

GERMAN DRIVE ON EAST FRONT IS PROGRESSING

Only Along Galician Frontier Is Teutonic Advance Held in Check—Ruzky Declares Petrograd in No Danger—Bulgaria and Turkish Alliance Affirmed.

BERLIN, Sept. 13.—The battle along the Dvina river, which has been virtually in a state of deadlock for several days, has swung in favor of the Germans. The war office announced today that the Russians had been ejected from several positions on the left bank of the river. This battle probably will decide the fate of Riga.

LONDON, Sept. 13.—The Austro-German armies on the eastern front still striving for definite results are making progress everywhere except along the Galician frontier, where the Russians report a further success.

In the north, where the Russian line has been strengthened by a withdrawal of forces, Field Marshal Von Hindenburg is directing a violent drive toward Dyvinsk and a crossing of the Dvina. In the center Crown Prince Leopold has forced his way over Zelivinka and is attacking in the vicinity of Skidel. In the south Field Marshal Von Mackensen on both sides of the Pinsk railroad is pressing eastward toward the town. These movements have resulted in the capture of several thousand Russians.

Petrograd Not Endangered General Ruzky, commander of the northern Russian army, declares positively that there is no danger that Petrograd will fall before the guns of invaders.

On the other fronts there is little to report. It appears to be established that Bulgaria has struck a bargain with Turkey and Premier Radostavoff, in response to an appeal of (Continued on page six)

ORDUMA ATTACK DUE TO MISTAKE BY SUBMARINE

WASHINGTON, Sept. 13.—Germany's explanation of the unsuccessful attempt to destroy the Cunard liner Orduna on July 9 is that the submarine commander violated his instructions which were not to attack any liner, but because of the weather he was unable to make out the character or nationality of the Orduna. The Orduna, bound from Liverpool to New York with some 200 passengers, of whom 22 were Americans, was attacked by a torpedo, which barely missed her, and then was shelled by the submarine until she was out of range.

To substantiate the statement that the German commander was inclined to follow his orders it is stated that he soon after allowed the steamer Normandie carrying a cargo of lumber to pass unscathed. The German explanation, which comes in the form of a note, was laid before President Wilson today by Secretary Lansing and may figure in the discussion of the submarine issue with Count Von Bernstorff, the German ambassador.

NO DECISION ON ARBITRATION IN ARABIC'S CASE

Lansing in Conference With Bernstorff—Germany Must Confirm Assurances of Cessation of Attacks by Submarines of Liners Before Formal Negotiations Conducted.

WASHINGTON, Sept. 13.—Secretary Lansing announced today after a conference with President Wilson that no decision had yet been reached by the United States of Germany's proposal to arbitrate the Arabic case.

It was indicated in official quarters that both Germany and the United States agree that to arbitrate the question of indemnity involves arbitrating the justification and the facts. Secretary Lansing's conference with Count Von Bernstorff began at noon.

It was generally believed that before the United States will enter into formal negotiations on the Arabic case in particular, it will be necessary to confirm Germany's assurances of the cessation of attack by submarines on liners.

The declaration that the United States would not discuss the Lusitania case until it had been established whether the sinking of the Arabic was a justified act, increases the importance of the decision on the Arabic note.

Ambassador Bernstorff's conference lasted half an hour.

The ambassador made it clear that the situation had not come to an impasse. From his manner some of his questioners inferred that his conference with the secretary forecasts a favorable outcome and that probably arbitration might be agreed upon.

SEEK FUGITIVE BANK BANDIT

SAN FRANCISCO, Sept. 13.—The police today continued their search for "Charley," missing member of the gang of bank robbers, one of whose number, known as George Nelson, shot and killed himself early yesterday morning at the end of a six-hour battle in which he stood off a large force of police in his barricaded apartment in a lodging house.

Two other members of Nelson's gang that last month robbed a Los Angeles bank of \$3000 were under arrest in the southern city today and the San Francisco police were searching not only for the man known as "Charley," but for a woman who was believed by tenants in the lodging house where Nelson fought his battle to be the bandit's wife. A photograph found in his room was identified by lodgers as the woman known as Nelson's wife.

RUSSIANS IN GRODNO FLEE FROM GERMANS

LONDON, Sept. 13.—A wholesale exodus of the people in virtually all of the townships and villages of the Russian province of Grodno is reported. The people are fleeing on foot to the Baranichi, the junction point of the Vlna, Rovno, Brest-Litovsk and Minsk railroad.

The refugees, numbering thousands, are sleeping in the woods at night, drenched by the cold rains. The authorities are doing their utmost to relieve distress.

