

Weather: North and South Carolina—Snow or rain tonight; Thursday, fair and colder.

# THE WILMINGTON DISPATCH

May the New Year Bring Us Victory

FULL LEASED WIRE SERVICE

VOL. XXIII, NO. 365.

WILMINGTON, NORTH CAROLINA, WEDNESDAY AFTERNOON, JANUARY 9, 1918

PRICE FIVE CENTS

## ARGENTINES AND BRAZILIANS TALK OF HAVING A WAR

### Feeling Between the Two Republics Fanned Into Fresh Flame

MANY DISQUIETING RUMORS CIRCULATED

Reports of Warlike Preparations Near Disputed Boundary Line—European War Also Intensifies Feeling

Rio Grande Do Sul, Brazil, Dec. 11. (Correspondence of The Associated Press.)—The long-standing ill feeling between Brazil and Argentina, inherited in part from the ancient rivalry between their respective Portuguese and Spanish founders and intensified by subsequent boundary disputes, has been fanned into fresh flame by the opposing attitudes of the two republics have taken in respect of the war.

Brazil from the first has openly favored the Entente Allies, and became a belligerent against Germany as soon as the United States entered the war, in keeping with her traditional friendship for the United States. Argentina, on the other hand, had persistently insisted that she would remain neutral, although there have been charges that the government there has distinct pro-German tendencies.

In each of the two countries, opinion is held that the attitude of the other indicates ulterior designs in South America. The people of the State of Rio Grande Do Sul have been roused to a high pitch by the exposure of plans of the Germans there to revolt against the Brazilian government and seize at least part of the State's territory. Some of them have recently even gone so far as to charge that, in their belief, Argentina might attempt in such an event to win back the old disputed territory, formerly part of the Argentine territory of Misiones, which now forms part of the Brazilian State of Santa-Catharina.

The United States arbitrated the dispute over this territory, awarding it to Brazil on the ground that the Brazilians had populated it and claimed it by right of colonization, while the early Spanish and Portuguese left no documents showing any division of lands there. This award is said to have been a sore spot with the Argentines.

Of late both countries have been a fever heat on account of many rumors of mobilizations and warlike preparations on both sides of the disputed line. Travelling through the frontier country, one continually hears such remarks as "Well, we've got to fight some day and now is the best time."

Many Argentines look with suspicion upon Brazil's preparations to move her standing army within the next two or three months and ultimately to increase it to 100,000. Argentines assert that Brazil does not intend to send soldiers to fight in Europe and argue that such a large force is not needed at home to keep her German residents in check. Therefore they say Brazil's preparations are really against Argentina.

The bulk of the Brazilian army was moved into Rio Grande Do Sul during the recent railway strikes and the troops have been kept there, encamped along the railroad. It has also been officially announced that under the new mobilization and army re-organization plans, the greater part of the cavalry will be kept in this State.

The intense state of the public mind is shown by many recent reports of instances of peasants seeing falling stars and believing they were Argentine aeroplanes. So persistent were the reports that the Argentine government finally issued an official statement denying that any of their aeroplanes had been near the frontier.

## STRICT PROHIBITION WANTED IN VIRGINIA

Richmond, Va., Jan. 9.—Prohibition legislation which would include ratification of the proposed Federal constitutional amendment for national prohibition, perfection of the State liquor law, revision of the State tax laws, good roads and agricultural improvements are expected to be the most important matters to be considered by the Virginia General Assembly which convened here today for a 50 day session.

The Assembly will be asked to abolish the present law permitting each household to import one quart of liquor per month and so revise the Act as to make the State "bone dry." The State Prohibition Commissioner will ask for an appropriation of \$100,000, or double the amount appropriated by the last Assembly with which to enforce the law.

Governor Henry C. Stuart will be succeeded by Westmoreland Davis on February 1.

