BOUT the only things which shouldn't be advertised are the things that shouldn't have been done at all.

VOL. XCIX--NO. 310.

WILMINGTON, N. C., SATURDAY MORNING, AUGUST 4, 1917

WHOLE NUMBER 39,130

POLITICAL TROUBLES BREAK OUT ANEW IN PETROGRAD, WHILE THE RUSSIAN ARMIES STILL RETREAT

Foreign Minister Terestchenko and Minister of Agriculture Tchernoff Quit

DEMOCRATS WON'T COME IN

Entire Cabinet, With One Exception, Resigned But Later Withdrew Resignations

ANOTHER GAIN BY BRITISH

Haig's Men Re-Establish Themselves in Town of St. Julien

(Associated Press War Summary.) Political troubles in Petrograd treat and a further advance by the British in Flanders stand out from the general war news.

Northeast of Ypres on Friday the troops of Field Marshal Haig hem on Tuesday, but from which on Wednesday.

Other Gains Recorded.

Additional ground was gained south plan a separate report advocating f Hollebeke, near the center of the aring to attack near Ypres and foreoner by the Anglo-French forces. arts, the Germans on Thursday night Total, \$327,000,000.

most of the elements. Except for the repulse of a German Mack on a 1,500 yard front near Cerny. If the Aisne front, there has been only

Breach in Cabinet. With apparently no let-up in the Rusfrograd. Premier and War Minister; \$500,000. hers except one, resigned, but later, ith the exception of M. Terestchenko, foreign minister, withdrew their

meral staff, M. Tchernoff, the socialist y the inclusion of constitutional socialists. General Erdelli, recently wines. Pointed military governor of Petro-

ten the Denter and the Pruth the ssians have not halted in the retreat

akowina is almost entirely in the sermans, and K'mpolung, an impormed at Kamenetzpodolsky, a fortified north of the Dueister and in the

ction of Odessa, Russia's great port ALL EXCEPT ONE MINISTER HANDED IN RESIGNATIONS

enko the exception of British steamship Belgian Prince were Premier Kerensky and submarine which sank her, according accusations against complete breakdown of chief engineer, who many times after

hs to bring the consti- the steamer was torpeded was near democrats into the cabinet. lenoff was accused of having been drowning, gave the following narrated with the German general tive of his experiences:

the ministry under Premier miles off land I saw the wake of an stensky with the chief new members approaching torpedo. The vessel gave approaching exclusively and I was thrown

CHERNOFF QUITS IN ORDER

TO DEFEND HIS CHARACTER Petrograd, August 3.—M. Tchernoff, shelled the vessel and then ordered shelled the vessel and then ordered griculture in the Russian letter to Premier Keren-

rnoff said he was resignfreedom of action in orhis character against the Germany general staff. the same time expressing in rehabilitating himself. ce-premier Nebraskoff informed merged. cluted Press that some of the (Continued on Page Eight).

WAR REVENUE BILL

Will be Presented to the Senate as Most All the Vessels Under Cona Bi-Partisan Measure on Next Tuesday

TOTALS AROUND 2 BILLION THEY NUMBER ABOUT 700

LaFollette Plan to Submit Separate Report Advocating Higher Levies -No Additional Bond Issues Provided For.

Washington, August 3.-The war tax bill, under revision since May 24, was the continuance of the Russian re- put into final form for report to the Senate today by the finance committee. It provides for approximately \$2,000,-000,000 in taxes to meet war expenses, but makes no provision for further bond authorizations.

