

ENTIRE NATION BACKS PRESIDENT AS U. S. BREAKS WITH GERMANY OVER U-BOAT ISS

HOLLAND FACES WAR OR END OF HER COMMERCE

Little Neutral Nation in Most Critical Situation in Two Years

SHIPPERS ARE WARNED

ROTTERDAM, Feb. 3.—Commenting on the German note the Nieuwe Rotterdamse Courant reaches the conclusion that it considerably increases the prospects of Holland being drawn into the war. It expresses doubt, however, whether Germany will be able to increase the effectiveness of her submarine warfare.

AMSTERDAM, Feb. 3.—Never since the beginning of the war has Dutch opinion been so profoundly stirred as by the latest German announcement. The moment has arrived when Holland is confronted with the gravest issue any nation can be called upon to decide, the question of peace or war.

The Dutch, one of whose predominant characteristics is caution, prefer to await events before committing themselves to an irrevocable course of action, but are fully alive to the gravity of the situation.

An important conference has been held by the Foreign, Colonial, Agricultural and Naval Ministers with Dutch shippers. The following statement was issued:

The conference discussed possibilities and means whereby sea connections, especially with the colonies, may be kept open without coming into collision with the belligerents. It also considered means of safeguarding vessels en route. Meanwhile, the Government instructs ship owners not to permit passengers to leave port without first consulting the authorities.

Every one sees that the provisioning of the country is threatened with paralysis by Germany's measures. The question is asked whether it is Germany's intention to force peace-loving Holland into war against her will.

Newspaper opinion recognized with unmistakable clearness that Germany threatens Dutch interests. Strong protests are made against a regime of violence for innocent non-combatants, and eyes are anxiously directed to the United States as the greatest neutral to see whether she will abandon her little sisters to the fate with which they are menaced.

AMSTERDAM, Feb. 3.—The congestion which Germany has offered the Dutch Government regarding the Flushing route to England is virtually identical with that extended to the United States for passenger steamers without contracts, according to the Berlin correspondent of the Handelsblad.

The possibility also exists, says the correspondent, for negotiations regarding regular service by Dutch vessels to the Dutch colonies.

The danger zones of which Great Britain and Germany have given notice overlap each other west of the Danish coast line in such a way that ingress to the Atlantic seems to be effectually closed to Holland.

BERNE, Feb. 3.—The note in which the German Government informed Switzerland of the inauguration of an unrestricted submarine campaign named Cetto (1109 miles west of Marseille) as the only port of entry through which Swiss traffic is authorized.

The Bund says that this will involve a different arrangement for the conveyance of supplies to Switzerland and will also render necessary a ration system for the Swiss and the issuance of cards for the principal articles of food.

MADRID, Feb. 3.—The Minister of the Interior has announced that the War and Navy departments have given the naval and military authorities instructions required by the gravity of the circumstances. The order, issued in conference with United States Ambassador Joseph E. Widland from midnight until 2 o'clock. He also received the president of the Mediterranean Maritime Federation, who informed him that the federation had ten ships at sea with safe conducts given by German consuls.

Later the Premier announced that the country faced a very difficult situation. The Premier Romanones made the same declaration in the Senate, after which he had an interview with the German Ambassador. In spite of the Premier's statement that the question of German neutrality could not be countenanced by the government, deputies and senators interested in shipping informed him that they intend to interpellate the Ministers. Eduardo Dato, ex-Premier and leader of the Conservative Party, declared, however, that nothing must be done to hamper diplomatic negotiations of the government. King Alfonso returns to Madrid tonight.

RIO DE JANEIRO, Brazil, Feb. 3.—Commenting on the new German note, the newspaper A Noticia says: "Germany has declared war against the entire world. This is a new and unique thing in its way the intervention of North America and consequently that of South America. North America undoubtedly will play a decisive role in the conflict.

"It is very sure that most of his friends do not realize the danger which was hovering near. On the impulse of the moment he decided to raise a volunteer army in the neighborhood of Front and Mifflin streets."

A number of cronies declared they would join Mellon's regiment and encouraged him in his good work.