## THE PRESIDENT'S WAR AIMS MEET HEARTY APPROVAL

### His Address Came at Right Time to Counteract German Propaganda.

SOME REASONS FOR MAKING THE SPEECH

One Object Was to Prevent Further Russo-German Negotiations—Was the Only Way to Answer

Washington, Jan. 9.—Approval of President Wilson's address to Congress, setting forth America's program for war and peace, was heard on every side in Washington today and the opinion seemed universal that the President had chosen the psychological moment to counteract any evil effects of Germany's latest peace propaganda.

Although some professed to believe the Germans might find the terms laid down acceptable as a basis of negotiations, most officials saw in the proposals only a clearing of the atmosphere for the Allies, heartening of the Russians and the furnishing of a light for the German people if they choose to see it.

It was authoritatively stated that the President decided to address Congress at this time in an effort to prevent resumption of negotiations between the Russians and Germans at Brest-Litovsk and counteract the duplicity of the Germans, shown in their dealings with the Russians. The President, in making his speech, assumed that the Russo-German peace negotiations definitely had been broken off.

Another reason for the President's message was found in the necessity of making some reply to the request of the Bolsheviks that the United States and the Entente join in the peace negotiations. Germany made it a condition of the negotiations that Russia should bring in the Allies. Since the United States and the Allies have not recognized the Bolshevik government, it was deemed necessary that the United States set forth its aims in a public announcement which might be given circulation in Russia, following the example of Premier Lloyd-George.

HINDENBURG LEVELS VILLAGES IN WEST

Paris, Jan. 9.—The Rome correspondent of the Matin says that by order of Field Marshal von Hindenburg, according to reliable information which has reached him, 130 villages behind the Western front, mostly in the region of St. Quentin, have been levelled to the ground so as to afford better opportunity for defense of the German lines to the rear.

Notwithstanding denials, the correspondent adds, only one third of the 300,000 Belgians deported to Germany, have been permitted to return to their homes.

## COTTON GINNING WAS MORE THAN EXPECTED

Amount Prior to Jan. 1, Was 10,150,401 Bales Against 11,039,491 Last Year

Washington, Jan. 9.—Cotton ginned prior to January 1 amounted to 10,150,401 running bales, counting round as half bales and exclusive of linters, the Census Bureau today announced. Round bales included were 184,510 and sea island 86,813 bales.

Last year to January 1 ginning amounted to 11,039,491 bales including 188,052 round bales and 113,343 bales of sea island.

Ginning by States this year were: Alabama, 483,016; Arizona, 13,748; Arkansas, 858,445; California, 37,265; Florida, 46,353; Georgia, 1,768,280; Louisiana, 605,937; Mississippi, 809,712; Missouri, 44,739; North Carolina, 543,523; Oklahoma, 884,829; South Carolina, 1,146,226; Tennessee, 200,320; Texas, 2,987,947; Virginia, 16,273; all other States, 3,788.

Sea island ginnings by States were: Florida, 26,119; Georgia, 44,748; and South Carolina, 5,946.

To Provide Housing Facilities

Washington, Jan. 9.—The shipping board today set aside \$1,200,000 of its general appropriation for providing housing facilities for ship yard workers at Newport News, Va.

## TROTSKY BELIEVES ALLIES DESIRE TO SACRIFICE RUSSIA

### Would Let Germany Take From Russia and Give Up Elsewhere

DECLARES GERMANY IN NEED OF PEACE

Troops on Eastern Front Are Reported Deserting in Large Numbers Rather Than Be Sent to Western Front

London, Jan. 9.—Leon Trotsky, the Bolshevik minister, is convinced that the Entente governments wish Germany to make an advantageous separate peace with Russia so that Germany will agree the more willingly to surrender what the Allies want in the West, according to the Petrograd correspondent of The Daily News. The Foreign Minister, in an interview, said Premier Lloyd-George had made a statement permitting such an interpretation and he spoke along the same lines as an editorial printed earlier in the Bolshevik organ Pravda.

