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CHARLOTTE, N. C., SATURDAY MORNING, FEBRUARY 3, 1917.

FOUNDED 1869

EVERY HOUR BRINGS NATION NEARER BREAK WITH GERMANY

Because of Flagrant Violation of Neutral Rights, Says Taft.

'OUR CONSCIENCE IS CLEAR'

'Responsibility on President and Congress Heavy'-Their Good Deliverance His Prayer.

WILLIAM . H. TAFT.

IN DESTRUCTION OF

The second day of the new

German submarine warfare ap-

parently has not resulted in any

increased sinking of shipping:

Dispatches from London an-

nounce the sending to the bot-tom of five vessels, including one

of the sinking of another.

neutral registry, and a report

The Spanish steamer Algoria,

of 2.116 gross tons, was the largest

steamer sunk, the others being of

less than 1,000 tons including two trawlers. The Norwegian steam-

er Heola is believed to have been

sunk. The Belgian trawler Mar-

On the battlefronts of Europe

the inactivity of the past few days continues. The greatest ac-

tivity seemingly has taken place

on the western front. There, however, only patrol engagements

and reconnoitering expeditions

have occupied the troops in ad-

dition to the regular artillery bombardments. Near Gueude-court in the Somme region, Brit-

ish troops took 60 prisoners in a

raid. Berlin also reports several

scale operations on the eastern and Macedonian fronts. Near

Solotvina, southwest of Brzezany,

in Galicia, German troops, Petro-

grad says, entered a Russian trench, but were later driven

back to their own line. Petro-

grad reports scouting and infan-

The French Government has decided to mobilize the entire

tween the ages of 16 and 60 for

will be included in the mobiliza-

Charleston, S. C., Feb. 2.—Federal officials representing the Navy Cus-

toms Service and the Department of

Justice began a joint inquiry into the

sinking in the harbor here yesterday

of the German steamer Liebenfels, which had been tied up here since the

Peters, collector of the port, took for-

Ramsay, for Gibraltar for orders. The

others which sailed for American

INVESTIGATION ORDERED.

CONFEDERATE VETERANS

GET MOST OF THE MONEY

Washington, Feb. 2.—A bill appropriating \$196,000 for mail carried in the Southern States during the Civil War, previously passed by the House, was passed tonight by the Senate. The money goes to mail contractors, mostly Confederate veterans or their heirs. The 800 claims have been pending for more than half century.

mal charge of the steamer, and

taken in custody by

Howard, inspector of immigration.

war began. Meanwhile,

what caused her to sink.

FOUR STEAMERS SAIL

SIEAMER IN CUSTODY

Both sexes

civilian population of France

try fighting in Rumania.

OFFICERS OF GERMAN

National defense.

Sinking.

Bad weather hampers large

successful raids in this area

celle was sunk by gun fire.

NO INCREASE NOTED

tral Registry.

Washington, Feb. 2 .- Former President Taft prefaced a prepared speech on the League to Enforce Peace here. tonight with a reference to the new German crisis, declaring that if the United States were drawn into war, Germany would force it by "her defiance of plain principles of justice and humanity which should obtain between civilized Nations."

"The responsibility which now rests on the President and Congress is very heavy," said Mr. Taft "They should know and do know that the American people will back them to the end in their decision. May God give them good deliverance."

The former President was speaking before the Chamber of Commerce of the United States, answering particu-larly criticisms of Theodore, Roose-William J. Bryan, Senator Borah and others of the League to Enforce Peace ideas.

"I had prepared this address," he said, "before Germany startled this country and all neutrals by her last The actual dangers with which it brings us face to face may seem to make what I have been discussing theoretical, tame and inappropriate The truth is, however, that this great crisis only emphasizes the importance of the purpose and plan of the league

in the future history of this country.
"Of all things, we would avoid
war. We are not prepared for it. Its awful consequences we know from Europe's suffering. Our prayer is for some escape from it in this critical hour, if consistent with our National But we must face the facts.

