THE WEATHER
Fair and somewhat colder Sunday; Monday, fair.

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ONE SECTION

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THREATENED BLOCKADE OF ENGLAND AND EFFECT UPON NEUTRALS BEING WATCHED

Developments at Sea Overshadow Terriffic Battle in Central Poland.

IN THE BRITISH MIND

England Hopes for Trouble Between Neutrals and Germany Over Order

Quiet Reigns in West and in Egypt.

London, Feb. 6. — Neutral opinion of Germany's threat of a submarine blockade of the British Isles, together with possible action by the United States, Holland and the Scandinavian countries, today is competing with the big battle in Central Poland for first place in public interest in England. The threat itself has in no way disturbed the sea-borne trade of the country.

Steamers are running as usual, insurance rates remain as they were, and ship owners declare that there will be no changes in schedules.

The general belief here is that Germany is not in a position to interfere to any great extent with shipping, and the possibility of Germany becoming involved with neutral countries over this action looms large in British minds.

What effect the action of the captain of the Lusitania in flying the American flag will have on the question is yet to be seen. The Lusitania crossed the Irish sea, according to American passengers, with American flags at her stern and fore-peak, but that fact is not yet known to the English public.

Fighting in Central Poland.

Of the battle in Central Poland little news has come through today from either Petrograd, Vienna or Berlin. It is believed fighting continues and that it will be some days before a final decision is reached. If the Russian success in crossing the Bzura river is strongly supported and pushed, it may shorten the engagement.

From all accounts the Germans hurled great masses against the Russian lines, and although they gained ground at some points they did not succeed in breaking through, and the Russians were able to take the offensive in parts of the field. With the tremendous concentration of artillery, rifle fire and bayonet work the losses must have been very great. One correspondent at Petrograd places the German losses at 30,000.

In the Carpathians and in Bukowina hard fighting is going on. The Russians with a strong force, are making desperate efforts to drive the Austrians from Dukla and other passes, and, although the snow iles deep in the mountains the battles continue night and day.

Along the western front, so far as official reports disclose, this has been one of the quietest days for weeks. The artillery, of course, has been busy, but as if by mutual consent the armies have refrained from infantry attacks.

There has been no further fighting in Egypt, but statements from Turkish prisoners show the Turks brought a great number of boats across the desert drawn by oxen. They were somewhat surprised to find a strong force awaiting them and were compelled to surrender when the troops got behind them and hemmed them in. In some cases the Turks were allowed to launch their boats before the British opened fire and sank them.

Earl Grey, addressing a meeting today said that War Secretary Kitchener in August asked him to appeal to the miners of Northumberland for five new battalions. Instead they raised 20 battalions.

THE GERMAN STATEMENT.

Two New French Attacks Repulsed According to Berlin Account.

Berlin, Feb. 6 (Wireless to Sayville) Army headquarters today issued the following statement:

"Two new French attacks against positions taken by the German north of Massiges remained unsuccessful. A French attack in the Argonne also failed.

"Russians yesterday attacked on the East Prussian frontier and south of the Vistula, against the German front, from Humin to the Bzura river.

"All attacks were repulsed. The Germans made 1,000 prisoners and took six machine guns.

"Especially from the British, but also from the French side, the allegation is repeated continuously that the Germans, to commemorate the Emperor's birthday, made attacks on a large scale which were attended throughout by heavy reverses for the Germans. All

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OTHER INSURANCE BILLS INTRODUCED

In Line With Views of Young and Insurance Companies.

STATEWIDE STOCK LAW

Would be Provided by Pending Bill Except in Localities Voting Against It—Nearly 1,000 Bills Introduced Thus Far.

(Special Star Telegram.)

Raleigh, N. C., Feb. 6.—Another chapter was added to the pending insurance legislation today by the introduction of bills in the Senate by Senators Weaver and Miller that are designed to authorize the State Commissioner of Insurance to hear complaints of excessive fire insurance rates and declare what should be the just and reasonable rate, making public record of the same, but not going as far as the pending Seawell bill in the House to empower the commissioner to actually lower the rate.

The Senate bills are in line with the recommendation of Commissioner Young and meet the concessions of insurance companies which insist that if the actual rate making power is taken by the State they will withdraw from North Carolina. The Weaver bill amends a number of other sections of the general insurance laws, specifies qualifications of agents to be licensed, provides for school instruction in fire prevention and for October 9th as "Fire Prevention Day."