Premier Lloyd-George, the correspondent assured Trotsky, had never made such a statement but the Bolshevik leader was hard to convince, and said:

"That is the Allied policy." He added that the attitude of the Bolsheviks would not be influenced by the attitude of the Allied governments, but by the Allied people.

Trotsky was asked what hope he himself had of a general acceptable peace. He replied that it was difficult to say because the Germans had not yet been offered a chance to make such a peace, but he was sure the Germans must need it.

The Russian Foreign Minister quoted German deserters as saying that the Germans were unable to remove troops from the Eastern front in large units. They were removing them one at a time and the men, knowing where they were being sent, jumped from the trains in attempts to escape. He reiterated the story that 25,000 German troops had deserted in the Kovno district, adding that the Germans cannot get their own men to attack the deserters and are trying to reduce them by starvation.

Asked what terms he actually hoped to get, Trotsky refused to reply and said laughingly:

"If we were really logical we would declare war on England now for the sake of India, Egypt and Ireland."

The Daily News correspondent protested that Great Britain made nothing out of India to which Trotsky replied:

"Then give up being so altruistic. You English are the most Chauvinist nation on earth without knowing it."

## ICE-COATED ROADS IN FRANCE HALT TRAFFIC

Washington, D. C., Jan. 9.—The first of the group of hospitals which the War Department will establish for the physical reconstruction and re-education of soldiers invalid home from France, is to be located in the new building being erected for the Kenilworth Inn at Asheville, N. C. The lease of the building has been recommended by Surgeon General Gorgas, and approved by Secretary Baker after a thorough investigation made by Medical Corps officers.

The War Department intends also to establish a sanitarium at Azalea five miles from Asheville for treatment of soldiers in France and this country suffering from tuberculosis. This sanitarium, which is to be open with 500 beds, is to be one of four tuberculosis sanitariums to be operated by the War Department. The Azalea sanitarium may be shortly increased to 1,000 beds, and is expected to cost between \$300,000 and \$500,000.

The other tuberculosis hospitals are to be located at Otisville, N. Y., Camp Byrd, N. M., and Denver, Col.

At the Kenilworth Inn Hospital, where soldiers will be physically reconstructed and trained to new vocations, men who have become seriously maimed and crippled in the war with Germany will be taught useful trades.

Clearing House for Woman Labor.

Washington, Jan. 9.—Establishment of a clearing house for the woman labor of the nation under the supervision of Secretary of Labor Wilson, was announced here today. Mrs. Hilda Muhlhauser Richards, named as chief of the bureau outlining as its principal function, the task of recruiting women to fill the ranks of industrial army wherever men are released for military duty.

## LORD READING NAMED BRITISH WAR AMBASSADOR TO U. S.



Lord Reading is thoroughly familiar with all the matters connected between the United States and Great Britain, especially those of a financial character. Lord Reading is a nephew of Sir Henry Isaacs, who was Lord Mayor of London. Lady Reading is a New York girl, and was the inspiration of his studying law.

## PEACE DELEGATES IN A PRELIMINARY TALK

### Leaders of Russia, Germany, Austria-Hungary and Turkey Met Tuesday

Amsterdam, Jan. 9.—The leaders of the delegations representing Russia and the Central Powers held a preliminary discussion yesterday, disposing of questions of procedure, a dispatch from Brest-Litovsk reports. The meeting was attended by Leon Trotsky, Bolshevik Foreign Minister, Dr. Von Kuehlmann, German Foreign Minister; Count Czernin, Austro-Hungarian Foreign Minister, and Talaat Bey, Turkish Grand Vizier. A plenary session of the delegates was arranged for this morning.

Later, representatives of the Central Powers held a conference with the Ukrainians.

## THIS STATE SELECTED FOR ARMY HOSPITAL

### Physical Reconstruction At Asheville, And for Tuberculosis at Azalea

(By Geo. Manning.)

