

VILNA IS OCCUPIED BY GERMAN ARMIES UNDER HINDENBURG

Portion of the Russian Forces Almost, if Not Entirely, Surrounded.

ONE RAILROAD IS LEFT

Balkan Political Situation Still Appears to be Far From Any Solution.

London, Sept. 19.—The Germans have occupied Vilna and by a wide movement to the north have succeeded almost, if not entirely, surrounding a portion of the Russian army fighting in the railway triangle between Vilna, Lida and Vileka. The Russian forces in this district either must fight their way out eastward or retire in a south-easterly direction, for the only railway left entirely in their hands is that which runs from Vilna to Lida and then to Baranovitchi.

The army of Field Marshal Hindenburg, which took Vilna and has reached Vileka, to the east of Vilna, is working in close co-operation with that of Archduke Leopold of Batavia in an effort to catch a part of the Russian army, an operation which has been often tried without success since the Austro-Germans commenced their drive in Western Galicia in early May.

The Russians express confidence in the outcome of the battle which must be decided before complete success falls to one side or the other, but with their northern armies closely held along the line and the German flank well protected by their cavalry, which recently occupied Wisney, across the Vilna-Petrograd railway, it seems impossible that any aid can come to them from that direction.

The battle seemingly must be fought out between the troops now in the district between Vilna, Lida and Slonim, with the assistance of any reinforcements that can be spared to hold the German force which has reached Vileka.

At the southern end of the line General Ivanov is keeping Field Marshal Von Mackensen at arm's length at the fortress at Rovno to the key to the route to Kieve and in coarser attacks has retaken a number of villages both in Volynia and Galicia.

It seems apparent from the inability of the Austro-Germans to hold their positions in the southern area that they have sent reinforcements from that front to Field Marshal Von Hindenburg's northern front, which, therefore, is expected to score the biggest success.

Both the Germans and French claim minor victories on the western front, but neither there nor in the Italian theatre nor in the Dardanelles have any events of any great moment been reported.

Bulgaria Still Puzzles. The political situation in the Balkans is still shrouded with considerable mystery. The Bulgarians having secured what they wanted from Turkey in the possession of a railway line, appear to be well satisfied with the present. But there is now talk in Berlin of the Bulgarians taking by force, if they cannot get it otherwise, the portions of Macedonia taken from them by the Serbians and Greeks in the present Balkan war. It is asserted that the Bulgarians have called to the colors all the Macedonian recruits now in Bulgaria and that generally there is a warlike feeling in existence among the Bulgars.

With Bulgaria surrounded by Serbia, Greece and Rumania and her coasts open to attack by Anglo-French, Italian and Russian fleets, however, it is believed here that Bulgaria will hesitate before throwing in her lot with the central powers and Turkey.

GARRANZA MAY BE GIVEN RECOGNITION

His Movement is the Most Favored at Present.

INVESTIGATE SITUATION

Representatives of Several Governments to Probe of Political Situation of Carranza

Washington, Sept. 19.—Prospects for the recognition of General Carranza, it was admitted in official quarters today, are much more favorable than they have been at any time since the United States began to exert its influence toward the establishment of a central government in Mexico.

The decision of the Pan-American conference of diplomats in New York to study within the next three weeks "the material and moral capacity" of the elements aspiring to recognition has led to the general belief by officials that unless the military situation in Mexico was much changed in that period, the recognition of the Carranza movement is practically certain.

The United States and the several governments which have taken the situation under advisement intend, however, to investigate carefully the physical state of affairs in Mexico to learn whether the faction in military supremacy gives promise as well as of creating a stable government. To demonstrate in the meantime that the Carranza movement does not control its claims in Mexico will be the object of a delegation of Villa-Zapata followers expected to arrive here this week. They will be heard by Secretary Lansing, as will separately the representatives of Carranza. To supplement their argument here that the Carranza movement should not be recognized because of an alleged lack of moral capacity, the Villa party is planning an extensive guerrilla warfare.

Enrique C. Lorente, Washington representative of General Villa, returned from New York tonight and expressed the confidence that within three weeks there would be ample proof of the inability of Carranza to control the territory he claims. He would not state what plans for the guerrilla campaign had been made but it is understood that General Villa, using Chihuahua as a base, will send flying columns into various parts of the republic and by a series of small dashes, endeavor to show the helplessness of Carranza. There also will be a renewal of activity by the Zapata forces in the south.