The two bills are referred to the Senate committee on insurance and will be heard Wednesday when a representative of the General Fire Underwriters' Board will be here to discuss the whole situation as to insurance legislation. The view is very strong that the Senate bills just introduced really represent the extent to which the Senate will probably go this session in insurance rate legislation as contrasted with the Seawell bill which is the recommendation of the investigating commission from the 1913 session.

With the session of the Legislature half over, there has been just 126 acts of this Legislature enrolled and duly ratified as laws and the bill numbers in the House have reached 748 and in the Senate 566.

An indirect State-wide stock law bill came in the Senate today, introduced by Senator Cohoon, of Pasquotank, providing that live stock be prohibited from running at large except in such territory as the people therein shall specifically vote to allow such live stock at large.

The House defeated the Nash bill from the Senate for the creation of arbitral courts composed of the clerk of court and two commissioners named by him to settle differences out of court.

Four representatives, Nettles, Swain, Denton and King, made statements in the House making it clear that they are not woman's suffragists and wanted the records to show that their vote against the Doughton motion indefinitely postponing consideration of the Roberts equal suffrage bill was against cutting off debate and not as favoring equal suffrage.

Excellent progress was made today in both houses in clearing local bills from the calendars.

Senator Snow's bill to forbid the shaving of heads of prisoners and to prevent dressing them in what he terms convict uniforms furnished the sensation in the Senate today, practically a third of the membership condemning the "barbarous custom" of Wake county. Senators held up their hands in horror, the galleries applauded and speakers waxed eloquent as they jumped on the officers of Wake county responsible for the practice. The bill, with two amendments, went through its second reading, but was carried over until Monday, in order to afford a more thorough study of the measure, which is State-wide in its application. According to senators, Wake is the only county following this custom.

HOUSE PROCEEDINGS.

The House was convened at 10:30 o'clock by Speaker Wooten.

There were presented petitions from the First Baptist church, Charlotte; Franklin, Randolph and Northampton counties urging the enactment of the legislation asked for by the State Anti-Saloon League to stop the shipment of liquors for beverage purposes.

New Bills Introduced.

The following new bills were introduced:

Currie—Prohibit the manufacture and sale of liquors within three miles of Cumberland county churches. This bill is aimed especially at wine makers who use their own grapes for the purpose.

Douglass—Provide a recorder's court for Zebulon, Wake county. Allow the town of Zebulon to issue bonds for lights and streets.

Grier—Regulate the conveyance of real estate of certain corporations.

Nettles—Prevent cities and towns from taxing dairy cattle and products in Buncombe county.

Somers—Amend the Caswell county road law.

Bennett—Regulate the width of wagon tires in Montgomery county.

Mason—Amend the road law for Jackson township, Northampton county.

Denton—Amend the Graham county school law

Clayton—Amend the Hyde county school law relative to the county sup-

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IMPROVE FEDERAL RESERVE SYSTEM

Twelve Banks to Begin Clearing House Operations

WITH A CENTRAL FUND

Conference Between Federal Reserve Board, Governors of Several Banks and Reserve Agents at Washington.

Washington, Feb. 6.—Conferences between members of the Federal Reserve Board, governors of several of the Reserve banks and some Reserve agents have developed definit plans for the extension of clearing house operations by the 12 Regional Reserve banks. One feature of the plan, it was learned today, provides for the creation of a central fund of possibly $25,000,000 to be held in Washington to the credit of the Reserve banks to take care of clearing operations between them.

The result of the deliberations, which lasted several days, will be laid before the entire Federal Reserve Board next Monday.

It was believed tonight that they would be endorsed. It was understood to have been unanimously agreed in the conference that the time has arrived when the clearing functions of the 12 banks should be exercised as fully as possible. Actual development of the clearing system through the Reserve banks will be gradual, but members of the Reserve Board believe these banks will, in time, take the place contemplated in the Reserve Act and do practically all the clearing for member banks.

Central Fund in Washington.

According to information tonight the central fund in Washington is to be a gold fund made up of deposits from each of the 12 Reserve banks. As now contemplated each bank might put up about 10 per cent of its reserve funds in the central fund.

It has been estimated that the handling of the central fund here will not entail any great burden on the force of the Federal Reserve Board. It will be devoted exclusively to taking care of items between Federal Reserve banks themselves and will have the practical result of setting up a clearing agency in Washington for the 12 banks. Balances probably will be adjusted only once a week or once a month and will be largely matters of bookkeeping.