ASK FINANCIERS OF WEST TO AID LOAN TO ALLIES

James J. Hill Says Loan Is of More Vital Interest to United States Than to Countries Seeking the Money—New York Fails to Promise Needed Amount.

NEW YORK, Sept. 13.—Financiers of the west and northwest came to New York today to help the Anglo-French financial commissioners arrange a way by which Great Britain and France can pay for the hundreds of millions of dollars worth of exports already shipped abroad and other vast amounts contracted for and contemplated.

The first of these arrivals was James J. Hill, railroad builder and financier of St. Paul. Mr. Hill was said to be provided with data upon which he based his belief that the flotation of a mammoth credit loan here to Great Britain and France is of more vital interest, perhaps, to the United States, than to the two countries seeking the loan.

Festus J. Wade of St. Louis also registered here today. It was said Mr. Wade would probably see members of the commission late today. Bankers from Chicago and Cincinnati also were said to be in town or on their way here.

Seek Half Billion The commission, it is understood, was not cheered by the result of the preliminary canvass of financial institutions throughout the country a few weeks ago. This canvass showed, according to reliable reports, that not more than \$100,000,000 or \$150,000,000 could have been subscribed toward the proposed foreign credit loan at that time. The minimum amount sought by the commission is half a billion dollars. Recently the talk has been of a billion dollar loan.

Aid, therefore, from out of town firms and a general realization of the close communion between the establishment of the credit and the continuance without check of the great volume of American exports, were welcomed by the commission and local firms alike.

Meet With Morgan A meeting was held between the commission and J. P. Morgan, Henry P. Davidson, of the Morgan firm, and Frank A. Vandervliet, president of the National City bank. Messrs. Morgan, Davidson and Vandervliet were called on by the commission. The conference lasted well into the afternoon.

The commission late today deviated from its policy of having American financiers call to see them at their headquarters by sending Sir Babington Smith, on their behalf, to the office of James J. Hill, railway builder and financier, to obtain from him his views on the proposed big credit loan.

WOULD CLOSE PORTS TO FOREIGN WARSHIPS

SAN FRANCISCO, Sept. 13.—Representative Fred A. Britten of Illinois, member of the naval affairs committee of the house of representatives, said on his arrival here today from the Orient that he will introduce a bill in the next congress to close the American ports of Pearl Harbor, Honolulu, Manila bay and Guam to the warships of foreign nations.

He said he favored the immediate construction of forty submarines and the assignment of twenty to the Pacific coast.

AUSTRIAN AMBASSADOR WHO FACES RECALL AND HIS PRETTY WIFE



Uncle Sam has demanded that Austria recall her minister to Washington, Ambassador Dumba, because he advised Austrians in American munition plants to strike. These charges followed the arrest by British authorities of Capt. J. P. Archibald, an American newspaper correspondent, who was carrying a letter from Ambassador Dumba to the Vienna foreign office suggesting strikes to tie up war orders for the allies.

RECALL OF DUMBA VERY DISPLEASING TO FRANCIS JOSEPH

GENEVA, Sept. 13.—The Vienna morning papers are replete with leading articles on the news concerning Dumba, the Austrian ambassador to the United States, considering the affair one of vital interest.

From the articles it would appear that the request for his recall has divided Austro-Hungarian statesmen into two camps. Those of the party of Baron Burian, the foreign minister, apparently are persuaded that Ambassador Dumba acted under the influence of Count Von Bernstorff, the German ambassador to the United States, without orders from the home government. The Hungarian party, on the contrary, believes that Dr. Dumba did his duty in order to prevent arms and ammunition reaching the powers of the quadruple entente.

It is gleaned from the newspaper articles that Emperor Francis Joseph was displeased when he learned of the action that had been taken by the United States and in substance he expressed the view that personality of the Austrian ambassador was a sufficient guarantee against statements attributed to him by the United States, which were without a solid basis in fact.

It is declared likewise that telegrams of somewhat bitter tone were exchanged on the subject between Foreign Minister Burian and Dr. von Bethmann-Bollweg, the German chancellor. The German emperor is declared to have been greatly interested in the development and to have recalled Foreign Minister Von Jagow to Berlin, the foreign minister having been preparing on Saturday to go to Vienna.

The question of diplomatic ruptures with the United States is being discussed by the papers.

TRENTON, N. D., Sept. 13.—Snow from two to six inches in depth has fallen in North Dakota and eastern Montana, much of it melting, as it fell through the night. Most of the grain in this region still is unthreshed.

BRITAIN PAYING TWENTY MILLION A DAY FOR WAR

First New Budget Includes Taxation of War Profits, Not Only on Munitions, But on Industries—Increase in Income Tax Probable in Problem to Raise Revenues.

