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SEVENTY THOUSAND RUSSIANS ARE TAKEN PRISONERS BY GERMANS

Berlin Dispatch Says That Great Army of Russians Was Captured at Gilgenburg and Russian Artillery Is Destroyed.

GERMANS LOSE IN EAST PRUSSIA

Various Infantry Organizations Reported to Have Suffered Losses Reaching Several Hundred Soldiers in Many Instances.

[ASSOCIATED PRESS DISPATCH] LONDON, Sept. 1.—The Copenhagen correspondent of Reuters reports the receipt of a Berlin dispatch to the effect that the German general staff has announced that over 70,000 Russian prisoners, including 300 officers, were captured at the battle of Gilgenburg. The Russian artillery is also reported to have been destroyed. Gilgenburg is in East Prussia, about thirty-two miles southwest of Allenstein.

A dispatch to the Evening News from Copenhagen says that the twelfth German casualty list in East Prussia gives the losses of the forty-third infantry from Königsberg as about 800. The other regiments engaged, notably the sixtieth Landwehr, from Coblenz and the fusiliers from Rostock and Wismar lost several hundred men each. The correspondent adds that Senator Von Hohenberg has been appointed to represent the German war minister, Major General Erich Von Falkenhayn, in Berlin during the minister's absence at the front. General Kurt Von Manteuffel becomes chief of the general staff during the absence from the army of General Von Moltke.

Socialist newspaper correspondents have been granted permission to be attached to the general German staff at the front.

A telegram to Reuters' Telegram company from St. Petersburg, says: "Lieutenant General Samsonoff, who commanded the corps in the Russo-Japanese war and who until recently was chief of Russian Turkestan military district, is deeply regretted."

The above would seem to indicate that General Samsonoff had died, although no report of his death has been received here.

The first 100,000 recruits who responded to Lord Kitchener's appeal have gone into training in various parts of the country and men now are enrolling at a much quicker rate for the second hundred thousand.

In London alone 10,000 join the colors in the last two days, while the response in the provinces has been equally gratifying. In Birmingham, where recruiting was particularly brisk, the lord mayor, Colonel Ernest Martineau, has resigned his office and volunteered for foreign service.

Sir Edward Carson, the Ulster unionist leader, called a meeting of leaders of the Ulster volunteer force for Thursday when he will submit a scheme with the concurrence of the war office for the utilization of this force as one body.

A Moscow dispatch to the Central News says it is announced that on account of the existence of war, Jewish doctors and students will be admitted to courses of the Russian Red Cross Society. Their admission in normal times is forbidden by law.

Lieut. Archer Windsor, officer of the Coldstream guards, second son of the Earl of Plymouth, died today of wounds received at Mons.

An Amsterdam dispatch to the Central News says that the town of Malines was again bombarded for a few minutes today.

A dispatch from Bucharest, via Rome to the Central News, says the Roumanian general staff considers the battle on the Austro-Russian frontier will be decisive. They believe that an Austrian defeat will be followed by a general insurrection and therefore that whatever the success...

MAP SHOWS ADVANCE OF RUSSIA'S ARMIES



RELIEF WORKER TELLS TALE OF WAR'S HORROR

Wife of Paris Banker Says It Is Impossible to Believe Tortures and Cruelties Poor Unfortunates Had Undergone.

[ASSOCIATED PRESS DISPATCH] PARIS, Sept. 1.—Mrs. Herman H. Harjes, wife of a Paris banker, who, with other American women has been deeply interested in relief work, visited the North railroad station today and was shocked by the sights she saw among the Belgian refugees. "The station," said Mrs. Harjes, "presented the aspect of a shambles. It was the saddest sight I ever saw. It is impossible to believe the tortures and cruelties the poor unfortunates had undergone."

"I saw many boys with both their hands cut off so that it was impossible for them to carry a gun. Everywhere there was filth and utter desolation. The helpless little babies, lying on the cold, wet cement floor and crying for nourishment, was enough to bring hot tears to any mother's eyes. Mothers were vainly besieging the authorities for milk or soup. A mother with twelve children said: 'What is to become of us?'"

