

They are generally right in price and quality. The advertising of such goods would defeat itself if they were not advertised thus standardizing quality and price.

THE MORNING STAR

GERMAN SUBMARINE COMMANDERS WERE ORDERED NOT TO ATTACK MERCHANTMEN WITHOUT WARNING

Bernstorff Tells Lansing That Was What Tuesday's Statement Meant to Imply.

CRISIS PROBABLY PAST

Policy Had Been Adopted to Settle Submarine Problem Before Arabic was Sunk.

Germany to Send Communication Outlining Policy.

Washington, Aug. 26. — Two developments today in relations with Germany further reduced tension and were taken to foreshadow a declaration from Berlin on submarine warfare which would eliminate that source of discord. Count Bernstorff, the German ambassador, called on Secretary Lansing and informed him that the statement presented Tuesday by direction of Berlin saying there was no intent to cause loss of American lives when the White Star liner Arabic was destroyed, was intended to imply that German submarine commanders had been ordered to attack no more merchantmen without warning.

Ambassador Gerard, reporting from Berlin the substance of a conference with Foreign Minister von Jagow, confirmed Associated Press dispatches that Germany, even before the sinking of the Arabic, had adopted a policy designed to settle completely the whole submarine problem. The State Department did not make public Ambassador Gerard's dispatch, but the optimism apparent at the State Department and the White House was taken as convincing proof that the situation once threatening a break in friendly relations was on the way to settlement.

The more hopeful officials thought the crisis past, and inferred that the views which Ambassador Bernstorff had been urging on Berlin ever since the sinking of the Lusitania had prevailed.

Awaited Germany's Declaration. Secretary Lansing, while outwardly encouraged, was reserved, awaiting some definite declaration from Berlin; and the same attitude was reflected at the White House where it was indicated that President Wilson, encouraged at the prospect of averting a break, would keep his mind open until all details are cleared up.

One fact was outstanding in the whole situation. It was that a further communication was coming from Germany outlining a policy which, it is said, is expected to be satisfactory to the United States. It is understood that the German will announce her submarine commanders will be instructed not to sink any merchantman without warning, pending a diplomatic discussion of a proposal for a modus vivendi between the British blockade and German submarines. From such information as had reached official sources here it was apparent that the sinking of the Arabic—assuming the ship was sunk by a submarine—was as much of a surprise in Germany as to the rest of the world—for, although it has not been officially stated, it is believed German submarine commanders after the sinking of the Lusitania received instructions to avoid such a disaster.

It was suggested today in diplomatic quarters that while Germany had avoided making public announcement of the fact she now was in a position to do so because of the victories of the German arms in Poland. The same sources pointed out that the victories of the German armies aided the leaders of Germany who had been contending for the views which Count von Bernstorff had been urging on his foreign office.

The Berlin news dispatches referring to the German chancellor's declaration that the German had adopted a policy designed to settle the question, was pushing to American officials and even to those in German quarters. It was suggested it might foreshadow diplomatic negotiations to work out a modus vivendi.

DISCORD ELIMINATED.

Light in Which German Government Regards Sinking of Arabic. Berlin, via London, Aug. 26.—The Associated Press is in a position to state on the best authority that the Arabic (Continued on Page Eight.)

KITCHIN RESE'S CONTRABAND ORDER

Says Cotton Growers of Entire South Are Aroused.

AND DEMANDING ACTION

Says Great Britain's Action is Unwarranted and "Should Not Be Tolerated"—Clark, of Florida, of Same Opinion.

(Special Star Telegram.)

Washington, Aug. 26.—Discussing the cotton situation, Representative Kitchin, majority leader of the House, said today: "The cotton producers of North Carolina and the entire South are aroused over the action of Great Britain in declaring cotton contraband and they want the administration to be as emphatic in dealing with England on this score as we have been in dealing with Germany on others.

"Great Britain's action is unwarranted, and should not be tolerated. I believe if the administration will speak decisively there will be a rescinding or modification of her order in council and the cotton contraband decree. Let us be firm with Great Britain as well as Germany; that is what the cotton producers desire.

"The entire South is agitated over the cotton question. Unless something is done there undoubtedly will be sentinels and if emphatic reparatory measures. This sentiment may back an embargo movement, although I am unable to discuss this possibility now. I regard it as certain, however, that if Great Britain believed the government would declare an embargo on war munitions and other products, Great Britain would come to terms quickly. England does not want any serious controversy with us. She cannot afford it, for if we were to place an embargo on arms it would be disastrous to England. The cotton producers believe that the administration can force England to accept the terms of the cotton contraband decree. We ought to take a positive stand and force the removal of obstacles in the way of marketing our cotton.

