

SIMMONS UNEARTH'S MOTIVES OF THOSE WHO BLOCK PATH

Declares Men Like LaFollette Attempting to Make The War Unpopular.

WOULD HIT THE SMALL INCOMES

North Carolina Senator Makes Answer on the Floor—Vardaman Admits People Think He is Opposing the War—Wishes He Could Go to The Front.

(By Associated Press.) Washington, Aug. 23.—Making war profits and millionaire incomes pay the greater part of the war's cost engrossed the Senate today in its consideration of the war tax bill.

Although yesterday's amendments restored the House amendments for higher rates of income taxation and ran the tax on millionaires up to 67 per cent., Senator LaFollette's proposals for still higher rates came up today with many Senators supporting them.

By these amendments, the Wisconsin Senator proposes to increase the income tax returned of the bill to more than \$700,000,000 a year in addition to the present law.

Senator Vardaman, of Mississippi, and Trammel, of Florida, spoke in favor of the LaFollette substitute and both opposed the bill's continuation and its present basis of taking excess incomes.

"It is the general understanding that I opposed this war," said Senator Vardaman, "but we're in it, to win. My son has secured a commission and, although I opposed the war, I would to God that my circumstances were such that I could go with him."

Those protesting against higher income and profit taxes, Senator Vardaman said, are those who "capitalize pretended patriotism."

Changes that those opposed to the present generation of the full burden as an effort to make it as unpopular as possible were made by Chairman Simmons of the Finance committee, including the LaFollette proposal.

"I cannot do man with wrong," he continued. "But I do charge that the inspiration for that suggestion finds its genesis in hostility to the war, with the desire of making this war as unpopular as possible."

"If you want to make this bill unpopular with the masses of the people and take from them an unfair proportion of revenue, adopt the substitute—it places the burden of the increase on small incomes."

Of the net increase of 44 per cent. proposed in income sur-taxes Senator Simmons said the LaFollette substitute would take 25 per cent. of the return from incomes under \$20,000.

SUBMARINE RECORD FOR THE PAST WEEK

(By Associated Press.) Paris, Aug. 23.—In the week ended, August 19, 5 steamships of 1,600 tons or more were sunk by mines or submarines according to the weekly official report. Four vessels under 1,600 tons were sunk. No fishing ships were destroyed. Three attacks by submarines failed.

Great Britain's Losses. London, Aug. 23.—The number of British merchantmen sunk by submarines or mines in the last week was only slightly larger than the previous week, when a considerable falling off was noted. According to the official statement, 15 vessels of more than 1,600 tons were sunk and 3 vessels of less than 1,600 tons, in addition to 2 fishing vessels, as compared with 14 large vessels the previous week, 2 small vessels and 3 fishermen.

THE POPE'S PURPOSE IN HIS PEACE PROPOSAL

(By Associated Press.) Kansas City, Mo., Aug. 23.—Pope Benedict had not expected early peace to result from his proposal to the belligerent nations that hostilities be discontinued, according to a statement by Monsignor Giovanni Bonzano, apostolic delegate to the United States who is here today to attend the convention of the American Federation of Catholic societies, which begins next Sunday.

"I can say authoritatively that the Holy Father believed there was no prospect of the warring nations arranging terms soon," said Monsignor Bonzano, "but he believed that he might bring the leaders of the warring nations to a normal sense of thought and try to arrange terms."

CLOUDS GATHER OVER RUSSIA

Grave Concern Over Events in That Country Are Increasing.

(By Associated Press.) Washington, Aug. 23.—The situation in Russia continued as the center of interest here today with the mystery surrounding the nature of official dispatches the government has received from Petrograd within the last 48 hours still undispelled.

Today's cryptic news dispatches from the Russian capital referring to speculation in Petrograd and Moscow newspapers concerning "expected dramatic announcements of events" and expressing the view of the press that "if no agreement is reached between the contending groups open conflict must follow," were taken to support the unofficial interpretation of the government's dispatches as relating to political conditions and probably undercurrents of German intrigue working to unseat Premier Kerensky with a counter-revolution to re-establish the autocracy or break down altogether the provisional government.

