

PATRIOTISM AND PROFITS DO NOT MIX, PRESIDENT TELLS COUNTRY

My Fellow Countrymen:

The Government is about to attempt to determine the prices at which it will ask you henceforth to furnish various supplies which are necessary for the prosecution of the war and various materials which will be needed in industries by which the war must be sustained.

A just price must, of course, be paid for everything the Government buys. By a just price I mean a price which will sustain the industries concerned in a high state of efficiency, provide a living for those who conduct them, enable them to pay good wages and make possible the expansions of their enterprises which will from time to time become necessary as the stupendous undertakings of this great war develop.

PROFITS BUSINESS, NOT PATRIOTISM

It is perfectly proper to discuss profits as a matter of business, with a view to maintaining the integrity of capital and the efficiency of labor in these tragical months when the liberty of free men everywhere and of industry itself trembles in the balance; but it would be absurd to discuss them as a motive for helping to serve and save our country.

In these days of our supreme trial, when we are sending hundreds of thousands of our young men across the seas to serve a great cause, no true man who stays behind to work for them and sustain them by labor will ask himself what he is personally going to make out of that labor.

I hear it insisted that more than a just price, more than a price that will sustain our industries, must be paid; that it is necessary to pay very liberal and unusual profits in order to "stimulate" production; that nothing but pecuniary rewards will do it—rewards paid in money, not in the mere liberation of the world. I take it for granted that those who argue thus do not stop to think what that means.

Do they mean that you must be bribed, must be bribed, to make your contribution, a contribution that costs you neither a drop of blood nor a tear, when the whole world is in travail and men everywhere depend on and call to you to bring them out of bondage and make the world a fit place to live in again amidst peace and justice?

NO TIME TO DRIVE A BARGAIN

Do they mean that you will exact a price, drive a bargain, with the men who are enduring the agony of this war on the battlefield, in the trenches, amid the lurking dangers of the sea; or with the bereaved women and the pitiful children before you will come forward to do your duty and give some part of your life, in easy peaceful fashion, for the things we are fighting for, the things we have pledged our fortunes, our lives, our sacred honor to vindicate and defend—liberty and justice and fair dealing and the peace of nations? Of course, you will not! It is inconceivable.

Your patriotism is of the same self-denying stuff as the patriotism of the men dead or maimed on the fields of France, or else it is no patriotism at all. Let us never speak, then, of profits and of patriotism in the same sentence, but face facts and meet them. Let us do sound business, but not in the midst of a mist. Many a grievous burden of taxation will be laid on this nation in this generation and in the next to pay for this war; let us see to it that for every dollar that is taken from the people's pockets it shall be possible to obtain a dollar's worth of the sound stuffs they need.

Let me turn for a moment to the shipowners of the United States and other ocean carriers whose example they have followed and ask them if they realize what obstacles, what almost insuperable obstacles, they have been putting in the way of the successful prosecution of this war by the ocean freight rates they have been exacting. They are doing everything that high freight charges can do to make the war a failure, to make it impossible.

I do not say that they realize this or intend it. The thing has happened naturally enough, because the commercial processes which we are content to see operate in ordinary times have, without sufficient thought, been continued into a period where they have no proper place. I am not questioning motives. I am merely stating a fact, and stating it in order that attention may be fixed upon it.

HAZARDS COVERED BY INSURANCE

The fact is that those who have fixed war freight rates have taken the most effective means in their power to defeat the armies engaged against Germany. When they realize this we may, I take it for granted, count upon them to reconsider the whole matter. It is high time their extra hazards are covered by war-risk insurance.

I know, and you know, what response to the great challenge of duty and of opportunity the nation will expect of you and I know what response you will make. Those who do not respond, who do not respond in the spirit of those who have gone to give their lives for us on bloody fields far away, may safely be left to be dealt with by opinion and the law—for the law must, of course, command these things. I am dealing with the matter thus publicly and frankly not because I have any doubt or fear as to the result, but only in order that in all our thinking and our dealings with one another we may move in a perfectly clear air of mutual understanding.

And there is something more that we must add to our thinking. The public is now as much part of the Government as are the army and navy themselves; the whole people in all their activities are now mobilized and in service for the accomplishment of the nation's task in this war; it is in such circumstances impossible to justly distinguish between industrial purchases made by the Government and industrial purchases made by the managers of individual industries; and it is just as much our duty to sustain the industries of the country, all the industries that contribute to its life, as it is to sustain our forces in the field and on the sea.