"In her campaign against her enemies, Germany proposes ruthlessly to wage war upon the property and lives of neutrals, in flagrant violations of their rights. She began with Belgium. She now includes them all. Our National conscience is void of offense against her. Her cruel and indefensible drowning without warn ing of more than a hundred innocent Americans on the Lusitania condoned in view of her pledge against a repetition. That pledge is now withdrawn, and she avows her purpose to resume her shocking

"If war is to come between us, she will be the unprovoked aggres-We would avoid being drawn into the European vortex by every honorable concession. If she forces us into it, she will do so by her deflance of plain principles of justice and humanity which should obtain between civilized Nations.

Germany's Weakness. "In spite of her great strength and marvelous efficiency, Germany's man-ifest weakness has been in a failure to understand other peoples and to appreciate the moral forces working in them. She may not know the spirit of the good-natured, tolerant war-hating giant she now challenges. She may never estimate as she has done before in the case of other Nations, the influence of sordid motives, of the inertia of comfort and of dissentient elements among us which she may expect to paralyze our action. She may stir an active patriotism in our people which she does not suspect. She may shock us into a real preparation for war and the sacrifice it involves as nothing else might.

She may push us at once into a league to enforce a just peace. may force us into an organization of our potential military strength on the one hand, and into a moral leadership in the maintenance of international justice on the other. Thenceforth our isolation from the wars and warfare of the rest of the world would be at an end. When peace would come the eyes of our people, in spite of port presumably for further instrucwarnings of statesmen who are looking backward, would be opened not only to the wisdom, but to the necessity of our leading the Nations into a permanent world league to enforce British steamer.

NEW OFFICERS CATAWBA FAIR ASSOCIATION

Special to The Observer. Hickory, Feb. 2.-N. W. Clark is now president of the Catawba Fair Association, with John Mauser, vice president, and K. C. Menzies, treasurer. The directors will choose a bate the Senate today passed a resosecretary later. A committee on pre- lution of Senator Smith, of South mium lists has been appointed as foi- Carolina, directing the Attorney Gen-John Mauser, chairman, Law- eral to investigate buying and selling Bollinger and Henry P. Lutz. operations of the New York cotton ex-Shuford and Miss Mary Rowe change to ascertain if the methods are advisory members of this com- employed are in restraint of trade. mittee. A new building for manufactures and fine arts, extension of the race track and the building of a grandstand are some of the aims of the association before the fair next

TOOK ON TORPEDOES.

Newport, R. I., Feb. 2,-The tender Malville, attached to the destroyer force of the Atlantic fleet, took on a large number of torpedoes today. The Melville will sail tomorrow morning for Guantanamo to join the fleet

EX-PRESIDENT DELIVERS PATRIOTIC UTTERANCE PHESIDENT

> Declares Wilson's Address to Senate Places Him Among Nation's Immortals.

New York, Feb. 2 .- William Jennings Bryan declared at a peace massmeeting in Madison Square Garden here tonight that it would be a crime against the Nation and the world if the United States enters the Euro- Advices From State Department pean war. He praised highly President Wilson's efforts in behalf of peace, and asserted that the President's secent address to the Senate had placed him among the Nation's mmortals.

The mass-meeting was called by the American neutral conference committee to voice approval and support DESTRUCTION OF of the President's peace policies. A resolution was adopted pledging unfaltering support of the President in any effort to keep the Nation out of war. Mr. Bryan asserted the Consti-London Reports Sinking of Five tution should be amended by provid-Vessels, One of Them of Neu- ing for a refenedum on the declaration of war. No Nation has challenged the United States, Mr. Bryan declared, but if any Nation should this would be the answer, he said, the country should give:

"No, we have the welfare of 100, 000,000 people to guard, priceless ideals to preserve, and we will not wallow with you in a mire of blood to conform to a false standard." Another declaration of the speaker

that caused prolonged applause was:
"God forbid that we should go to
war with a Nation that is not an enemy and does not want war with us. "I have confidence in our Presi-dent," Mr. Bryan said. "Never has the President been more anxious to do what is best for our country or what the people believe is best for He asserted the President's step

was "just the action necessary in the case," and characterized it as a "courto the conscience of the world."