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NO NATION MAY DENY U. S. RIGHT TO BUY SHIPS

Secretary of Treasury McAdoo Makes Declaration Before House Merchant Marine Committee Supporting Marine Bill.

[ASSOCIATED PRESS DISPATCH] WASHINGTON, Sept. 1.—The right of the United States to buy merchant ships from any of the nations for neutral uses, cannot be disputed by any nation declared Secretary McAdoo of the treasury department before the house merchant marine committee, supporting the administration merchant marine bill. McAdoo refused, however, to discuss the diplomatic phase of the situation when asked if protests had not been received from Great Britain and France against the possible government purchase of German vessels.

Hearings on the bill was concluded today and it will be taken up tomorrow for immediate committee action. An early report to the house is expected soon.

Secretary McAdoo heartily indorsed the Alexander bill which provides for the organization of a \$10,000,000 corporation with the power to buy, build and operate ships in foreign trade, with the government as the majority stockholder. He said that as some of the lines to be established would probably be operated at a loss, private capital would not be attracted, the government probably supplying the entire capital.

"Do you understand," Representative Saunders asked, "that there is grave objection on the part of England and France to the taking over of German bottoms which have been driven out of the foreign trade by the war?"

"Of course I cannot discuss the diplomatic phases of the question," said Secretary McAdoo. "That is the business of the state department. It cannot be successfully disputed, however, that the government has a right to buy ships from German companies or any one else so long as it buys these ships for neutral uses."

"It is stated the payment for ships would be in the nature of supplying funds to a belligerent nation," observed Representative Saunders.

"The ships would not be owned by the government. They would be owned by private citizens and be paid for by those citizens and not the government," answered Mr. McAdoo.

"But it said these lines closely connected with government payment would be practically the government," Mr. Saunders persisted.

"I think there is nothing in that objection," said the secretary.

"There is no more punctilious citizen of the United States with respect to neutrality," he continued, "than the president who would be the chief representative of the government in the company to be formed under this bill. We can rest assured of absolute neutrality."

The secretary asserted the government would be in exactly the same position as a private stockholder so far as international conditions are concerned and the question of sovereignty never would be raised in a prize court.

A letter from William A. Coates, president of the Philadelphia board of trade was read protesting against the bill and recommending a direct subsidy to build up the merchant marine.

British Moratorium Is Again Extended

[ASSOCIATED PRESS DISPATCH] NEW YORK, Sept. 1.—Financial sentiment was again adversely affected today by the extension of the British moratorium and the slight hardening of foreign exchange. Acknowledgment by the chancellor of exchequer that it would be unwise to attempt to resume specie payments at this time, coincided with private advices received here regarding the financial conditions in London.

The recurrent rise in exchange is now more attributed to the report of advance of the German army towards the French capital. Anent the exchange market, it was authoritatively declared that enough exchange has been accumulated by the city of New York to meet the obligations from abroad.

On demand sterling was quoted at 5.67 and cables at 5.68. There were some scattered quotations for exchange on Paris, but these proved to be merely nominal while German marks remained unquoted. There is reason to believe that the eastern railroads will follow the lead of the Pennsylvania which increased its interchangeable mileage from 2 cents to 2 1/2 cents. This is in line with the recommendation of the Interstate Commerce Commission made on August 1, when it handed down its freight rate decision. It is understood that some of the eastern railroads are already preparing tariffs on interstate trips at a rate of 2 1/2 cents where this can be done without conflicting with the state laws.

CARRANZA HAS PLAN TO DRAW MORE REVENUE

Washington Officials See in His Threat to Close Port of Vera Cruz Scheme to Increase Customs Receipts at Once.

[ASSOCIATED PRESS DISPATCH] WASHINGTON, Sept. 1.—State department officials who today discussed Carranza's action in closing the port of Vera Cruz, pointed out that his object in all probability was to increase the present customs revenues by diverting commerce to ports under Mexican control. At Vera Cruz duties are collected by American officials and after deducting the costs of administration, the funds collected will be paid to the Mexican government at a later date.

