

NEGOTIATIONS FOR PEACE HAVE BEGUN

BETWEEN THE TEUTONIC ALLIES AND THE RUSSIANS AT BREST-LITOVSK.

ENEMY PLAYS TRUMP CARD

Von Kuehlmann Unanimously Elected Chairman and Austro-German Delegates Are Far Stronger Than Delegates From Russia.

Peace negotiations between the Teutonic allies and the Russians have begun at Brest-Litovsk. And apparently the enemy has played a trump card at the outset, for on the proposal of Prince Leopold of Bavaria, the German commander-in-chief on the Russian front, Dr. von Kuehlmann, the German foreign secretary and an astute politician, has been chosen unanimously as "official chairman."

A noteworthy fact in the composition of the delegations from the various countries allied with the Austro-Germans is that they include men who have stood high in the councils of their respective countries, while the men who are to handle Russia's interests for the most part are unknown in world politics.

Still another outstanding fact in the meager details of the formation of the conference that thus far have come through is that Rumania is not credited with having sent delegates to Brest-Litovsk. The possibility is, therefore, that Rumania has decided to hold aloof from discussing a separate peace, notwithstanding the fact that geographically she will be completely isolated from her allies should the negotiations result in Russia quitting the war.

AMENDMENTS TO FARM LOAN LAW ARE ADVOCATED.

Board Wants Private Farm Mortgage Banks Admitted.

Washington.—The federal farm loan board announced that it advocates amendment to the farm loan act under which many private farm mortgage bankers may enter the government system as joint stock land banks. At the same time, the board also gave warning that it expects interests seeking to break down the system to file a suit soon to test the constitutionality of the act.

Amendments to the existing law which will be specifically recommended to Congress in the board's forthcoming annual report, are:

To remove the present restriction permitting a joint stock land bank to do business only in the state where it is situated and one contiguous state;

To permit a bank to issue bonds to the amount of twenty times its capital stock, which must be \$250,000 or more, instead of fifteen times, as under existing law, and

To raise from six to six and a half per cent the maximum interest rate which joint stock land banks may charge on loans to farmers.

All these amendments have been sought by the Farm Mortgage Bankers' association, whose leaders predict that a large proportion of the members would seek government charters and operate under supervision of the farm loan board if the modifications were made. Their plea to be allowed to use the name "National Land Bank" instead of "Joint Stock Land Bank" has been received favorably by the board, owing to fear of confusing the private institutions with the government's twelve federal land banks.

Joint stock land banks would still be compelled to limit interest rates on loans to within one per cent more than the selling price of their bonds, even though the maximum were raised to six and a half per cent.

EVERY HOUSEHOLDER TO HAVE ITS COAL SHOVEL TAGGED.

Washington.—Every household in the land from the white house to the most humble cottage is to have its coal shovel tagged with war-time economy hints on Wednesday, January 26. The fuel administration announced that the services of the twenty-three million odd school children were being enlisted, and that all state and municipal authorities and teachers would be asked to unite in making the day a school holiday.

B. M. STALLWORTH DIES SUDDENLY IN GEORGIA.

Gainesville, Ga.—B. M. Stallworth, aged 45, prominently identified with the cotton mill industry for many years in Georgia and South Carolina and general manager of Picolet Mills at New Holland, near here, died suddenly at his home in New Holland. Heart failure was said to have been the cause of his death. Mr. Stallworth, who was a native of Greenwood county, South Carolina, is survived by his widow, two brothers and a sister.

Officer of Torpedoed Cruiser Who Survived



Lieut. John K. Richards, U. S. N., was one of the officers of the American destroyer Jacob Jones who survived when that vessel was torpedoed and sunk by a German submarine.

TWO YEARS AGO HAD ONLY 300

SECRETARY DANIELS SAYS NAVY NOW HAS MORE THAN 1,000 SHIPS.

Contracts Have Been Let for Hundreds of Others Including Dreadnaughts, Cruisers and Destroyers and Auxiliaries—Explain Operation.