Mr. Bryan said he dissented from the part of the President's address to the Senate relating to the "enforcement of peace," but he preferred he asserted to wait until the President Adrianc, are announced to sail tosent his views more thoroughly on that point before venturing to com-

Mr. Bryan was applauded when he said the President is a student of history and he knows that "the paths of history are lined with the wrecks of Empires built on physical force."

STATESVILLE CHILD CUT IN HEAD WITH AXE

Six-Year-Old Girl Struck Unintentionally by Her Brother and Seriously Injured.

Special to The Observer. Statesville, Feb. 2.-A distressing accident occurred late yesterday, when Regina, the six-year-old daughter of Mr. and Mrs. DeWitt Hoover, of Statesville, was struck on the head with an axe by her 10-year-old broth While Federal ornicials Are Iner Neil, who was chopping wood.
The little girl approached her brother, who, unaware of her presence, struck her in the top of the head with the blade of the axe. skull was penetrated. The brain was uninjured, however. The child was removed to a hospital and the cut closed with several stitches. It is with the order of the British Governstated that the child will recover unless complications set in.

SWEDEN WILL AWAIT EXCHANGE OF VIEWS

Stockholm, Sweden. Feb. 2.-Via officers, including Captain Klattenhoff, ondon, Feb. 3.—The Associated Press learns from a well-informed sourse that no action will be taken Officers of the Liebenfels have by Sweden in regard to the subma steadfastly refused to say publicly rine situation until after an exchange of views with Denmark and Norway No formal conference is planned but anexchange of views already has begun and the Swedish Government FROM BALTIMORE hopes that the three Scardinavian countries will again find it possible to act in concert as they did in Feb-Baltimore, Feb. 2.-Four foreign steamships sailed from Baltimore toruery, 1915, following the German day, but only one of them was exproclamation of a war zone about the pected to proceed to her destination British Isles. direct. This was the British freighter

REPORT THAT GERMANS WRECKED MACHINERY

tions were the Norwegian steamer Hercules, for Rotterdam; the Pent-Baltimore, Feb. 2.-Rumors which wyn, British, for Nantes; the Pesaro, spread tonight that the crews of two Italian, for Gibraltar, and an unknown of the German steamers which voluntarily interned here had wrecked Leading foreign shipping firms here the machinery were denied by agents today declared they had not yet re-of the North German Lloyd. It be-ceived any orders from the British came known that two of the crew came known that two of the crew Admiralty to delay clearances. At the custom house, Collector William caped from the vessel today. Seven P. Ryan said no extraordinary pre- of the crew of the steamer Neckar cautions were being taken to guard were caught stealing away from that the three interned German liners vessel tonight by customs house agents. They told the guards that they feared trouble and wanted to be away from it. Washington, Feb. 2.-Without de-

The masters of the seven Dutch steamers in port got orders today to suspend sailing indefinitely.

PASSENGER TRAIN HITS SWITCH AND IS DERAILED
Omaha, Neb., Feb. 2.—Chicago,
Burlington & Quincy passenger train
No. 12 ran into an open switch hear
Cromwell, Iowa, late tonight and was
ditched, it was aunounced at Burlington headquarters. A number of persons were itjured. It is not known if any were killed.

SPARTANBURG HERALD

Spartanburg, S. C., Feb. 2.—Before the cotton market closed Friday it had risen again to 15 1-2 points, and this price has prevailed here all day today. The first it has not been gotten under course here has a baro to his continued but a few minutes the burning in a fine is the extreme rear valet is the man who acts as his own of the building.

Special to The Observer.

Concord, Feb. 2.—Before the cotton market closed Friday it had risen again to 15 1-2 points, and this price has prevailed here all day today. The dent that whatever course he took, whether in accounts have been all day today. The dent that whatever course he took, whether in accounts have been all day today. The dent that whatever course he took, whether in accounts have a sustained by a unanimous Sone would be sustained by a unanimous Sone

Trans-Atlantic Service Virtually at Standstill for Present.

SAILINGS

Awaited Before Announcements Will Be Made.