In connection with clearings within a district, the conference laid plans which will not force member banks to clear through their Reserve bank, but which it is hoped will prove attractive to bankers and show the advantages of general intra-district clearing. At first the plans contemplate clearances only for such banks as accept it but eventually it is believed that all banks will come in.

STOCK YARDS IN NORTH AND WEST MUST CLOSE

Several Infected With Foot and Mouth Disease.

Department of Agriculture Finds Disease in Yards at Chicago, Indianapolis, Louisville, Buffalo, and Other Cities.

Washington, Feb. 6.—After discovery of foot and mouth infection in Chicago, Indianapolis, Louisville, Buffalo, Cincinnati, Jersey City, Pittsburg, Baltimore and Columbus, the Department of Agriculture today instructed its inspectors to close the yards in those cities to interstate shipment of live stock after shipments in transit had been disposed of.

Officials believe instead of a repetition of the recent quarantine over large areas, disinfecting of the yards will suffice to stamp out the latest outbreak.

Further conferences led officials to conclude that no attempt would be made to stop the entrance of cattle to the yards for immediate slaughter, except insofar as the shipments came from other yards closed for disinfection. The time the yards will be closed is said to depend entirely upon the number of men put at work disinfecting.

Loss from the foot and mouth disease thus far has aggregated $3,399,110 the bureau of animal industry announced today in the agricultural outlook. The outbreak, the most extensive ever known in the United States, now seems to be under control as a result of a vigorous policy of eradication, the bureau says.

Twenty states and the District of Columbia have been more or less affected since last October.

There have been slaughtered 46,268 cattle; 47,735 swine, and 7,151 sheep. So far the losses have had no appreciable general effect on the country's supply of meat and dairy animals.

Washington, Feb. 6.—By provisions of the naval appropriation bill which passed the House yesterday and use of the money from sale of the old battleships Idaho and Mississippi to Greece, the United States will have $7,705,000 more available for new warships this year than was authorized for the building programme in 1914.

BRITISH STEAMER FLIES "OLD GLORY"

Liner Lusitania Flew American Flag for Protection.

ACROSS THE ATLANTIC

Claiming the Transportation of Neutral Passengers and Mails Gave Him Right to Use It, Captain Hoists Flag.

London, Feb. 6.—The British steamer Lusitania, of the Cunard Line, which sailed from New York January 30 and arrived at Liverpool this afternoon, flew the American flag from the time she passed quarantine station until she entered the Mersey. This is vouched for by American passengers who crossed on her.

The Lusitania received a wireless from the Baltic, of the White Star Line, that two submarines had been sighted from that vessel. The captain in reply to questions of one of the passengers, declared he had a right to fly the flag of a neutral country for protection of neutral passengers and mails which his ship was carrying.

After being delayed by heavy storms, which raised seas deck high and injured 11 passengers, the Lusitania arrived off Queenstown late yesterday. She cruised off the Irish port for two hours and, without picking up a pilot, as is usually done, proceeded for Liverpool at full speed, arriving at the Mersey channel at daybreak, with the Stars and Stripes still flying.

Seen by Americans.

According to a statement by Will Irwin, an American writer, the Lusitania carried the regulation large American flag at her stern with a small American flag and mail pennant at the forepeak.

Former United States Senator LaFayette Young, another passenger, while he did not personally see the flg flying, said it was accepted as a fact by all on board.

While the foreign office has received no official advices that the Lusitania flew the American flag on entering Liverpool, will make no formal statement until the matter is presented in definite form. A prominent British official said that inasmuch as the British government grants ships of other nations the privilege of using the British flag to escape capture, it naturally feels that such privilege would be granted to its ships in a similar emergency.

The British merchant shipping act passed in 1894 contains the following paragraph:

"If a person uses the British flag and assumes the British national character on shipboard owned in whole or in part by persons unqualified to be British, the ship shall be subject to forfeiture under this act unless the assumption has been made for the purpose of escaping capture by the enemy or by a foreign ship of war in the exercise of some belligerent right."

WASHINGTON'S POSITION

No Official Reports But Trusts Incident Will Lead to Better Conditions.

Washington, Feb. 6.—Officials tonight had received no official report of the use of the American flag by the Lusitania, but they indicated that inquiry might be made. Pending receipt of full informations, comment was reserved.

It was regarded by some as not unlikely that the occurrence would furnish a basis for discussing the entire subject of the use of neutral flags by belligerent merchant men on account of charges to that effect made in the German admiralty's statement.