Washington.—A recital by Secretary Daniels of how the navy prepared for war by adding several hundred ships to the fleet and letting contracts for hundreds of others, including dreadnaughts, battle cruisers, destroyers and auxiliaries, and explanation of the operation of the navy supply department by Rear Admiral McGowan, paymaster general, marked the opening of the inquiry by a house subcommittee into the navy's war activities.

Representative Britten, of Illinois, asked Secretary Daniels whether the department had received any complaints from Vice Admiral Sims, commanding American naval forces in the war zone. The secretary said the question was improper and that "mess gossip" should not be bandied about, but he added that Admiral Sims had been given everything possible that the navy could give.

Later when Admiral McGowan was called to the stand he submitted an order issued by him some months ago directing that Admiral Sims requests for supplies be acted upon on the same day they were received.

"We have 424 ships in course of construction," Secretary Daniels told the committee. "That does not include submarine-chasers, of which we are building 350 and does not include the small craft. The chasers will be in service by early spring." Included in the 424 ships, he said, were battle cruisers, battleships, scout cruisers, destroyers, fuel ships, gunboats, hospital ships, ammunition ships, sea-going tug, mine-sweepers and submarines.

The navy at the beginning of its participation in the war, the witness continued, had at its disposal the money needed for most of the expansion immediately required and in pressing cases where funds were lacking over-obligations were incurred. Within the last few days the navy has had to ask for \$86,000,000 in addition to the regular estimates amounting to \$1,039,000,000 for the next fiscal year, now before the house naval committee.

AUSTRO-GERMAN FORCE ATTACK ITALIAN LINE

Reinforcements in Large Numbers are Brought Up.

The Austro-Germans have renewed in great strength their effort to pierce the Italian line and debouch upon the plains of Venetia in the region of Bassano. In fierce fighting around Monte Asolone, in which the enemy again suffered severe losses and several times were repulsed, reinforcements in large numbers were brought up and the Italians were compelled to give ground. The fighting lasted through Tuesday and according to the German war office, more than 2,000 Italians were made prisoner.

Likewise along the southern reaches of the Piave river, the invaders and the Italians are engaged in heavy fighting. A crossing of the Old Piave on pontoon bridges was successfully carried out by one enemy detachment, but later the Italians shoved back the Teutons to the water's edge.

SLIGHT DECREASE IN SHIPPING LOSSES SHOWN

London.—Fourteen British merchantmen of more than 1,600 tons and three under that tonnage were sunk by mine or submarine during the past week, according to the admiralty statement. One fishing vessel also was sunk. The shipping losses by mine or submarine in the past week are slightly under those of the previous week, when 14 vessels of more than 1,600 tons and seven under that tonnage were destroyed.

ITALIANS REGAIN LOST TERRITORY

CEASE DEFENSIVE AND RESUME OFFENSIVE WITH SIGNAL SUCCESSSES.

TERRIFIC ARTILLERY FIRE

Situation in Russia Continues Obscure.—Germans Said to Have Rejected Peace Terms of the Bolsheviks.

The Italians on the northern line in Italy between the Brenta and Piave rivers have ceased, for the warfare against the attacks of the time being at least, their defensive Austro-Germans and assumed the offensive with signal successes on several sectors.

Attacking the positions which the enemy earlier in the week captured near Monte Asolone, General Diaz's troops have regained a considerable portion of the terrain and held it, notwithstanding the terrific artillery fire that was turned upon them.

The German war office, in endeavoring to belittle the success of the offensive, which it asserts was repulsed, shows that the effort of the Italians was a determined one, the troops to the west of Monte Asolone delivering seven attacks against the enemy front. Admission is made in the German communication that the Italians also have taken the initiative in the fighting on Monte Pertica and Monte Silarolo, but it is declared that their attacks on these sectors, as on Monte Asolone were without success.

The situation in Russia continues obscure, although such reports as are coming through indicate that the bolshevik government is losing ground in the face of the opposition that is being imposed by the Ukrainians and the followers of General Kaledines. The bolshevik commissioners are declared to have declined to accept the negative reply of the Ukrainian Rada to the bolshevik demand that Ukraine cease aiding the Kaledines forces and give the rada an opportunity to reconsider its action. As indicating that the rada has finally declined to give heed to the dictates of the bolshevik is a report that a definite alliance has been formed between Kaledines followers and the Ukrainians.

