

VATICAN SUBMITS PLAN FOR PEACE TO THE BELLIGERENTS

Suggests Return By Both Warring Groups Of All Occupied Territory

CHINA DECLARES WAR UPON GERMANY AND AUSTRIA

PEACE PLAN SUBMITTED BY THE POPE CALLS FOR REDUCTION OF ARMAMENT AND FREEDOM OF SEAS

FLAGLER WILL GIVES CHAPEL HILL \$75,000 EVERY YEAR FOREVER

Pontiff Urges the Peaceable Settlement of Boundary Lines Now in Dispute

Pope's Move Not Surprising To America and the Allies

SUGGESTS NO ANNEXATIONS Belgium, Serbia and Rumania and Germany's Lost Colonies Would be Restored

NINE BILLION MORE NEEDED FOR WAR

McAdoo Informs Congress This Amount Must be Provided by June 30, 1918

ASKS ANOTHER BOND ISSUE

Loans to Allies to be Made From the Additional Appropriation—Kitchen Gets Plans for Raising It Under Way.

Washington, Aug. 14.—Congressional leaders were informed by Secretary McAdoo today that it would be necessary for them to authorize at this and the winter session of Congress an additional \$9,000,000,000 for war expenditures to June 30, 1918, including further loans to the allies. Five billions in bonds already have been authorized, and a \$2,000,000,000 war tax bill is pending now in the Senate.

His Second Appeal. In July, 1915, Pope Benedict made his first appeal for peace. At that time the pontiff invited all friends of peace to join with him in his desire to bring hostilities to an end.

China Enters the War On The Side of the Entente

Official Notification of Declaration of Hostilities Against Germany and Austria-Hungary is Received—Yesterday Saw Little Change on the Battlefield of Europe.

London, Aug. 14.—Reuters limited has been officially informed that China has declared war upon Germany and Austria-Hungary, the declaration dating from 10 o'clock this morning.

China is the 17th nation to array itself with the Entente countries against the Central Powers. The decision of the Chinese cabinet to declare war on Germany and Austria-Hungary was reached August 2 and the action of the ministry was approved by Peking Kwang, the acting President of the republic.

The 17 countries now in the war on the side of the Entente follow: Great Britain, France, Russia, United States, Belgium, Italy, Japan, Rumania, Serbia, Montenegro, Greece, Cuba, Portugal, San Marino, Siam, Liberia and China.

Official Notice Received AT LEGATION AT WASHINGTON Washington, Aug. 14.—Official notice of China's declaration of war on Germany and Austria-Hungary was received today at the Chinese legation in capital of Peking.

NO DISPATCHES OF GREAT IMPORTANCE IS REPORTED Little change has taken place on the battlefield of Europe. Northeast of

Possibility of Such a Step Discussed With the British and French Missions

MAKES SITUATION DELICATE

Proposals Will Not Be Accepted As They Stand and Probably Not Be At All

MR. WILSON IS RETICENT

Framing of Reply Is Admittedly a Delicate Undertaking

Washington, August 14.—Pope Benedict's peace proposals were not unexpected to the United States nor to any of the Entente allies.

The possibility of a peace move was discussed with British Foreign Minister Balfour and Vice-Premier Vivian when the British and French official missions were in Washington, and it was agreed that all the allies, including the United States, should refuse to discuss peace terms while Germany occupied the territory she had taken by force, and thereby avoid what the allied statesmen considered a German trap.

Now, the pontiff's proposal presents the question in a somewhat different light, difficult perhaps to meet, because it offers to a war weary world a hope for peace.

Germany and her allies are expected promptly to accept the Pope's proposals.

Proposals Not Acceptable. American officials acknowledge that the Vatican's proffer is of a nature calling for a reply. Diplomats of the Entente circle voice nothing but an unanimous opinion that it will be rejected.

An unofficial outline of the Pope's communication was received here this morning. Members of the President's cabinet said it had not been discussed at this afternoon's meeting, but some of the President's official family signs of the difficulty which it has presented.

Official Text Not Received. Tonight the official text had not been received and it had not been established whether it would come through the Spanish ambassador or the Swiss minister. Spain and Switzerland are the only two European neutrals having relations with the Vatican.

