

U. S. REPLY TO GERMANY WILL BE ISSUED SPEEDILY

TWO THOUSAND AMERICANS ON SHIPS IN PERIL

Bound on Vessels Steaming To or From U-Boat Danger Zones

PORT OF N. Y. REOPENED

Close Watch Kept on Interned German Liners by Officials

Vessels Now Nearing U-Boat War Zones

AMERICAN liner Finland, American liner Philadelphia, Norwegian-American liner Bergensjord, French liner La Touraine, Greek liner Themistocles, White Star liner Baltic, Holland-America liner Ryndam, Italian liner America, Cunard liner Saxonia, Anchor liner California. These ships are due in Allied ports within a few days.

Many British vessels are undoubtedly on their way to the United States unknown to shipping on this side, due to orders of the Admiralty veiling with secrecy all movements of British ships.

NEW YORK, Feb. 1.

Two thousand Americans, it is estimated, are on steamships bound to or from the danger zones prescribed by Germany's declaration of "sink-on-sight" submarine warfare.

Sailings last week for European ports were more frequent than they had been recently. On January 23 the Cunarder Panonia left for London, but she sailed under orders to put in at Halifax and carried no passengers, so that it is possible that she may have been held at the Canadian port or recalled by wireless.

On January 24 the big Italian liner Dante Alighieri left for Naples with passengers. She is due to pass Gibraltar on Saturday.

The American liner Finland sailed for Liverpool a week ago today with passengers and is due there on Sunday. She was followed on Saturday by the American liner Philadelphia, due at Liverpool on Sunday. The Philadelphia carried 126 passengers, including Captain Roald Amundsen, the famous explorer; Lieutenant John M. Eager, of the United States army; Mrs. Whitelaw Reid and George Gordon Moore.

The Norwegian-American liner Bergensjord also left on Saturday for Bergen, Norway, and should reach the Scotch coast on Sunday.

The French liner Touraine left on Sunday with passengers for Bordeaux, and on the same day two Greek ships left for Piræus.

The biggest passenger liner on the ocean at present is the White Star ship Baltic, which sailed for Liverpool on Monday with twenty-five first-class passengers and nineteen second-class passengers. She is due to reach Liverpool next Wednesday. On the same day the Holland-America liner Ryndam, carrying a big passenger list, left for Plymouth and Rotterdam. (Plymouth is the "excepted" port in the

Continued on Page Six, Column Three

SINKING GERMAN SHIP IN U. S. REFUSES HELP

Seamen Believe Freighter in Charleston Harbor Deliberately Sent to Bottom

CHARLESTON, S. C., Feb. 1.—The German freighter Liebenfels, in harbor here since the war started, mysteriously sank at her anchorage today in forty to fifty feet of water. Tugs standing by offered assistance, but it was refused, their captains said. While absolutely no reason has been found for the sinking, shipping men in general leaned to the rumor that the Liebenfels might have been deliberately scuttled. Captain Klattenhoff commanded the Liebenfels.

Aviator Kendrick Getting Better ATLANTIC CITY, N. J., Feb. 1.—There is a slight chance for the better in the condition of Beryl H. Kendrick, aviator who was planning to try out the first of three "aero trains" for service between Atlantic City and Philadelphia when he became seriously ill with typhoid.

THE WEATHER

FORECAST For Philadelphia and vicinity—Cold wave; generally fair tonight and Friday, with rapidly falling temperature to about 20 degrees Friday morning, probably reaching 10 degrees Friday night; strong northwest winds.

Table with columns for Length of Day, Sun rises, Moon sets, Delaware River tide changes, Chestnut Street Low water, High water, Temperature at each hour.

PASSPORTS HALTED AS CRISIS IS FORCED BY REOPENING OF RELENTLESS U-BOAT WARFARE

United States Committed to Act if Lives Are Lost—Ultimatum May Be Sent in Final Effort to Avoid Rupture

WASHINGTON, Feb. 1.—It can be said, on authority, that, in the event of a condition of war between the United States and Germany, the first hostile move by this Government would be the seizure of all German ships now detained in American harbors. These represent a value of more than \$60,000,000. The second step would be to establish a thorough patrol of American waters by the navy of the United States, thus releasing a large number of the warships of the Allies for service in European waters.

