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**RESIDENT RETURNS TO** 

Allied Bases and Municipal Representatives; Will Spend New Year's Day Enjoying a Needed Rest; Expressed Himself As Exceedingly Pleased With Visit To England

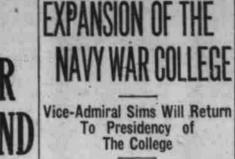
# BACK IN PARIS.

Paris, Dec. 31 .- President and Mrs. Wilson arrived in Paris this evening from their visit to England.

## CORDIAL MESSAGES ON LEAVING LONDON

London, Dec. 31 .- The most cordial messages were exchanged by President Wilson and King George today on the occasion of the departure of the President from England. The President thanked the British ruler for his hospitality and kindness, while the King assured the President how glad he had cen to have the President and Mrs. Wilson as his ruests. The texts of the mesages will not be published, as they are regarded as being personal and private.

Paris. Dec. 31 .- President and Mrs. Paris, Dec. 31.-President and Mrs. Wilson arrived in Paris this evening from their visit to England. The



# STRATEGY TO BE STUDIED BY ALL NAVAL OFFICERS Sect'y Daniels Announces Assignment To The House

Naval Committee

Washington, Dec. 31 .-- Under plans for a comprehensive expansion of the naval war college at Newport, R. I., until its work will reach officers throughout the fleet, Vice Admiral Sims, now commanding American naval forces abroad, will return to the presidency of FOR ONE AND ONE FOR ALL the college when his present duty is ompleted.

Secretary Daniels disclosed this assignment today in presenting to the House Naval Committee a request for double the appropriation made for the college last year. He also told the committee that Admiral Sims had requested that he be returned to Newport, which he left just before the United States entered the war, in order to hasten to London to arrange for the participation

power among the nations is regarded in high American quarters here as a direct rejoinder to the speech of Premier of the American navy in the fight against the common enemy. Study of Strategy. "The study of naval strategy and naval tactics during the last four years," the Secretary told the committee, "will purpose to make it his guiding thought in the peace negotiations. Whether it was intended to be so. have deep interest for every naval of-

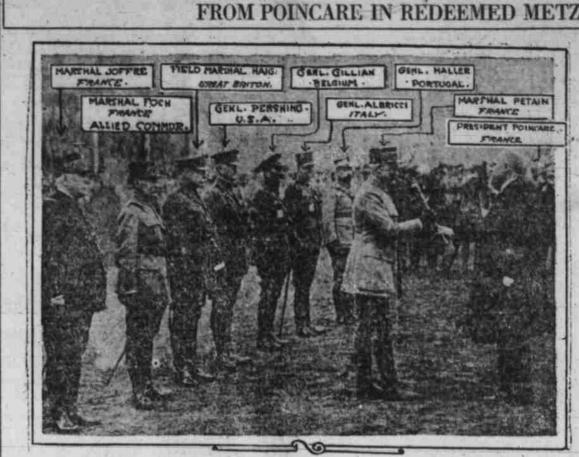
ficer, and the application of the princi-ples learned during the war in future naval strategy will need to be studied by all naval officers whom may be charged with responsible duties. I du not think that any money for naval purposes can be expended more wisely than to give the opportunity for naval offleers to study at the war college and

The textual copy of the Premier's to carry the study to all men in the speech on Sunday night is now avail-able and gives the following refer-ence on this subject: fleet. Will Expand Its Work. "Under Admiral Sims" direction the

"There is an old system which ap college will expand its work so that it pears condemned today and to which I do not fear to say that I remain faith-ful at this moment. Countries have orwill touch every officer in the fleets as to go to Newport for a term. It is my ganized the defense of their frontiers with the necessary elements and the purpose to have assigned to the college an eminent naval constructor, and along with the study of tactics and strategy there will be the study of naval con-struction. We have learned many things about the building of ships and the im-portance of the protection of ships dur-Great disorder broke out in the cham-ber at this point and Pierre Prizen, a Socialist deputy, exclaimed: "This is the system which has gone into bank-