Nevertheless, it is known that the need of sending immediate and adequate physical assistance Russia has been urged upon the government by all the members of the American mission recently returned from Petrograd. This has not applied to the sending of troops, but to sending supplies and principally transport facilities, sorely needed to maintain the efficiency of the armies at the front.

American officials frankly admit their uneasiness over the tenor of the confidential advice. They realize that the pressure upon the provisional government from the opposition element increased by the Pope's proposal for peace, has confronted Premier Kerensky with a more perplexing task and the difficulties are much increased by the threat of the country being overrun by the German military machine.

A report was current, although without any official foundation so far as could be learned, that the government's advisers related to the German military menace against Riga. Berlin dispatches reporting the presence of Field Marshal von Hindenburg in that sector were taken to confirm that view. Possibility of moving the Russian capital from Petrograd to Moscow was discussed.

Cabinet officers seemed to be holding more conferences among themselves than usual. Secretaries Lansing, Baker and McAdoo had a conference, and afterward when Mr. Lansing was asked if it concerned the Russian situation, he replied "only incidentally."

FOUR-HOUR FIGHT WITH SUBMARINE

(By Associated Press.) An Atlantic Port, Aug. 23.—The Standard Oil tanker Campana, whose captain and five of her navy gunners were taken prisoners by a German submarine on August 6, surrendered to the U-boat, but only because she had not another shot to fire. The Campana's ammunition, after firing 180 shots, became exhausted.

This was the story told by J. H. Bruce, third mate of the Campana, who with 40 other members of the Campana's crew and 8 gunners, arrived here yesterday on a French steamship. The battle began at 5 a. m. and was waged for 4 hours at a range of between 7,300 and 7,500 yards.

The U-boat fired 400 shots, only two of which hit the mark. The Campana nevertheless was outranged by the 2 guns, one 4-inch, the other a 2-inch, with which the submarine was armed. The U-boat also was fully as speedy as the American vessel.

CAMP NEWSPAPERS FOR TROOPS IN FRANCE

(By Associated Press.) Washington, Aug. 23.—Suggestions are reaching the War Department as to the advisability of establishing at once in the American army area abroad soldier newspapers to furnish the men with a brief resume of home news as well as publishable facts about what is going on in France. Trench papers of this character are distributed to the French and British lines, but American troops will be far from home and hear little of what is going on in the United States until American newspapers arrive at the

GERMAN SUBMARINE BASE ATTACKED

(By Associated Press.) London, Aug. 23.—The important submarine base of Zeebrugge and other military objectives in Belgium were attacked yesterday by British airmen, the admiralty announces. "A bombing raid was made by naval airplanes Wednesday morning on the Zeebrugge, Mole, ship-ping and batteries," the statement says. "Some hits were obtained. The Ghistelles airbase also was bombed. There were explosions near the western shed and a fire was started. All the machines returned."

GERMAN AIRCRAFT ATTACK HOSPITAL

Wounded Soldiers and Nurses Killed by Bombs—Machins Guns Also Used.

(By Associated Press.) On the French Front, Aug. 23.—The incendiary bombs which were dropped by two German aviators on two hospitals behind Verdun on Sunday evening, killing 10 and wounding men, 1 woman nurse and 19 trained male nurses. They wounded 49 male nurses and inflicted further injuries on patients suffering from wounds received in battle, many of whom rushed naked into the nearby fields in an attempt to find shelter from the bombs which were being rained down.

Meanwhile the German aviators circled about in the air for half an hour, firing their machine guns at hospital orderlies who were endeavoring to extinguish the flames. The nurses had just finished bandaging 180 wounded Germans who had been brought direct from the battlefield and had gone to bed, when the bombs were dropped from a height of only three hundred yards. The Red Cross signs were painted prominently on the roofs and the Germans knew of the hospital which had been in existence for more than a year.

The correspondent, after inspecting the hospital, visited a camp at which German prisoners are assembled. It contained considerably more than 6,000 officers and men. The correspondent was permitted to interrogate a large number of prisoners, many of whom are 18 or 19 years of age. They all declared themselves contented at being out of the war. On the way other smaller camps, containing hundreds of prisoners, were passed.