The bill was increased \$133,000,000 re-established themselves in the About \$327,000,000 was added during has let contracts. town of St. Julien, captured by the last week because of the latest sent to the printer tonight and will be they were driven by the Germans presented to the Senate as a bi-partisan measure Monday and probably called up for debate Wednesday. Senators LaFollette, Gore and Thomas

> higher tax levies. the committee's original draft is distributed approximately among the following additional levies:

On corporate incomes, \$162,000,000; additional surtaxes on individual inharge against the British lines. On 000; distilled spirits, \$95,000,000; beer, hesday the first day of the allied ad- \$12,500,000. wines, \$17,000,000; war excess profits, \$5,000,000; bank checks, \$2,000,000; foor, or stock, taxes on Near Monchy le Preux, southeast of sugar, coffee, tea and cocoa, \$6,000,000.

stared British front line trenches at | The additional levy on incomes of we points. Desperate fighting ensued corporations applies also to partnerand the British during Friday re-took ships, joint stock companies and associations, including life insurance companies. The normal income tax is increased to 6 per cent, 4 per cent more than the present law, and 2 per cent alds and artillery duels on the rest of above the original House and committee program.

The increased surtaxes fall entirely on individuals having incomes of \$15,an retreat along the line from Tarno- 000 or above. They range from 1 per pol to the Rumanian border, there came cent on \$15,000 incomes to a maximum divices of a new political process in Pe- of 33 per cent on incomes in excess of

An additional \$1 per gallon tax is imposed on distified spirits withdrawn from bond except those used for industrial purposes, increasing the tax on distilled beverages to \$3.20 per gallon To defend himself along charges that as compared with the present rate of had been connected with the German \$1.10. The committee's prohibitory tax on grain, molasses and other ingredients of whiskey to stop further manu-

facture also is retained. grats seemingly have failed, and double the present rate. Wines would fitt, the undertaking establishment of emier Kerensky will attempt to rule bear virtually treble their present taxes. ountry with aides from the radicals The House levy was only \$6,000,000 on

profits was added by minor changes in the hard work of the firemen, spread the schedule of such taxes providing The line of the river Xbroz, at its for a total revenue of \$528,009,000. The \$2,000,000 additional from bank

who, however, fought stubbornly from that source. The committee origihold back the Austro-Germans. Be- nally planned to tax only checks of \$5 to be between \$25,000 and \$30,000, but (Continued on Page Eight).

eight members of the crew of the

drowned deliberately by the German

to the deck among the debris. The

vessel listed heavily and all of us

the small boats alongside the subma-

taken inside. The others were mus-

rine. The skipper was summoned and

SUBMARINE DELIBERATELY

tered on Deck of U-Boat Which Later Submerged, Leaving

the Men to the Mercy of the Seas.

struction to be Taken Over by the Shipping Board

This Step is Taken Preliminary to Commandeering All of the American Tonnage Already on the Seas. To Speed Construction.

Washington, Aug. 3 .- Immediate commandeering of most of the vessels under construction in American shipbuilding plants was decided on today by the Shipping Board. The step is preliminary to the requisitioning of American tonnage already on the seas and will be taken to speed construction so that the yards may be cleared for over the total as it passed the House. building ships of which the government

war estimates. The final redraft was country about 700 ships totalling more table excess section which is imposforeign account. Hulls and contracts both will be taken over, the final disposition of the foreign craft to be left that should the finance committee retained by the board for operation.

> Commandeering the tonnage building for shipbuilding announced by Major passed the House by virtually an General Goethals just before his res- unanimous vote. ignation as manager of the fleet corporation was accepted by President Wilson. Chairman Denman's blocking of that the finance committee struck out this program was one of the things that the Lenroot amendment increasing

General Goethals' plan for constructposed to the form of contracts proposed by the general for this work and that the whole scheme may be abandoned. be built in private yards for govern

The board probably will make no move toward requisitioning American tonnage already on the seas for several days. Several legal hitches are to be taken over.

FIRE AT HIGH POINT.

and Millinery Store Ruined.

large dry goods store of H. A. Mofstore were ruined by fire this afternoon. The fire started in the dry goods to the adjoining building which housed the two other establishments. What the fire failed to do to ven up at several places by the Rus- checks would make \$10,000,000 in all stock of the dry goods store, the water accomplished. The loss is estimated

Declares It Contains "Intolerable Inequalities" in Favor of the Wealthy

Stubborn Fight Indicated if the Bill Reaches the House in Its Present Form

Washinngton, August 3 .- Chairman Kitchin, of the House Ways and Means committee, declared in a statement tonight that "intolerable inequalities" in favor of the more prosperous have been written into the war tax bill by the Senate finance committee.

committee's measure," said Mr. Kitchbusiness concerns and placed it upon the shoulders of the farmer, the small est incomes; have stricken out by wholesale the House proposals for taxes on luxuries, substituting levies of necessities; have eliminated income tax schedules from the incomes of the needed millions from the incomes of the There are building in the yards of the rich; and have added a grossly inequisible of administration.