New York, Feb. 2.-Pending official advices from Secretary Lansing, no official announcement could be made as to the sailing of the American line steamship, St. Louis, scheduled to leave here at noon tomorrow on her regular trip to Liverpool. Upon being informed that Mr. Lansing had stated in Washington that the line probably would be advised not to send the ship, he added that naturally he would act in conformity with such a commendation.

Preparations for the sailing of the ship proceeded today, and when the passenger office closed for the night, t was announced that passage een booked by 280 persons, with only 15 cancellations. A large percentage of those booked are American citi-

President Franklin emphasized a statement that the American line is a "National Institution," having a con-tract with the United States Government for carrying mails to Europe on regular dates.

None of the British lines has received any new instructions as to the sailing of their ships, local representatives announced tonight. During ageous, heroic epoch-making appeal the day five freighters, one of them an American vessel left for trans-Atlan-tic ports. The American ship was the

Complete Tie-Up. A complete tle-up, temporarily at least, of Dutch and Scandinavian shipping was indicated this afternoon by cable instructions received by various lines. The Scandinavian-American lines. Line, whose passenger vessel Hellig-olav, was held in port yesterday, received word that all sailing of pass

The Royal Netherlands Steamship Company, which has 10 vessels in American ports loading cargo con-signed to the Dutch Government, has ordered them to remain in port until further notice. Six vessels owned by the Swedish-American-active also have been stopped, pending furth-

ger ships had been temporarily sus-

The Holland-America Line, with the steamr Noordam here loading to sail Monday for Rotterdam with passengers and cargo, was advised that the liner Nieuw Amsterdam, their largost vessel, had been recalled and it was expected, officials said, that delayed caples would bring them similar intructions to those received by other neutral foreign lines. Calling At Kirkwall.

with the order of the British Governthe provisions of the German note, as it is interpreted by local representatives, they are barred from going into the indicated war zone around the British Isles. These conflicting orders have added to the uncertainty and seriousness of the situation.

PLANS SUBMITTED FOR **BRIDGE OVER POTOMAC**

Washington, Feb. 2.-Plans for the bridge which the Washington-Newport News Short Line Railroad proposes to construct across the Potomac near Wetomkin Point, Va., were submitted today to General Black, chief of engineers of the Army. ses of Congress have passed bills authorizing the construction and it awaits the President's signature.

JO-JO SAYS



Investigation Into So-Called

Note Will Be Continued There. New York, Feb. 2 .- Pressure of in-

ternational affairs today caused the congressional committee that has been ARE POSTPONED investigating the so-called "leak" on President Wilson's recent peace note, to transfer the inquiry to Washington. Examination of witnesses will be resumed there tomorrow morning. Further hearings on particularly pertinent local angles of the case probably will be resumed here as soon as the committeemen think their congressional duties will permit.

The committee has determined to of the State Department, President P. mission of F. A. Connolly's advance A. S. Franklin, of the International resume of the President's note from Mercantile Marine, said tonight that Connolly's Washington brokerage office to E. F. Hutton & Co., New York brokers. If possible, George A. Ellis, Jr., a member of the Hutton firm who put Connolly's information into a telegraphic warning to all of Hutton's correspondents in the United States 19 hours before the note was released, will be the first witness called. Ellis was due to arrive in Washington to-

night from Savannah, Ga.
Connolly's testimony that he sent his information in a message by private wire from his office to the Hutton house now has been disputed by every telegrapher in Hutton's employ. The missing link in the testimony of all telegraphers who may have handled the message is that of the two operators in Connolly's office. rere early witnesses.

Records of all long-distance telephone calls between the two offices during the "peace note period" if any exist, also will be called for. Satisfaction was expressed by com-

mitteemen on starting back to Wash-ington tonight over the results of the hearings. That there was a 'leak" of some kind no longer is seriously questioned by any of them. Discovery of its existence through the testimony of E. F. Hutton, head of the Hutton house, is conceded. His testimony was a surprise to the commit-tee, none of its members suspecting before coming here that such mes-sages existed as have been unearthed.

So important are the Hutton-Connolly messages considered that the whole inquiry now is centered in un-folding all the facts surrounding them. The close of the inquiry apparently is distant, and a request for an extens of the time in which the committee shall report on its inquiry to the House is expected. The present time limit will expire in about 10 days.