LONDON, Feb. 1.—"It is impossible to dispute the gravity of the situation," declared former Premier Asquith today, addressing a meeting at Ladybank and commenting on the new German blockade order.

"But with the navy supplementing such other measures as the arming of merchantmen and acceleration of new tonnage we may hope to counteract it," he added.

WASHINGTON, Feb. 1.—President Wilson is about ready to announce this Government's answer to Germany's warning of future unrestrained naval warfare.

Acting upon instructions from President Wilson, Secretary Lansing has prepared a communication, the nature of which is guarded in secrecy.

At the same time it is learned the State Department has issued a new order refusing passports to travelers planning to sail for European ports.

This action by the State Department serves only to increase the tension and mystery surrounding developments following receipt of the German note. It was pointed out that refusal to issue passports might mean that either this Government was planning drastic action and foresaw an inevitable break in relations between the United States and Germany or that President Wilson had determined to modify his former standby preventing Americans from traveling on the high seas and thus maintain this country's neutral status.

Following an hour's conference with the President this morning, during which the forthcoming communication from this Government was discussed, Lansing declared he would probably see the newspapermen later in the day, causing general belief that there would then be an official announcement of this Government's decision.

LANSING EVIDENCES GRAVITY OF SITUATION

While there was no hint from any quarter as to the President's decision in the case, the gravity of Secretary Lansing's expression after talking with the President indicated plainly that a most serious situation had developed.

Added to this the announcement of the new passport regulation led to the conviction that a break with Germany appeared imminent.

It was with a rather weary gesture that Lansing, after leaving the White House, threw down on the front seat of his carriage the little black portfolio which during the last two years and a half has carried between the State Department and the White House all of the communications and memoranda bearing on the many crises this country has gone through with Germany.

The Navy Department insisted today no orders of any kind had been issued United States merchant or war ships regarding their movements. It was explained that any such action, or any additional precautionary measures contemplated by the Treasury Department in the line of strict preservation of neutrality, would have to be taken up by the Treasury, Navy and State Departments.

It was also explained the navy, as part of its routine work, always has at hand plans for "meeting contingencies" such as convoying American ships or assigning war vessels for neutrality work.

An ultimatum to Germany or an immediate break with her—that was what Washington believed today would be the President's course over Germany's announced intent to strike, unrestrained, at shipping in a big "barred" area. The President has not yet spoken. And in these circumstances officials and international experts recalled that he has always held that war or a break must be avoided up to the last.

The present situation appeared to be "up to the last." But officials were not certain Wilson would so regard it. At any rate, they said, if he followed his Sussex note threat he would break with Germany.

That threat was to sever relations if Germany violated her pledges. Germany now has served notice that she will break them, scatter them to the winds. There is no time for long thought. The new, gigantic war started at midnight, although neutral shipping has a few days' grace.

NOTE REPUDIATES PLEDGES TO AMERICA

While the break or the ultimatum—holding Germany accountable under penalty of a break—seemed to many to be the logical courses, authorities point out that the President has these courses of action open, in addition: Await an act involving American rights or lives.

Make a quick move to get a relaxation of the British starvation blockade and a modification of Germany's new move.

Make a big eleventh-hour peace move intended to call a halt to hostilities.

Either of the last two courses, however, appeared to be too big and daring a stroke to have prospect of success at this late hour.

The President is said still to feel he should follow the idea of "no war" in so far as that call can be answered honorably. But few persons in authority believe a break in diplomatic relations can mean other than war.

And officials gloomily recalled today the President's past warlike warnings—"the sparks are flying"—and Secretary Lansing's "verge-of-war" comment December 21 last.

Officials admit they have seen the possibilities of these hints coming true—that this nation has been over a keg of dynamite for months—and it is believed they had some advance knowledge of Germany's intent to renew ruthless warfare if peace maneuvers failed.

Allied sources claimed to have known it for three months and to have prepared armament for it.

COLONEL HOUSE TO ADVISE WITH PRESIDENT

The President had the advantage today of counsel from his personal adviser, Colonel E. M. House, who hastened here secretly overnight. It was expected the lid would be kept on congressional discussion for the moment—if possible—and that as quickly as possible the President would consult Chairman Stone, of the Senate Foreign Relations Committee, and others high in his councils, including Secretary Lansing and perhaps his full Cabinet.