The rules of international law are clear in that each nation has the right to determine for itself conditions under which its flag may be bestowed on a vessel. One recognized authority holds that the assumption of the flag of a foreign state without its authorization is considered as a violation of international law as a device both fraudulent and injurious to the honor of the state. Both the state whose flag is wrongfully used and that in regard to which the use of the false flag is made have the right to demand the punishment of the guilty persons.

Examination of the statutes of the United States reveals that there is no law prohibiting misuse of the American flag by foreign vessels, though the State Department has in the past ordered its consuls always to communicate full information as to such incidents.

Upon the outbreak of war with Chile is 1879 Peru inquired of the United States what conditions must be complied with in order that a merchant vessel might be considered as belonging to the United States and under what conditions flag might be used.

The American legation in Peru sent a note in reply which was supplemented by a memorandum from the Secretary of State, Mr. Evarts, who said that "there is no prohibition of the use of the American flag by a foreign vessel beyond the jurisdiction of the United States, or any penalty provided therefore."

IOWA OUTDISTANCED TEXAS

Gains First Place as to Value of Total Crop Production—Texas Third.

Washington, Feb. 6.—Iowa has wrested from Texas the title of banner crop state, the thirteen principal crops grown there last year being valued at $351,450,000, according to the agricultural outlook issued today. Illinois' crops were worth $319,656,000, while Texas comes third with $288,335,000. Decrease in the value of cotton was the cause of the smaller value of Texas crops.

Other states crops values are:

North Carolina, $124,918,000; Tennessee, $106,456,000; South Carolina, $101,373,000; Virginia, $73,995,000; Georgia, $155,167,000.

A. C. L. AND STATE REACH AGREEMENT

Railroad Not to Remove Suits to Federal Courts.

BILLS TO BE DROPPED

Result of Conference in Governor's Office—Craig, Judges Allen and Daniels, Chairman Travis and Mr. Elliott Participate.

(Special Star Telegram.)

Raleigh, N. C., Feb. 6.—The Atlantic Coast Line authorities having given assurances that there will be no further removals of suits against the corporation in this State to the Federal courts on the plea that the corporation is a non-resident Virginia corporation, the Allen bill in the House for the repeal of the act of the Legislature of 1899 authorizing the consolidation of the old Wilmington & Weldon Railroad Company with other lines in the formation of the Atlantic Coast Line will be withdrawn or tabled by consent; also the Gilliam bill in the Senate to the same effect and going to the further extent of directing the Attorney General to sue for dismemberment and for receivers to wind up the railroad properties through sales as separate lines.

The agreement was reached in a conference in the executive office of Governor Craig this afternoon, with Governor Craig, Assistant General Counsel George B. Elliott, of the Atlantic Coast Line; Judge George Rountree, Judge Frank Daniels, Judge W. R. Allen and Chairman E. L. Travis, of the Corporation Commission, participating.

Judge Daniels was chairman of the Senate committee on corporations in 1899 when the act was put through and Chairman Travis, of the Corporation Commission, was then a member of the Senate committee to whom the bill was referred for examination before being reported favorably. Judge W. R. Allen was chairman of the House committee that passed on the Wilmington & Weldon consolidation bill.

President Kenly had assured the Governor and State authorities that the Atlantic Coast Line would abide by whatever view was taken in the conference today.

The agreement was that there was no definite understanding that the Atlantic Coast Line would refrain from invoking the Federal court in suits, but Judge Daniels, Judge Allen and Mr. Travis thought the general impression at that time was that such would be the case. This view being taken, assurances were given by Mr. Elliott for the Atlantic Coast Line that there will be no further removals of cases to Federal court and any that have been removed and are still pending will be remanded to the State courts for trial.

The conference and agreement of this afternoon removes from the Legislature the knotty problem of dealing with the pending legislation against the Atlantic Coast Line.

Governor Craig wrote a letter to President Kenly setting out the result of the conference today.

NEARLY HALF MILLION ADDED FOR CAPE FEAR

$476,000 is Amount Appropriated in Bill as it Stands.

Sam Rogers Likely to be Named as Director of the Census—Hitch Occurs in Gatling's Progress. Bickett in Washington.

(Special Star Telegram.)

Washington, D. C., Feb. 6.—The fact that the Senate commerce committee had added nearly a half million dollars appropriation for the Cape Fear river above and below Wilmington was overlooked in this correspondence some days ago. The fact is that the bill as it now stands carries $205,000 for work below Wilmington and $271,000 on the upper Cape Fear.