The appraisal of the proposals by officials and diplomats was that it was another attempt, by Germany, this time working through Austria, because of the latter's close relation to the Vatican, to accomplish what she failed in her first offer of peace—the assembling of peace delegates at a round table conference where the interests of one ally could be played off against the other with the disruption of the Grand Alliance as the stake. In no quarter is there any disposition to question in any way the good faith of the Vatican, although the peace activities of the Roman Catholic elements in Germany and Austria have been prominent for several months.

Wilson's Ideas In Part. But, as the unofficial outline disclosed the terms of Pope Benedict's proposal, officials were astonished to realize its similarity with some of President Wilson's declarations on the subject. International agreements to enforce peace, a reduction of armament and recognition of the national aspirations of the small peoples, all were brought forward by the President in his epochal addresses before Congress.

Although the proposal to leave for diplomatic discussion such great questions as Italia Irredenta, a free Poland and Alsace-Lorraine might be rejected on many grounds, close observers foresee the possibility of embarrassments in declining to discuss proposals which the President himself brought before the world. The allied statesmen realize that once consideration of any part of the Pope's proposals begins, pacifists and Socialist elements are at once enabled to take up discussions which will embarrass their governments.

President's Ideas Interesting. President Wilson's own view of what reply shall be made obviously can not be made obviously can not

Washington, August 14.—General debate in the Senate on the \$2,006,000,000 war tax bill virtually ended today and such rapid progress was made on the finance committee amendments to the House bill that leaders tonight predicted the measure's passage late next week. Senator Simmons announced that he expected to ask soon for a time limit on debate and also to set a date for a final vote.

In rapid succession the Senate, sitting as committee of the whole, approved the finance committee's revision of the soft drink, tobacco and most of the public utilities schedules. The liquor and income tax sections will be considered tomorrow.

Today's debate made it evident that the principal disputes are over the income, war profits and publishers' tax sections. Adoption of most of the finance committee's other revisions with little change was forecast.



POPE BENEDICT

GOOD HEADWAY ON WAR TAX DEBATE

Senate Leaders Predict Passage of the Measure by the Latter Part of Next Week

SIMMONS WILL SEEK LIMIT

Many Provisions Already Approved in Entirety—Principal Disputes Over Income, War Profits and Publishers' Tax.

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Senator LaFollette made public a minority report, concurred in by Senators Gore and Thomas urging that the bulk of all war taxes be laid upon incomes and war profits.

Extension of the 3 per cent tax on freight transportation to motor vehicle lines competing with railroads was approved in the acceptance of the new freight transportation section, designed to raise \$77,500,000. The Senate also accepted the committee's reduction from 10 to 5 per cent in the taxes on passenger transportation and Pullman accommodations.

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200 NEW GENERAL OFFICERS NAMED

Nominations of Men Who Will Command American Armies Sent to the Senate

SOME PICKED FROM GUARD

War Department Announces That a Composite National Guard Division is Being Organized Under General Mann.

Washington, Aug. 14.—Nominations of nearly 200 general officers in the National Army, including officers of the regular army and the National Guard, were sent to the Senate today by President Wilson.

From the 37 new major generals to be created for the duration of the war and from the existing major generals of the regular army, will come the army, corps and division commanders of all the forces now being raised—regulars, National Guard or National Army. Similarly the brigade commanders will be selected from the list of more than 100 new brigadiers.

Coinciding with this announcement of high command, came the statement from the War Department that a composite National Guard division, composed of troops from 26 states and the District of Columbia, was in process of organization under command of Brigadier General Mann, now chief of the militia bureau of the department, but who heads the list of National Army major generals.

These will be the first National Guard troops to be sent to France. No discussion is permitted by the censorship regulations, however, of the time of their mobilization or departure for the front.

The list of general officers shows that the seniority rule has been followed closely except where men in line for promotion were found wanting by the board of officers who made the recommendations to the President. The rule laid down by Secretary Baker for the selection of general officers directed that two major qualifications govern the board—evidence during their army

(Continued on page two.)

NAVAL PROBE NOT BEING HAMPERED

Daniels Denounces Statement Concerning Inquiry Into Mare Island Explosion

ASSAILS THE NAVY LEAGUE

Writes President Thompson That the Best Thing He and His Fellow Officials Can Do is to Resign Immediately.

Washington, Aug. 14.—A statement issued today from the headquarters of the Navy League charging that influence of labor interests was hampering investigation of the fatal black powder magazine explosion at the Mare Island Navy Yard July 9, was followed tonight by a letter from Secretary Daniels to Robert M. Thompson, president of the league, denouncing the statement as false and slanderous and declaring the best service Mr. Thompson and other active officials of his organization can render the navy is to resign at once.