The President studied the German war note alone all last evening, and

Continued on Page Two, Column One

SIX SHIPS SUNK AS U-BOATS HIT IN BARRED ZONE

Threat of Ruthless Undersea War Has Early Fulfillment

DUTCHMAN FIRST VICTIM

LONDON, Feb. 1. Germany's new submarine campaign of ruthlessness is under way. Several vessels have already been sent to the bottom.

The Dutch steamship Epsilon was the first victim in the new "barred zone" today. Three British fishing smacks, the Merrit, Watt and Wetherill, were also among the early vessels known to have been sunk in pursuance of the new German order.

Two more vessels, the British steamship Trevan and the Belgian steamship Euphrates, were reported this afternoon as victims of the new German ruthlessness.

This makes a total of six vessels so far reported as sunk since the German "barred zone" decree went into effect at midnight.

The Epsilon was a steel-hulled steamship of 2211 tons gross, built in Rotterdam in 1913, and owned by the Vrachvaart Maatschappij. She was registered at Amsterdam, and Lloyd's Register gives her master as K. Rykeboer.

MIGHTY U-BOAT FLEET SAILS FOR BIG DRIVE

AMSTERDAM, Feb. 1.

Germany has sent to sea the mightiest fleet of submarines ever known to enforce the new blockade which she has proclaimed in the waters of the Allied countries. Fishing boats putting into Dutch ports today said that they had sighted great numbers of submarines proceeding westward through the North Sea on the surface.

WASHINGTON, Feb. 1.

German submarines are scattered far and wide on the seven seas. This was admitted in naval circles here today. Not alone are they in the prohibited zone as outlined in the German warning of yesterday, but at least two are reported to be in mid-Atlantic, in the path of Europe-bound travel, and others are believed to be lurking near the Azores. A report that a strange submarine has been reported near the West Indies is being investigated by the Navy Department. Other reports that submarines and commerce raiders have reached the Pacific off

Continued on Page Six, Column Seven

GERMANY'S ACTION HITS STOCK PRICES

Values Fall From 5 to 36 Points on Avalanche of Selling Orders

BETHLEHEM IS WEAKEST

How Stock Values Fell on Germany's Decision

THE following table shows some of the losses sustained by stocks as the result of Germany's decision on undersea warfare. The first column gives today's prices and the second last night's close.

Table with columns for stock names and prices: Bethlehem Steel, Marine preferred, Marine common, Reading, Central Leather, Steel common, Atlantic, Gulf.

NEW YORK, Feb. 1.—The action of Germany in deciding to pursue a new undersea program hit the stock market sharply at the opening today. Stocks fell from 5 to 36 points, the largest loss being in Bethlehem Steel. There was an avalanche of selling orders which flooded the exchange floor, holders throwing over their stocks without regard to what they received for them. In the afternoon Bethlehem dropped to 36 1/2, off 36 points.

The boardroom floor was crowded and the attendance throughout the financial district was large. Orders to sell came from all parts of the country. At times around the opening the speculators virtually fought to unload stocks.

There were reports all around the Street that many professional traders had sold short yesterday, some of them having sensed a German submarine campaign. Among these it was reported that Jesse L. Livermore had sold 25,000 shares of United States Steel common short. Livermore is the broker who paid off \$2,000,000 in debts since the opening of the Stock Exchange in December, 1914, through market winnings.

First sales of United States Steel common were fixed at 35,000 shares at 105 to 100, with a further drop to 99 in the next few minutes. Marine preferred declined 17 1/2 points to 65; Pittsburgh Coal, 11 1/2 points and 25; Anaconda Copper, 12 1/2 to 70; Central Leather, 12 1/2 to 70, and General Motors, 10 1/2. Bethlehem Steel opened off 25 points at 57.

In the rail group, Union Pacific fell 7 1/2 to 124 1/2. Utah Copper, which was the strongest feature yesterday, when it closed at 111 1/2, sold down to 97. Utah Copper rallied to 107. Steel common to 104 and Anaconda 4 points to 74. General Motors rose to 107. Marine preferred to 70 1/2 and Marine Copper from 12 1/2 to 22.

EXTRA

WILSON HAS NOTIFIED GERMANY BREAK WILL COME, SAYS REPORT

WASHINGTON, Feb. 1.—Congressional leaders close to the Administration this afternoon heard a well defined rumor that President Wilson already had notified Germany that if the indications outlined in yesterday's note were adhered to there was no other course open to this Government than to hand Count von Bernstorff his passports and recall Ambassador Gerard. According to these reports this action was taken at midnight last night following the secret conference between the President and Secretary of State Lansing.

