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SALUDA, POLK COUNTY, N. C., FRIDAY, DECEMBER 18, 1914.

ESTABLISHED MAY, 1894.

MEN FROM THE SOUTH DISCUSS ED PLANS FOR USE OF LOAN FUND.

Estimated That \$70,000,000 at Least of the \$135,000,000 Pool Will Be Applied for by Growers.

Washington .- The \$135,000,000 coton loan fund plan to finance the surplus cotton crop, was approved unanimously by representatives of committee which will aid in handling the fund in Southern States. The representatives held an all-day conference ing the act." with the cotton loan committee, which has final supervision of the fund.

Although no definite statements were made at the meeting as to how much cash will be drawn from the fund to carry the surplus crop, estimates ranged from \$10,000,000 tc \$70,-000,000 and members of the cotton loan committees were confident hundreds of applications for loans would be forthcoming before January 1 Most of those present believed that tween 4,000,000 and 5,000,000 bales of cotton must be carried over until next year. It as estimated that about \$150,000,000 would be needed to take care of this cotton, and it was the general opinion that unless there is a natural expansion of credit throughout the South the loan fund will be used to aid cotton producers.

There was evidence that many of the state committeemen agreed with the idea advanced by officials here that cotton producers next year must cut their cotton production. The cotton loan committee will use every means to convince growers of the necessity of curtailment.

The representatives from 10 states

Moorhead Wright, Arkansas, R. F. Maddox, Georgia; Sol Wexler, Louisiana; Z. D. Davis, Mississippi; Joseph. G. Brown, North Carolina; A. C. Trumbo, Oklahoma; R. G. Rhett, Texas; E. L. Rice, Tennessee, and State Senator Milton, Florida.

The cotton loan committee was represented by W. P. G. Harding and Paul M. Warburg, of the Federal Reserve Board; J. P. Forgan of Chicago, Festus J. Wade of St. Louis, A. H. Wiggin, New York, and Levi Rue, Philadelphia.

DANIELS FAVORS NORFOLK.

Is Place for Dry Dock-Recommendation to the Committee.

Washington. - Formal announcement of successful naval tests of coal from government-owned fields in Alaska was made by Secretary Daniels before the naval committee of the house. Trials by the cruiser Maryland about 10 days ago, Mr. Daniels said, had demonstrated that the Matanuska coal was as good as any to be Three recommendations were made

by Secretary Daniels. They were; Appointment of all second lieutenants in the navy hereafter as "acting second lieutenants" so that those ments after appointment may be

Graduated system in retired pay of naval officers on the basis of their length of naval service and the extent of their disabilities.

Authority for using part of a \$40,havy's rights and property on its oil land reserves.

basis with industrial managers, trying chine guns. the plan at New York, Norfolk and perhaps some other plants.

"The Philadelphia navy yard is in excellent shape," he added, "and has not as many evils-card systems and other paper work—as they have in some of the other yards. We are going to put a construction officer in charge at the Norfolk yard."

Mr. Daniels has spent his last day before the investigating committee.

French Gain New Advance.

Paris -The following official communication was issued by the war office: "In Belgium several attacks by the French troops have resulted in progress along the Ypres canal and West of Hollebecke. Several violent counter-atacks have been repulsed by our troops. The railway station of Commercy (Department of Meuse) was bombarded by batteries firing from a great distance. Insignificant damage was done. In Alsace an offensive movement resumed by the enemy has been repulsed.

HOLD CONFERENCE WITH VEILED THREAT

BAYS HE WILL CONSIDER ACTION AT NACO UNFRIENDLY RE-GARLESS OF MOTIVE.

ILL REQUIRE REDUCTION DISPATCHES REPLY TO NOTE

Repudiates Blame For Firing Across Border.—Expresses Hope of "Good Friendship."

Vara Cruz.-"If the United States employs force to stop the firing by Mexicans across the international boundary line at Naco, it will be considered an unfriendly act, notwithstanding the friendly motives cloak-

In this manner Carranza made answer in a statement to the Associated Press to the formal notice served by the United States on both Provisional President Gutierrez and Gen. Carranza that unless such firing ceased, force would be employed to protect American territory.

Carranza's reply to the American pote, repudiated responsibility for shots that have crossed the line and clearly set forth that he and his government will regard intervention at Naco as a hostile act. At no time since the receipt of Secretary Bryan's note calling attention to the repeated wounding and killing or residents of teh American town has Gen. Carranza appeared perturbed but he has had long conferences with those close to him, and, in framing his reply it is said he has been careful not to let himself stand in any uncertain light.