A dispatch from Petrograd says an unofficial report in circulation in the Russian capital is to the effect that the Germans have rejected the peace terms put forward by the bolshevik delegates. Recent dispatches have indicated that the peace pourparlers in progress at Brest-Litovsk were merely preliminary to the peace conference which is to assemble there next Tuesday and which is to be attended by the German and Austro-Hungarian foreign ministers.

ARMY CLOTHING, SHOES AND FOOD UNDER INQUIRY

Quartermaster General Sharpe Before the Investigating Committee

Washington.—Clothing, shoes and food supplies for the American army were investigated by the senate military committee, turning its general inquiry into war preparations to the quartermaster general's department. It was developed that millions were spent just before the United States entered the war to provide for the great army since raised.

Major General Sharpe, quartermaster general, was before the committee all day and for an hour of the time answered all confidential questions behind closed doors. He was closely examined, especially regarding the admitted shortage of overcoats, which he said was due principally to late deliveries of large orders. Except for overcoats and a few other winter garments, of which he stated, complete stocks would be in camp by December 31, the general declared there is no clothing shortage.

G. B. MEANS NOT TO BE INDICTED IN NEW YORK

New York.—After a conference here with a representative of the state's attorney of Cook county, Illinois, District Attorney Swann announced that he would not ask the New York county grand jury to indict Gaston B. Means in connection with the "second" will of Mrs. Maude Robinson King, of whose murder Means was acquitted by a jury at Concord, N. C., Sunday, December 16.

GETS JAIL SENTENCE FOR ASSAULT ON BILLY SUNDAY

Atlanta, Ga.—Charged with assaulting Billy Sunday at the evangelist's meeting here W. H. Beuterbaugh, said to be a German, was fined \$100 and sentenced to jail for 30 days here. Later he was indicted on three counts by the Fulton county grand jury in connection with the assault. Bail of \$1,000 was fixed in each count, which charge assault on Sunday; assault on one of the evangelist's workers, and disturbing public worship.

Rises From Clerkship to Important Position



James L. Wilmeth of Tennessee and Arkansas, who has been appointed director of the bureau of engraving and printing, Uncle Sam's big money factory, is one of the few men who have advanced to an important government position through the ranks of government clerks. He entered the government service 20 years ago, assorting money orders for \$60 a month.

NO DETAILS ARE GIVEN OUT

NINETEEN LIVES ARE LOST WHEN UNDERSEA BOAT GOES DOWN.

Rammed and Sunk in Home Waters by Another Submersible, F-3, in Fog.—Those Lost Were Mostly From Far Western States.

Washington.—Nineteen lives were lost when the American submarine F-1 was rammed and sunk by submarine F-3 in home waters during a fog.

The F-3 was undamaged and picked up five survivors of her victim. Secretary Daniels announced the disaster in a brief statement which gave no further details.

Lieut. A. E. Montgomery, commanding officer of the F-1 was among the five saved. His mother, Mrs. Julia Montgomery Pratt, lives at Fort H. G. Wright, N. Y.

Other survivors include: J. M. Schmissauter, machinist; father, Charles C. Schmissauter, Hill City, Tenn.

Henry L. Brown, gunner's mate; father, H. P. Brown, Macon, Ga.

The list of those lost announced by the navy department shows men to be from far western states, with the exception of two who are from Ohio and Pennsylvania.

CONGRESS SHUTS DOWN FOR HOLIDAY RECESS

Senate Takes Final Action for Submission of Prohibition Amendment.

Washington.—Congress closed down for a holiday vacation, leaving behind a series of investigations to proceed during the recess. Both houses adjourned until Thursday, January 3, when war legislation is to take the forefront of the calendar.

In the last day's business, the senate took final action toward submission to the states of a national prohibition amendment to the constitution, ordered two investigations—into railroad legislation and the merchant shipbuilding—and arranged for disposal of the coal and oil land leasing bill on January 7. The house passed the resolution to remove doubt as to application of the new excess profits taxes to congressmen, and arranged for renewal of the battle for woman suffrage on January 10.

