

ENGLAND STOPS GERMANS' RETURN VISIT TO BRITISH COAST TOWNS AND SINKS ONE OF KAISER'S BOATS; MANY OF CREW LOST

TWO OTHER GERMAN BATTLE CRUISERS IN FIGHT ARE DAMAGED

Attempted German Raid Occurs Early Sunday Morning.

THEY TRIED TO ESCAPE

When Germans Sight Superior British Fleet They Race For Home Water.

THE BLUECHER TOO SLOW

She Falls Behind and Succumbs to the Heavier Guns of the Lion, Which Was Leading the British Squadron—Eleven English Hurt.

LONDON, Jan. 24, 10:00 p. m.—An attempt by a German cruiser squadron to repeat the recent attack on Scarborough, the Hartlepool and other British coast towns, was frustrated today by the British patrolling squadron, and in a running fight the German armored cruiser Bluecher was sunk and two German battle cruisers seriously damaged.

"The British ships suffered only slight injury. So far as is known only 123 of the Bluecher's crew of 885 were saved. A battle also occurred between the light cruisers and destroyers accompanying the bigger ships, but the result of that engagement has not yet reached the admiralty.

The British were superior in ships engaged, weight of armament and speed and the flight of the German ships into the mine and submarine infested field possibly saved them from further losses. The Bluecher was a cruiser of 15,550 tons displacement, and although commissioned in 1908, was completely re-armed last year. She was not classed as a battle cruiser, but was in the next class to those formidable fighters. With her were the Derflinger, Germany's latest cruiser, which has just left the British hands and the battle cruiser Seydlitz and Moltke, the latter a sister ship of the Goeben, formerly of the German but now of the Turkish fleet which was recently reported damaged by the Russians in the Black sea.

The British squadron, commanded by Vice Admiral Sir David Beatty, who also was in command at the battle of Heligoland, last August, consisted of the battle cruiser Tiger, Lion, Princess Royal, New Zealand and Indomitable. The first three of these cruisers mount eight 13.5 inch guns, each and even the New Zealand and Indomitable carry 12-inch guns, which are equal to those of the Derflinger, the only one of the German ships that had better than 11 inch guns. Commodore Reginald Tyrwhitt, who also took part in the battle of Heligoland, commanded the light cruisers and destroyers which accompanied Vice Admiral Beatty's battle cruisers.

The Germans were observed sometime after dawn proceeding in the direction of British coast. When they sighted the superior British fleet they turned and made at full speed for home waters and it was only after stern chase that the faster British ships got within range of them. The running battle lasted more than four hours, the firing being plainly heard in north Holland, where it was judged the fight took place north of the Island of Amel and Schiermonnik-Oog.

The Bluecher, which was slower than the other German cruisers, fell behind and succumbed to the heavier guns of the Lion, which was leading the British squadron. The other German ships got within the mine and submarine area, two of them in a badly damaged condition, and it was dangerous for the big British battle cruisers to follow.

The fact that only 11 were wounded aboard the Lion, indicates that the British casualties were light. It is possible that more of the Bluecher's crew were picked up by British destroyers.

Official Statement. The official press bureau statement of the sinking of the German cruiser in the North sea follows: "Early this morning a British patrolling squadron of battle cruisers and light cruisers, under Vice Admiral Sir David Beatty, with a destroyer flotilla under Commodore Tyrwhitt, sighted four German battle cruisers and several light cruisers and a number of destroyers

Army of English Women in the Making



Members of the women's volunteer reserve on their first route march through London. The object of the corps is to train a body of women skilled in first aid work, cooking, signalling, riding, driving, management of horses in general and marksmanship. When the corps is fully trained it will be offered for service to the war office.

RALEIGH POSTOFFICE CENTER OF INTEREST

Mrs. Aycock, It is Said, Has Written Britton Saying She Does Not Want Place.

HOLD CONFABS ON SUNDAY

(By PARKER R. ANDERSON.) Washington, Jan. 24.—Not even the Lord's Day is kept holy when a fight is on for a political job. Conferences and confabs over the Raleigh postmaster job were held here today in many sections of the city, one of which, it is said, was somewhere on the 10-acre lot upon which the house of Secretary of the Navy Daniels stands known as "Single Oak."