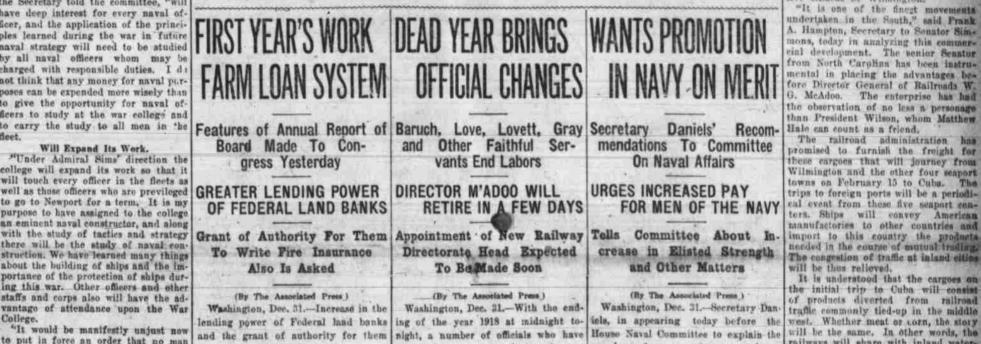
ing this war. Other officers and other Premier Clemenceau continued, saystaffs and corps also will have the ad-vantage of attendance upon the War ing: This system appears to be condemn-College. "It would be manifestly unjust now to put in force an order that no man

should be assigned to an important



HERE'S MARSHAL PETAIN RECEIVING HIS BATON

First picture of the French military ceremony in re-won Matz, whon President Poincare presented the military baton of a marshal of France to General Petain. Poincare, hat off, is handing the baton to the general, and standing near are "Papa" Marshal Joffre and Marshal Ferdinand Foch of France, General "Black Jack" Pershing of the American forces, General Sir Douglas Haig of the British, General Gillian, Belgian army, General Albricci, Italian army, and General Haller, Portuguese forces.





# Senate and House Conferees On Revenue Bill Will Meet Monday

Nows and Observer Buress, 406 District National Bank Building By S. R. WINTERS. (By Special Lensed Wire.)

Washington, Dec. 31 .- The initial voyage of a commerce-ladened ship, under the direction of the South Atlantie Maritime Association, will be made from Wilmington, N. C., to Cuba in February. The vessel will sail from the North Carolina sengort town on February 15 and similtaneously ships will sail from Charleston, Bronswick, Savannah and Jacksonville for Cubit, each loaded with American commerce. The ports of the South have coatively formed the South Atlantic Maritime Association as an agency to develop the channels of commerce and shift the emphasis from the congested railway conters of the North and West occan-going traffic. Matthew Hale, of Boston, who is a shipbuilder at Wilmington, is a spensor of the idea, and he had the support of men like Hugh MacRae and other representa-tive citizens of Wilmington.

"It is one of the finest movements undertaken in the South," said Frank A. Hampton, Secretary to Sonator Simmons, today in analyzing this commer-cial development. The senior Senator from North Carolina has been instrumental in placing the advantages before Director General of Railroads W. G. McAdoo. The enterprise has had the observation of no less a personage than President Wilson, whom Matthew

Hale can count as a friend. The railroad administration has promised to furnish the freight for these cargoes that will journey from Wilmington and the other four seaport towns on February 15 to Cuba. trips to foreign ports will be a periodi-cal event from these five scaport centers. Ships will convey American nanufactories to other countries and import to this country the products needed in the course of mutual trading. The congestion of traffic at inland cition will be thus relieved.