The statement of the House leader amendments prevail in the Senate they will encounter a stubborn resist-The completed American ships will be ence. The House bill championed by Mr. Kitchin was drawn at bi-partisan ocratic and Republican leaders, and

> Main Points of Criticism. Among Mr. Kitchin's criticisms are 000,000, thus relieving large incomes of taxation totalling \$66,000,000 an-

ing two great government ship yards nually; repealed the munition manufacturers' tax, relieving munition mabe taken up by the board later. It is kers of more than \$25,000,000 a year understood Read Admiral Capps, now exempted all corporations from taxacorporations, relieving the big corporatons of more than \$50,000,000 taxes a year, and eliminating the additional In that event the fabricated ships would House tax on the transfer of estates relieving big estates and inheritances of \$6,000,000 the first year and \$38,-000 or more yearly thereafter.

Taxes Taken From Luxuries. The finance committee struck out entirely, said Mr. Kitchin, many milstraightened out before any ships are lions of dollars of taxes which the House had imposed on the manufacture and sale of automobiles .tires, cious other luxuries, and shifted over \$100,000,000 to the owners of automo-

The finance committee reduced taxes on cigarettes, chewing and smoking tobacco and snuff about \$15,000,000, he pointed out, and put that amount on

coffee, tea and cocoa.

and 1913-is declared by Mr. Kitchin to be manifestly unjust, making an fortunate persons or corporations who were highly prosperous during the pre-war period. On that basis, he said, a corporation of \$10,000,000 capwar years and the same now would be no excess profits tax, while a farmer DROWNS MEMBERS OF CREW worth \$20,000 making \$1,200 during pre-war years and now making \$6,000 will pay over \$1,800 taxes.

The Farmer Would Suffer. "There are hundreds of corporations Thirty-Eight Sailors From the British Steamer Belgian Prince Muswhose annual profits each reach into lions," said Mr. Kitchin, "that will pay not a cent of excess profits under the finance committee's amendments bethe pre-war years, they are making the same profits now and therefore profits and incomes, the United States half capital, making \$270,000,000 annual profits, while the little farmer worth less than \$20,000 making a profit of \$6,000 will pay \$2,071."

Even Hit Blacksmiths. Mr. Kitchin cited Senate committee others, including employes and agents, too ill in a hospital to tell his story. receiving fixed amounts for their services. The classification "employes and agents," he said, would include "officers of corporations like Gary, of the United States Steel Corporation; Schwab of the Rethlehem Steel Corporation. Morgan

Germany has maintained consistent.

In Rhowledge of and stood unreservedly behind her. Germany, however, has denied the ultimatum which practically denied Serbia's independence and that not even have knowledge of CHALLENGES GOVERNMENT

Newport News, Va., August 3.—Edition of consulted by Austria as 10 the ultimatum which practically denied Serbia's independence and that not even have knowledge of CHALLENGES GOVERNMENT Washington, Aug. 3.—Capt. Arthur of J. P. Morgan & Company, and Duthe step.

Conference Reports On the Two Food Bills Adopted By House Almost Unanimously

CHANGES Groups of Men Numbering Proba-Republican and Native of Germany bly Four Hundred Gather in South Central Oklahoma

RIOTS ALREADY REPORTED

Citizen-Deputies on Guard in Five Counties-Resisters Principally Negroes, Indians and Government Land Farmers.