It is being charged that Mrs. Charles B. Aycock is not a candidate for Briggs' job and that Secretary of the Navy Daniels knows this and that he brought the name of the widow of the late governor into the race only when he found that it would be impossible to land his first choice.

It is known here that Mrs. Aycock has written E. E. Britton that she was not a candidate. When, a few days ago Mr. Britton heard that Mrs. Aycock was a candidate, the Raleigh man sent a letter to her telling her that he would withdraw from the race if she wanted the place. According to reliable information Mrs. Aycock made an immediate reply stating that she was not a candidate and did not want the job. If Britton has this letter, it is contended, Mr. Daniels knows about it.

"Therefore, it is being charged, that Mr. Daniels is behind Mrs. Aycock simply because he cannot get any one else that he would like to have. It is being asked why the secretary did not ask for Mrs. Aycock's appointment many months ago if he is really sincere in bringing her out for the job.

Whether Mr. Daniels is sincere or not it is a fact that he has tried the Gatling-Bailey crowd into a double how knot. They are bewildered and know not where to turn. They realize that from a political viewpoint no one can afford to oppose Mrs. Aycock if she wants the place. They are willing to concede, too, that Mr. Daniels, for at least one time since he has been in Washington, has got the "strangle hold" on his opponents.

HARY K. THAW IS ONCE MORE CONFINED IN TOMBS.

New York, Jan. 24.—Harry K. Thaw is again in the toms. Brought here this morning from Boston, his only stop over on the way from New Hampshire, he was locked up in the prison from which he was transferred almost seven years ago to the state asylum for the criminal insane at Mattawan, after his acquittal of the murder of Stanford White on the ground of insanity.

It is expected that Thaw will be arraigned tomorrow to plead to the indictment charging conspiracy, based on his sensational escape from Mattawan 17 months ago. When the train drew into the station Thaw greeted the newspaper men generally, but refused to discuss his plans. Thaw's mother, who is in this city, refused to say anything regarding her son's case and Jerome and Kennedy likewise declined to discuss the matter.

DURHAM IS HARD HIT BY SLEET AND SNOW

Telephone Poles Fall, Trolley Wires Are Broken and Traffic Interrupted.

PEOPLE FORCED TO WALK

(Special to Daily News.) Durham, Jan. 24.—Street car service was demoralized here today because of several telephone poles giving way under their load of sleet, and falling across the tracks. The poles, in their descent, wrecked the trolley wire and it was necessary to shut off the power in the eastern part of the city. The line to the hospital and Country club was put out of commission early in the morning because of a trolley pole falling in West Durham but this was remedied shortly before night and service resumed. Only the central and southeastern sections of the city enjoyed car service throughout the day.

The first trouble came during the middle of the forenoon when the telephone wires in the Edgemont suburb became laden with sleet and a strong wind sprung up. Due to soft, murky condition of the ground a pole was uprooted and its fall brought down seven others. The entire number fell towards the street blocking traffic, throwing the car service out of action and strewing the street and sidewalks with a maze of tangled and twisted live wires. The power was promptly cut off and a force of line-men hurried to that section to remove the danger from live wires, but it was impossible to remove the poles and set up the trolley wire and that section of the city remained all day without car service.

The cars were badly needed for the sleet later turned into a fine snow and people wishing to come to the city from Edgemont and East Durham were obliged to walk or call hacks. The ground underneath was especially nasty and the telephone and street car poles came in for a bit of almost righteous action at the hands of citizens forced to walk and from the city to their homes.

GAELIC EDITOR MAKES STARTLING STATEMENT

Declares Sea Fights Recently Was Narrowly Averted Between British Cruisers and Battleship Texas.

Washington, Jan. 24.—In a speech before a mass meeting held here tonight to protest against shipment of war munitions to European belligerents, John Devoy, editor of the Gaelic American of New York, declared the battleship Texas, when approaching New York recently was ordered to stop by the British cruisers Suffolk and Essex and when Captain Grant ignored the warning a shot was fired across the ship's bow. This act, the speaker declared, "caused Commander Grant to strip his vessel for action and an engagement between the cruisers and the American man-of-war was narrowly averted."