"Great Britain's course is working great harm to our industries and some persons regard the controversy with Great Britain as just as important as that with Germany.

Same from Florida. Representative Frank Clark, who arrived here today, said:

"When I left Florida there was great concern and resentment over Great Britain's contraband decree. The action of Great Britain is regarded as high-handed and without justification. By another big cotton crop ready to be marketed, the South is in a position to make the most strenuous protest against the arbitrary and indefensible contraband decree of Great Britain.

"I trust the administration will deal with the situation promptly for the cotton producers expected relief. There is some discussion of the advisability of holding a convention of producers here to discuss market prospects, but the plans have not matured so far as I am advised."

CONGRESSMAN KITCHIN A "SMALL NAVY" MAN

Opposed to Spending Large Sums for Dreadnoughts

Favors Reasonable Appropriation for Submarines, Mines and Torpedo Boat Destroyers—Creates Stir in Washington.

(Special Star Telegram.)

Washington, D. C., Aug. 26.—Representative Claude Kitchin, chairman of the Ways and Means committee, and leader of the Democratic majority, declared here today that he is opposed to spending large sums of money for the construction of dreadnought battle-ships. He favors, he said, a reasonable appropriation for submarines, mines and torpedo boat destroyers.

CONFERENCE OVER COTTON SITUATION

Harding Discusses Problem With Bankers' Delegates.

STATEMENT IS ISSUED

Special Consideration to Loans to Farmers on Cotton Security Recommended as Right and Proper—No Maximum Rate.

Birmingham, Ala., Aug. 26.—The delegates appointed at the recent Galveston conference of cotton states bankers conferred at length here today with W. P. G. Harding of the Federal Reserve Board, on the cotton situation. Afterward the delegates issued a statement concluding as follows:

"It is the sense of the delegation that it is right and proper for Southern bankers to accord special consideration to loans made to farmers based on insured, warehoused cotton and other staple products, and to offer on such loans the lowest interest rates consistent with sound business policy. It is not, however, deemed wise or necessary for any arbitrary maximum interest rate to be named, it being the sense of this delegation that better results to all concerned will be reached by entrusting this detail to the patriotism and sound business judgment of individual bankers throughout the South, local conditions being given due consideration."

The statement was signed by F. M. Law, chairman, Houston, Texas; Morehead Wright, secretary, Little Rock, Ark.; F. S. Etheridge, Jackson, Ga.; S. J. High, Tupelo, Miss.; F. W. Potts, Hattiesburg, Miss.; Owen Wells, Birmingham; E. M. Pool, New Orleans; John W. Simpson, Spartanburg, S. C.; and George W. Rogers, Little Rock, Ark.

After declaring the resolutions adopted at the Galveston conference are heartily ratified and approved, the statement says:

"It is a matter of much gratification to the delegation to find that these resolutions are not only in accord with the views of Mr. Harding, a member of the Federal Reserve Board and recognized authority upon the production and marketing of cotton, but that they have met with such general approval throughout the country. The Federal Reserve Board and those entrusted with the management of the Federal Reserve banks are working in harmony with the principles contained in the plan for the gradual marketing of cotton and we earnestly bespeak therefore their co-operation and encouragement."

ENLARGE AMERICAN HOSPITAL.

American Red Cross Colony at Petrograd Raises Subscriptions.

Petrograd, via London, Aug. 26.—Simultaneously with the receipt of news that the American Red Cross colony would be with Russian in October, the American colony here voted at a mass meeting to increase the capacity of the American hospital in this city from the 28 beds it contains at present to 40. Subscriptions were raised to cover the cost of enlarging the hospital.

ROOSEVELT MAKES STATEMENT.

Says He Alone Responsible for Speech.

New York, Aug. 26.—Colonel Roosevelt, when told today of Secretary Garrison's telegram to General Wood, said he was entirely responsible for his own remarks at Plattsburg and that he considered the Secretary had no right to criticize General Wood.

"I am, of course, solely responsible for that speech and until yesterday General Wood did not know more than Secretary of War Garrison in connection with the address of Theodore Roosevelt delivered here last night.

"General Wood issued orders that attendance at my speech was not required of any man, that it was optional to come or not; orders which I once established the fact that he had no responsibility for the speech. It was delivered outside the line of tents and one-half the audience was made up of men and women from the surrounding country."