Oklahoma City, Okla., August 3 .-Groups of men numbering probably four hundred in the aggregate, have armed themselves and were gathering in several places in south-central Oklahoma tonight, prepared to resist forcibly their selection as soldiers under the draft law. Discovery by officials late tonight of the existence of a new band of resisters who are thought to have established a base near Shawnee, a few miles southeast of this city, has increased the anxiety of state officials as to the probability of confining the agitation within the five countes al-

At the direction of Governor Williams, in Seminole, Hughes, Pontotoc, Okmulgee, Pottawatomie counties and will arrest the resisters.

According to late reports to Governor Williams, one of the bands has located near Sasakwa, another is at and the last heard from had gathered at Rock Crossing on the South Cana-

Several arrests have been made of men charged with resisting the draft, the situation is out of their control the outcome of the attempt being made by civilian posses- to arrest the men and farmers, who are tenants on the lands held by the government in trust for Indians. It has not been determined what influence was behind the

BIG CROWD GATHERS FOR PURPOSE OF RESISTING DRAFT

ered with the intention of resisting tonight to have gathered at Rock Crossing on the South Canadian river, the boundary between Seminole and Hughes counties. This point was expected to be the resisters' base of op-

arrested today at Holdenville. carried a grip filled with ammunition and was heavily armed.

Not a Vote Recorded Against Control Bill-Scattering "Noes" on Survey Measure

PATRIOTIC APPEAL BY KAHN

Urges Representatives to Stand by President

BOTH SIDES APPLAUD HIM

Predicts Great Success for the Food Administration

orts on both the administration food control and food survey bills were adopted virtually without opposition today by the House. They will be taken up in the Senate tomorrow, but probably not adopted before Tuesday. Opposition by Senator Gore, Democrat chairman of the agriculture committee, who may file a minority report, now appears to be the only dangerous stumbling block.

Not a vote was recorded in the House against the report on the control bill. the postal ruling shows the purpose it, voted in the negative and then A hundred armed men are patrolling | changed his vote. The only other show of opposition came from Representative was viva voce, with only a few scatter-

A patriotic appeal by Representative bate. Amid applause from both sides, riers are included. he urged united support of President Wilson. He emphatically endorsed the amendment, opposed by the President and favored by some Republican House

"I want to congratulate the House "The duty of Congress at present is to present a solid front in standing behind the President. He is the commander-in-chief of the army and navy. He will have to give an account of his stewardship later. Let us not hamper

Mr. Kahn predicted great success for

and give the President power to com- dier six month's pay. mandeer liquor and to prohibit the making of beer and wines.

SHERIFFS MAKE AN APPEAL

Oklahoma City, August 3 .- Early totols and ammunition also were sent to local boards is invoked by this pro-General Earp, following appeals from Roy Crane, a socialist agitator, was the sheriffs in these places who fear trouble from draft registers. Guards- due to dependency with a view to men would be used only as a last resort, the adjutant general said.

GERMANY KNEW OF AUSTRIA'S INTENTION TO FIGHT SERBIA

Received the Austrian Ultimatum Fourteen Hours Before It Was Delivered to Belgrade-Z immermann's Admission Sets at Naught the German Government's Repeated Denials.

possession of Austria's ultimatum to admitted Germany had had the text indicated, even if some temporary de-Serbia fourteen hours before it was he seemed to think, was a purely negdelivered to Belgrade, according to ligible time, which did not allow the the governors that each assemble the positive information which has reach- possibility of action. ed officials here and which was made public today for the first time.

amendments which he said would im- Secretary Zimmermann admitted this ments, that German and Austrian leadpose excess profits taxes on farmers, himself, when pressed very closely as July 5 in which it was practically debut would exempt lawyers, doctors and to Germany's foreknowledge of the cided to plunge Europe into conflict. action of her ally which precipitated The interpretation placed on this LOOPS-THE-LOOP IN A the European war.