Secretary Daniels said tonight that he had seen Captain Grant yesterday, but that he had not heard of any such incident as that recited by Mr. Devoy.

Mr. Devoy said he referred to the Texas incident and the fact that it had not been given publicity to show that the American press would not print any but pro-English news.

Consider Rise in Food.

London, Jan. 24.—The question of food supplies in the United Kingdom and the rise in prices is being considered by a cabinet committee headed by Premier Asquith, according to an official press bureau statement.

BETHMANN-HOLLWEG SAYS SCRAP OF PAPER WORDS MISCONSTRUED

Quite Another Meaning Placed On Historic Phrase.

ADMITS HE WAS EXCITED

Says Great Britain Cared Nothing for Belgium Neutrality; She Had Other Reasons.

HE HAD HOPED FOR PEACE

Grew Excited and Aroused When Convinced That Britain's Interests and Not Her Regard for Belgium Demanded She Enter the War.

General field headquarters of the German armies (in France) via Berlin and London, Jan. 24.—4:20 p. m.—"I am surprised to learn that my phrase 'a scrap of paper' which I used in my last conversation with the British ambassador in reference to the Belgian neutrality treaty, should have caused such an unfavorable impression in the United States. The expression was used in quite another connection and the meaning implied in Sir William Edward Goschen's report and the turn given it in the biased comment of our enemies undoubtedly are responsible for this impression."

Dr. Theobald von Bethmann-Hollweg, German imperial chancellor, made this statement to a representative of the Associated Press, in a villa at German field headquarters in northern France, serving as the office and dwelling of the chancellor, the foreign minister, Gottlieb von Jagow, and the diplomatic suite accompanying Emperor William amid.

The chancellor explained that he had spoken of the treaty, not as a scrap of paper for Germany, but as an instrument which had become obsolete through Belgium's forfeiture of neutrality; and that Great Britain had quite other reasons for entering the war, compared with which the neutrality treaty appeared to have only the value of a scrap of paper.

"My convention with Sir William Edward Goschen," said the chancellor, "occurred August 4. I had just declared in the Reichstag that only dire necessity and only the struggle for existence compelled Germany to march through Belgium, but that Germany was ready to make compensation for the wrong committed."

"When I spoke I already had certain indications, but no absolute proof that Belgium long before had abandoned its neutrality in its relations with England. Nevertheless, I took Germany's responsibilities toward the neutral states so seriously that I spoke frankly of the wrong committed by Germany."

"What was the British attitude on the same question? The day before my conversation with Ambassador Goschen, Sir Edward Grey had delivered his well known speech in parliament in which, while he had not stated expressly that England would take part in the war, he had left the matter in little doubt."

"One needs only to read this speech carefully to learn the reason for England's intervention. Amid all his beautiful phrases about England's honor and obligations we find it over and over again expressed that England's interests—its own interests—call for participation in the war, for it is not in England's interests that a victorious, and therefore, stronger Germany should emerge from the war."

"This old principle of English policy—to take as the sole criterion of its actions its private interests regardless of right, reason or considerations of humanity—is expressed in that speech of Gladstone's in 1870 on Belgium neutrality, from which Sir Edward quoted."

Mr. Gladstone then declared he was unable to subscribe to the doctrine that the simple fact of the existence of a guarantee is binding on every party thereto, irrespective altogether of the particular position in which it may find itself at a time when the occasion for action on the guarantee arises; and he referred to such English statesmen as Aberdeen and Palmerston as supporters of his views.

FACE OF THE PRIMARY BILL MAY BE DECIDED SOMETIME THIS WEEK

Until Today Primary For All Offices Looked Good.

MR. WATTS ON THE SCENE

Quite Coincidental That Watts Turned up as Primary Bill Was Being Made Ready.