PEOPLE AND GOVERNMENT THE SAME

We must make the prices to the public the same as the prices to the Government. Prices mean the same thing everywhere now; they mean the efficiency or inefficiency of the nation, whether it is the Government that pays them or not. They mean victory or defeat. They mean that America will win her place once for all among the foremost nations of the world or that she will sink to defeat and become a second-rate power alike in thought and in action.

This is a day of her reckoning and every man amongst us must personally face that reckoning along with her.

The case needs no arguing. I assume that I am only expressing your own thoughts—that must be in the mind of every true man when he faces the tragedy and solemn glory of the present war for the emancipation of mankind. I summon you to a great duty, a great privilege and a shining dignity and distinction. I shall expect every man who is not a slacker to be at my side throughout this great enterprise. In it no man can win honor who thinks of himself.

NEW PLAN OFFERED TO INSURE WARRIORS

Plan, if Adopted, Will Be Another Step in Direction of Government Ownership

CONGRESS MAY ACCEPT

WASHINGTON, July 12.

A new army and navy insurance plan, which provides for permanent participation by the United States in the insurance business, has been laid before Secretary of the Treasury McAdoo by insurance interests.

The plan contemplates the assumption by the Government of insurance on extra-hazardous risks. Soldiers and sailors would be insured at normal peace-time rates by the insurance companies. Whenever an insured man should fall, the amount he had paid in premiums to the insurance company would be paid by that company and the remainder of the policy would be paid by the Government. If a man is insured for \$2000 and pays \$500 in premiums to the insurance company before he dies in battle, the company pays \$1500 to the beneficiary and the Government makes up the difference of \$1500.

This insurance would not be limited to war. In peace times employees in all branches of the Government service would receive protection on this basis. Such employees as internal revenue agents who are engaged in suppressing moonshiners, customs inspectors preventing smuggling, Secret Service men agents of the Department of Justice, postoffice inspectors, lifesavers and other Government employees performing tasks which an element of danger attaches would be entitled to protection.

The economic theory on which this plan is based is that Government participation in the suggested manner greatly reduces the rate of the protective surcharge. While it would appear that the insurance companies would be especially favored by such a plan, its proponents declare this would be entirely offset by the larger public utility of low insurance rates to Government employees. It is argued further that such an arrangement would make some branches of the Government service much more attractive to good men than they are at present.

Insurance men who are suggesting the plan figure that the Government's losses, except in war time, would be negligible in comparison with the return to war time the losses would be less than those covered by pensions.

The experience of the Canadian life insurance companies has been explained to Secretary McAdoo. More than \$7,000,000 has been lost by those companies since the outbreak of the war on old policies written before the outbreak of war. Canadian companies now are declining new risks on the lives of soldiers except where extremely high premiums are paid.

It is understood the new plan is to have support in Congress, and that its chances of adoption are good.

Hollweg Quits Post Under Reform Fire

Continued from Page One

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Big Business Squeals at Curb on Prices

Continued from Page One

ers protest that interwar competition is skyrocketing the cost of ship workers, while contractors declare attractive wages on army cantonment camp work are drawing away men from other lines. Mine operators are complaining of the drain on their men because of the lure of higher wages in other lines.

President Wilson's straight-from-the-shoulder appeal for business sacrifices is being met by a head-on reorganization of the Defense Council's advisory commission. Big business members of the commission favor price agreements insuring enough profits to "stimulate" the highest production at any cost.

The President's address to the public probably will tend to strengthen the Government's demand upon steel men that they radically clip their prices.

WAR ON DEFENSE BOARD

Meantime some Congress folk are stirring against the advisory commission of the Council of National Defense on the theory that some of its big business members are reaping or will reap a big profit from war work over which they themselves have the contract-letting privilege. The Federal Trade Commission is soon to report on recommendations on fair prices on coal, oil and steel.

SHIPPING GETS SHOCK IN WILSON'S WARNING

NEW YORK, July 12.—President Wilson's attack on the shipping interests on the ground they are delaying victory over Germany by charging exorbitant freight rates created a sensation in Wall Street and marine circles today.

Shipping shares slumped sharply at the opening of the Stock Exchange, because of the President's warning that the country would not stand for excessive war profits. Atlantic Gulf and West Indies fell off 2 1/2, but later all marine stocks showed rallies.