THROAT CUTTING MEANS SUICIDE

M. Earle Adams, of Lakeport, Cal., in American Press.

The giving of free writeups is entirely too liberal, but in the past it has been necessary in towns with two or more papers, because "the other fellow" does it, and people drift away from the paper which is to them "tight" in this regard. The public has grown to expect free writeups of every nature, but I believe if a stop were put to the practice and a campaign of education inaugurated to show the people how unreasonable it is for them to expect the newspaper to give away its stock in trade they would soon realize they are imposing when requesting "something for nothing."

The newspaper man who bases his price for advertising space on what the other fellow charges and just cuts under him to get the business is a very foolish business man and a very unsuccessful one. Competition in advertising should be along the lines of impressing the buyer that the commodity you have for sale is worth more, and the only way to make it worth more is to impress the public with the worth of your publication. If a uniform rate per unit of circulation were established for advertising and religiously adhered to by every member, that phase of the subject would take care of itself.

Competition in job printing should be based on quality and salesmanship rather than price. The public is willing to pay a fair price for a job. It does not ask of anybody that he do its work at a loss, although the public is quick to take advantage of price cutting. How much better it would be if job printing competition could be based on quality of product, speed in turning out the work, friendliness of the buyer to the seller and a hundred and one other causes of legitimate competition!

If there is not enough work to go around for two shops in your town it would be a far better business proposition for competitors to get together and eliminate one shop, for if one must knife the other to live both of you will fail.

RUSSIA RESTIVE OVER PROSPECTS OF SERIOUS BREAK

Among Contending Political Factions at Approaching National Conference at Moscow.

OPEN CONFLICT SURE TO FOLLOW

Serious Rupture Between the Different Groups at the Conference—Malcontents Already Active

(By Associated Press.) Petrograd, Aug. 23.—As the day approaches for the opening of the "extraordinary national council" at Moscow, the newspapers are full of speculation concerning expected dramatic announcements of events. Judging from present indications the congress is likely to take the form of a struggle of the cabinet backed by the Socialist left, against the bourgeoisie consisting of constitutional democrats, discontented Moscow business men under their president, M. Riabushinsky, and dismissed generals who all agree in severely criticizing the present course and policy, demanding radical changes.

This view is taken by the Petrograd and Moscow press, which declares that if no agreement is reached between the contending groups open conflict must follow. First steps already have been taken toward vigorous and aggressive action by the malcontents. Among those who have arrived at Moscow are: President Rodzianko, of the Duma; A. J. Gushkoff, ex-president of the Duma; Prof. Paul Mihukoff, ex-Foreign Minister, A. L. Shingoroff, A. Makaloff, also the commander in chief of the Russian armies, Generals Alexieff and General Brunstloff, who yesterday conferred with the leaders of the Moscow movement, M. Riabushinsky, ex-Mayor Tchelkoff, ex-Minister of Trade, A. I. Konovloff, and Prince S. Troubetzkoi.

Conferences were held under the chairmanship of M. Rodzianko at which the differences between the government and the bourgeoisie were sharply emphasized, the only exception being made for Premier Kerensky, whom some of the speakers acclaim as capable of saving the country on the condition that he liberates himself from Socialist and Council of Deputies control. The press was excluded from the preliminary discussion and precautions were taken to prevent speeches being recorded; but it was stated these concerned the reconstruction of the cabinet on the principle of strong power, the possibility of a military dictatorship and the necessity of presenting the cabinet with an ultimatum.

Prince Troubetzkoi in a sharp speech attacked the government, declaring the sacred revolution had fallen under the "coarse claws" of men who think of plundering the national riches and of their own interests. The government, the speaker complained, is entirely in the hands of Petrograd. That is the chief evil, Petrograd being the center of rottenness. Therefore, he said, it was imperatively necessary to transfer the capital to healthy Moscow. Prince Troubetzkoi excepted only Premier Kerensky from general condemnation; but M. Ilin, of Moscow, declared Premier Kerensky culpable, owing to his association with those responsible for the present anarchy.

General Alexieff fiercely denied the Socialist "order number one" giving soldiers full liberty and abolishing saluting. The general also denounced Petrograd. General Brunstloff followed, declaring that he agreed with everything that General Alexieff had said.