INSURANCE MEN COMING

They Are Due in Raleigh This Week as Result of Introduction of Seawall's Bills Aimed at Reform—"Reduction" in Rate Really an Advance?

(By W. T. BOST.) Raleigh, Jan. 24.—Heads went together the closing days of last week to work out a primary bill that may be presented this week with some show of success. This is the critical general assembly stage.

Until today it looked promising for primary advocates who want a bill that blankets every office from dog catcher to President. It does not look so now. The visit of Collector A. D. Watts, who has been here four days, is purely incidental to the uncertainty of the primary issue. Mr. Watts came here to talk for the Stateville Air Line and the other mountain railway projects that were endangered by the powerful plait of Henry Page. It was quite coincidental that the collector turned up as a primary bill is almost in the presentation.

The trouble is in the west. Some of those counties which vote uncertainly appear not to desire a primary which they believe solidifies parties so certainly that Democratic legislators may come to the capital by virtue of their personal popularity. For instance, Ebbs of Madison, believes that he would have received 200 votes more if there had been no Republican primary than he did. The friends of the Democratic representative were bound by party understanding. It is so with Bowie and many others. These gentlemen do not admit that they oppose a state primary limited to state candidates. But they will not acquiesce in a law that concerns the voting in a day.

For that reason, the primary bill, whichever one is adopted, will have a fight for its life. There are four or five before the body now. Weaving out will take place this week and by the close it is believed that a plan will have been agreed upon. The consolidation will eliminate all the objectionable features and the inclusion of all the good ones. The date of springing the new bill has not been announced. All that have gone into the committee room are still there for the final harmonizing.

The introduction of and the employers' liability act by Representative Nettles was expected last week. It is due this. The Buncombe county man, handsome young fellow who isn't a lawyer, has been worried as to procedure. He believes intensely in his act, but being a business man and untrained to colloquy, Representative Ebbs, his mountain friend, has been coaching him. Mr. Ebbs tells him to tell the committee and the house that being a dairyman and hard worker, it is not expected of one such that he be trained in chicanery and quick speech enough to meet 60 lawyers in debate. "Then the bill will go through," Ebbs says. And the colleagues of Mr. Ebbs say that will win.

And the insurance men are due here this week. Representative Seawall has presented the bills that are aimed at reforming insurance policies to see if the recently reduced insurance rates were not in the finality a reduction of the insured's opportunity to make the proverbial ends meet. He has learned enough to know that the reduction was on the whole a substantial advance.

Men who paid \$20 for a three year contract three years ago are paying \$22.50 now. Policy owners who paid \$9 a thousand for a year three years ago are paying that now. The rates are said to be a slight reduction in that respect from the new year or two years ago. The long term policy holder catches it, though he can afford to pay the rate still.

The insurance men already have quite an imposing lot of interested men here. The recent issue of the Insurance Investigator, which carried a fierce editorial on "Holl Raisers" the past week, has been circulated widely here. That it will do harm to the gentlemen who don't want "hell raising" isn't doubted. The smart fellow who wrote the editorial had zeal without understanding.

James A. Hartness, who came here to help the western counties in their fight for convict aid to railroads, left this afternoon for his home in Statesville. Collector Watts also returned.

Mr. Hartness has been the center of many a political group who are interested in his determination to oppose Col. Bryan Grimes for secretary of state. Talking to members of the general assembly he received more encouragement than he appeared even to hope for. The race now seems to be solely Hartness Grimes. It is far away, but it is on.

And Farmers' union men here are quite certain that recent events in state circles, that report of the board of internal improvements will not tend to give Treasurer Lacy any monopoly on the treasurer's race next year. That Dr. H. Q. Alexander will contest it with Mr. Lacy is taken as a matter of course, albeit the Mecklenburg man has not announced. "We are going to clean out the state department," one of the western members said last night. "We are not meaning that there is anything dirty in the administration. We just want a change. This is no monarchy and we want to give the state a taste of republican government and mean the republicans to be spelled with a B. H. H. Others say its orthography will be with a big one if something isn't done."

BUSINESS CONDITIONS IN SOUTHERN STATES SHOW IMPROVEMENT

Reports From Bankers and Merchants Are Encouraging.