Foreign Secretary Zimmermann's ad-

men drafted or anticipating draft will unworkable, Mr. Kitchin charges, be- to show that Germany had full know- government to prosecute Dr. Cohn, so- sions was impossible. Stinson made cause it requires "in 99 cases out of a ledge of the note in time to stop accialist member of the reichstag, for the record carrying a passenger with have the chance throughout the coun- hundred, physical valuation of all the tion on it if she felt it essential. Her his alleged revelations regarding the him. Edward Stinson is regarded as try for special drill so that they may become officers if they prove their fitnership or corporation," not only in the plan, he said, has the in
tion on it is she let to have prove the she had already told she would supthe revelations published in the Longitude of Austria, whom is fit to have prove their fityear when the tax is collected, but for she had already told she would supthe revelations published in the Longitude of Austria, whom is fit to have prove their fityear when the tax is collected, but for she had already told she would supthe revelations published in the Longitude of Austria, whom is fit to have proventiately asserts of each taxable individual, partinaction, however, is felt to have proventiately asserts of each taxable individual, partinaction, however, is felt to have proventiately asserts of each taxable individual, partinaction, however, is felt to have proventiately asserts of each taxable individual, partinaction, however, is felt to have proventiately asserts of each taxable individual, partinaction, however, is felt to have proventiately asserts of each taxable individual, partinaction, however, is felt to have provthe reverse of the proventiate in the United at Potsdam July 5, the foremost fancy filer in the United
the reverse of the proventiate in the United at Potsdam July 5, the foremost fancy filer in the United
the reverse of the proventiate in the United at Potsdam July 5, the foremost fancy filer in the United August 1914. The reverse of the proventiate in the proventiate in the proventiate in the proventiate in the United August 1914. The reverse of the proventiate in the United August 1914. The reverse of the proventiate in the United August 1914. The reverse of the proventiate in the United August 1914. The reverse of the proventiate in the United August 1914. The reverse of the proventiate in the United August 1914. The proventiate is the proventiate in the United August 1914. The proventiate is the proventiate in the United August 1914. The pro "The Germans removed the life beats and the outer clothing of all except doss. The plan, he said, has the ineach of the three years of pre-war per- port in any decision she might make. don Times came from Stockholm discontinuous task, it is de- the admission was stated here to rect and from the German independent GENERAL ERDELLI REPORTED the same accepted the resign with axes, and then re-entered the ties and of Major General Bell and was clared, would take months to perform have been made when Zimmermann socialists and it offers to give the fulther same been made when Zimmermann socialists and it offers to give the fulther same been made when Zimmermann socialists and it offers to give the fulther same been made when Zimmermann socialists and it offers to give the fulther same been made when Zimmermann socialists and it offers to give the fulther same been made when Zimmermann socialists and it offers to give the fulther same been made when Zimmermann socialists and it offers to give the fulther same been made when Zimmermann socialists and it offers to give the fullsubmarine and closed the hatches, in line with the announcement from and as mapped out by the Senate was pressed very closely as to Ger- lest evidence in case the government din repetition that M. Tchernoff will leaving us on deck. The submarine Washington that in the future, second amendments would lead to endless conmany's knowledge of the Austrian desires to court martial Deputy Cohn. ultimatum. For a considerable time, Many big business concerns which it was stated, he maintained Germany

for 14 hours before its delivery. This, rangement of the clerical force results.

It was stated that former Foreign since adopted by the Allied governers held a war council at Potsdam on attorneys were suggested. Germany has maintained consistent- full knowledge of all Austria's plans

Exemptions Will be Asked Only for Qualified Distributors of the Mails

Steps Are Taken to Reduce Number of Exemptions Because of Dependent Families

Washington, August 3 .- A ruling today by the Postoffice Department shows that department officials will make few requests for the exemption of postal employes from military service. Postmasters are instructed not to ask for exemption for carriers or laborers or for clerks in second-class offices below the \$1,000 grade, clerks in first-class offices below the \$1,100 grade, or any above these grades unless they are qualified distributors of

The ruling is the first formal action by an executive department in compliance with President Wilson's order directing that department officials indicate exemptions and that the requirement of indispensibility be rigidly enforced. As generally constructed of the administration to make the government departments leaders in freeing valuable employes for