MALONE INCREASES DOCK GUARDS FORCE

Questions Relating to 'Possible Emergency' Are Given Consideration.

New York, Feb. 2.-Upon the receipt of special instructions from Washington, Dudley Field Malone, collector of the port, conferred late today with representatives of the De partment of Justice and New York police. None of those who attended the conference would discuss what was considered beyond saying that questions relating to a "possible emer-gency" were talked over. Mr. Malone has increased his force

of dock guards and special inspectors until he now has more than 1,200 ment for examination and inspection men under his command. Harbon of possengers and cargo there. Under police boats and four tugs of the coast guard cutter service, under command of the collector, are at the locks with steam up and their crews sleeping on board. It was learned that the command-

ers of several of the German ships self-interned here have refused ner mission to the collector's office to go below their main decks on trips of inspection. Mr. Malone declined to discuss the subject except to say that the officers were within their rights unless he obtained evidence that neutrality regulations were being

WIFE OF PROMINENT MILL

Special to The Observer. Concord, Feb. 2.—Mrs. J. W. Cannon, wife of the president of the Cannon chain of cotton mills was taken seriously ill at her home here Thursday, and Friday morning was carried on a special train to Statesville, where she entered Doctor Long's Sanaterium. The exact nature of Mrs. Cannon's, illness was not determined before she left here, but Dr. J. W. Long, of Statesville, and Doctor Pohl, of Winston-Salem, who were called here yesterday to attend her, deemed it necessary that she be carried to a

STORM WARNINGS ON COAST CONTINUED

Washington, Feb. 2.-Storm warnings were continued along the Atlantic Coast today from Provincetown Mass., to Key West, the Weather Bureau predicting northeast gales, diminishing Saturday. The cold wave struck the South Atlantic States with full force, a temperature of 10 degrees above zero South as Georgia. zero extending as far

CONCORD COTTON MARKET **GOES DOWN TO 12 CENTS**

Special to The Observer.
Concord, Feb. 2.—Before the cotton market closed Friday it had risen again to 15 1-2 points, and this price

Nothing Has Developed to Stem Sweep of the Tide, and Official Washington Is Convinced That Crash Is Only Matter of Time and Question of Form-No Attempt Made to Minimize Gravity of the Situation.

Long Session of Cabinet and Dramatic Night Conference of President and Senators Develop Unanimity of Opinion That Challenge to Nation's Honor Must Be Met-Apparently, It Only Remains to Be Determined Whether Some Overt Action Shall Be Awaited, or Whether Ambassador Bernstorff Shall Be Handed Passports With or Without Warning Note to His Government, but Sentiment of Majority of Senators is Against Sending Any Further Warnings.

Washington, Feb. 2.-The submarine menace sweeps on, and every hour draws the United States nearer a break with Germany. No restraining developments appear to stem the tide. Official Washington is convinced the crash is only a matter of time and a question of form.

A long session of the Cabinet and a dramatic night meeting of the President and Senators at the Capitol developed a unanimity of opinion that a challenge to the honor of the United States must be met.

The means of doing so appears to be the only question undetermined. When President Wilson and his advisers parted "for a night's reflection," as the President himself put it, apparently it had not been determined whether the United States should delay action until Germany commits an overt act or whether passports should be handed to Count von Bernstorff with

or without a warning note to Berlin. After the President and the Cabinet had been in session more than two rs, Mr. Wilson hurried to the Capitol and this statement was issued at the White House:

"The President and the Cabinet thoroughly canvassed the situation, but there is nothing to announce.'

Members of the Cabinet, sworn to silence, left the White House with rave faces. One of them later sufficiently broke the rule of silence to say: "The near future will develop something very, very serious." Another gave a hint of the probability that some overt act might be awaited or at least a warning given by saying:

"The last chance has not yet gone. While Germany has announced her irpose, she has not yet carried it into effect, so far as we kn

The Cabinet unanimously agreed, however, that the United States could be no circumstances countenance such an invasion of its rights as Germany's campaign of ruthlessness proposes. THREE PROPOSALS DISCUSSED.