WOOD MAKES NO COMMENT

Secretary Garrison's Telegram Much Discussed at Plattsburg Camp.

Plattsburg, N. Y., Aug. 26.—Major General Leonard Wood tonight declined to comment on the telegram he received from Secretary of War Garrison in connection with the address of Theodore Roosevelt delivered here last night.

ROOSEVELT BARRED FROM SPEAKING AT TRAINING CAMPS

Garrison Expresses Deprecation That Opportunity was Given at Plattsburg.

EFFECT IS DETRIMENTAL

Wires Gen. Wood That "Such Unfortunate Consequences" Must Not be Repeated.

Washington, Aug. 26.—Secretary Garrison today telegraphed Major General Leonard Wood expressing deprecation that opportunity was given at the Plattsburg camp at Plattsburg for Colonel Roosevelt's sensational speech of yesterday and directing that nothing similar should be permitted at any of the other camps.

Secretary Garrison referred to Colonel Roosevelt's remarks on the country's military unpreparedness and the attitude of the administration. His telegram to General Wood follows:

"I have just seen the report in the newspapers of the speech made by ex-President Roosevelt, at the Plattsburg camp. It is difficult to conceive of anything which could have a more detrimental effect upon the real value of this experiment than such an incident. The camp, held under government auspices, was successfully demonstrating many things of great moment. Its virtue consisted in the fact that it conveyed its own impressive lessons in its practical and successful operation and results.

"No opportunity should have been furnished to any one to present to the men a matter excepting that which was essential to the necessary training they were there to receive. Anything else could only have the effect of distracting attention from the real nature of the experiment, diverting consideration to issues which excite controversy, antagonism and ill-feeling, and thereby impairing, if not destroying, what otherwise would have been so effective.

"There must not be any opportunity given at Plattsburg or at any other similar camp for any such unfortunate consequences."

Secretary Garrison said he had no further action now under contemplation. He said he had not discussed the matter with President Wilson and had no knowledge of the President's views. Secretary Garrison also made public a portion of a letter from General Wood explaining the General's own speech on August 14, which attracted some attention and which was called to the notice of the War Department. The general's explanation of his own remarks was satisfactory to the War Department.

The Secretary had just read the letter today on his return from his brief vacation at Sea Point. The letter contained the following paragraph: "You perhaps have seen something of the articles in the various papers. It is needless to state that there was discussion of this matter and that there been any by officers here, of international affairs or anything that might come under the President's prohibition. The talks to the men have been on purely technical subjects explaining the use of arms, methods of raising them to sanitation, etc."

"My own talk was absolutely on technical lines and had to do with the methods of raising and maintaining armies, voluntary systems, etc., and the usual strong endorsement of the militia into which I think a great many of these men will go."

DRIVING "ENEMY" FROM HARBOR OF NEW YORK.

Fort Totten Engages in Practice of Actual Warfare.

The Twelve-Inch Mortars Fire 1,500 Pound Projectiles at Moving Target 13,000 Yards from Shore.

Continued Last Night.

New York, Aug. 26.—The scream of shells and the roar of cannon rolled over the waters of Long Island sound today. The long mute 12-inch mortars of Fort Totten, which guards the northern entrance to New York harbor, found tongue and sent 1,500-pound projectiles climbing miles into the sky at a moving speck of a target 13,000 yards off shore.

Conditions of actual warfare were duplicated, so far as possible. In a little observatory on Sands Point, six miles away, an officer signalled the mortars by telephone computing by mathematical formula the range, the angle of fire and all the other intricate factors to be considered. The artillery men in the gun pit saw nothing of the target, but followed the commands of this officer, relayed to them by the battery commander a few feet away in the pit.

BRITISH SHIP HELD BECAUSE OF RIFLE

Steamer Waimana Carries a Four-Inch Gun on Deck.

IS AT NEWPORT NEWS

Customs Officials There Are Awaiting Ruling From Treasury Officials Before Granting Clearance Papers.

Newport News, Va., Aug. 26.—Customs officials here today held up clearance papers to the British steamer Waimana, from Marseilles to Buenos Aires, after it was discovered the steamer carried a four-inch rifle mounted on her main deck aft.

Treasury officials at Washington were asked for a ruling as to whether the Waimana was amenable to the agreement between the United States and Great Britain forbidding clearance of armed British merchantmen from American ports.

The Waimana had put into Newport News for fuel coal. Captain Holmes, her skipper, explained that the gun had been mounted as a protection against submarines.