Washington, D. C., Jan. 9.—The first of the group of hospitals which the War Department will establish for the physical reconstruction and re-education of soldiers invalid home from France, is to be located in the new building being erected for the Kenilworth Inn at Asheville, N. C. The lease of the building has been recommended by Surgeon General Gorgas, and approved by Secretary Baker after a thorough investigation made by Medical Corps officers.

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## PETROGRAD DEPICTED IN GLOOMY COLORS

### This Russian Christmas Celebrated Under Most Tragic Circumstances

London, Jan. 9.—The situation in Petrograd is depicted in the most gloomy colors by the correspondent of The Times, who, in a telegram dated Monday, the Russian Christmas, says that no Christmas in 300 years has been celebrated in such tragic circumstances. Petrograd, he adds, is full of dirt, disorder and crimes.

Burglary, robbery and murder in the most audacious forms prevailing to an extent hitherto unknown and there is no police or other authority to which to appeal.

The food situation is very critical, he says, and starvation appears to be staring the people in the face.

The wretched conditions of existence have been aggravated by blinding snowstorms drifted by violent winds for three days and nights with the temperature at 14 degrees Fahrenheit. The correspondent of The Times thus sums up the general situation of the country:

"Russian affairs have become so desperate that only the intervention of the Allies or the Germans can prevent catastrophe. As this can no longer be expected from the Allies the disheartened Russian looks to the Germans to put an end to the awful chaos in which the country is now involved."

NINE MEN OF SHIP ARE STILL MISSING

Washington, Jan. 9.—Nine men of the American steamer Harry Luckenbach, torpedoed and sunk on January 6, are still missing, the Navy Department announced today, based on a report from Vice Admiral Sims. The report states that 22 members of the crew have been rescued.

IN GERMAN PRISON.

Washington, Jan. 9.—Two men from the destroyer Jacob Jones, submerged on December 6, now are prisoners in Germany, it was officially announced here today.

Through the Red Cross, the Navy Department has learned that one is Albert De Mello, seaman and the other John Francis Murphy, cook.

De Mello's address was given as New Bedford, Mass.

Murphy, whose name was given previously as "Marfee," lives in Newport, R. I.

## DESTRUCTION OF GERMAN ARMIES BROUGHT NEARER

### Field Marshal Haig Discounts Additional Strength Accredited to Teutons

GERMANY EXTENDS SUBMARINE ZONE

New Blockaded Region Will Cut Off Spain's Commerce With North and South America

Field Marshal Sir Douglas Haig, in his review of the 1917 campaign up to mid-November, says that the additional strength the Germans have gained from the Russian and Italian failures has largely been discounted. He declares that the ultimate destruction of the German armies has been brought appreciably nearer. The offensive campaign planned for 1917 failed of completion, but on the Western front the Allies gained the victories of Arras, Vimy, Messines, Flanders, Verdun, Champagne and the Aisne.

Germany has extended her submarine barred zone to include the Cape Verde Islands and Madeira, off the Northwestern coast of Africa, and part of the coast of French Senegal. The islands and the region about Dakar are alleged to be "enemy supporting points." The new order, which is effective January 11, follows the one of November which extended the barred zone to include the Azores, which are northwest of Madeira and north of the Cape Verde Islands. The new order virtually cuts off Spain, the only neutral in Southern Europe, from communication with North and South America.

President Wilson's message to Congress on objects of the war and the possible basis of general peace was not received in London in time for extended comment by the leading British newspapers. Second editions, however, were re-cast to give the principal portions of the message greater prominence.

German troops in a local attack east of Bullecourt, northwest of Cambrai, entered the British trenches, but a counter attack ejected the enemy who left 13 prisoners in the hands of the British.

Berlin reports the failure of a British thrust on the Boesinghe Staden railway, northeast of Ypres. The German artillery is still active in the Appres sector.