Carriers Excluded From Exemption The entire mail carriers force, numbering thousands of men of whom a ent." On the survey measure the vote considerable percentage are within the draft age limits, is excluded from exemption unless for physical reasons or

because they have dependent families. Kahn, of California, a Republican born Every portion of the country is reachin Germany, was the feature of the de- ed by the ruling as even the rural car-The department's ruling in regard to clerks leaves railway mail clerks conferees' decision in eliminating the within the exemption class, as they

Senate war expenditures committee are highly specialized distributors. took steps today to reduce the number of exemptions because of dependent families. conferees, particularly for knocking to the governors of all states pointfrom this bill the provision for a ing out that the minimum pay of sol-'snooping' committee", said Mr. Kahn. diers is now \$30 a month and that local boards must consider whether a man's dependents could be supported on that amount. The telegram follows:

General Crowder's Telegram. "Please call attention of local boards to the fact that a soldier's pay is not less than thirty dollars a month and that all clothing, subsistence, medical him. Under the law he may allot any the elimination of the war expenditures portion of his pay to a dependent. committee provision, caused much dis- Many soldiers receiving thirty dollars cussion. Representative Barkley, of a month are easily able to allot twentyclared his satisfaction with the revised dependents. In case of death in line prohibition sections, which would pro- of duty, the government will pay to hibit manufacture of distilled liquors the beneficiary designated by the sol-

"Section four of the selective service act provides that those in a status with respect to persons dependent upon them for support which renders TO THE ADJUTANT GENERAL their exclusion or discharge advisable may be discharged, but it does not rejuire that they shall be discharged night, twenty civilians with rifles, pis- in all such cases. The discretion of the facts recited above into consideracharge will not be in as good or better position to support his dependents after selection for military service than he was before. If such is the case, of course, the discharge should not be granted."

Knotty Problems Arising. Government officials generally are employes are called for service. Secretary Daniels said today that knotty problems were arising in the Navy Department as to what individuals in the clerical force, navy draughtsmen, or skilled workers at the navy yards are absolutely indispensible.

Washington, Aug. 3 .- Germany had and facts were presented, Zimmermann duced to the absolute minimum, it is Gneral Crowder has suggested to secondary, arst advanced to insure uniform proceedings regardby Deputy Cohn in the reichstag and ing appeals. The governors were asked also to appoint an official in each local district to file appeals. County

TO PROSECUTE DR. COHN water machine. Aviators and manu-Amsterdam, Aug. 13 .- The Deutsche fcturers have always contended the

TO HAVE BEEN ASSASSINATED

Petrograd, August 2.-General Erdelli, military governor of Petrograd. The London Times asserted that a says the Bourse Gazette, has been

last attempt will be made to re- evening when we were two hundred evening when we were two hundred

exclusively from the socialist a lurch as she hit and I was thrown dical parties. The

tered on the deck of the submarine. "The Germans removed the life belts that he had been connected and the outer clothing of all except went about two miles and then sub-

ton to the boats.

water by a patrol boat."

kept affoat on the wreckage. The only other known survivor

DRAFTED MEN WILL HAVE

Cosby, of the military training camp pont of the powder company. association, announced today that all The excess profits taxes is entirely mission, however, is interpreted here Tages Zeitung challenges the German feat with a machine of such dimenlieutenants in the national army are to fusion. come from the ranks of the drafted

A British Port, August 3 .- Thirty- | help. I went to him and held him up until midnight, but he became unconscious and died of exposure. At day light I saw the Belgian Prince afloat. I was picked up after 11 hours in the

vivor, and succeeded in reaching the Belgian Prince before she blew up. The Germans came on board and looted her, he reported. He was in hiding, but finally jumped into the sea and

CHANCE TO BECOME OFFICERS.

"I had a life belt. Near me was an men, the regular army and the Na- for years have been at the feet of Con- had known nothing at all about it, conference was held in the presence killed. He was treacherously shot in but, finally, when certain information (Continued on page two.) the back. apprentice boy of 16, shouting for tional Guard.