"Gen. Hill, constitutionalist come mander of the troops at Naco, is on the defensive," continued Gen. Carranza, "and, since his back was to the line, it is difficult to see how he could be responsible for the firing. The fact is that Maytorena's men have been attacking and therefore it appears reasonablely clear that they, and only they, could have been to blame.

"As a matter of fact I do not know that the rights of American citizens have been violated. It seems to me that it would be well for the state South Carolina; Henry D. Lindsley, department to investigate the question in order to flex the responsibility.

"I remember similar instances at El Paso, when the Madero forces were attacking there. In that case those shots were for the most part the imprudent and curious individuals who flocked to witness the fighting as if it had been a spectacular show staged for their benefit.

SERVIAN ARMY VICTORIOUS.

French Cut German Line of Communi-

cations Nears St. Mihiel. London-Both the German and official reports contain evidence that the Allies offensive movement is beginning to gather impetus and is meeting with stobborn resistance. The French have been particularly active in the Woevre region. At several points the Germans have

made counter attacks which the French clai mhave been repulsed.

The German report shows that General Joffre's men have reached a point midway between St. Mihiel and Point-a-Mousson which would indicate that they had crossed the Gerwho do not measure up to require- man line of communications. In these operations the French lost heavily.

The battles in Poland continue al most without intermission and, while both Russians and Germans announce success, apparently no decisive result has been reached. The Germans still are delivering heavy blows, at the 000 contingent fund to protect the Russian center, where they assert they took 11,000 prisoners and 40 machine guns. South of Cracow the The secretary said the navy was Russians claim the capture of 4,000 trying to put its yards on a business prisoners, four guns and seven ma-

Another Russian force is holding the passes of the Carpathians preventing the Austrians from sending relief to their Galician army. There is no news of the German troops advancing south of Mlawa, with the object of attempting to turn the Russian right. The rehabilitated Servian army continues victorious in the Balkan area of the war.

That the former German cruiser Goeben, now owned by Turkey, was not so seriously damaged as was reported in her brush with Russian cruisers, is shown by the fact that she took part in the recent attack on Batum, the Russian Black Sea port. According to a Russian statement the bombardment did little damage.

Bulgaria, according to a Paris report, has expressed to the Powes of the Triple Entente her desire to remain neutral. This is taken to mean that Roumania, if she so wished, could join the Allies without fear of being attacked by Bulgaria.

MRS. WINSTON CHURCHILL



New photograph of Mrs. Winston Churchill, wife of the first lord of the British admiralty, who is herself actively engaged in aiding the British soldiers at the front.

IOWA REPRESENTATIVE SAYS SQUIRREL SHOOTERS' CORPS COULD PROTECT COAST.

Daniels Favors Four Fighting Ships Annually Instead of Two Auxiliary -Predicts World Conference.

Washington,-Military preparedness of the nation was again the dominant subject of Congressional attention, Secretary Daniels, before the House Naval Committee, defended his twobattleship-a-year, construction program and declared the sentiment of the people of the United States opposed turning the country into a great military power. Meantime a free-forall national defense debate occupied the house itself.

Mr. Daniels, during an all-day examination, said this country already had a powerful navy and that while "with abundant revenues" he might favor the general board's four-battleship plan, he thought the two-battleship program adequate. Pressed for an opinion as to the world military situation at the close of the European war the Secretary predicted an international conference on armament.

"When the war is over," he said, 'those countries will be so exhausted in their resources and burdened with debt that there will be a great revulsion will be so great that we will have an international conference on armament-more possible now than ever before—and that we will get the World Powers will be used only to carry into execution the agreements the countries reach."

Representative Gardner precipitated the military discussion on the house floor with a speech criticising the administration for "laying the cold hand of death" on his proposal for special investigation of military and naval conditions. He assailed the Rules Committee for refusal to grant him a hearing and the Naval and mon before them former Cabinet offi- bill following. cials and other witnesses he wanted examined.

"If war were to break out today," said Mr. Gardner, "it would be found ammunition for an hour's fighting." Representative Fitzgerald of New

tative Dies of Texas ridiculed the tack. Representative Sisson of Mississippi charged the "war propaganda to the manufacturers of war material." Representative Pouty of Iowa al police, declared a force of trained early in January. squirrel-shooters could prevent the landing of a hosti'e force on American soil."

FINAL COTTON ESTIMATE.

Record Crop of All Previous Time Is

Grown. Washington.—The United States than sixteen million bales ,or 15,966,-000 bales of lint cotton and linter cot-600,000 to 650,0000 bales constitute the

crop.

DISREGARD FOR THE CANAL ZONE LAWS

COLONEL GOETHALS WANTS TOR-PEDO BOAT DESTROYERS FOR PATROL DUTY.

COLLIERS AND OTHER CRAFT

These Vessels Leave Without Clearance Papers .- Few Have Health Certificates.