Pat called at a number of homes and took the names of the male occupants. He scared the girls out of numerous women when he told them to tell their husbands to report at City Hall for soldier suits.

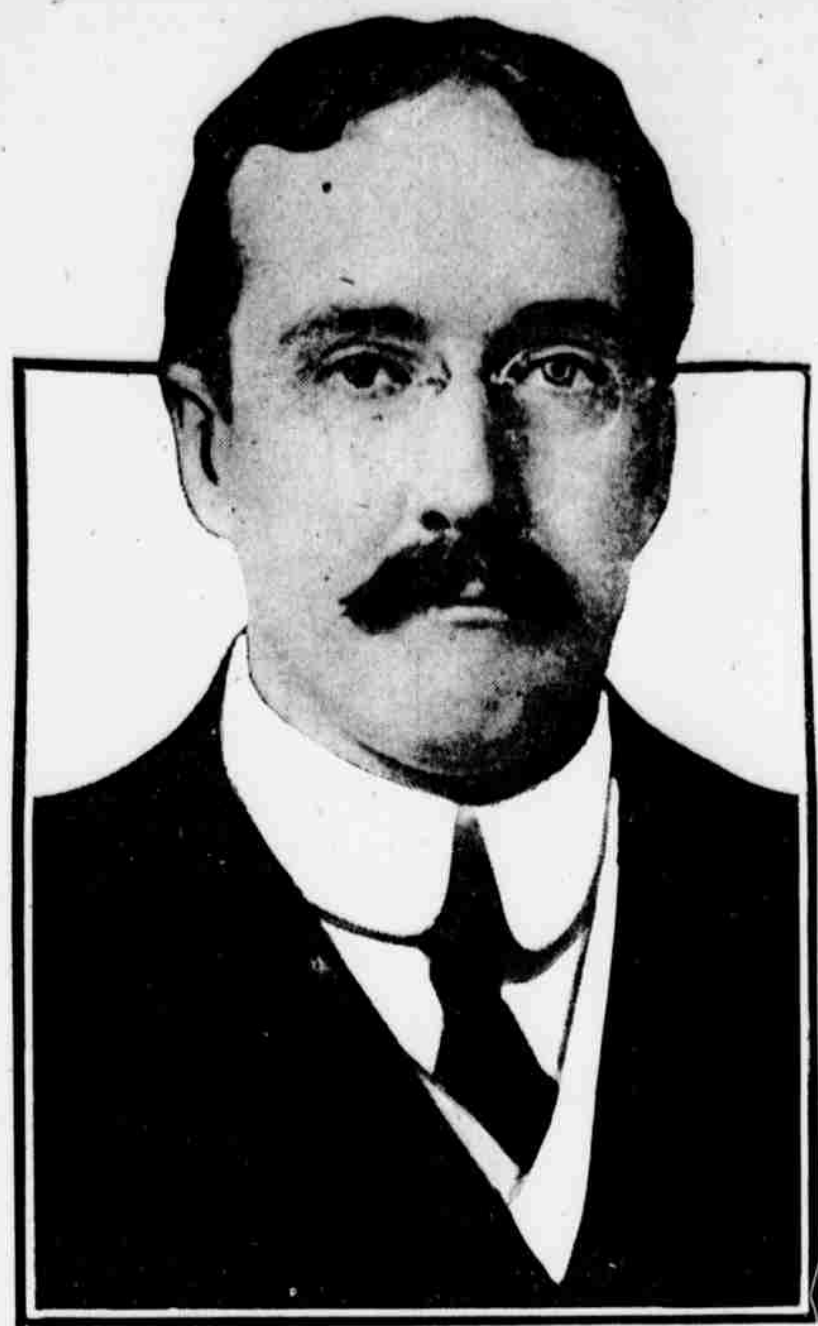
But in one or two cases unpatriotic residents shut the door in Pat's face and helped him in the sidewalk.

He was unloading his denunciation at a man who treated him in this manner when a cop happened along.

Pat turned his wrath on the bluecoat when the latter suggested that peace would be the best policy. The policeman tolerated considerable abuse and finally ended the controversy by marching Mellon before Magistrate Baker.