The Waimana is a ship of 10,000 gross tons and carries a crew of 75.

WILL DECIDE TODAY

British-American Agreement May Not Affect Sailing of the Waimana.

Washington, Aug. 26.—Whether the British steamer Waimana shall be allowed to clear from Newport News with a four-inch gun mounted on her after deck, will be decided tomorrow at a conference between officials of the Treasury and State Departments.

Under an informal agreement between the American and British governments entered into soon after the European war began, British vessels leaving ports of the United States are not permitted to carry mounted guns. This agreement was made to prevent any question arising as to the peaceful character of merchantmen, particularly passenger vessels, plying out of American ports. Officials are not sure, however, that it applies to such a case as that of the Waimana, which is bound from France to South America for bunkers coal.

International law does not make an armed vessel of a merchantman carrying guns for defensive purposes, and the fact that a gun is less than six inches in calibre and is mounted aft is held to be in evidence that it is not carried for an offensive purpose. Consequently, but for the agreement between the two governments there would be no question about the status of the Waimana.

MAY SAIL TODAY.

Believed Captain of Steamer Waimana Will be Granted Clearance.

Norfolk, Va., Aug. 26.—With a 4.7 inch gun mounted on her after deck, the British steamer Waimana, which arrived at Newport News today for (Continued on Page Eight.)

FRANCE NOT READY FOR PEACE TERMS

Question "Would be Blown to Nothing," Says Premier.

ADDRESS IN CHAMBER

"Not Until Heroic Belgium Has Been Freed; Not Until We Have Retaken Alsace and Lorraine," He Says.

Paris, Aug. 26.—"Put the question of peace before the country and it would be blown to nothing," said Premier Viviani today in an address in the chamber of deputies. "Not until heroic Belgium has been freed, not until we have re-taken Alsace and Lorraine, could there be mischievous divisions among us.

"Our enemies may continue astray in their dull error of last year, but not we, who have seen workmen and employer, the rich citizen and the poor, men of every party and every walk of life, fulfilling with a single purpose and with equal zeal their duties in defense of the liberty of the world.

"We must destroy the legend that the republic of France, having borne for 45 years a horrible wound, did not make provision for military defense. I must repeat the words of the commander-in-chief during the last session of the chamber: 'The republic may be proud of her armies.'

"France has created an army fulfilling the most modern conceptions. She has instilled the love of justice, the love of right, and upon the day the war began, the children of France united in support of this high idea, without which there would have been only armies of mercenaries."

The deputies cheered the premier wildly. When the demonstration had died down, Deputy Louis Accambray, who recently has several times criticized the government's conduct of the war, took the floor and began, amidst disorder, a criticism of Minister of War Millerand. The deputy spoke for an hour, but little of what he said could be heard because of the confusion.

Afterward several deputies spoke in approval of the premier's address and the chamber voted the credits asked by the government by 539 to 1. A proposition of the socialists for secret sessions of the chamber of deputies was received and ordered printed and the chamber adjourned till September 16th.

GARRISON TO SUBMIT PLANS

Report on National Defense Probably to Be Filed Early Next Week.

Washington, Aug. 26.—Secretary Garrison's report in connection with the administration's plans for strengthening the national defense probably will be submitted to President Wilson early next week. The secretary is waiting only for some data being prepared at the war college.

CAPITAL PUNISHMENT PART OF DISCUSSION

Governors Review Parade of Massachusetts Militia.

Part of Fourth Day's Session of State Executive Given Over to Treatment of Prisoners—Response to Bleese's Speech.

Boston, Mass., Aug. 26.—A demonstration of the preparedness for active service of the Massachusetts National Guard was given before the visiting governors and a great throng of the entire state militia. Yesterday the governors saw the maneuvers of part of the National's naval arm. At tomorrow's session of their conference here they will consider the general topic of "Preparedness for defense."

Senator Henry Cabot Lodge and Lieut. General Nelson A. Miles, retired, were with Governor Walsh and visiting governors and former governors on the reviewing stand today while the militia man marched past.

Before the parade, the governors held their fourth session for presentation and discussion of papers, the day being devoted to the treatment of prisoners and capital punishment.

Response to Bleese's Speech. A statement by former Governor Cole L. Bleese, of South Carolina, that "when mobs are no longer possible, liberty will be dead" called forth a brief response from Governor Goldsborough, of Maryland, who said:

"Such a statement is un-Christly. If capital punishment is wrong, how much more so is capital punishment at the hands of a mob?"