Mr. Lorente acted the idea that any foreigners would be endangered in Villa territory and was optimistic in his expressions that the military situation would soon show a decided change that would compel the Pan-American conference to withhold recognition from General Carranza.

WITHHOLDS COMMENT Carranza Awaits Official Information Regarding Intentions of Conference

Vera Cruz, Sept. 19.—Official information concerning the proposed intentions of the Pan-American diplomats with regard to the Mexican situation must be received by General Carranza, first chief of the constitutionalists before he will commit himself by comment.

While General Carranza and his official family today expressed pleasure (Continued On Page Eight.)

DANIELS ASKS IDEAS OF ADVISORY COUNCIL

On Naval Laboratory for Developing Inventions.

Members Requested to Present Their Ideas at Meeting of Board Next Month—For Perfecting New Naval Inventions.

Washington, September 19.—Secretary Daniels, it was announced today, has requested members of the new naval advisory council on inventions, headed by Thomas A. Edison, to formulate ideas as to an experimental and research laboratory to be maintained by the Navy Department for the development of inventions. The Secretary in a letter to the members of the advisory council, asks them to be ready with their ideas when the council holds their first meeting next month.

"In addition to securing the advice of the most famous inventors of the country and in organizing in a practical and efficient way to get such advice," said Mr. Daniels, in a statement tonight, "I intend greatly to develop the resources of the Navy Department itself and to increase largely its facilities for experimental work in the line of developing unperfected inventions.

DUMBA'S CRITICISM MERELY COVERED A PART OF THE CASE

Omitted Discussion in His Letter to Lansing of Real Cause for Recall.

OTHER STEPS UNLIKELY

If the Ambassador Quits the Country as Envoy His Case is Likely Closed.

Washington, Sept. 19.—High officials indicated tonight that no further steps were contemplated against Dr. Constantin Theodor Dumba, the Austro-Hungarian ambassador, on account of his letter to Secretary Lansing criticizing the treatment accorded him by the American government in connection with the request for his recall. It was stated that the possibility of hastening the diplomat's departure from the country by handing him his passports had not been considered.

Dr. Dumba's letter was received at the State Department yesterday and was the subject of a conference between President Wilson and Acting Secretary Polk. No announcement was made, and at that time officials had no idea the ambassador intended to make the communication public as he did last night in New York.

The officials' view as authoritatively expressed today, of that part of Dr. Dumba's letter in which he sought to show that he had not been guilty of improper conduct warranting a request for his recall is that the ambassador only partially stated the case and "set up a man of straw to knock it down." The letter defended at length the right of the ambassador to inform nationals of his country they were violating Austro-Hungarian laws by working in plants turning out munitions of war for the Allies. It was pointed out by officials that this point was not in issue, but that the reason for the Washington government's action was the following statement by the ambassador in the intercepted letter to his foreign minister:

"I am under the impression that we could, if not entirely, prevent the production of war materials in Bethlehem and the Middle West, at any rate by the exertion of our whole strength for months, which according to the statement of the German military attaché, is of great importance and which amply outweighs the relatively small sacrifice of money."

State Department officials have not been informed of Dr. Dumba's plan for leaving the United States, although it is known that he had asked his government to order him to make a strong personal report on his case. So long as he quits the country and does not appear again as an envoy in the United States government, it is disposed to question the manner of his going or the nature of his orders from Vienna.

Regarding the ambassador's charge in his letter to Mr. Lansing that he had not been allowed to communicate freely with his government and that a message giving his report on his activities had been held up by censors in this country, it was said at the State Department (Continued on Page Eight.)

SOUTHERN BANKERS TO BE HELD RESPONSIBLE

Wilson Looks Upon Them to Handle Cotton Situation.

Secretary Tumulty Writes Letter to Ex-Senator McLaurin, of South Carolina—Refers Him to President's Letter to Harding.

Columbia, S. C., September 19.—President Wilson "feels that the whole maintenance of the cotton situation depends directly and immediately upon Southern bankers and they have only themselves to blame if it does not come out satisfactorily, according to a statement in a letter from Secretary Tumulty to John L. McLaurin, State warehouse commissioner, which was made public here tonight.

Mr. McLaurin, a former United States Senator from South Carolina, made Secretary Tumulty's letter public, including one of his own, addressed to President Wilson in regard to the handling of this season's cotton crop. Secretary Tumulty's letter was in reply to the one to the President. In his letter, Mr. McLaurin charged that "certain Southern bankers, working through those of New York, were striving to force the sale of cotton at ten cents a pound. Secretary Tumulty's letter, which was very brief, also referred Mr. McLaurin to the letter regarding the cotton situation which President Wilson wrote W. P. G. Harding, a member of the Federal Reserve Bank board, and which Mr. Harding read at a recent address to Southern bankers in Birmingham. The President asks me "to suggest that you emphasize the letter that he wrote to (Continued on Page Eight.)"