Little embarrassment to American forces at Vera Cruz is expected from the Carranza order, as there will be no interruption with shipping destined exclusively to that port, although coastwise traffic is shut off.

Any decrease in Vera Cruz customs, due to the new order, will be borne by the Carranza government, since the customs are ultimately to be turned over to the Mexican government. Part of the Vera Cruz customs receipts are pledged to redeem the loan advanced to General Huerta by French bankers. There is no indication that the American forces will be withdrawn from Vera Cruz in the near future.

It Will Take Time
VERA CRUZ, Sept. 1.—John R. Silberman, of the American consular service, who was recently in conference with General Carranza as personal agent of President Wilson, came here today from Mexico City. He expresses himself as hopeful of the final success of the new constitutionalist government in Mexico, but he is doubtful of early peace throughout the republic. He declares no fewer than 167 policemen were killed in the recent rioting in Mexico City following the entrance of the constitutionalist forces.

Elections in November
MEXICO CITY, Sept. 1.—General elections have been called for November. Until these are held the country will continue under military rule. A cabinet meeting was held at Chapultepec Castle tonight but neither Carranza nor any of the ministers would make known the subjects under discussion. A cabinet meeting issued a decree prohibiting the confiscation of property by army officers without a signed order from Carranza. The decree also prohibits military arrests on mere accusation, two accusers being necessary. The accuser must prove the charges against the person within 72 hours or suffer the penalty which would be the result were the accused proven guilty.

NO COPPER DIVIDEND
Calumet and Hecla Passes up Regular Payment

[ASSOCIATED PRESS DISPATCH] BOSTON, Sept. 1.—The passing of the regular quarterly dividend of the Calumet and Hecla Mining company was announced in a circular letter to the stockholders in which the directors say:

"In view of the uncertain conditions of the copper market and the interruption of the company's business with foreign customers, the directors have decided not to declare a dividend at the present time. The product of the mine will be curtailed and the salaries of all officers and employees will be reduced."

The company has not passed a dividend since 1884.

ANTWERP CUT OFF
WASHINGTON, Sept. 1.—A dispatch from Consul General Dieckhoff at Antwerp received by the state department tonight says:

"It is impossible to get complete information as to the condition of the Americans in Belgium. Antwerp is cut off from all Belgium except Bruges, Ghent, Ostend and Liere."

GERMANS ASK ARMISTICE TO BURY THEIR DEAD
LONDON, Sept. 1.—The Evening News published a dispatch from Paris stating that a French chauffeur attached to the general staff, arrived in Paris from the north and made the following statement:

"The German advance has been checked by their terrible losses of the last few days. They have even asked an armistice to bury their dead."

German Aeroplane Over Ostend
LONDON, Sept. 1.—A German aeroplane flew over Ostend according to the correspondent of the Reuter Telegram company in that city. The dispatch adds that there has been a considerable movement of troops in Brussels. The German government in Brussels has ordered the expulsion of all British subjects within twenty-four hours.

RUSSIANS SCORE BRILLIANT VICTORY OVER THE AUSTRIANS

AMERICAN WOMEN EQUIP HOSPITAL

LONDON, Sept. 1.—Lady Paget, wife of General Sir A. M. Paget, chairman of the American Women's War Relief Fund, was advised today by the war office that it is desired to use next week the old way house in Devon, which has been fully equipped with two hundred beds, surgical appliances and medical supplies, all provided by American women as a testimonial of their appreciation of the protection of the British navy afforded tourists returning to the United States.

MARTIAL LAW DECLARED IN BUTTE DISTRICT

[ASSOCIATED PRESS DISPATCH] HELENA, Sept. 1.—The city of Butte and Silver Bow county were placed under martial law in a proclamation by Governor Stewart. In his proclamation the governor stated that conditions of lawlessness at Butte and the inability of the civil authorities there to cope with the situation was so apparent as to necessitate this course.