It is understood that the cargoes on the initial trip to Cuba will consist of products diverted from railroad Washington, Dec. 31 .- Secretary Dan- traffic commonly tied-up in the middle railways will share with inland waterto write fire insurance on farm prop- served the government during the war navy's needs as regards personnel, un-

steamer Brighton on which the presidential party made the passage of the channel reached Calais at 12:40 o'clock see the three others take up the comand was welcomed by General Ditte, the governor of Calais, the officers commanding the Allied bases and municipal representatives. The President then left for Paris at 1 o'clock by special

President Wilson will spend New Tear's day resting, departing at night for Italy.

The President tonight expressed himself as exceedingly pleased with his reception and the conferences he had rifiges."

# No Reference to Clemenceau.

Premier Cleinenceau's declaration he Chamber of Deputies favoring the principles of a balance of power has not been referred to by President Wil-Indications are totally lacking how the President regards the ier's views on this subject.

Officials close to President Wilson int out that at almost the very hour when M. Clemenceau was making his of all of us. declaration in Paris the President Takes would never enter into any com-instion of nations that was not a com-instion of all of them, and declared ifically against the principle of the hance of power.

### Concert of Powers.

The President was speaking for what it is understood he hopes to be a cons cart of powers.

mover much M. Clemenceau's decarations may appear to be at variance the announced purposes for high President Wilson will contend at he peace conference, it is held that here is no reason to believe that it is ikely to constitute a stumbling block.

Statement By President, President Wilson tonight on his arrival here authorized the following

on leaving England President and Wilson expressed their very great ure at the delightful cordiality of their welcome. The President expressed great satisfaction at finding how close by the purpose and feeling of the peoof Great Britain correspond with the feeling of the people of the United

### LEFT LONDON WHILE THE PEOPLE CHEERED

London, Der. 31 .- President and Mrs. Ison left Victoria Station at 9:18 ming on a special train en to to France.

Others who traveled on the Presial train to Dover were Col. S. L. m, J. Butler Wright and Her-C. Hoover.

en Mary and Mrs. Wilson carried ated conversation to the ent, President Wilson having Wilson's attention to the t the train was pulling out. the a dark and rainy morning but is lined the streets from Bucking-Palace to the station and cheered

dent Wilson and his party. The

Continued on Page Two.J

America, England, France and Italy h place in the fleet who had not taken the got together in declaring that whoever college war course, but we are looking attacked one of them must expect to mon defense-

The Premier was interrupted here by applause and disorder in the chamber, in the navy should go to those who have but later resumed:

Wilson Words: Combination of

**Power Must Be Combination** 

of All of Us

(By The Associated Press )

Paris, Dec. 31.-The declaration made by President Wilson in his speech at Manchester Monday against balance of

Clemenceau in the Chamber of Depu-ties in which he declared his support

of the "lialance of power" idea and his

it is not known, but the President's

speech, coming within twenty-four hours after that of the Premier, has led

to a contrast between the two declara-

tions as sharply defining two opposing viewpoints on the subject of balance

French Premier's Words.

of power among the nations.

balance of powers-

There is in this system of alliances which I do not renounce, I say it most distinctly, my guiding thought at the in the actual practice of seamanship conference, if your body permits me to atloat.

JAPS FOR THE OPE great powers, that the war has united. To this Entente I will make all sac-

# What Wilson Said.

The statement of the French Premier is looked upon as foreign to the statement made a few hours later at Man-chester by President Wilson, when the President said:

"If the future had nothing for un but a new attempt to keep the world at a right poise by a balance of power the United States would take no interest, because she would join no combination of power which is not a combination

toward that end and must make provision for affording opportunity to all officers to take this course. When this has been done promotion and leadership

mastered strategy and tactics as taught at the War College as we ... as to those who have shown mastery over the seas

ing "the first year of operation" of the farm loan system, the first year of "the board being spent in organization." Year of Progress.