Allies' Financiers Confer While German Sandwich Man Parades.



From left to right—Sir Henry B. Smith, English; Gustave Heimbach, French; Baron Reading, English.

MAKES APPEAL ON THE QUESTION OF CONSCRIPT

Fair Chance for Government Asked by Lloyd George.

Says Situation Is Serious and That Country Must Exert Its Whole Strength if Victory Is to Fall to the Allies

London, Sept. 19.—David Lloyd George minister of munitions, in a letter to one of his constituents, issued by the Official Press Bureau tonight, makes an appeal to the public to give the government a fair chance to decide the question of compulsory service and reiterates his view that the situation is a serious one, which demands that the country, if victory is to fall to the allies, must exert its whole strength.

"You say, and say rightly, that the government ought to give the nation a lead on the question whether the moral obligation of every able-bodied man to defend his country should be converted during this war into a legal obligation. The government, I can assure you, are fully alive to the necessity for giving a definite lead. They are engaged in examining the subject with a view to coming to the right decision. If the figures demonstrate that we can win through and with the voluntary system, it would be folly to provoke a controversy in the middle of a world war by attempts to substitute a totally different method. On the other hand, if these figures demonstrate that the voluntary system has exhausted its utility, and nothing but legal pressure can give us the armies necessary to defend the honor of Great Britain and save Europe from the triumph of military despotism, I have not yet heard of the man who would resist compulsion."

Considerable dissatisfaction was evinced last week when the Russian duma was prorogued by Imperial decree in the middle of November. The cabinet had objected to the programme of reforms proposed by the majority in the chamber comprising the liberal and progressive elements and has threatened to resign.

Premier Goremykin visited Emperor Nicholas at field headquarters and the emperor gave his sanction to the prorogation of the duma. When this decision was announced last Thursday after a few minutes session, the laborite and radical deputies left the chamber muttering: "It is a crime."

The opinions I have formed as to the essential action are prompted by the sincere persuasion that nothing but the exertion of our whole strength will enable us to obtain victory, upon which so much depends. "The issue is the gravest any country has ever been called upon to decide. Let it be settled in a spirit worthy of its gravity. I withdraw nothing I have said as to the seriousness of the position. I for months, have called attention to the dangers in the present war. Events alone will prove whether I have been unduly alarmed. So far, I regret they have justified my apprehensions. "I should indeed be a traitor if I did not hope fervently that the course of the war would prove that I have over-estimated the worst evils, but I have not written without warrant in facts known to the enemy as well as to the United States facts which I should have thought would have already sobered the most fabulous optimists."

GRAHAM COUNTY MURDERERS ARE SENTENCED TO DEATH Miller and Wiggins to Pay Penalty for Killing Farmer.

Asheville, N. C., Sept. 19.—Merritt Miller and Heday Wiggins, who have been on trial at Robbinsville, Graham county, since September 10, on the charge of murder in the first degree and sentenced to die in the electric chair November 5. Miller and Wiggins were arrested after a chase through the mountains with bloodhounds. Mr. Phillips, a prominent farmer of Graham county, was shot from ambush the morning of August 23. He declared before dying that that night he had seen Miller and Wiggins just before he was shot, and that one of them fired the shot. Some time previous, Phillips' wife, son and daughter were killed. Ed. Williams, Phillips' son in law, was charged with this crime.

Dreadnought North Dakota Will Have Engines in Bad Condition Philadelphia, Sept. 19.—The dreadnought North Dakota will have to be equipped with new turbine engines before she can take her place in the active fleet, according to a statement made today at the Philadelphia yard where the vessel has been in reserve since July. The authorities at the yard would not discuss the condition of the vessel which was constructed in the Fore River yards at a cost of \$5,951,000 and launched in 1910, but it was admitted that the engines are not in good condition. It was stated that during the man-overboard last spring the turbines were so erratic that one high naval official advocated taking the North Dakota entirely out of commission.

Another Panama Slide Delayed at Least a Week Panama, Sept. 19.—A serious slide in the canal occurred yesterday north of Gold Hill on the east bank. There had been a previous slide at this point but the new movement is much greater. The mass almost entirely fills the channel so that the earth shows above the water where ships ordinarily pass. The general opinion is that it will be a week at least before vessels even of light draught will be able to pass through.