Panama.-Col. George W. Goethals, governor of the Panama Canal zone, announced that his request that two swift American torpedo boat destroyers be stationed at the entrances of the canal was prompted by recent activity of warships and colliers of the belligerent European nations in the vicinity of the waterway.

The action of the Australian collier Mallina in leaving Balboa without clearance papers and the fact that other colliers have shown a disposition ot disregard canal zone shipping laws convinced Colonel Goethals that decisive measures should be taken to preserve the neutrality of the canal.

Nearly all the colliers in canal waters arrived without health certificates and in several instances sailed without clearance papers. It is presumed the steamers met and coaled the Australian and English fleet which concentrated recently in the vicinity of the Peral Islands, which lie 60 miles southeast of Panama City.

The torpedo boat destroyers requested by the governor are expected to do patrol duty and overhaul belligerent craft attempting to disregard the canal regulations.

Alleged violations of the Canal shipping laws are said to have been the subject of complaint to Sir Claude C. Mallett, British minister to Panama and also having resulted in orders the Sertifications prevent unneutral colliers remaining in ports on the zone in disregard of the orders of canal authorities.

In the case of the collier Mallina it is stated that she arrived without clearance papers or a health certificate and with no coal or supplies. She attempted to buy \$30,000 worth of supplies, consisting largely of articles intended for Christmas dinner for a large force. She was refused the suplies and was ordered to depart because she refused to state her destination, as required by the Canal Zone laws. The collier Protesilau is pointed to as a similar case.

It is stated that there has been much wireless interference in canal waters on the part of eight colliers which were recently in the vicinity of the canal and also by large warships sion against war. I expect the revul- fleets, reported to be within 25 miles of both ends of the canal.

CONGRESS PUSHES WORK.

some action by which the navies of No Extra Session for Next Summer Is Spur. Washington. - Congress continues

work of the winter session determined to complete its tasks March 4 so that no extra session will be necessary next summer.

Democratic leaders of both houses agree with President Wilson that the country should have a rest from national legislation. Right of way will be given appropriation bills with conservation measures, the Philippine Military Committee for failure to sum- bill and the government's purchase

While no special investigation of military preparedness seems in prospect, much attention will center about investigations before reguar our coast defenses have not sufficient house committees. The naval committee will resume consideration of the appropriation bill at once with York replied briefly and promised to Secretary Daniels again on the stand.

make a complete statement later. The immigration bill, with its litwhich would make "notoriety-seeking eracy test for aliens will again be ex-Secretaries" less anxious to dis- under debate in the senate while that cuss the national defense. Represen- body waits for the appropriation bills to come from the house. Its supthought of impending danger of at porters insist that it will be passed although it was not included in the President's outline of legislation.

Conservation measures—the waterpower site and the mineral leasing pleaded for international disarma- bills probably will be reported from ment, arbitration and an internation- the senate committee on public lands

Mines Were German. Stockholm, via London.-The Swed-

ish forign minister in a statement regarding the sinking of the three Swedish steamers by mines in the Gulf of Bothnia said: "The Germans declares the mines were Russian, as no German mine-laying had been done this year has produced the greatest up to the time of the disaster. Officrop of cotton in its history. More cial investigations by Finland disclose that several groups of anchored mines were German and not Russian and ton, unofficially estimated at from that they had been laid during the war in the Gulf of Bothnia. No floating mines had been found."

CAPT. H. GIBSON



Captain Gibson is the commander of the submarine K-5, one of the latest additions to the United States navy.

WATERWAYS CONVENTION

ADVOCATES OF BIG APPROPRIA-TION MEASURE GATHERED IN WASHINGTON.

Senator Ransdell Says Charges Were Made That South Was to Unduly Profit by Bill.

Washington. - Advocates of waerway improvement from all parts of tax of 1 per cent on all taxable inthe country met in the eleventh annual convention of the National Rivers and Harbor Congress. Secretary subject to sur-tax produced \$15,525,-Bryan welcomed the delegates, predicting a large percentage of the country's traffic would be drawn to waterways soon because of cheapness of transportation.

Vigorous replies were made to criticism of the last river and harbor bill Ransdell, president of the congress, made this attack the theme of his annual address. Albert Rettinger of Cincinnati, defended the measure against the same criticisms and Representative J. Hampton Moore compared the small appropriation of the last 40 years for waterways improvement with the large sums spent for the army, the navy and for pensions. Senator Fletcher of Florida expained the claims of the Oklawaha River for attention in reply to criticism of the Oklawaha item in the bill.

Senator Ransdell said that attacks on river and harbor legislation "were unfounded practically without merit and many of them devoid of even a vestige of truth." He vigorously denounced attacks on the bill in the last session of congress and the filibuster that resulted in the practical defeat of the measure's purposes.