Bad weather on the Italian front has reduced infantry operations to a minimum, but the artillery is busy on the Northern line between Asiago and the Piave.

## EARLY READJUSTMENT OF RATES IS EXPECTED

### Elimination of Railroad Competition Will Bring About Rate Changes

Washington, Jan. 9.—General readjustment of the country's complicated rate system to the new non-competitive situation will be one of the early outgrowths of government railroad operation, it was officially indicated today. Many readjustments considered inevitable involve material increases in rates.

The Interstate Commerce Commission's attention has been called to a number of abnormally low rate schedules caused by competition between railroads whose rivalries have now ceased. Consequently the basic cause for the low rates has been removed, and the expected result is the development of agitation for a general modification.

The method of accomplishing this has not been worked out, but many officials believe the Interstate Commerce Commission eventually will have to take the initiative in revising rates. Any increases or decreases in rates would have to be made a case at a time and the entire process would extend over a year or more.

The power of Director General McAdoo to determine rates has not yet been ascertained clearly, but it is believed he would not attempt to order rate modifications without the approval of the Commission. Temporarily, railroads have been left free to conduct their own rate questions.

## BRITISH HOSPITAL SHIP SUNK BY GERMAN TORPEDO

### Another of Germany's Pledges to Humanity Thrown to the Winds

FORTUNATELY ALL OF WOUNDED WERE SAVED

Vessel Carried Usual Markings of Identification and Was Not in Barred Zone—Three of Crew Lost

London, Jan. 9.—The hospital ship Rewa was torpedoed and sunk in the Bristol channel on January 4, while on her way from Gibraltar, it is announced officially. All the wounded were saved. There were three casualties among the crew.

The announcement follows: "His Majesty's hospital ship Rewa was torpedoed and sunk in the Bristol channel at about midnight January 4 on her way home from Gibraltar. The wounded were safely transferred to patrol vessels. There were only three casualties among the crew, three Lascars being missing. She was displaying all the light and markings required by the Hague convention. She was not and had not been within the so-called barred zone as delimited in a statement issued by the German government, January 19, 1917.

The torpedoed vessel probably was the British steamship Rewa, 7,300 tons gross and 456 feet long. She was built in Glasgow and has been in service of the British government. The Bristol channel is a narrow part of the Atlantic extending in the southwestern part of Great Britain between Wales and the Southwestern coasts of England.

After making several charges the misuse of hospital ships, which were denied specifically by the Entente governments concerned, the Germans last year suspended the immunity of these vessels in the English channel and certain other waters. The British discontinued special markings of hospital ships the ground that they were rendered conspicuous thereby and were more liable to attack. Lieutenant King Alfonso of Spain intervened and succeeded in obtaining an agreement from the belligerents for the free movement of hospital ships within specified areas.

## MISSISSIPPI FIRST FOR "DRY" AMENDMENT

Jackson, Miss., Jan. 9.—Fifteen minutes after the subject was presented in Governor Bilbo's message to the Legislature both houses ratified the proposed prohibition amendment to Federal constitution. Only eight other states voted were cast.

Mississippi is the first State which such action was taken.

Clayton Law Suspended.

Washington, Jan. 9.—Suspension of the Clayton law provisions which prohibit interlocking purchasing transactions between railroads and corporations was approved yesterday by the House. It already had been approved by the Senate. By joint resolution the operation of the law is deferred until next January.

Reciprocal Raids.

London, Jan. 9.—"At dusk yesterday evening, the enemy succeeded in entering two of our advanced posts north of the Ypres-Staden railway but was immediately ejected by a local counter attack," the war office reports. "Early this morning Canadian troops carried out a successful raid south of Lens, capturing two machine guns."

Two Steamer Loads of Sugar.

Philadelphia, Jan. 9.—Two steamers carrying nearly thirteen million pounds of Cuban sugar, arrived here today. The sugar will be re-exported as soon as possible to relieve the shortage.

(Continued on Page Three).