LONDON, Sept. 13.—Reginald McKenna, chancellor of the exchequer, will introduce his first new budget in the house of commons on September 21 or 23. He has spent many weeks in searching out possible means of adding to the ordinary revenues and meeting the enormous expenses of the war, which now amount to nearly \$20,000,000 daily.

Whatever the chancellor may have in mind, he has kept his secret closely. Gossip already has doubted the income tax and reduced the exemption figure, increased the duty on tea to a shilling a pound and added greatly to the import taxes on petroleum for the wines, spirits, sugar and tobacco, especially cigars.

Tax War Profits

Apart from these, a bold line of action undoubtedly will be taken on taxation of war profits, not only on munitions, but on industries like shipping, which are amassing enormous sums. The beef trust and wholesale distributors of foodstuffs also are mentioned as likely to be called upon for large contributions to the exchequer. Imposition of taxes on imported luxuries, including automobiles, is being canvassed as a means of raising revenues or of assisting national economy and righting the exchange market by decreasing imports.

Increase Income Taxes

An increase and extension of the income tax is expected in most quarters. An attempt to restrict the volume of imports is urged by many public men. The most likely measures in this direction are large additions to the duties on tea, tobacco, wine, sugar and petrol, and possibly new duties on luxuries of various characters. Other taxes which have been suggested are upon railway tickets, theaters and motion pictures, automobiles and carriages and employers of domestic servants. An increase in charges for letters, telegrams and telephones, all of which are under government control, is a further possibility.

It is estimated that the total income of the inhabitants of the British Isles is \$12,000,000,000 a year. Of this less than five billion dollars is now assessed for taxation. The new legislation is expected to reach at least three and a half billion dollars more. For the small workman, it is possible that the collection of the tax may be in weekly installments by means of stamps affixed to a weekly war tax card.

ITALIANS TO PEDO AUSTRIAN WARSHIPS

ROME, Sept. 13.—A battle between Italian and Austrian naval forces, the former assisted by a trench submarine, occurred on Thursday last in the Adriatic sea. The ministry of marine announced today that one Austrian torpedo boat had been damaged seriously.

The statement follows: "The French submarine Papin, assisted by our naval forces, torpedoned on September 9, in the Adriatic near Cape Planka, a group of Austrian torpedo boats, one of which was seriously damaged."

TROOPER SLAIN IN BATTLE WITH BORDER BANDITS

One Cavalryman Killed and Two Are Wounded in Attack Upon Patrol by Mexicans at Pumping Plant—Squad Fired at in Darkness by Gang of Forty Bandits.

BROWNSVILLE, Tex., Sept. 13.—One United States trooper was killed and two others wounded, one probably fatally, when a gang of Mexican bandits early today attacked the American patrol of seven men at an irrigation pumping plant several miles up the river from this point.

The soldier killed was Private Kraft, who received a wound through the head. Private Forney was shot through the back and is expected to die. Private Walsh also was wounded, but his condition is not considered serious. The firing was heard by nearby detachments, who located it at the pumping plant on the Los Indios project, but assistance which was rushed to the beleaguered men came too late to prevent the casualty. The squad of troopers was fired upon from the darkness by a gang estimated at forty. It is thought that the bandits have crossed into Mexico. Immediately upon receipt of a report of the fight, Colonel A. P. Blockson, commanding at Fort Brown, issued orders doubling the United States army guard, both at the international ferry and the international bridge here, lest a renewal of the border warfare occur.

Colonel Blockson has requested General E. P. Nafarrate, commanding in Matamoros, to arrest two Mexicans on the charge that they are known as the ringleaders in recent troubles on the lower Rio Grande.

A. B. C. CONFEREES TO DISCUSS MEXICO NEXT THURSDAY

WASHINGTON, Sept. 13.—Secretary Lansing announced today that the next meeting of the A. B. C. conference to discuss the Mexican situation probably will be held in Washington either on Wednesday or Thursday of this week. The secretary today discussed with President Wilson General Carranza's latest note.

Unofficial reports have reached here that a supplemental note is to be sent from Carranza sources outlining in detail what might be made matters of joint consideration. This would include war indemnities and guarantees to foreigners.

STEAMER ASHMORE REPORTED SUNK

LONDON, Sept. 13.—Lloyds report that the British steamer Ashmore has gone ashore and sunk. Four men of the crew are missing. The remainder were saved.

The last report of the steamer Ashmore available in shipping records was that she sailed from Montevideo August 9, for St. Vincent, Cape Verde. She was a vessel of 2519 tons gross and belonged to the Adam Steamship company of London. She was built in 1895.

THIS ISN'T THE RUSSIAN ARMY IN RETREAT--IT'S FRECKLES LEADIN' THE 'GANG GOIN' TO SCHOOL!