ALLIES HAVE TAKEN BIG NUMBER PRISONERS

(By Associated Press.) London, Aug. 23.—"In the past three days the entente allies on the western front have taken 25,000 prisoners and since July 31 they have taken 32,500 prisoners," said General Maurice, chief director of the war intelligence office, in his weekly talk today with the Associated Press. "I am confident," he added, "that before the end of August, we will have topped the figure of 40,000, which the Germans claim to have taken in a month on the Russian front, although their total undoubtedly is composed by at least half of mere stragglers from the mutinous and disorganized Russian units."

POLICY BASED ON MIGHT ALONE AND NOT RIGHT DOOMED

Was the Declaration Made in Reichstag by Foreign Secretary Kuehlmann.

RIGHTS OF ENEMIES TO BE RESPECTED

And Cordial Relations With Neutrals—Were His Other Sentiments Remarkable From German Source.

(By Associated Press.) Amsterdam, Aug. 23.—"A policy based on might alone and not on right, is doomed to failure from the beginning," was the interesting admission made by Dr. Richard von Kuehlmann, German imperial foreign secretary, in his maiden speech to the main committee of the Reichstag yesterday. The new secretary, according to a telegram from Berlin, dwelt on the tremendous responsibility in assuming office "when the country is beset by the mightiest of enemies without and grave difficulties within."

Dr. Von Kuehlmann laid down the following program: First, the maintenance of cordial relations with the Allies; and, second, "with the neutrals whose rights and necessary conditions of existence we shall be most careful to respect as far as is compatible with enemy trickery and our own military needs." "To arrest further defection of important neutrals is an extremely important and important task confronting us," said Dr. Von Kuehlmann. "We can only solve it successfully by observing the principle that in politics might counts; but also right, and that only if we base our conduct on both we can hope to achieve lasting results. Furthermore, we still have relations with the belligerents; although, of course, official relations are ruptured, yet currents of public opinion wait across the border line of the trenches."

Dr. Von Kuehlmann eloquently emphasized the necessity of studying enemy psychology, so that "no soft words should be wasted when the other side holds rigidly aloof. On the other hand, no hard words should be uttered when there are indications that the ice is breaking on the other side and more conciliatory feelings become manifest."

Dr. Von Kuehlmann concluded with an appeal for trust in the army and navy.

AUSTRIANS CRUSHED LIFELESS AS THE ITALIANS RUSH ON

ADmits BEING GERMAN SPY

Arrested in Virginia Confesses Being One of Fourteen Spies of German Govt.

(By Associated Press.) Richmond, Va., Aug. 23.—William F. Nain, 36 years old, arrested in Louisa Sunday as a suspicious character and re-arrested Monday charged with being a German spy, admitted today, county officers said, that he was one of the fourteen spies working throughout the United States at the direction of the German government. The admission is reported to have been made after Nain had been arrested in Louisa.

Maps, charts, explanatory notes and other papers were found on Nain and an express package that he had forwarded to Charlottesville containing other information to be turned over to the German government, was intercepted and returned to Louisa to be used as evidence.

The prisoner is reported to be from Montreal and the son of a Scotch-Irish father and a German mother. He said he was sending information to his mother at Montreal.

W. C. Bibb, commonwealth's attorney of Louisa, has telegraphed to Montreal to get all information possible concerning Nain.

PRESIDENT TRANSFERS CONTROL OF EXPORTS

(By Associated Press.) Washington, Aug. 23.—Control of exports, heretofore administered by the Department of Commerce, was given by President Wilson yesterday to the exports administrative board, of which Vance McCormick is chairman. The purpose, officials explained, is to simplify procedure in granting export licenses.

The change gives unusual powers to the administrative board, which was formed to serve as an advisory body to the exports council, comprising the Secretaries of State, Commerce and Agriculture and the food administrator. The President's order will serve to make the exports council really the advisory board.

OPENS WITH RECORD BREAKING SALES

(Special to The Dispatch.) Warsaw, N. C., Aug. 23.—The tobacco camp opened here Wednesday with record breaking sales and prices. Approximately 250,000 pounds of the weed were sold at the 2 warehouses with an average of 31 1/2 cents per pound. Neither warehouse could sell all the tobacco brought to it during the day.

