

THE WEATHER

Cloudy Friday; Saturday, probably fair; moderate northeast winds.

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THE MORNING STAR

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WAR CLOUDS GROW MORE OMINOUS AVALANCHE OF SELLING ON AMERICAN MARKETS

AUSTRIA IS EXPECTED TO DECLARE WAR ON RUSSIA

Dispatches From St. Petersburg Reach London Last Night That Russian Government Looks for Declaration From Austria Today—British Navy and Army Quietly Gathering for the Expected Trouble.

GERMAN CABINET IN SESSION LATE LAST NIGHT

Censorship Over Telegraph Lines is Being Imposed at Berlin. Interpreted at London as Preparations for Mobilization of German Troops—Few Hours Will Decide Whether All Europe Will go to War.

London, July 31.—Early this morning comes news that the German cabinet, presided over by the Emperor, sat at Potsdam until midnight and that a censorship over the telegraph lines is being imposed at Berlin. This is interpreted here as implying preparations for German mobilization and a few hours will probably decide whether Europe is to be involved in universal warfare.

It is fully expected both at London and Berlin that the Russian foreign minister, Sergius Sazonov, will reply to Germany's demand for an explanation to the effect that Russian mobilization has already been ordered and cannot be cancelled.

In the event of Germany mobilizing, it is expected that Premier Asquith immediately will ask Parliament to sanction a large vote of credit as a necessary precaution. A dispatch from St. Petersburg to Reuters Telegraph Company says it is believed in St. Petersburg that Austria will declare war against Russia today.

This Morning's Developments. London, July 31.—The St. Petersburg correspondent of The Times says partial mobilization has been ordered by Russia and is confined to the army corps stationed along the borders of Austria-Hungary. The prolonged diplomatic conference at St. Petersburg adds the correspondent, have been devoid of practical results.

The persistent unanimity of Austria and Germany's bland responses to Russia's despairing appeal for a hearing, he declares, "compels the unwilling conclusion that all this diplomatic effort has been mere by-play to gain time.

The Chronicle's St. Petersburg correspondent declares that though described as only partial, the Russian mobilization in effect is general and that the waters of the word "mobilization" and has issued another carefully framed notice to the newspapers that only "the usual precautions" are being taken.

AUSTRIAN FORCES REPULSED WHILE ATTEMPTING TO CROSS BORDER RIVERS INTO SERBIA

London, July 30.—With the exception of official reports from Vienna in the briefest form thus far dealing with the bombardment of Belgrade and the capture of several Serbian vessels on the Danube, little reliable news has been received in London concerning the course of hostilities in the Austro-Serbian war.

Numerous reports are current that battles are in progress at various points, including one report from Milan that a heavy engagement is raging south of Belgrade tonight, but according to Serbian official accounts, all attempts on the part of the Austrians to cross the river have been repulsed and reports of the occupation of Belgrade are considered premature.

While the news of the actual developments in the Austro-Serbian war is unsatisfactory, the general situation is one of growing menace. There is a vague report that Austria and Russia are still engaged in diplomatic negotiations through the medium of Berlin, direct diplomatic intercourse between Austria and Russia having been suspended, but slender hopes are entertained of success in this direction.

Germany Demands Explanation. Germany has addressed a note to Russia requiring an explanation of Russia's mobilization, and in the absence of a satisfactory reply it is feared Germany also may take steps to mobilize. It is understood that on the latter part of his conference scheme, Sir Edward Grey invited Germany to suggest some way out of the difficulty and all eyes now are turned to the German Emperor as the man upon whom Europe's fate depends.

It is believed that if the German Emperor desires it, peace will be maintained. The German view is that it behooves Great Britain and France to bring pressure to bear upon Russia to allow the two principles to settle their dispute on terms of personal and international honor.

In the meantime, every nation in Europe is taking active steps to be prepared for any eventualities. The Daily Telegraph's correspondent at Vienna, who is often the mouthpiece of the Austrian government, says that Sir Edward Grey's mediation proposal must not have the object of modifying the peace terms agreed upon by the belligerents.

One Million, Three Hundred Thousand Shares of Stock Sold on New York Exchange Yesterday, Which Bore Brunt of World-Wide Liquidation—Scenes on Wheat Exchange at Chicago Compared With Tuesday—New Orleans Cotton Down.

New York, July 30.—The New York stock exchange bore the brunt today of tremendous world-wide liquidation of securities inspired solely by the war clouds which today, more ominous than ever, hung over all Europe. It centered here because there is no other primary security market in the world which is not either closed or under restriction.

Prices broke from six to 17 points under an overturn of 1,300,000 shares of stock, a large part of which represented the "dumping" by foreign holders of American securities and the selling by foreign speculators.

While it was the most drastic decline since the domestic panic of 1907, and recalled the exciting scenes that attended those days, international bankers who have their fingers on the pulse of the situation expressed pride in the fact that the American market had so well withstood the avalanche of selling which has been actively in progress nearly a week.

Financial Situation Sober. There was talk of allowing the lead of the foreign bourses and closing the exchange, but the sentiment against this appeared to be strong and no action in that direction was taken today. Clearing house bankers declared today that the financial situation here was absolutely sound and this was reiterated by financiers who called to discuss the situation at the office of J. P. Morgan & Company.