The Postoffice Department admitted today that they would not be able to nominate, confirm and commission a postmaster to succeed Willis Briggs at Raleigh by February 16th, the date his commission expires. This may mean that the much talked of charges against Bart Gatling have arrived and that the department is carefully concealing them just as it has all other matters pertaining to the department.

As stated exclusively in these dispatches in last Monday's papers, Samuel L. Rogers, campaign manager for Senator Simmons during the late senatorial contest, is likely to be appointed Director of the Census to succeed William J. Harris, who is slated for membership on the Trade Commission.

Senator Simmons called at the White House today to ask the President to name Mr. Rogers to this place. In the absence of the President, Mr. Simmons took the matter up with Secretary Tumulty. It is believed Rogers will land.

Attorney General Bickett, who was here today looking after the Tennessee-North Carolina boundary case, recently decided in favor of North Carolina by the Supreme Court of the United States, announced that the following had been appointed a commission to settle the dispute: Dr. Joseph Hyde Pratt and D. B. Burns, of North Carolina, and W. D. Hale, of Tennessee. The commission was appointed in ac-

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GERMANY'S PROCLAMATION IS MADE PUBLIC IN WASHINGTON MUCH SPECULATION AROUSED

Declares Waters Surrounding Great Britain and Ireland Within the War Zone, and Warns Neutral Vessels to Stay Clear—Does Not Include Seas Adjacent to Neutral Countries, as Was Yesterday Reported.

STATE DEPARTMENT TO ASK FOR PARTICULARS

Washington, Feb. 6.—Germany's proclamation of a war zone in the waters surrounding Great Britain and Ireland does not as at first reported, include any seas adjacent to neutral countries.

The official text of the proclamation received today from Ambassador Gerard reveals that only areas directly bordering on the territorial waters of France and Great Britain are held to be in the one where neutral vessels may be subject to the hazards of naval warfare. The original wireless report stated that the waters north of the Shetland Islands, in the eastern basin of the North sea, and for 30 nautical miles along the Dutch coast, also had been included in the zone.

The official text says expressly that the routes of navigation around the north of the Shetland Islands in the eastern part of the North sea and in a strip 30 miles wide along the Dutch coast are "are not to the danger zone."

State Department officials sent a message inquiring if there was not some error in translation of the last phrase "not open to the danger zone," but they said later they had no doubt the particularization of these waters meant they were the suggested routes for neutral ships and that shipping to Norway, Sweden, Denmark and Holland woul dnot be affected.

The Proclamation.

The test of the proclamation, as received at the State Department reads as follows:

"The waters around Great Britain including the whole of the English channel are declared hereby to be included within the zone of war and that after February 18 all enemy merchant vessels encountered in these waters will be destroyed, even if it may not be possible always to save their crews and passengers.

"Within this war zone neutral vessels are exposed to danger since in view of the misuse of the neutral flags ordered by the government of Great Britain on January 31 and of the hazards of naval warfare, neutral vessels cannot always be prevented from suffering from the attacks intended for enemy ships.

"The routes of navigation around the north of the Shetland Islands in the eastern part of the North sea and in a strip 30 miles wide along the Dutch coast are not open to the danger zone."

Lansing Makes Statement.

Acting Secretary Lansing in a statement containing the proclamation said:

"The German foreign office sent to the American ambassador a long memorandum explanatory of this proclamation."

Officials are awaiting with much interest the explanatory memorandum referred to, for it outlined measures which German naval commanders will take to verify the real character of vessels flying neutral flags and assures the American government that every possible effort will be made to save passengers and crews of vessels carrying contraband, it is believed there will remain little ground for protest against Germany's action in advance of any specific violation.

The German embassy today issued a statement declaring American ships laden with foodstuffs for the civilian population of German's enemies would not be molested and expressing hope that Great Britain would, by seizing the American steamer Wilhelmina, carrying food supplies to Germany, make necessary the adoption of a different policy.

As the German proclamation does not prescribe a blockade, there is no warrant for the sinking of any neutral merchant ship, in the view of many officials here, without first determining the character and destination of the vessel and taking off passengers and crew.

While high officials declined to intimate what their course would be, it was evident the American government would make no protest against designation of a "war zone" but would endeavor to learn what protection would be afforded American ships which did pass through the danger lines.

Officials read with interest unofficial reports that the British ship Lusitania had entered Liverpool flying an American flag. It was considered probable the entire subject of the use of neutral flags by belligerent merchant men might be discussed with Germany and Great Britain as a result of Germany's charge that a secret British order had been issued permitting such use of flags.

WILLIAM BOYLAN DEAD

Well Known Citizen of Raleigh Died Suddenly Last Night.

