Jan. 3.—(By A. P.)—Major General Trenchard, commander of the independent air force, in his report on the work of that body, makes an interesting revelation of how Berlin narrowly escaped being bombed by a squadron under the Canadian aviator, Commander R. H. Mulock, of Winnipeg.

"The Twenty-seventh group was established in England," says General Trenchard, "under the command of Commander Mulock for the purpose of bombing Berlin and other centers. This group only received machines capable of carrying out this work at the end of October and, though all ranks worked night and day, could not get the machines ready before the signing of the armistice."

WELCOMES SERVICE MEN

State College Will Treat Returning Soldiers Generously

State College, Pa., Jan. 3.—With the reopening of the Pennsylvania State College on a peace basis, students' rooms are again taking on their old homelike appearance.

All returning soldiers and sailors (and about 300 of them are back) are to be treated sympathetically and generously by the college authorities. Every facility will be offered them to complete their college work without loss of time. The school of engineering will repeat many courses this winter for their benefit.

Mrs. Jane P. C. Miller
Begs to Announce the Opening of
A CONSERVATORY OF DANCING
at
1028 Chestnut Street
on
Saturday Evening January 4, 1919
Dancing from 9 to 12
ADMISSION, 50c
Private Lessons Daily from 10 A. M. to 9 P. M.
Dances Tuesday, Wednesday, Friday and Saturday
Children's Class Opens Saturday, January 11th, 3 P. M.

The St. James

EVER stop to think how many different kinds of sauces can be made by a French Chef who's a Master? This fish, for instance, needs one sauce—that fish another sauce—to give you just the right palate-appealing taste. The St. James Chef has 368 different sauces at his finger tips—and here what's sauce for the goose isn't always sauce for the gander.

The St. James
Walnut at 13th Street
W. B. Johnson, Manager

D DALSIMER STANDARD SHOES D

Specially Low Price for Style and Quality $8.75

ONLY YESTERDAY WE SOLD THESE SAME BOOTS FOR ONE-THIRD MORE!

Havana Brown, Steel Gray or Beaver Kidskin with Fabric Tops.

The models illustrated are representative of a special assortment of style-value boots—smartly designed, excellently finished and correct in every detail—which we warrant cannot be equaled elsewhere at near this price. Come in and examine them—make your own comparisons.

Mole Gray Kid with Taupe Buck top. Fieldmouse Kid with Fawn Buck top. Forest Brown Kid with Castor Buck top. Mole Gray All-Glace Kidskin, Deer Shade All-Glace Kidskin. Nutria Brown All-Glace Kidskin.

A winter weight boot of Dark Tan or Black Calf with weather-proofed soles. Also a high Cuban heel model of Mahogany Tan with Gray Buck Top, All-Gray Kid or Black Calf.

HOSIERY
Re-priced for This Week
Thread Silk, super-fashioned, pair.....$1.15
Quality Silk, full-fashioned, pair.....$1.50
All Colors

'Tis a Feat to Fit Feet
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New York
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Extraordinary Clearance for Tomorrow

Fur Trimmed Wool Velour Coats

For Women and Misses

$28.00 $28.00 $28.00 $28.00

Four of the Models Illustrated

Here taken from regular stock, smart wool velour Coats in black, navy, brown, taupe and reindeer; belted or loose models, tailored or with collars of seal, nutria and dyed raccoon, lined throughout and interlined. *Regular Prices to $45.00* **28.00**

Special Values for Tomorrow—Saturday

Juniors' Smart Coats

Taken from Regular Stock

Wool velour and heather mixture Coats in smart colors, with collars of nutria or Australian opossum, full lined.

Reduced to **27.50**

New Dancing Dresses

For Misses and Juniors

Of silk net, in flesh, American beauty, black and Cerulean blue, with satin bodice and underskirt of Llama cloth.

Special Value **22.50**

Important Sale for Tomorrow—Saturday

Girls' Attractive Coats and Dresses

$12.50

Special Tomorrow
Girls' Smart Cloth Coats
One Model Illustrated
Reduced to
12.50

Heather mixture and Burella cloth Coats in smart colors; belted models, with pockets and self or inlaid velvet collar; full lined.

Special Tomorrow
Girls' Attractive Serge Dresses
Model as Illustrated
Unusual Value
4.95

Smart and practical Dresses of navy, brown, green or burgundy serge, pleated skirt, belt, pockets and contrasting collar and tie.

$4.95