COTTON IS SELLING WELL

Jump From Six to Eight Cents in the Price Brings Out Some of the Staple.

FARMERS ARE PAYING UP

The Past Month, in Particular, Business Men Assert, Has Developed the Recuperative Power of the Cotton States—Tone is Optimistic.

Atlanta, Ga., Jan. 24.—Notable improvement in business conditions in the south within the last few weeks is indicated in reports from merchants, cotton factors and bankers from all over the section. The last month in particular, business men assert, has developed the recuperative power of the cotton states. In all these states cotton, which was selling a few months ago for a little more than 6 cents a pound, now is finding a comparatively ready market at above 8 cents.

Since the government report of November 1, the increase of 2 cents a pound in the selling price of cotton, with the corresponding advance in the price of cotton seed, according to the figures and estimates of experts, has resulted in a net increase during this period of approximately \$120,000,000 in the cash value of cotton. The effect of this enhanced value, it is stated, has been felt in every line of business in the south.

Conservative observers of the situation say that never has there been such a holding movement in the south as that noted since the opening of the present cotton season. At the outbreak of the European war, fall deliveries of cotton ranged from 12 to 13 cents a pound, which with a crop estimated at more than 10,000,000 bales, forecast a season of remarkable activity. With the European markets suddenly closed and the exchanges suspended, the price abruptly decreased about one half.

When the mills entered the market for their usual fall supply they found the market closed. Farmers refused to sell and southern business, which depends so largely upon moving of the cotton crop, marked time awaiting readjustment of conditions. About December 1 improvement began, owing, it is said, to the resumption of foreign shipments and the adjusting and reopening of the exchange markets both at home and abroad.

Today throughout the south the movement of cotton from farm to market is steadily progressing, and as a result, according to reliable reports, the farmers are paying their debts to the merchants for supplies, the merchants are meeting their obligations to the small banks and they in turn are settling their accounts with the larger banks. The general business tone is declared optimistic.

In a statistical statement of the situation H. G. Hester, secretary of the New Orleans cotton exchange, mentions that on November 1 last, the federal department of agriculture figured the average price of cotton to producers at about \$31.50 per bale, while today the same bale is worth about \$10 more.

"At that time," Mr. Hester says, "with the cotton exchanges practically closed, the trade for several months had been drifting with no fixed standard of value. Gulf state farmers were selling at one price and Atlantic state farmers at another. Consternation prevailed. From August 1 to November 1, 1914, farmers marketed 2,719,000 bales, or 2,329,000 bales less than was marketed during the corresponding three months of the previous year. But the figures show that from November 1, 1914, to January 22, 1915, 6,801,990 bales were marketed, as compared to 5,598,000 bales brought into sight during the same period last season. Thus since the exchanges have opened, the south has marketed at advancing value, almost 7,000,000 bales, exceeding last year's movement for the same period by 1,200,000 bales.

"The world's visible supply of American cotton January 22 last was 5,217,000 bales. The 1914 crop generally is estimated at 16,250,000 bales, of which 5,529,000 have been marketed, leaving 6,720,000 to be marketed. The visible supply and that remaining to be marketed totals 12,947,000 bales. On a basis of \$10 a bale advance, the increase in value since November 1 last, has been \$119,470,000, and practically all of this increase belongs to the south. Thus the south is better off today by approximately \$120,000,000 than she was on November 1 last.

"The growing confidence in cotton is held to be due largely to the expectation that cotton farmers will make themselves self-sustaining, if not produce a surplus of food crops for sale. Calculating on a basis of the 1914 estimated crop of 16,250,000 bales—if the farmers curtail their 1915 average 30 per cent, it would mean a crop of 11,375,000 bales. Adding the visible supply of 1,671,000 bales left over August 1, 1914, this would mean an average supply for the two years—1914 and 1915—of 14,648,000 bales."

UNITED STATES CONSULAR AT DUNKIRK IS INJURED.