In this connection the clearing house committee decided to postpone for fear it would be misconstrued, a meeting for transacting routine business. Though values tumbled precipitously, one of the features of today's trading pointed to as significant of the domestic situation was the large amount of investment buying at the record low prices which many of the standard securities dropped.

Opening Prices Were Down. Opening prices were down 2 to 3 per cent in some instances even more. From the outset the market manifested its inability to stand up under the enormous offerings.

Selling for London alone was estimated at more than 50,000 shares and a conservative estimate placed the total foreign selling at 200,000. There were intermittent rallies of 2 to 3 points, but these gains were lost in the final hour, when the cables told of Germany's representations to Russia. From that stage until the close the selling reached greater impetus, though a few issues made some recovery from the lowest.

Notwithstanding that the war risk rate of insurance on gold shipments went up to \$10,000 per million today, \$8,500,000 more of the metal was engaged for Europe. The financial district continued its activity long after the close of the market and lights burned late tonight in the great Wall Street skyscrapers. Bankers with foreign connections kept the cables busy

PRESIDENT TAKES A HAND IN STRIKE

Western Engineers and Firemen Called to Conference WITH OTHER SATURDAY

Chicago, July 30.—President Wilson has intervened to prevent a strike of 55,000 engineers and firemen on all railroads west of Chicago. Mediation by the Federal board having failed, the President today requested the members of the board, the general managers' committee and representatives of them to confer with him at the White House Saturday.

His invitation immediately was accepted. William L. Chambers and Martin A. Knapp, members of the Board of Mediation, Conciliation and Arbitration, left tonight for Washington. Several members of the general managers' committee also started for Washington.

WILL JAPANESE BE INCLUDED IN WAR?

Threatened Hostilities May Invade Far East.

Washington, July 30.—The possibility that Japan might become involved in a general war should her ally, England, be drawn into the threatened vortex in Europe, was discussed today in diplomatic circles here. The treaty of alliance between Great Britain and Japan, signed in 1902, and renewed in 1911, provides that the two countries shall support each other in the event of an attack or aggressive action against either in Eastern Asia or India by another power.

There have been rumors of secret clauses, greatly extending the scope of the convention, and making it apply to hostilities conducted outside of the Far East. Therefore the possibility of Japan's being drawn into any war that might involve Great Britain with Germany or Austria or Italy is believed here to hinge entirely upon naval developments in the Far East. In those waters are many vessels of European powers engaged in looking after the interests of their citizens resident in China, Korea and Japan.

W. J. BRYAN DEFENDS COLUMBIAN TREATY

Makes Reply to Arguments of Colonel Roosevelt.

Washington, July 30.—A second formal statement in defense of the proposed Colombian treaty was issued tonight by Secretary Bryan. Without mentioning Colonel Roosevelt, Mr. Bryan replied to arguments advanced by the former President in his attacks upon the administration's proposal to pay Colombia \$25,000,000 in settlement of claims growing out of the separation of Panama and acquisition of the canal zone by the United States.

Reiterating his declaration that in considering the treaty it is not necessary to examine into the merits of the controversy over the action of the United States in 1903, the Secretary urged that even if the United States in acquiring the canal zone was exercising a right of eminent domain, it was not relieved of liability for actual damage resulting to Colombia. Colonel Roosevelt recently asked the Secretary to deal with the situation as it presents itself today and is fully justified no matter what theory one may adopt as to the course pursued by our nation in connection with the separation of Panama from Colombia. So he contended that the action taken by the United States was based upon the necessities of the case and those necessities, as stated by those who take this position, were that Colombia was not able to build the canal herself and was not willing to sell to the United States upon reasonable terms the right to build the canal.

COMMISSION CANCELS REVISED LUMBER RATES

Of the Southern Railroad in North Carolina. That Final Action on Trade Commission Bill Will Be Taken by Saturday—Others Are Well on Way to Floor.

Washington, July 30.—The Southern Railway's revised schedule of lumber rates from producing regions in North Carolina, South Carolina and Tennessee to Virginia and points North and East, today was cancelled by the Interstate Commerce Commission. The proposed tariffs involved both increases and reductions and were held to be unjustly discriminatory against certain grades of lumber and certain destinations. The commission expressed no prejudice against the right of the carriers to present another plan of revision designed to bring about greater uniformity than now exists.

It appears from the evidence, says the commission, "that the proposed revision was made solely for the purpose of bringing about a readjustment or realignment of the lumber rates to place all sections of the territory involved upon a uniform basis, and that such a program is carried out will bring adjustment by September 1."

Discussion today of the trade commission bill centered upon the nature of the court review to be provided for the orders of the commission in the event of a dispute. (Continued on Page Eight)

PASS FIRST OF TRUST MEASURES THIS WEEK

Washington, July 30.—Administration and Republican senators alike predicted tonight that the trade commission bill, first of the trinity of the anti-trust measures, would pass by tomorrow night or Saturday. Rapid progress was made today with evidence of co-operation on the part of the minority to expedite the trust programme in hope of early adjournment.

Next week the Clayton bill will be considered and leaders of both parties predict that this measure together with the Railroad Securities bill can be disposed of before August 20th. In conference, it is believed the amended bills can be agreed upon in a week. Such a programme carried out will bring adjournment by September 1. Discussion today of the trade commission bill centered upon the nature of the court review to be provided for the orders of the commission in the event of a dispute. (Continued on Page Eight)