(Special Star Telegram.)

Raleigh, N. C., Feb. 6.—William Boyland, one of Raleigh's best known citizens, died suddenly late tonight in the 65th year of his age. While he had suffered some from Bright's disease the past few months, his death is a great surprise as well as shock.

Mr. Boylan was a native of Raleigh, was engaged in the mercantile business many years and later served a number of terms as councilman of Raleigh and was a man of public spirit and great popularity. He was president and for a number of years chairman of the house committee of the Capital club.

He leaves a large estate that includes a big slice of stock in the Uzzell Printing Co., State printers. Mr. Boylan was a widower and leaves one daughter.

GERMANY GIVES OUT TEXT OF MEMORANDUM

Berlin, Feb. 6. (by Wireless)—The German government today gave out the text of the memorandum of the Imperial German government concerning retaliation against the measures taken by England, in violation of international law, to stop neutral sea commerce with Germany. It follows:

"Since the beginning of the present war Great Britain has carried on a mercantile warfare against Germany in a way that defies all the principles of international law. It is true that the British government has announced in a number of decrees the London Declaration concerning naval warfare to be binding on its naval forces, but in reality she has renounced the declaration in its most important particulars although her own delegates at the London conference on naval warfare had recognized its conclusions to be valid as international law.

"The British government has put a number of articles in the list of contraband which are not or, at most, are only indirectly useful for military purposes and therefore, according to the London Declaration as well as according to the universally recognized rules of international law, may not be designated as contraband. She had further, actually abolished the distinction between absolute and relative contraband, inasmuch as she has subjected to capture, all articles of relative contraband intended for Germany, without reference to the harbor in which they are to be unloaded or to the hostile or peaceful use to which they are to be put.

"She does not even hesitate to violate the Paris Declaration as her naval forces have seized on neutral ships German property that was not contraband in violation of her own decree concerning the London Declaration. She has further, through her naval forces, taken from neutral ships numerous Germans liable to military service and has made of them prisoners of war.

"Finally she has declared the entire North Sea to be an area of war, and if she has not made impossible the passage of neutral shipping through the sea between Scotland and Norway, has rendered it so difficult and so dangerous that she has to a certain extent effected a blockade of neutral coasts and neutral ports, in violation of all international law.

"All these measures have the obvious purpose, through illegal paralyzation of legitimate neutral commerce not only to strike at the German military strength, but also at the economic life of Germany and finally through starvation doom the entire population of Germany to destruction.

"The neutral powers have generally acquiesced in the steps taken by the British government, especially have they not succeeded in inducing the British government to restore the German individuals and property seized in violation of international law. In certain directions they have also aided the British measures which are irreconcilable with the freedom of the sea, in that they have obviously, under the pressure of England, hindered by export and transit embargoes the transit of wares for peaceful purposes to Germany.

"The German government has in vain called the attention of neutral powers to the fact that it must face the question of whether it can longer persevere in its hitherto strict observance of the rules of the London Declaration; if Great Britain were to continue its course and the neutral powers were to continue to acquiesce in these violations of neutrality, to the detriment of Germany.

"For her violations of international law Great Britain pleads the vital interests which the British Empire has at stake and the neutral powers seem to satisfy themselves with a theoretical protest. Therefore, in fact, they accept the vital interests of belligerents as sufficient excuse for every method of warfare.

"Germany must now appeal to these same vital interests, to its regret. It therefore sees itself forced to military measures aimed at England in retaliation against the English procedure. Just as England has designated the area between Scotland and Norway as an area of war, so Germany now declares all the waters surrounding Great Britain and Ireland, including the entire English channel as an area of war, and thus will proceed against the shipping of the enemy. For this purpose, beginning February 18th, 1915, it will endeavor to destroy every enemy merchant ship that is found in this area of war, without it always being possible to avert the peril that thus threatens persons and cargoes.

"Neutrals are therefore warned against further entrusting crews, passengers and wares to such ships. Their attention is also called to the fact that it is advisable for their ships to avoid entering this area, for even though the German naval forces have instructions to avoid violence to neutral ships, insofar as they are recognizable, in view of the misuse of neutral flags ordered by the British government and the contingencies of naval warfare, their becoming victims of torpedoes directed against enemy ships cannot always be averted.

"At the same time it is specifically noted that shipping north of the Shetland Islands, in the eastern area of the North Sea, and in a strip of at least 30 sea miles in width along The Netherlands coast is not imperilled.

"The German government gives such early notice of these measures that

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