"It's all very well to be brave and patriotic," the Judge declared, "but it's just as well to await advice from Washington before declaring war on our own responsibility."

AMBASSADOR GERARD RECALLED



The official representative of the United States to Germany has been ordered back home because of the President's refusal to submit to the indiscriminate sinking of ships by the Kaiser's submarines.

STATI UNITI E GERMANIA ROMPONO LE RELAZIONI

Il Governo Americano Consegnò i Passaporti all'Ambasciatore del Kaiser a Washington

G E R A R D R I C H I A M A T O

Il Presidente Wilson ha l'Appoggio Unanime del Senato e di Tutta la Nazione

WASHINGTON, D. C., 3 Febraio. Il Presidente Wilson ha rotto definitivamente le relazioni diplomatiche con la Germania. L'ambasciatore tedesco von Bernstorff ha già ricevuto i suoi passaporti e l'ambasciatore americano a Berlino è stato richiamato. Oggi alle 2 il presidente parlò davanti al Senato ed alla Camera dei Rappresentanti riuniti in sessione comune a spogliarsi le ragioni della rottura. Non si ancora naturalmente alla dichiarazione di guerra, ma si crede generalmente che questa non potrà essere evitata. Ad ogni modo dipende dalla Germania, perché un telegramma da New London, Conn., dice che il carico che il sottomarino germanico tedesco Deutschland doveva prendere quando fosse arrivato colà è in fiamme. Non appena giunta a New London la notizia della rottura diplomatica i tedeschi cercarono l'ordine di incendiare il carico, ed il carico era stato in antecedenza dato dall'ambasciatore von Bernstorff.

L'ATTESA IN EUROPA

LONDRA, 3 Febraio.—L'attesa in Europa per la decisione degli Stati Uniti riguardo al blocco di sottomarini da parte della Germania è enorme. La domanda che si fanno tutti, inglesi ed americani, è: "Londra è questa? Può l'America ritirarsi? Infatti, mentre la Germania tenta di affamare l'Inghilterra, qui il pensiero di questo pericolo è minimo in paragone ad ogni altra possibile azione degli Stati Uniti. La Gran Bretagna affronterebbe volentieri la fame pur di avere con se la grande nazione sorella, gli Stati Uniti, contro la Germania.

E l'attesa per l'azione dell'America non è solo in Inghilterra, ma in tutta l'Europa, per quanto riguarda il blocco di sottomarini non vi è grande allarme a Londra quando si pensa che i tedeschi hanno fatto quanto di peggio potevano fare nel due ultimi anni e poco di più vi è da attendersi col blocco.

A Parigi si ritiene che questa è l'ultima ad azione che la Germania mette sul tappeto, cioè che la Germania mette sul tappeto il Petit Parisien scrive: "Il gioco è fatto e chiaro. Egli mette il coltello alla mano del Kaiser, e il Kaiser, che si è diviso in club, e il che uno ha collettivo la grande quantità di paper by the time \$300 worth has been saved will take a trip to Washington."

MR. AND MRS. JAMES B. MARTIN, of 1305 Divinity place, celebrated their golden wedding anniversary by a dinner to fifty guests.

The operation of embargo restrictions already had been provided, it was said. This consists in the enforcement of an order put into effect some time ago forbidding agents receiving export shipments, unless the shipper could show he had engaged vessel space for his cargo. The moment it is found that vessels are unable to clear, both the Reading and the Pennsylvania will claim down an embargo on the slaughtered freight, which automatically will stop the movement of freight to the seaboard.

KRAKAUER BETH ELORIM Beneficial Association held a memorial service in Beth Israel Synagogue for members who died last year. The Rev. Dr. Marvin Nathan officiated and preached a special sermon. Robert F. Bogatin, president of the society, called the roll of departed members. The service was concluded with kaddish, an ancient Hebrew prayer for the dead.