WESTERN TROOPS AT CAMP GREENE

Camp at Palo Alto Abandoned and Contingent Ordered to Charlotte.

(By Associated Press.) Washington, Aug. 23.—Indications at the War Department today were that the 41st National Guard, composed of the troops from Washington, Oregon, Montana, Idaho, and Wyoming would be sent to Camp Greene, at Charlotte, N. C., for training. Camp Fremont, at Palo Alto, Calif., has been abandoned because local health authorities insist on a complete sewage system which the War Department considers unreasonable for a temporary camp.

Camp Greene was prepared for the 26th National Guard division, composed of New England troops, which have since been assigned for early duty in France.

No official announcement was made today, but there was reason to believe that the New England division would prepare at some Northern point, while the troops from the 41st division would be brought East.

During the Spanish war, officials point out, thousands of troops were encamped within the city limits of San Francisco and that latrine construction usual for temporary camps was held by the city authorities as sufficient safeguard for the health of the community.

STEAMSHIP GROUNDS OFF NEW ENGLAND

(By Associated Press.) An Atlantic Port, Aug. 23.—The British steamer, City of Lahore, from an Oriental port, with 53 passengers, and a \$2,000,000 cargo, ran on the rocks off the New England coast, during a fog yesterday, but later floated and reached port without assistance. Some of her forward pivets were started, causing a leak, but whether this did any damage to the cargo cannot be ascertained until unloading begins. After discharging, the ship will be dry-docked. At the time she struck the rocks she was feeling her way very slowly through the thick mist.

LOSSES IN MEN AMOUNT TO THIRTY THOUSAND SO FAR ALONG ISONZO FRONT

AUSTRIAN COUNTER ATTACKS REPULSED

Fighting on Verdun Front Dying Out, But French Have Obtained Their Objectives, Germans Attacking on the Aisne Line.

Italy's great effort on the Isonzo front is meeting with continued success, Rome reports officially. Further ground has been gained on both the Northern and Southern wings. Austrian counter attacks of great severity are being repulsed. The Austrian losses in the first two days of the battle are computed unofficially in Italy at 30,000.

The fighting on the Verdun front is dying down. The French objectives north of Verdun apparently have been attained, and except for the capture by the French of a small fortified position, no infantry actions in this sector are reported. The number of prisoners has reached 7,639. The French also have captured 24 cannon and more than 200 machine guns.

The Germans continued their attacks on the Aisne front last night, but met with no better fortune than heretofore. Several assaults near Lafaux mill, Ailles and Cenry were repulsed.

The weekly report of French shipping losses shows that five steamships of more than 1,600 tons were sunk by mines or submarines. Four vessels of lesser size were destroyed.

Three attacks by submarines failed. The German government has acknowledged at the Vatican receipt of the Papal peace note, promising to examine it carefully and to reply after reaching an agreement with its allies.

The Germans are continuing vigorously and successfully their new offensive on the extreme northern end of the Russian front. Notwithstanding the difficulties of the ground over which they are attacking, they have made substantial gains along the Gulf of Riga. The official report from Petrograd shows a Russian withdrawal of about five miles along the coast in the direction of Riga. Berlin gives few details of this fighting and it is not yet clear whether the Germans have committed themselves to a sustained offensive in the north.

German Drive Russians Back. Berlin, Aug. 23.—(Via London)—German forces yesterday occupied without fighting the Russian positions west of the river Aa to the Odlingbiga line, on the Riga front, according to the official announcement made today by the German war department.

In the fighting yesterday in the region of Verdun, the German general headquarters staff today reports, the French gained a footing only in a German foremost trench on a small front to the west of the Vacherauville-Beaumont road.

BRITISH SECURITIES ON AMERICAN MARKET

(By Associated Press.) New York, Aug. 23.—J. P. Morgan and Company, acting for the British government, announced here yesterday the sale of \$15,000,000 of 90-day British treasury bills at a discount of 5 1/4 per cent. It is the intention of the bankers to make weekly issues of these bills not in excess of yesterday's offering up to a total of \$150,000,000.

The rate of discount will vary according to conditions of the money market, it was announced, and the proceeds of the sales will be applied to the payment of bank loans incurred in this country by the British government for various supplies.