Governor Richard I. Manning, of South Carolina, said that when a lynching took place in his state now the county had to pay \$2,000 to the family of the victim.

Papers advocating abolition of the death penalty were read by Governor W. G. P. Hunt, of Arizona, and Governor Edward F. Dunne, of Illinois.

Others who favored abolition of the death penalty were former Governors Haines, of Maine, and Adams, of Colorado.

BREST-LITOVSK IS CAPTURED BY THE TEUTONIC FORCES

Germans Now Control Whole Line of Railroad From Chelm to Bialystok.

RUSSIANS ARE RETIRING

Air Craft of the Allies Have Broken Monotony of the Warfare of the West.

London, Aug. 26.—Brest-Litovsk, the main Russian fortress and concentration center of the Bug river line of defenses, was occupied by the Austro-Germans today. While the Russians offered stout resistance during the invaders' approach, it is apparent no attempt was made to defend Brest-Litovsk itself. It was evacuated as was Ososzewitz, in conformity with the Russian intention to take up new positions farther east.

The Germans now are in possession of the whole line of railway from Chelm to Bialystok. The Russians having already evacuated the latter city, the lesser fortresses of Grodno and Olita now are the only strongly defended positions remaining in the hands of the Russians. Both these are being approached by the Germans. They probably will be given up when they have fulfilled their purpose of facilitating the Russian retreat.

The Russians have not yet entered the vast Belorussian forest, which extends thirty miles north and south and has a width of from 17 to 30 miles. The forests are a famous hunting center and bison preserve. South of it are the Pripiet marshes, which protect the Russian left, and with plenty of roads and three or four railroad lines, it is expected here that Grand Duke Nicholas will make good his retirement if Grodno and Vilna can hold out long enough. Even if they should fall, military observers say the Grand Duke would be well on his way to his new positions, before the Germans could reach him.

There is again talk of Russian preparations for a stand, but no indication as yet as to where this attempt is to be made.

Air Craft Becomes Active.

Air craft again have broken the monotony of the western warfare. Sixty-two French aeroplanes flew over the Dellingen Iron Works near Saarbrun, Rhenish Prussia, dropping 150 bombs, while a British aviator is reported to have dropped a bomb upon an advanced German submarine base at Ostend. The German report says four of the French machines in the attack near Saarbrun were brought down, one of them, however, falling behind the French lines.

The admiralty report of sinking the German submarine significantly stated that it has not been the practice of the admiralty to publish accounts regarding the losses of German submarines. Important though they have been, in cases where the Germans had no other source of information as to the time and place at which these losses occurred. It has been reported for months that a large number of German submarines, variously stated at from 20 to 40, have been caught and destroyed, but today's statement is the only official admission that there were others than those previously announced by the admiralty as having been destroyed.

The Italians claim further minor successes on all their fronts, but these are consistently denied by Austria. Of the operation here at Gallipoli peninsula, there is no further news.

Except for the postponement of the statement of the Greek Premier M. Venizelos on the future policy of Greece, there is nothing new in the Balkan situation.

RUSSIAN FORCES DIVIDED.

Austrians Report Two Groups Are Unable to Co-operate.

Austrian Headquarters, via London, Aug. 26.—Austrian cavalry pushing eastward from Kovel has divided the Russian forces into two groups which now are unable to co-operate with each other, according to a dispatch from the commanders at the front.

The Austrian armies operating north of the Bug have gained ground toward the railway connecting Brest-Litovsk and Minsk. They now hold positions about three miles west of the river Lesna.

The wedge thrust into the Russian front by the Austrian cavalry occupying Kovel has been carried farther eastward and widened.

GERMAN SUBMARINE SUNK

British Admiralty Announces Attack by Aeroplanes Successful.

London, Aug. 26.—A German submarine has been destroyed near Ostend by a bomb dropped by an aeroplane, an official announcement this evening. The announcement follows:

"The Secretary of the Admiralty announces that Squadron Commander Arthur W. Biggworth, R. N., destroyed single handed a German submarine this morning by bombs dropped from an aeroplane. The submarine was observed to be completely wrecked and sank off Ostend.

"It is not the practice of the admiralty to publish statements regarding the losses of German submarines important though they have been in cases where the enemy has no other source of information as to the time and place at which these losses have occurred.

"In the case referred to above, however, the brilliant feat of Squadron Commander Biggworth, was performed (Continued on Page Eight.)