Paris, Jan. 24, 4:27 a. m.—Benjamin Morel, United States consular agent at Dunkirk, France, was injured when the American consulate was damaged by a bomb during the German air raid Friday, according to the Dunkirk correspondent of the Figaro. The correspondent adds that the consulates of Uruguay and Norway also were damaged.

GOVERNMENT ISSUES LENGTHY DEFENSE OF ITS FOREIGN POLICY

Document Prepared By President, Bryan and Lansing.

SENT AS LETTER TO STONE

Intended as Answer to Charges Of the Unfairness Lodged Against America.

A POLICY PRONOUNCEMENT

It is the Business of a Belligerent Operating on the High Seas and Not the Duty of a Neutral to Prevent the Transportation of Contraband.

Washington, Jan. 24.—The United States Government today issued a lengthy defense of its interpretation of the rights and duties of a neutral in the European war.

A document, 5,000 words long, prepared by President Wilson, Secretary Bryan and Counselor Robert Lansing of the State Department after several days of consultation, was made public in the form of a letter from the Secretary of State to Senator Stone of Missouri, Chairman of the Senate Committee on Foreign Relations.

While the letter is a reply to an inquiry from Senator Stone for information as a result of complaints made in the press and in letters from various parts of the country charging the Washington government with unfairness to Germany and Austria, it also is intended as a pronouncement of policy on some questions of neutrality previously unexplained.

After answering 19 separate and specific charges and calling attention to the fact that the United States has promptly taken to task Great Britain as well as Germany and every government which in any way has infringed upon the rights of this country, the letter concludes with the following declaration on the much discussed question of exportation of war munitions:

"If any American citizens, partisans of Germany and Austria-Hungary, feel that this administration is acting in a way injurious to the cause of those countries, this feeling results from the fact that on the high seas the German and Austria-Hungary naval power is thus far inferior to the British. It is the business of a belligerent operating on the high seas, not the duty of a neutral, to prevent contraband from reaching an enemy. Those in this country who sympathize with Germany and Austria-Hungary, appear to assume that some obligation rests upon this government, in the performance of its neutral duty, to prevent all trade contraband, and thus to equalize the difference due to the relative naval strength of the belligerents. No such obligation exists; it would be an unequal act, an act of partiality on the part of this Government, to adopt such a policy, if the Executive had the power to do so.

"If Germany and Austria-Hungary cannot import contraband from this country, it is not, because of this fact, the duty of the United States to close its markets to the Allies. The markets of this country are open upon equal terms to all the world, to every nation, belligerent or neutral."

During the course of the letter's discussion of the various charges made, the following facts hitherto undisclosed were revealed for the first time:

That the Canadian government recently asked the United States for permission to ship "war equipment" across Alaska to the sea and the request was refused.

That the United States has brought to the attention of an "offending government" the searching of an American vessel for German and Austrian subjects, "with a declaration that such procedure, if true, is an unwarranted exercise of jurisdiction over American vessels in which this government will not acquiesce." The government is whom this declaration has been made is not stated in the letter, but it is known to relate to the search by a boarding crew from a French cruiser of an American ship plying between two ports in Colombia, when it is alleged some German passengers were forced to sign a promise not to participate in the war. It was this occurrence which led to a warning speech by Senator Stone to the belligerents against such searches of American ships.

That sharp representations also were made to another of the allied governments because search was conducted on the high seas on an American ship for German and Austrian passengers. The name of the vessel or offending government was not revealed.

That on December 15th last, the German Ambassador by direction of his government delivered a memorandum to the United States government stating that "under the general principles of international law, no exception can be taken to neutral states letting war material go to Germany's enemies from or through neutral territory."

That representations were made to both Japan and Great Britain against the continued presence of their warships off American ports and that the protests were to each case heeded.

That since the announcement of the Washington government's disapproval of war loans, now has been made by foreign governments in this country. A distinction is drawn officially for the first time between loans floated by popular subscription and large credit transactions for the purchase of war supplies, the State Department revealing that it has no objection to the latter.

In a general way, the letter sets forth that rules of neutrality have been promulgated by the American government without discrimination and have been applied with equal fairness to all concerned. It cites instances of violations by Germany and Great Britain and

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