In its statement, the league said it had reliable information that the explosion which killed five men and injured 31 was set off by a time fuse, giving evidence of a criminal conspiracy. The information was made public, it said, because it had been urged that publicity was the only measure that could force action.

Secretary Daniels, in a statement made public with the letter to Colonel Thompson, said a board appointed by the commandant of the navy yard was actively pursuing a full investigation of the explosion; that it had been afforded ample funds and the full resources of the government, and had not been hampered in any way by supplemental instructions from the Navy Department. It had been current rumor, he added, that the magazine was exploded by a maliciously placed time fuse, but the department had refrained from making any statement concerning it until it was in possession of the full facts.

The Navy League is a brilliant organization formed some 12 years ago to work for a bigger and better navy. Among its members are many retired naval officers, but no one on the active list is connected with it. Mr. Thompson, president for a number of years, is a financier of prominence who graduated at Annapolis and attained the rank of master in the navy before resigning in 1871.

Instead of the University of North Carolina receiving \$75,000 under the terms of the will of Mrs. Robert Worth Bingham, who was Mrs. Henry M. Flagler, that institution will get \$75,000 annually for 21 years, and at the end of that time will receive a sum sufficiently large to yield \$75,000 a year at the prevailing legal rate of interest, forever, the total approximating a million and a half.

Cause for Rejoicing. This princely gift to Carolina will be hailed by University friends throughout the country, wherever they may be, and will be the cause of such rejoicing as never has been known over any bequest made to the grand old institution. The announcement that \$75,000 had been given was heard with appreciation by University people, it and other items in the will being reproduced in The Star from Florida papers. They erred in the provision relating to the institution, the sum they named being no more than one year's income from the Flagler estate. The total sum the University will receive approximates not less than one and a half million dollars.

Well may University lovers rejoice over the magnificent benefaction, because it will definitely put Chapel Hill on a real university basis, swelling the State income to proportions that will make many things possible, and will doubtless break a broad way for (Continued on page two.)

Says Congressmen Should Go Home and Talk With People

Duplin Man Reports Back-Country Folks Unusually Restless—District Attorney Carr and Congressman Hood Say Stories of Draft Opposition Exaggerated—War Front's "Bright Side"

(Special Star Telegram.) Washington, D. C., August 14.—District Attorney J. O. Carr, of Wilmington, who is here conferring with Attorney General Gregory and other officials of the Department of Justice, says there is not nor has there been any rioting in the Eastern district as a result of the draft law nor has there been but very mild protest against its enforcement. There have been minor instances where men have been outspoken in their views against the law, but they have been few and of no serious consequences.

Mr. Carr, like many other North Carolinians, deprecates the wide and unjust publicity given the State because of opposition to the law. A general impression prevails throughout the country that troops were sent into the State to quell riots. No riots whatever have occurred. This false impression was gained, it is believed, because Governor Bickett asked for permission to use Federal troops to quell the riots or opposition to the law.

There was some strong talk in Chatam county, but an investigation showed that it did not reach serious proportions and those who protested were admirers of Tom Watson, of Georgia. These men believed they had a right to test the constitutionality

of the law and some of them contributed to the fund which Watson is supposed to have attempted to raise. Geo. A. Grimley Protests. George A. Grimley, of Greensboro, president of the Jefferson Standard Life Insurance Company, is here to protest against the proposed government insurance for soldiers. Mr. Grimley believes the compensation part of the proposed law is all right and is willing to aid the government in any way in enacting a law which will insure to the soldier who goes to France that his dependents will be taken care of. He thinks, however, that part of the bill which would insure the lives of the soldiers at a rate which no insurance company can adopt will work a hardship not only upon the insurance companies but upon those accepting such insurance.

Men who take out this insurance will naturally allow their policies in other companies to lapse. When the war is over those who are fortunate to get back without harm will then have to look for protection elsewhere. This will work against both the companies and the individuals. Says Rural Folks Are Restless. H. D. Williams of Kenansville who is here on a visit, thinks Congress should adjourn and the members go back home and talk with the folks. The people back in the rural districts are unusually restless, Mr. Williams says. They do not understand the war and many of them are at a loss as (Continued on Page Two.)