GORDON A. CAVANAUGH, 481 East Allen street, Eighteenth Ward, was sworn in as a stipstap in Court of Common Pleas No. 4 today by Judge Finletter. Mr. Cavanaugh filed the vacancy recently opened by the death of Tipton Orison. Mr. Cavanaugh

GERMANS HOPE TO SINK 1,000,000 TONS A MONTH

British Merchant Tonnage Estimated at 12,000,000 for All Supplies

END OF CONFLICT SEEN

BERLIN, Feb. 3.—Expectations are expressed in unofficial circles here as a result of the unrestricted submarine campaign the amount of tonnage sunk each month can be increased to about 1,000,000 tons. These are based upon available figures showing the total amount of British tonnage, which is estimated at 11,000,000 tons to 12,000,000 tons. This is believed here to be the gross registered tonnage upon which England can count for the import of necessary supplies, wheat, iron, munitions, etc., and for the export of coal to her allies.

Statistics are cited showing the actual, not theoretical, traffic in British ports from July to September amounted to 7,200,000 tons, carried in British vessels. In addition it is reported that the neutral and Entente vessels, other than British, entering British ports during that period brought the total tonnage up to approximately 13,700,000 tons. It is asserted that grain shipments from Australia to England are making steadily increased demands upon this tonnage, which also is transported from a normal sixty per cent of England's butter supply and from Holland virtually all of her margarine supply. Any considerable reduction of this tonnage, it is claimed, would limit England's supply of foodstuffs as critically as to force peace within a few months.

On the other hand, if the United States should be drawn into the war, these unofficial circles foresee a great increase in the war and, as a conclusion, Europe completely exhausted and America weakened, while Japan's military strength, they assert, virtually would be unimpaired and her financial resources vastly increased.

Statistics are also given showing the increase during the war by the building of new bottoms. He also warns them against making too optimistic estimates of the prospective achievements of German submarines and against regarding too lightly the probable counter measures upon which, he asserts, the British Admiralty undoubtedly is busily working.

The German Government's action concerning naval warfare is construed here as constituting the declaration of a blockade in accordance with all the formalities of international law and with the blockade limits set forth in definite form, the customary notice to neutrals and the usual period of grace in which neutral shipping caught within the blockaded zone may pass out of the "war zone" without incurring the penalties of history is that the blockade will be enforced by submarines, in addition to other naval methods, and that the exception is offered to the United States that one passenger steamer will be permitted to sail to and from Falmouth weekly under prescribed conditions.

Navy Yard Here Shut to Keep Moves Secret

Continued from Page One

The yard only after identification by officers from their ships.

Wagons and automobiles carrying coal and supplies were held up and admitted one at a time. Each was accompanied to its destination in the yard by an armed marine guard, who escorted the vehicle to the gate again.

By 2 o'clock this afternoon more than fifty women besieged the entrance to the Navy Yard, pleading to be allowed to see their relatives and friends among the bluecoats. They were asked to wait until arrangements were made to allow them to say good-by should any ships be ordered out.

The decision to close the yard followed orders from Secretary of the Navy Daniels. Commandant Russell called a conference of his aids, commanders of vessels and the marine corps officers and laid the situation before them. Captain Kilgore of the Marine Corps, who is in command of the gates, with Naval Constructor Snow supervising the admittance of workmen.

PORT NOT CLOSED

The port of Philadelphia has not been closed, but no vessels left today. Strict guard is being maintained over the German liners Prinz Oskar and Rhœtia and the Austrian steamship Franconia. Although a clearance papers yesterday, none had left its dock today. There are two British, two Norwegian and one Danish and one Swedish. They carry general cargoes and munitions.

Collector of the Port Berry today said that as regards the port remained the same as in the days of the blockade, but that until orders from the Treasury department instructed him otherwise. No extra guards had been placed aboard the port. "Central Powers" three merchantmen in port but their departure is being guarded have been ordered to increase their vigilance to prevent any possible attempt to damage the vessels.

Laden with tons of explosives, the Russian ships Albatross and Volga are waiting with steam up to make a dash to sea from Wilmington. Both boats are anchored off the du Pont powder works. A United States torpedo boat, believed to be the Juliett, was observed below Wilmington.