Efforts to rush through legislation authorizing the treasury to buy \$100,000,000 of farm loan bonds before adjournment failed. The senate passed the bill, but it was held up in the house to be considered when Congress reassembles.

During the recess, a half-dozen investigations into war activity will be in progress. Heading the list is the railroad inquiry.

Other investigations in addition to those of railroad problems and the shipbuilding situation, deal with army and navy war operations, the sugar and fuel shortages and the alleged disloyal St. Paul speech of Senator LaFollette.

ARMY CAMP CONDITIONS REPORTED BY GORGAS

Washington.—Insufficient clothing, overcrowding and bad sanitary conditions are held largely responsible for disease epidemic at Camp Sevier, So. Carolina; Camp Bowie, Texas; Camp Funston, Kansas and Camp Doniphan, Oklahoma, by Surgeon General Gorgas in reports to Secretary Baker made public on the result of his personal inspection of the camps. With the exception of Funston, none of the camps base hospitals are completed.

LLOYD GEORGE SETS FORTH WAR AIMS

TEUTONS MUST RESTORE ALL TERRITORY TAKEN AND PAY FOR GREAT HAVOC.

GERMAN PEACE PROPOSALS

Reported That Teutonic Allies Would Offer for Peace and Had Requested Russia to Sound former Allies for Peace.

In the midst of the peace pourparlers that are in progress between the representative of the Teutonic allies and the bolshevik government in Russia, the war aims of Great Britain—and doubtless of all her allies—have been concretely set forth in the house of commons by David Lloyd-George, the British prime minister.

The complete restoration of territory now in the hands of the enemy and compensation for the havoc they have wrought is the price that will be demanded for the laying down of arms and the bringing about of peace.

Great Britain did not seek territorial aggrandizement for herself or for any of her allies when she entered the war, Mr. Lloyd George said but entered into the hostilities merely for the sake of her honor. As to Germany's colonies, all of which are now in the hands of the entente, Mr. Lloyd George said, their disposition must be determined at the peace congress. Jerusalem, however, the premier declared, would never be restored to the Turks.

The statement of the prime minister came almost simultaneously with a report that the Teutonic allies intended to make peace proposals to the entente and that Russia had been requested to take similar steps and was endeavoring to sound her former allies in arms as to their requirements for a cessation of hostilities.

PASSENGER TRAINS CRASH; 38 KILLED; MANY INJURED

Shepherdsville, Ky.—Thirty-eight known dead and 40 to 50 persons injured, some of them seriously, was the toll taken when Louisville & Nashville passenger train No. 7, from Cincinnati to New Orleans, crashed into the rear of a Bardstown, Louisville & Springfield accommodation train 500 yards south of the station here.

The accommodation train had just left the station after making a stop, when the faster train which makes no stop here came in sight moving at a high rate of speed. Efforts to bring it to a halt were futile and the heavy locomotive with the heavy weight of a steel train behind it crashed into the rear of the accommodation with a terrific impact. The two wooden passenger cars and baggage cars making up the smaller train were splintered.

Virtually every person aboard the accommodation train, both crew and passengers were either killed or badly injured. None of the passengers aboard the fast train were killed, though a number were injured. The locomotive was demolished and the heavy steel coaches making up the train were thrown from the track.

Non of the passengers aboard the fast train were killed and none of them received more than minor injuries. Another locomotive and train crew was sent from Louisville and after detaching one baggage car the New Orleans train went on as soon as the right of way was declared.

Jesse Weatherford, telegraph operator at the station here, said that after the accommodation train left the station he had thrown his block to show the track clear and left the office to help handle baggage. When he got outside, he said, he saw the fast train approaching, ran back to the office, pulled his block to show red, seized a lantern and rushed to the platform to flag it. He reached the side of the track just as the heavy locomotive thundered by.

PROPERTY OF AMERICANS IN GERMANY TAKEN OVER

Berlin.—The property of Americans in Germany has been placed under the trusteeship of the German government. There is no intention, however, to confiscate property or to infringe on the personal rights of the property holders.

French Sink Two U-Boats.

Athens.—French destroyers have sunk two enemy submarines in the Gulf of Taranto.