"The year was one of very evident progress," declared the report, which contained a table showing that farm loan associations increased from 1,839 to 3,439 during the year; that the capital of the twelve Federal land banks DOOR IN FAR EAST increased from \$10,458,230 to \$16,250,-285: that loans in force increased from \$29,816,304 to \$140,004,439; that joint

erty were advocated by the farm loan

board in its annual report submitted

today to Congress. Modification of the

Federal farm loan act so as to make

the minimum loan \$500 instead of

\$100, and maximum loans \$25,900 in-stead of \$10,000 algowwas urged.

The report was described as cover-

stock land banks increased from four nine; and their loans now amount to \$7,380,734; and that interest rates of the land banks was 5 or 5 1-2 per cent and that of stock land banks was six per cent.

Interesting information as to the application by borrowers of loans from the departments of commerce, interior the land banks was given in a detailed

statement dealing with about one-third of all the loans closed by the over hy the War Trade Board, which banks. This statement showed that will continue to function for the preseight per cent of the proceeds of the ent.

loans were used to buy land; ten per cent for buildings and improvements; ten per cent for payment of other debts; five per cent for purchase of until the prices fixed on certain com bank stock; four per cent for purchase

modifies expire by limitation next July of live stock, and three per cent for 31. But prices on steel, copper, pig implements and equipment. iron, zine, cement and other commodi "The loaning of over \$150,000,000 has ties expired tonight at midnight.

the far west in the maintenance of which she will welcome the cooperation been of distinct and direct benefit to more than 64,000 borrowers," declared of the allies, Baron Nobunki Makino, the report, "and has been of indirect of the Japanese peace commission de-clared on his arrival here today with fellow delegates, on the way to France. benefit to every applicant for a farm loan throughout private agencids.

Reduced Interest Rate. "A-distinct reduction, not only of the rate of interest on such loans, but also and hides and leather February 1. in the accompanying charges, was manfest immediately after the passage of

With the dissolution of the treasury's the act. i While the loans made by Federal capital issues committee all government Land banks in the last year probably represent only about one-eighth of the jurisdiction over private and public issues of sceurities ends. total loans made by all agencies, they

REPORT ON SITUATION are far greater than any other single gency.

Despite the large production and high prices, net returns of the 1918 croj year "was much less than is popularly cial escort, provided by the State dedeclared the report which supposed," explained that hig profits were climilated by the scarcity of farm labor, its high cost as also that of fertilizers, implements and machinery.

> SOLDIER KILLED IN STREET CAR ACCIDENT.

Petersburg, Va., Dec. 31 .- Foreman Goodwin, a private in Company C, achool troops, at Camp Lee, was struck by an electric car near camp this after noon and died of his injuries at the base hospital shortly afterwards. He was riding a motoreyele and attempted to cross in front of the car. The body will be shipped to Ellamere, W. Va.

Special New Year's Races, Pinchurst today at \$:00 p. m .- adv.

served the government during the war may's needs as regards personnel, un-retired from office and at least two til a permanent establishment can be The development of southern ports is agencies-the war industries board and determined in the light of the action relf evident, if the plans measure up the treasury's capital issues commit- of the pence conference, urged that to the program. hereafter naval officers be promoted on

merit.

tee-ceased to exist. Officials who ended their services in-

dude Chairman Baruch of the War The secretary recommended an Industries Board: Assistant Secretary of the Treasury Love; Robert S. Lovett, application of seniority in minking pro-Director of Capital Expenditures for motions and also suggested that officers the railroad administration; Director of Operationa Gray, of the Railroad in each grade be permitted to select dministration; Solicitor of the men for promotion to successive grades instead of continuing the present sys-Inernal Revenue Bureau Ballantine.