Passage Through the Canal May Be Delayed at Least a Week. Philadelphia, Sept. 19.—The safety first Federation of America announced today that Saturday, October 9, the anniversary of the Chicago fire designation as the National Fire Prevention day with plans for a general observance in many cities throughout the country. The governor of each state has been requested to issue a proclamation asking the public to co-operate in the movement.

The need of this observance, according to the Federation's statement, is made necessary by the fact that the fire loss in the United States and Canada in 1914 was estimated at \$25,591,350.

BIG SYNDICATE TO UNDERWRITE LOAN TO ENTENTE ALLIES

Reported it Will be Largest of Kind Ever Established in the United States.

ALL BANKS ARE ELIGIBLE

Apparently American Bankers Have Won Victory Over Foreign Financiers.

New York, Sept. 19.—The proposed mammoth credit loan to Great Britain and France, it was reported tonight, is to be underwritten by a large syndicate of American financiers and bankers who are to receive a commission for their services. The securities offered, it was said, will be British and French 5 per cent. government bonds, and the price to the investor is to be paid.

The amount of the loan, it was reported, is as yet undetermined but will be between \$800,000,000 and \$900,000,000. Whether munitions of war will be included within the scope of the proposed credit, and how far it could be learned tonight, has not been decided. The underwriting syndicate, it was reported, will be the largest of its kind ever established in the United States and probably will be open to nearly all national banks, trust companies and state banks that may care to participate.

Elimination of the syndicate difference in opinion between American financiers and members of the Anglo-French commission over the manner of placing the loan, previously have resulted in a victory for the American financiers. Previous reports were to the effect that the commission's views were that the loan should be placed by subscription and there should be no underwriting syndicate.

The American conferees were reported to favor adoption of a plan whereby a syndicate would underwrite the loan, and which would cost at least one-half of one per cent. for its services. This, it is reported, has been the plan tentatively agreed to. Efforts to elicit an expression of the commission's views on this tonight were futile.

So far as the plan has now developed it is the intention of the conferees, it is reported, to open the market to virtually all banks, if not all, who wish to participate and to place the bonds with any and all of them, pro-German and otherwise, at a figure only a shade better than what Great Britain and France will have to pay, which, it was said tonight, will be par. The interest, it was understood, has been agreed upon at 5 per cent.

One vital issue remains for decision—whether the big sum realized by the sale of the bonds shall be available for the payment of munitions of war as well as for other war commodities. Chief among other minor details yet to be worked out is the matter of Russia's participation. Indications were tonight that munitions would be excluded from the scope of the loan and that another method would be adopted to pay for them.

Two obvious ways of doing this are open—payment in gold to be shipped to the United States, from abroad, or payment by the sale in the American market of American securities owned in Great Britain and France. The former method is regarded as undesirable by both parties to the negotiations. The latter is said to be regarded as undesirable by members of the commission, inasmuch as it would entail the necessity of their respective governments' obtaining possession of the American securities. Whether Russia will participate in the loan depends, it is said, wholly upon the conference at London among the Russian and French finance ministers and the British chancellor of the exchequer.

Separate Loan Possible. It was said to be within the range of possibilities that a separate credit loan would be established to provide funds for payment of war munitions, but this was regarded as unlikely. Whether Russia will participate in the loan depends, it is said, wholly upon the conference at London among the Russian and French finance ministers and the British chancellor of the exchequer.

CRUISER BROOKLYN SAILS Will Go to Orient to Replace Cruiser Saratoga as Flagship.

Philadelphia, Sept. 19.—The cruiser Brooklyn, N. C., Sept. 19.—The Philadelphia navy yard for several years, passed out to sea today bound for the Orient, via the Panama canal, to replace the cruiser Saratoga as flagship of Rear Admiral Winterhalter of the Asiatic fleet. Before starting the trip, however, the Brooklyn will go to Newport News and probably will act as umpire ship during the approaching war game of the Atlantic fleet.

VETERAN EDITOR DIES W. A. Varty Formerly Resided at Hendersonville, N. C.

Raleigh, N. C., Sept. 19.—William A. Varty, veteran North Carolina editor, is dead at Neva, Georgia, of pneumonia, according to a message received at Hendersonville, N. C., his former home. Mr. Varty was the first American correspondent with the American fleet to set foot on Cuba in the Spanish-American war. On one occasion he ran the blockade of Havana harbor.