BABST PREDICTS PLENTY OF SUGAR DURING NEW YEAR

Washington.—A plentiful supply of sugar for the American people during the coming year was predicted by Earl D. Babst, president of the American Sugar Refining Company, testifying before the senate investigating committee. He opposed placing a limit on domestic consumption, contending that any such plan would result in a larger surplus than could be shipped abroad.

STATE TO CONTROL THE PRICE OF WOOD

AUTHORITY IS GIVEN TO STATE FUEL ADMINISTRATOR McALLISTER TO ACT.

FIRST STATE TO TAKE ACTION

Believed That it Will Have a Wholesale Effect on Prices and Deliveries of Wood.

Greensboro.—Authority given State Fuel Administrator A. W. McAllister by the national fuel administration, authorizing Mr. McAllister and local committees to fix the price of wood, will have a wholesome effect on prices and deliveries in the state, it is believed. This is the first state in the union in which the fuel administrator is authorized to fix prices. These will be fixed to suit the locality, with the committeemen taking into consideration local conditions.

A basis for computation is furnished by Mr. McAllister, who advises a 33 1/3 per cent to 50 per cent increase in the price per cord over the prices prevailing in 1916, these figures to apply to wood in four and eight-foot lengths on drays and wagons of farmers, or on cars, f.o.b. the place of shipment. He suggests the allowance to the dealer of \$1 a cord for sawing and splitting the wood, or \$1.25 per cord, if the committeemen deem the larger figure equitable, and \$1 per cord for delivery, 75 cents for delivery of half cord and 50 cents for quarter cords and less.

Of interest only secondary is the standardization of the measure for wood to be observed by the vendor. The instructions of the fuel administration marks the passing of the ancient if not altogether honorable "load." The wood dealers must sell in cords or stipulated divisional parts thereof. No longer will an ultimate consumer pay \$1.50 for a "load," but what he pays will be fixed by the administration and it will be for an understood portion of a cord, a full cord, or the multiple of it. In this manner, the wood business of North Carolina, temporarily at least, is brought within the law of weights and measures.

Educational Commission Announced.

Raleigh.—The state education commission that the last legislature provided the governor should appoint for general investigation and recommendation as to the educational system and laws of the state was appointed by Governor Bickett and is to meet and organize for work as early as possible.

It consists of the following: R. H. Wright, professor of the East Carolina Teachers' Training school; E. C. Brooks, of the chair of education in Trinity College; Dr. Charles E. Brewer, professor in Meredith College; C. C. Wright, superintendent of the Wilkes county public schools; D. J. Bell, superintendent of the Richmond county schools and Rockingham city schools.

The special act of the legislature under which the commission is appointed provides that the commission shall make a survey of the educational conditions in the state, codify the public laws, investigate the methods and cost of supplying textbooks to the public schools, the advisability of establishing a state printing plant, the matter of a system of pensions for public school teachers. The commission is directed by the act to report its findings with recommendations to the 1918 session of the legislature.

Rector Volunteers as Chaplain.

Rocky Mount.—The Rev. B. E. Brown, rector of the Calvary Episcopal church at Tarboro, has offered his services to Uncle Sam as chaplain, with the request that he be sent to France for service in that country with the American soldiers and expects to be called within the next few weeks. He came to Tarboro about ten years ago.

Passengers in Burning Train.

Elkin.—Saturday a passenger coach on the Elkin & Alleghany road caught fire from a stove pipe just after leaving the station at State road. The fire was between the ceiling and roof of the car and none of the 25 passengers in the coach knew it until the train arrived here and stopped at the street crossing, and the flames burst out over the entire length of the car. The local firemen were soon on the ground and had a stream of water turned on the flames. The woodwork and all the windows of the car were destroyed.

Students Visit Cuba.

Chapel Hill.—Professor Collier Cobb of the geology department sailed from New York with a party of his students last week for Santiago, Cuba, where he goes to make a special study of the nickeliferous iron ores of the Oriente region of Cuba. One of Professor Cobb's former pupils, De Berniere Whitaker, is in charge of mining work there and will assist Professor Cobb and the university students in every possible way. These ores are very valuable in the manufacture of the nickel-iron steel.