At the Capitol, the President had an hour's conference alone with Senator Stone, chairman of the Foreign Relations Committee, and then sent out word that he sought the views of all Senators. Many of the Democrats hurried to his room on the Senate floor. Seated there with Senators grouped about him in a semi-circle, the President gave no indication of a decision of his own, but frankly announced he had come to hear their opinions. To induce open expression, he was careful not to specify what he had in his own mind, but invited a discussion of three propositions:

To break off diplomatic relations with Germany at once and deliver Ambassador von Bernstorff's passports tomorrow. To delay action until some overt act has been committed against the

rights of the United States. To re-define the position of the United States, as outlined all through the submarine controversy with a final warning that an offense men diplomatic break.

The sentiment of a large majority of the Senators was against the latter Senator Stone and Senator Lewis, favored assuming that Germany did not intend to invade American rights, but were for meeting any such invasion with an immediate severance of diplomatic relations. Other Senators were so confident that Germany's new war zone proclamation meant invasion of Am-

rican rights that they favored breaking off relations immediately. All understood that President Wilson had not made up his mind whether to proceed, as proposed by Senators Stone and Lewis, on the assumption that American rights would not be violated, or whether to consider Germany's an-

ncement as ground in itself for summary action. Without disclosing what decision, if any, he had reached, the President left the Capitol suggesting to Senators that there should be a night's reflection and some action by word or deed before Monday.

It was said that no joint session of Congress tomorrow to enable the President to make an address was discussed

PRESIDENT BELIEVES THAT NATION IS FACING MOST SERIOUS CRISIS IN COURSE OF ITS HISTORY

Washington, D. C., Feb. 2 .- During | dell, Hoke Smith, Beckham, Varda-

the day, it has been made clear that man, Pittman, Fietcher, Pomerene, Walsh, Lewis and Johnson, of South no communication has gone forward to Germany, nor has Ambassador Gerard, in Berlin, been given instrucions to inform the Government of the MAN GOES TO HOSPITAL state of feeling in the United States. That, of course, has been done through the German Embassy, which continue to express the firm conviction that there is little hope of avoiding a diplo-

matic break.
President Wilson's every action throughout the day was predicated on his belief that the United States faces his belief that the United States races latters when the President first arther most serious crisis in its history. Senate when the President first arther chose the course of seeking the rived, he did not know the purpose of the chose the course of seeking the conference and left the building. advice of other men to compare with his own opinions. The overwhelming sentiment from those he consulted was in favor of a break in relations, the newspaper correspondents and Only the time and method were questions of difference. But even after his long talk with the Senators, he returned to the White House to give furcame here to get it." ther consideration to the problem.

of the President and his advisers is that the action of the United States should be so unassailable that it would

conference with him that the German lic announcement would be made declaration was an affront to the Unit- night. mediate rupture of diplomatic relations would be "viewed by the world as cowardice."

From inquiry among the Senators present, the following facts were established:

Dakota. That no Republican Senators at-

tended the conference was due entirely to the fact that the President did not reach the Capitol until the Senate had recessed, and it was with difficulty that pages and clerks reached those who did attend. The President sent for no one in particular.

While Senator Lodge, ranking Republican member of the Foreign lations Committee, still was in the conference and left the l

He was asked what would be done One of the thoughts in the minds and replied:
That depends on how I feel in the

morning." Then he smiled and as "Of course that remark was only a President Wilson was beldly told by no suggestion of a joint session of most of the 15 Democratic Senators in Congress and that he thought no pubjoke." He added that there ha

s cowardice."

Some, however, urged that Germany be notified of a definite time at which diplomatic relations would be severed, and a few others urged that nothing be done until Germany, by some overt act, demonstrated her decivilization at heart. At the conclusions would be with the welfare of the Nation and some overt act, demonstrated her decivilization at heart. At the conclusions would be severed, and a few others urged that nothing be done until Germany, by some overt act, demonstrated her decivilization at heart. At the conclusions would be severed as a severe of the severe of Iberate determination to affront the ion each Senator shook the Fresident hand and assured him that whatev