The Jones was completed about ten days ago at the New York Shipbuilding Company. It is believed that the boat was taken to the Philadelphia Navy Yard. Officials of the shipbuilding company say they do not know where the Jones is.

There was no change in the local marine insurance market. Rates on shipments to Allied countries north of Gibraltar and to the Mediterranean were quoted at ten per cent. Rates to Scandinavian ports were quoted at four to six per cent. Shipments to South America were covered at five per cent on belligerent craft and one per cent on neutral bottoms.

Fears that Philadelphia may be called upon to confer with officials of the War Department, should the submarine terror prevent the sailing of vessels, were completely dissipated by officials of the Pennsylvania and Reading Railroads yesterday.

Students Vote for Military Training

WASHINGTON, Pa., Feb. 3.—Students of Washington and Jefferson College have voted to install a course in military training. A faculty committee has been appointed to confer with officials of the War Department relative to having a United States army officer detailed to take charge

BERNSTORFF TO GET HIS PASSPORTS



German Ambassador to the United States, who probably will be on his way out of this country within a few hours.

U. S. ENLARGES PATROLS OF PORTS TO HOLD INTERNERD SHIPS AT BERTHS

NEW YORK, Feb. 3.—Upon the receipt of special instructions from Washington, Dudley Field Malone, Collector of the Port, conferred with representatives of the Department of Justice and the New York police. None of those who attended the conference would discuss what was considered, beyond saying that questions relating to a "possible emergency" were raised over.

Mr. Malone has increased his force of dock guards and special inspectors until he now has more than 1200 men under his command. Harbor police boats and four tugs of the coast guard cutter service, under command of the collector, are at their docks with steam up and their crews sleeping on board.

It was learned that the commanders of several of the German ships, self-interested here, have refused permission to the collector's officers to go below their main decks on trips of inspection. Mr. Malone declined to discuss the subject, except to say that the ships' officers were within their rights, unless he obtained evidence that neutrality regulations were being violated.

Acting on instructions from the Attorney General's office, the United States Attorney and the New York branch of the Bureau of Investigation of the Department of Justice are making arrangements to meet what was described as "any emergency." The arrangements, it was said, included the mobilization of all the Secret Service agents in the greater city in order that points of

UNDERWRITERS' INSTITUTE KEEPS RATES UNCHANGED

Private Concerns, However, Show Inclination to Advance Insurance Charges

LONDON, Feb. 3.—At a meeting of the Institute of London Underwriters where war insurance rates are quoted and marine insurance companies are discussed, it was decided not to recommend a change of rates in consequence of the enemy's threats. The underwriters would be affected as much as any class of business men by submarine attacks upon merchant shipping, and their calm attitude indicates that confidence is felt in the ability of the Allies to cope with the worst Germany may attempt.

The tendency, nevertheless, in certain rates quoted by private underwriters was distinctly firmer, especially in respect to cargoes of neutral ships, although there was notably little business cabled from the United States, suggesting that American ships are being detained in port.

Some of the rates quoted for cargoes of American vessels show big advances. Thus, for the transatlantic voyage of a cargo steamship, a rate of £10 per cent was quoted, compared with about forty shillings recently. By passenger liners 25 per cent was quoted, against thirty shillings hitherto. The rates reflected the belief that Germany will show at least some consideration for the safety of American life and property at sea, but it is realized by insurance men that a marked discrimination rate is no longer justified.

BELGIAN RELIEF SHIP BELIEVED FIRST VICTIM

Euphrates, With Cargo of Supplies, Had Begun Homebound Voyage When Torpedoed

LONDON, Feb. 3.—Official details received concerning the sinking of the steamship Euphrates, reported Thursday, show that the probable first victim of the new submarine policy of the Central Powers was a Belgian relief ship. Euphrates had carried a cargo of relief supplies from the United States, and was homeward bound in ballast when she was torpedoed. Several members of the crew have been rescued.