Critics of the legislation, he added, had been unable to suggest a better system than the one they criticise,

Senator Ransdell said that under the present method of waterway legislation the nation's waterways had been greatly improved, commerce fostered, freight movements facilitated, and transportation rates cheapened in competition with railways.

"Attacks were made on the last river and harbor bill," declared Senator Ransdell, "during the debates in congress and particularly during the recent campaigns on sectional and political grounds and it was freely charged that favoritism had been shown to the South. These attacks are unworthy of their authors."

U. S. CAN MATCH NAVIES.

Admial Fletcher Says Only England Has a Better Navy Washington.-The ability of

American navy to successfully meet the war fleet of any nation except Great Britain was asserted by Rear Admiral Fletcher, commander-in-chief of the Atlantic fleet, before the house naval affairs committee. The possibility of conflict with Great Britain losses to the invaders. was so remote, the admiral said, that he did not believe in a navl policy designed to control the oceans as against that country.

German Cruisers Destroyed.

London.-The victory off the Faulkland Islands where the British squadron sank the German cruisers Scharn- added he did not believe any nation horst, Gneisenau and Leipzig, and the which adopted such a suggestion was success of the Indian troops on the doing it sincerely. Mr. Carnegie Gulf of Persia, where they compelled gave it as his opinion that the military surrender of a Turkish army, have for caste in Germany was responsible for the moment overshadowed so far as the war and that at the time hostili-England is concerned, the larger ties broke out the Kaiser was ill and opposed to the war. events which have taken place.

INCOME TAX REPORT IS MADE PUBLIC

FORTY-FOUR PEOPLE WITH NET ANNUAL INCOMES OF MIL-LION OR MORE.

THE BIG WEALTH CENTERS

New York, Philadelphia, Chicago, Bos ton, Detroit, Wealthlest Cities of The Nation.

Washington.-The first complete compilation of returns under the income tax law was made public in the annual report of commissioner of internal revenue. It showed returns for the collection year of 1913 by 357,598 individuals as follows:

Net			Number
income			returns.
\$1,000,000	and	over	44
500,000	to	\$1,000,000	91
400,000	to	500,000	44
300,000	to	400,000	84
250,000	to	300,000	94
200,000	to	250,000	145
• 150,000	to	200,000	311
100,000	to	150,000	785
75,000	to	100,000	998
50,000	to	75,000	2,618
40,000	to	50,000	2,427
30,000	to	40,000	4,558
25,000	to	30,000	4,164
20,000	to	25,000	6,817
15,000	to	20,000	11,977
10,000	to	15,000	26,818
5,000	to	10,000	101,718
3,333	to	5,000	114,484
2,500	to	3,333	79,426
Returns	were	made by 9	78 835 mer

Returns were made by 278,835 married persons, 55,212 single men and 25,551 single women. The normal comes produced \$12,728,038. Incomes of more than \$20,000 a year and

The figures show that most of the individuals with large net incomes live in districts near the cities of New York , Chicago, Philadelphia, Boston and Detroit. More single women, as well as more single men paying the as a "pork barrel" measure. Senator tax were found in New York than anywhere else. Married women made separate returns in every collection district except in the Fifth North Carolina.

THAW ENTERS COURT AGAIN.

Attorneys Fight Extradition on the Grounds That Insanity Was Proved. Washington.—The request of the

state of New York for extradition of Harry K. Thaw from New Hampshire to answer an indictment charging conspiracy to obstruct -justice by escaping from Mattewan Asylum was taken under consideration by the United States Supreme Court after oral arguments.

Members of the court asked Thaw's attorneys many questions about various points in their contentions. They did not interrupt Williams Travers Jerome, however, during his argument that Thaw was a fugitive from justice nor challenge the argument of Franklin Kennedy, Deputy Attorney General of New York that the law under which Thaw was committed to Mattewan after the killing of Sanford White was constitutional.

Germans Close to Warsaw.

London.-Of the five Austro-German columns which for some days appeared to be making steady progress in their invasion of Poland, three have suffered checks, according to official report from Russian headquarters.

The column making a downward stroke from Mlawa on the East Prussian frontier, reported in one dispatch from Petrograd to be within 15 miles of Warsaw, was repulsed after an energetic offensive and under counter-attacks from the Russians was compelled to retire at some points.

The attacks of the main German column which had its front on the line between Lodz and Lowicz and which came down diagonally from Thorn, were delivered with great force, but according to the Russian account were repulsed with heavy

Carnegie Visits White House. Washington.-Andrew Carnegie, a White House caller expressed decided opposition to a Christmas truce in the European war. It would be unchristian-like and immoral he' said to stop fighting and then resume it. He