President P. A. S. Franklin, of the International Marine Company, refused to comment on the President's attack, but indicated he might have a statement later in the day. Other shipping heads were equally reticent.

FOOD BILL TANGLE UP TO PRESIDENT

Democratic Steering Committee Will Ask Wilson to Settle Controversy

GORE BILL OPPOSED

WASHINGTON, July 12.

Fate of Advisory Board of Defense Council May Be Decided Today

President Wilson will be asked to straighten out the food control tangle in the Senate. It was stated today, following a meeting of the Democratic steering committee, Senator Martin, floor leader, and Senator Simmons, chairman of the Finance Committee, will go to the White House this afternoon for a conference with the President.

The committee meeting today. Time was desired by friends of the Hoover food administration to study the Oklahoma Senator's bill further, to see whether meats, sugar and fats are not likely to escape regulation under its terms.

Hoover's friends made it known that only the original Lever bill as it came from the House Agriculture Committee would entirely satisfy them. They announced they would rather see a prohibition and other bills settled on their merits in separate bills after food-control legislation is enacted.

The Gore substitute, like the present Senate bill, also would prevent manufacture of whiskey and put beer and wine control up to the President.

The existence of the National Defense Council and all its advisory committees is being rather hotly debated in the Senate today.

If the Senate agrees to the Agriculture Committee's amendment to the food and liquor control bill, forbidding voluntary agents of the Government from buying supplies for the Government from concerns in which they are interested, it is the belief of the Administration leaders, the National Defense Council will have to disband.

The council and its advisory committee is made up of big business men who have volunteered their services to aid the Government in obtaining supplies, and they would rather see a prohibition and other bills dealing with concerns in which they are officers or stockholders.

President Wilson has appealed to the Senate to modify the amendment, but his letter to Senator McKellar, of Tennessee, calling attention to the probable disastrous effect on the National Defense Council, has thus far met with little response. Even the most ardent Administration supporters are unwilling to follow the President in giving congressional sanction to business men and manufacturers buying from themselves for the Government with the people's money.

Without questioning for a minute the integrity of the national defense council members, the big majority of Senators take the position that in the spending of billions of dollars for war supplies the Government has a right to see to it that the money is not being squandered through the appearance of corruption. This is the view of Senator McKellar as well as of Senator Reed, of Missouri, and others.

REPUBLICANS' TROOPS TRAP ROYALIST ARMY

Imperialistic Forces Now Surrounded in Peking—Plan Peace Parley

PEKING, July 12.

The imperialistic troops in the inner city, where the royal palace is located, are surrounded. Efforts are being made to arrange a peace parley. All the dragon flags have been removed except those of the imperialist troops. The outer city is quiet.

General Chang Hsun, former commander-in-chief of the imperialists, said on Tuesday night: "I am ready to retire. I must acknowledge the restoration movement has failed. I only planned for what I thought was China's good. I will not fight unless attacked."

Since the foregoing interview was given Chang Hsun has retired and has been succeeded by General Wang. The republic is being reorganized and Nanking may remain the capital.

Dr. Wu Ting-fang, the Foreign Minister and former Ambassador to the United States, is living at Shanghai.

Soldier Joy-Riders Held

WASHINGTON, Pa., July 12.—Charles O'Donnell and James Vivaldo, of Company M, Third Pennsylvania Regiment, are under military arrest for taking an automobile from the garage of George E. Lockhart, at Clayville, and going for an extended ride. They will be subject to a court-martial. No civil court action will be brought against the young men.

\$25,000 Fire at Lancaster, Pa.

LANCASTER, Pa., July 12.—Fire originating last night on the second floor of the W. F. Byers Building, occupied by Frank Erbe's boxing club, spread to the first floor, occupied by Grant's twenty-five-cent store, and the bulk of its stock was destroyed. The loss on stock and damage to the building is approximately \$25,000. The store is operated by a New York syndicate.

TROOPS READY TO HALT I. W. W. UPRISING IN WEST

Regulars Placed at Command of Idaho Governor to End Reign of Terror

MONTANA STRIKERS FIRM

WASHINGTON, July 12.

United States regulars are at the service of the Governor of Idaho to put an end to the reign of terror in the northern part of the State, engineered by the I. W. W. This was stated today at the War Department, where it was explained that while no request for troops had been received from the Governor, Adjutant General McCain has wired the department commander to comply with any request by the State authorities and to render all possible aid in suppressing the uprising.