In connection with the sinking of the Euphrates, it is pointed out that all relief ships, even when homeward bound, conspicuously display the flags of the Commission for Relief in Belgium and carry bills at the mastheads, the latter to prevent aerial attacks. They also carry the safe conduct of the German Consul General at Rotterdam, just as loaded vessels carry a safe conduct from the German Consul General at New York.

MUST CENTER GOLD IN RESERVE BANKS

Federal Board Urges Preparation for Probable After-War Drain

USE HUGE FUND AS LEVER

WASHINGTON, Feb. 3.—The need for placing the twelve Federal Reserve Banks which constitute the active agencies of the Federal Reserve system in a strong position to withstand the probable drains of gold upon the United States at the close of the European war is emphasized in the annual report of the Federal Reserve Board for the year ended December 31, 1916, submitted to the House of Representatives today.

The Board estimates that the country is in a strong position, owing to the huge balance of trade amounting to \$2,000,000,000 in its favor, but that care must be taken to regulate the handling of the precious metal now held in the United States lest it become disorganized and militate to a national disadvantage.

The Board states that it has recommended to Congress amendments to the Federal Reserve act designed to concentrate in the twelve Federal Reserve Banks heavy stocks of gold which can be utilized as a lever to govern international movements of the world's monetary standards.

These amendments now are under consideration in Congress. Backing up its sensational statement of last December warning American banks not to make too liberal investments in foreign securities, the board says that it would be better for the United States to stop up on export trade and to permit further importation of goods than to attempt to assimilate more foreign securities than American banks can safely carry.

WARNS AGAINST OVEREXPANSION

The board, however, takes occasion to warn the country not to permit the accretion of gold to bring about a condition of overexpansion of credit which might work to the disadvantage of the present credit structure in the United States.

The board says that it is anxious to have the transfer of reserves from the national member banks to the Federal Reserve banks, which under the Federal Reserve act are to be made in November, 1917, advantageous, so that no time shall be lost in strengthening the gold holdings of the twelve central monetary reservoirs.

ACCEPTANCE BUSINESS LARGER

The board's report says that while the business of the American banks have transferred in the acceptance field has not been sensational so far, marked progress may be expected during the next year. The board details the circumstance leading up to the naming of the Bank of England as a foreign correspondent of the Federal Reserve system through the New York bank, and hints that further foreign expansion of this character may be looked for.

So far as earnings are concerned the twelve Federal Reserve banks have not been conspicuously successful, according to the report. A total of \$2,750,999 net earnings reported for 1916. Residends for the year amounted to \$39,851,006. Although this business is small, the board takes the position that the reserve banks are not intended to be profitable and will use their greater rewards only in time of financial stress. In such periods their earnings appreciably will increase.

During the year the Federal Reserve system received 150 new members, eighty-seven of which were newly organized national banks and thirty-five of which were converted State banks. Others were admitted through restoration to solvency as national banks.

Appointed to City Positions

City appointments today include Harry Simon, 3152 Greenwood avenue, inspector, Electrical Bureau, salary \$1200; Margaret V. Gallagher, Seventeenth and Rinker streets, clerk, Bureau of Water, \$800; John J. Meisner, Frankford avenue and Convent lane, oiler, Bureau of Water, \$800; and Charles A. Harris, Jr., 2323 Wharton street, fireman, Bureau of Highways, \$3 a day.

Seatag Oysters

Purity
Grown under ideal natural conditions. All are carefully selected and twice inspected; each certified by the Blue Tag on its shell. From exclusive Seatag beds, miles off Cape Charles, Va.

Flavor
Zestful and vigorous, with the tang, the tang, the salty-sweet savor of the open ocean. Ask the waiter!

H. H. CLIFTON CO. Phila. Distributor, Reading Terminal Market, Arch Street Wall.

NUTRITIOUS, DELICIOUS AND ECONOMICAL, TOO—

Deerfoot Farm Sausage

Have some for breakfast tomorrow. ALL FOOD—NO WASTE

Comfortable

While you smoke them and after too—

Your Wife will never complain when you remain late at the lodge if you bring home a box of **Hanscom's CANDIES!** Try IT!

FATIMA

A Sensible Cigar

1229 Market St., 1221 Chestnut St.