REPRISALS ON U-BOAT WAR TOPIC OF ALLIES' COUNCIL

PETROGRAD, Feb. 1.—Measures of reprisal against Germany for her ruthless submarine campaign will be discussed at the Allied Council of war, which was formally opened today. It is taken for granted that naval activity will be undertaken by all the Allied Powers on a bigger scale than at any other time since the outbreak of the war. Mighty flotillas of torpedo boats are expected to scour the North Sea, the French coast and the Mediterranean.

GERMAN PRESS ENDORSES KAISER'S U-BOAT WAR STAND

BERLIN, Feb. 1.—The German press supports the Government in its move for a "barred zone" about Germany's critics and removal of restrictions on naval warfare. So far there have been no demonstrations. The German people appear satisfied with the decision reached by the Government.

GERMAN CHANCELLOR CONFERS WITH U. S. ENVOY

AMSTERDAM, Feb. 1.—Imperial Chancellor von Bethmann-Hollweg held a long conference today with American Ambassador Gerard. Dispatches from Berlin did not reveal the nature of their discussion.

MARINE INSURANCE RATES TO RISE 10 PER CENT

NEW YORK, Feb. 1.—Marine insurance rates will probably average ten per cent hereafter in view of the German blockade, it was asserted today by prominent agents. Underwriters expected to confer today and fix a definite rate.

BOSTON, Feb. 1.—Boston agents announced that all rates have been withdrawn on marine insurance and that no quotations at all will be made today.

CONGRESS BALKS AT \$500,000 PRICE FOR MONTICELLO

WASHINGTON, Feb. 1.—The present Congress will not authorize purchase of Monticello, former home of Thomas Jefferson, for half a million dollars. Its present owner, Jefferson Levy, of New York, former Representative in Congress, says he will not sell it for less. Members of the House Public Buildings Committee who have inspected the property say that the price ought not to exceed \$100,000, and that they will oppose paying any more for it.

HOG PRICES HIGHEST SINCE CIVIL WAR

CHICAGO, Feb. 1.—Hog prices established a new record today. The top price at the opening of the market was \$12.20 per 100 pounds, the highest since the Civil War. Yearling sheep opened at \$13.50 per hundredweight, the highest ever known here.

BALANCE IN CITY TREASURY NOW \$20,995,695.45

The balance in the City Treasury today, not including the sinking fund account, is \$20,995,695.45, according to the report of the Controller's office today. Amounts paid into the treasury this week up to today total \$876,290.15 and disbursements for the same period were \$712,744.70.

HOUSE VOTES TODAY ON REVENUE BILL

WASHINGTON, Feb. 1.—Debate in the House on the Administration revenue bill is nearing a close, with Democrats defending the measure and Republicans denouncing it and what they characterized as reckless Democratic extravagance. The vote will be taken today.

GRAYSON'S CONFIRMATION AGAIN DELAYED

WASHINGTON, Feb. 1.—Republican opposition caused the Senate again to defer action on President Wilson's nomination of Dr. Cary T. Grayson to be a medical director, with rank of rear admiral. Nominations of Samuel McTear to be pay director, Frederic R. Harris to be civil engineer and Surgeon General William C. Braisted to be medical director, all with rank of rear admiral, were confirmed.

HEARINGS NEXT TUESDAY ON DEFICIENCY BILL

HARRISBURG, Feb. 1.—The House Appropriations Committee arranged for a public hearing for heads of departments on items in the deficiency bill to be held Tuesday. The chairmen of the Senate and House committees discussed items with officials in order to gain information on reasons for the bill of \$720,000.

SANDBAG WAR DEPARTMENT, SAYS GENERAL WOOD

WASHINGTON, Feb. 1.—General Leonard Wood appeared for the second time before the subcommittee of the Senate Committee on Military Affairs. Declaring again that the National Guard system was "vicious and indefensible," General Wood acknowledged that the regular army had defects. The General said: "Yes, and I would go after the War Department with a sandbag and reorganize it."