McAdoo's Successor. tem of having all selections made by a William McAdoo had expected to end single board. his duties as Director General of Rail-For Retention of Pre-War Wages,

roads but he will remain at his desk Increased pay for the men of the mavy was also recommended by Mr. untily next Saturday. The appointment f a successor is daily expected at the Daniels, who asked the committee to White House, write into the new naval hill a provi-

It has been generally understood Dr. It has been generally understood Dr. sion making permanent the war time Harry A. Garfield, who resigned as pay increases of from 86 to \$15 for enlisted men. This would make make the pay range from \$36 to \$51 a month. Fuel Administrator some time ago, expeeted to resume his duties as President f Williams College early in the year. secretary also asked that one While the War Industries Board dismonth's pay he given navy men as a

solved at midnight tonight some of its gratuity when they are discharged from work already has been turned over to the service.

### For Temporary Increase

In explaining to the committee that the department would not now ask for and agriculture and others will be taken any increase in the permanent culisted strength of the navy, Secretary Daniels said temporary increase should be au-**Price Fixing Committee.** 

thorized to include 60,000 temporary regulars and 53,000 of the reserves for The board's price fixing committee it a understood will continue its work operating transports, as a total of 250,-000 men would be needed for naval ships and transports.

More Officers Necessary.

To give the 2,000 additional officers necessary for the permanent establish-ment by July, 1920, Mr. Daniels said it was proposed to transfer 1,000 re-Under the present plans of the price fixing committee existing fixed prices woold continue as follows: sand, gravel serve officers to the regular establish and crushed stone in the Norfolk disment to rank ensigns and lientemants. trict March 1; cotton compressing July 31; brick for Philadelphia, Baltimore These with 460 ensigns from the naval endemy next Sune and 600 in and Washington districts January 31 1920, would make up the needed lumber.

> MEMBERS OF ORLANDO ITALIAN CABINET RESIGN.

Paris, Dec. 31 .- (Havas.) - The resignation of three Italian ministers may delay the opening of the preliminary peace conference until January 15, IN ARCHANGEL REGION cording to the Echo de Paris. In ad-dition to Leoui da Bissolati, minister of military aide and war pensions, gnor Baranni, minister of education and Signor Bari, minister of public works, are said to have left the Oriando calvinet.

New President of Dr. Rodrignez Mudies at the Suman Rio Janciro, Dec. 31.-Dr. Rodrignez Carolina. Young Suman Alvez, elected President of Brazil to Annapolis as an alber to Annapolis as an alber New President of Brazil. assume the presidential office next Bagley Daniels, both were ap Thursday. Dr. Alvez was prevented by of Scuator Overman, and a Paris, Dec. 31.-(Havas)-A libera liness from entering upon his presidenabinet, favorable to the entente, has tial duties November 15, the date origder the presidency of Prince Sabheddin, This action followed the recent disinally set for his inauguration.

The innuguration on Thursday will finish his law course. The v ice screated by their resignation for the first time in the history of the sountry, as Congress is not in session. country, as Congress is not in session. The Brazilian delegates to the peace, conference have postponed their sail-

ing until Thursday after the inaugura-

How a detachment of North Carelina, Tennessee and South Carolina treep

smashed the Hindenburg line and captured the trench defense system-the amendment that would withdraw all lanat of the German army-is described in a letter received in Washington from Col. John K. Herr, a District of Columbia soldier, who is chief of shaff of the Thirtieth American division

"I have never seen a finer body of men," states this Yankee officer of the North Carolina and allied states' soldiers. They have a aplendid physique

and undoubted conrage. It was they who broke the Hindenburg line north of San Quentin at Bellicourt, where the consl runs through a tunnel. This tunnel is espable of holding a divisi and the Boche had a complete under-ground system branching to the main Hindenburg line just west of it, with many other tunnels leading to Bellicourt and other places west of the ennal.

"The Hindenburg line itself consisted of three complete trench systems, the last of which was concrete, with pill boxes and wire in front. On Soptember 29, we captured the entire sys tem, including the caual tupped and the towns of Bellicourt and Nauroy, capturing 1,500 prisoners, sixty finid guns, hundreds of machine guns and trench mortars. On October 8 we captured 1,800 prizoners and many field and machine guns. We took the towns of Brancourt, and Premont.