Relief Promised From The Sky To Brussels

[ASSOCIATED PRESS DISPATCH] LONDON, Sept. 1.—The correspondent of an Antwerp newspaper says a French biplane appeared over Brussels on Saturday, and in a hail of German bullets twice circled the town, and dropped hundreds of pamphlets containing the message: "Take courage, deliverance soon." The aviator then made off after giving the spectators a daring performance of loop the loop.

The Antwerp correspondent adds that all saloons and cafes in Brussels are compelled to close at 9 o'clock in the evening. German soldiers there are behaving properly, but their officers are accused of arrogance. Germans have ordered a Brussels firm to make a German flag which they say they intend to hoist over the Eiffel Tower in Paris.

General Jakowski, who succeeded General Count Von Arnim as commander of Brussels, is now living at the national palace. Grand Duke Mecklenberg is residing in the city with half of his military staff. The headquarters of the Belgian ministers of state, the royal palace and the palace of justice are now hospitals filled with German and Belgian wounded. Machine guns are in place at the street corners and in the squares. Antwerp is reported to be very hopeful, and every one is trusting in the strength of the forts and the bravery of the garrisons.

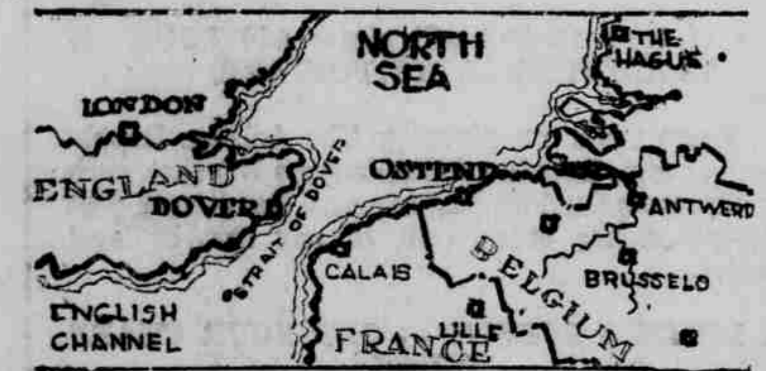
AUSTRALIAN SHIPS READY
Lie in Wait Off Hawaii for German Cruiser

[ASSOCIATED PRESS DISPATCH] HONOLULU, Sept. 1.—The Australian warships Australiana and Warrigal were in communication with the British collier Strathdale, which arrived today, up to the three mile limit. The Australian warships are reported to be in close proximity. The German cruiser Nurnberg, which put in here to coal, will leave port early in the morning stripped for action. Captain Schoenberg said he was ready to meet any eventuality and that there would be no surrender on the part of the Nurnberg. He said he expected his ship to be the coffin for himself and his crew.

TO START NEXT MONTH
WASHINGTON, Sept. 1.—Although confronted by a vast amount of preliminary work, the federal reserve board hopes to open the new banking system by October 1, according to Secretary of the Treasury McAdoo, executive member of the board. The main trouble is in the selection of a secretary. The post was offered to Henry B. Fine, dean of the department of finance at Princeton who declined. Pasker Willis of New York has since been offered the post.

Increase In Price Of Sugar Is Justified
demand abroad and competition there for West Indian, Central, and South American raw sugar made the increase in price here necessary. John A. Sim, general manager of a flour company, said that speculation in flour in this country is impossible. He predicted that if the price of flour continued to rise many small bakeries will be forced out of business because they could not afford to sell standard loaves of bread for five cents. Bread at the new municipal market sold at four cents a loaf and bakeries in the neighborhood did little business. The markets were crowded.

WHY THE BRITISH HAVE OCCUPIED OSTEND



According to recent dispatches from London, the British have occupied Ostend, Belgium, in such large force that the Germans will be unable to capture the city. The map explains this action on the part of the British. It is only 56 miles across the English channel from Ostend to England. While the British have made Ostend a favorite disembarking place, the Germans have been anxious to gain control of the city in order to make it a base from which bomb-throwing airmen could raid London.