ENGLAND TO KEEP GERMAN COLONIES

LONDON, Feb. 1.—Addressing a meeting in Westminster City Hall, Walter Long, Secretary of State for the Colonies, declared that the conquered German colonies would never revert to German rule. Long, in making this announcement, said he was speaking with the knowledge of the full responsibility in regard to the German colonies of which Britain has acquired possession since war began and as a representative of the vast overseas dominions.

THIS PORT SENT MANY VESSELS TO U-BOAT ZONE

Ships Worth \$20,000,000. Some Carry Philadelphians

SAILING LISTS HELD BY LINERS' OFFICES

Port Not Sealed, and Other Vessels Are Free to Dare Loss

RISK RATES UNCHANGED

No Precautions Taken to Prevent Sinking of Interned Craft

Twenty million dollars' worth of ships and cargoes from Philadelphia are on the high seas, bound for ports of belligerent nations, barred from commerce by the creation of Germany's new "war zone."

This is the fact that most impressed shipping circles today, while officialdom remained silent on the notice served by Germany that sea traffic in contraband must stop.

Passenger lists show that few Philadelphians are aboard ships in or approaching the danger zone. American passengers on British vessels are exceptionally scarce.

The port of Philadelphia remains open, awaiting orders from Washington. Collector Berry and Special Deputy Collector Lathy today said that up to noon no notices had been received and until orders came vessels will be free to leave for any port they choose.

NO RESTRICTIONS HERE

Similarly, no restrictions on shipments have been placed by the Pennsylvania Railroad on the E. I. du Pont de Nemours Company. Marine insurance rates remain the same.

An executive of the du Pont company explained today that his company's contracts call for delivery of explosives at the factory, and therefore the company is not concerned with the overseas shipment. The delivery problem created by the submarines affects only the purchasers, the Allies, he said. No embargo would be placed by the Pennsylvania Railroad on freight shipments for ports barred by the "war zone" unless the ports of Philadelphia and New York were closed indefinitely, railroad officials said.

About thirty-five ships that have left this port since January 15 now are on the high seas, it is estimated. There are fifty foreign steamships at anchor here, the majority of them having arrived within the last ten days. A heavy fog today kept all shipping at a standstill, no ships moored between here and Wilmington going seaward. The Greek steamships Theodoros and Pandia A. Paili, anchored off Chester, were scheduled to sail today for Greece with cargoes of coal, but probably will leave tomorrow.

Shipping men were much excited when the news of Germany's declared intention reached them. Some of the finest vessels that put out from this port are on the high seas moving toward points in England, France and Italy. The cargoes carried by these steamships include general merchandise, munitions, petroleum and grain. Following is a list of some of the ships on their way to war-zone points:

- Motor steamship Hamlet (Norwegian), for Avonmouth with cargo of oil. Sailed January 31.
Str. Sun, for London with oil, owned by Sun Oil Company. Sailed January 31.
Str. Pictou, for Manchester with merchandise, owned by Furness & Witherby Company. Sailed January 25.
Str. W. L. Radcliffe (British), for Gibraltar with merchandise, Furness & Witherby Company. Sailed January 27.
Str. L'Erde (French), for Marseilles with petroleum, Earn Line Steamship Company. Sailed January 27.
Str. Lowmoor (British), for Gibraltar with general merchandise, Furness & Witherby Company. Sailed January 26.
Str. East Point (British), for London with general merchandise, Furness & Witherby Company. Sailed January 26.
Str. Netherlee (British), for Dunkirk with

Continued on Page Two, Column Three

TROLLEY CARS FULL FIRE ENGINES OUT OF MUD

Four Apparatus Stuck in West Philadelphia on Return Trip From Blaze

Four fire apparatus stuck in the mud while returning from a fire today were dragged out of the mire by trolley cars at inland road and Dicks avenue. The cars pulled the steam engine, hook and ladder and other apparatus for a considerable distance. They then proceeded on their usual course when the fire company had been "landed" at a point where the mud and ice were not so thick as to "lock" with its progress. The horses were unhitched, but were forced to follow cars in the tracks.

The fire was at Eighty-first street and Madison avenue, where the farm house of George Johnson was slightly damaged by a blaze, caused by sparks flying from a bonfire started by boys. The apparatus moved with difficulty on the wet, soot-covered street, but not until the return trip when they stuck in the mud. The horses were discovered by McKenney, a mounted policeman, who rode for about a half mile to nearest fire alarm box, where he started the engine.