"We attacked again on the 9, 10 and 11. We advanced fifteen miles and took the towns of San Supplie, Busigny, Vaux Andigny, Maizinghem, and aneourt, liberating thousands of inhabitants, who ran out and greeted us,

"Some of the feats which our men performed, collectively and individu-ally, are almost unbelievable. I saw a man strap a Lowis machine gan to himself when he saw how a secreted ma-chine gun was sniping his comrades on all sides. He set out to clean the nest. He crawled over the top, against the orders of his officers, and advanced alone, firing the gun as he went. silenced the Hun, but was himself riddied with hullets. His dead body was decorated with the cross of war for the brave deed in which he lost his life and saved others.

Midshipman Stevens Resigns Midshipman II. D. Stevens, of ville, son of Benator-elect II Stavens, of Buncombe county signed from the Naval Academ

new their studies at the State I sity. Worth Daniels will contin

modical studios, while H istor.

Sentur Lee S. Overman returned to

(Continued on Fags Two

### Washington, Dec. 31 .- Favorable reorts on the situation in the Archangel region of Russia, where some unoffi-cial accounts have pictured the north Russian, allied and American forces as facing destruction at the hands of Bolaheviki in overwhelming numbers, have been given to the state department by G. A. Martiuszing, representative here of the Archangel government.

Capital Issues Committee.

Situation in Turkey,

cen organized in Constantinople,

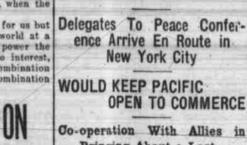
clution of the Turwish chamber.

The food situation in Constantinople

interrupted on account of the shoringe of coal.

it is reported, is deplorable, all articles having reached exorbitant prices. Dis-tribution of water in thereity has been

(Continued on Page Two.)





# Berger Testifies In His Own Behalf at Trial in Chicago

(By The Associated Press.) Chicago, Dec. 31 .-- Victor L. Berger, Congressman-elect from Milwaukee, took the witness stand in his own de-His country's course in her foreign re lations, said the Baron, who is a member fense at the opening of today's session of the trial of himself and four other of the Japanese House of Peers, will be scialist leaders on charges of conspiracy to violate the anti-sedition law,

Berger told the story of Socialism in America and of his own anti-war activities as a leader of the Socialist party. eastern bases and keeping the Pacific open to commerce, he added, Japan is fully in accord with the allies for a just He spoke with a strong German accent which was explained by his opening tes-timony to the effect that he was born in and lasting world peace. Accompanying Baron Makino on his Austria and was 20 years old when he

came with his parents to the United arrival on a special train, with an offi-States For the benefit of the jury he sketch ed the international Socialist movement and insisted that on several occasions threat of the Socialists to call a general

# He said he was not pro-German. . "No Socialist could be pro-German or pro-Kaiser," said the witness.

Berger's opinion of the war news of 1914-'15, he said, was expressed in his instructions to his sub-editors, who were told to "lead with the Berlin lies and follow with the French and English. His orders, however, were to print

all the war news all the time. Berger considered himself a conservative So-

cialist and said he worked to have the movement develop along peaceful, ra-tional, legal lines.

partment, were Lieot. Gen. Takeji Nara and Vice Admiral Isamu Takeshita, military and naval representa-tives; Figo Fukal, director of the Bank threat of the Socialists to can a good the strike had averted war. He related the unsuccessful efforts of the international Matazo Kita, noted Japanese financiers. Marquis Saionji, Senior delegate, will Paris, traveling by join the party in Paris, traveling by way of the Suez cunal. Baron Chinda, ambassador to England, is the shird peace envoy of Ambassadorial rank.

Baron Makino and his party will sail January 4.

The Baron spoke onthusiastically of his trip across the continent, the first since he journeyed to San Francisco in the early reventice, on his way home after attending school in Philadelphia. Baron Makino asserted that "every-