Reports to the War Department show that the activities of the I. W. W. are rapidly spreading in the far West and that at some points industry is paralyzed. The labor population in parts of Idaho, Montana, Washington, Arizona and scattered sections of California and Oregon is pictured as terrified by the agents of the organization. Many lumber camps have been forced to suspend operations, while a similar situation obtains in the mining regions through I. W. W. threats, these advisers state. The situation has become too serious for the police and sheriffs to cope with and when the militia of the various States are drafted into the Federal service their protection will be lost unless the units are sent back as regulars.

BUTTE, Mont., July 12.—The new miners' union, by a heavy vote, last night rejected the proposal to affiliate with the American Federation of Labor. In an official statement the union says the strike is to be carried out to a finish regardless of all other unions.

Officials of the Anaconda Copper Company this morning said that 1300 men were at work, and it was believed that the strike was going to pieces of its own weight. Miners announced that they would send counsel to Congress to ask investigation of raising the system of mines of the Anaconda. Leaders say that this system more than the question of wages has caused them to strike.

GOVERNOR EDGE WANTS NO EXTRA SESSION NOW

Does Not Consider Food Problem Warrants Legislative Action at Present

TRENTON, N. J., July 12.

Governor Edge, replying to a letter from Assemblyman Jacob J. Singer, of Jersey City, who suggested that a special session of the Legislature be called to consider the food problem, writes that such a step is not necessary at this time. The Executive, in his letter to Mr. Singer, after outlining the work the State is doing toward food conservation, says:

"I do not believe that the Legislature could be of any additional help to us at this time. We feel we have sufficient power to act along any line which would seem to indicate action was necessary in the interests of the public.

"Further than this, the Federal Congress is passing a very drastic food control measure and through the information we will be able to give our State work will be in a position to eliminate any cornering or speculation in food products, without further State legislation.

"I have assumed that Chapter 126 of the Laws of 1917 gave me power to do almost anything in reason in the public defense and I will not hesitate to take any action that I may deem advisable referring to food prices and regulation or control of any other subject."

Philadelphian Killed by Train

MOUNT HOLLY, N. J., July 12.—Struck by the Pennsylvania Railroad division superintendent's train running between Masonville and Hartford yesterday while he and two friends were crossing the track, John Mann, 1165 Annin street, Philadelphia, was killed. The survivors, who say they neither saw nor heard the train approaching their crossing point, were not struck. Mann was a street cleaner in Philadelphia.

Socialists' Ball Reduced

The thirteen Socialists who were arrested last week and held in ball ranging from \$500 to \$10,000 have been released. Their bail was decreased to \$100 each, for which the prisoners were permitted to sign.

TENER SUED IN STOCK DEAL

Oil and Gas Company Seeks \$631.35 From Former Governor

WASHINGTON, Pa., July 12.—The Federal Oil and Gas Company has filed a suit to recover \$631.35 with interest from John K. Tener, ex-Governor of Pennsylvania and now president of the National Baseball League. The money is alleged to be due for interest on a stock payment, less certain dividends, which have been held out of him by the company.

On November 26, 1909, it is asserted, he bought 200 shares of the Federal Oil and Gas stock at a par value of \$100. It was not until July 12, 1911, however, that he paid over the purchase money. The accrued interest at that time was \$195. Dividends deducted leave a total of \$431.35 the company says he still owes.

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BEFORE the days of Summer Sanity, Man changed his derby for a straw—packed away his vest—and stepped confidently into July. No wonder he sweated. But while he frowned at wools and worsteds, he could think of nothing better—UNTIL—THERE CAME PALM BEACH. PALM BEACH has changed the clothing habits of the civilized world. It has put a zest and joy into the hottest months of the year. It is a happy step forward in the Business of Living. Cool, washable, shapely—it will wear as faithfully as your worsted and give you a lot more comfort. NEVER FORGET THAT THERE IS BUT ONE PALM BEACH CLOTH. THE GENUINE BEARS THE TRADE-MARKED LABEL. THE PALM BEACH MILLS-GOODALL WORSTED CO. SELLING AGT: A. ROHAUT DEPT. 229 4th AVE. N.Y. Look for this Label

JERSEY CROPS NOT HURT BY SUBNORMAL WEATHER

TRENTON, July 12.—There has been no ill effect on crop growth by the subnormal temperature of the last week, this being virtually midsummer, says Forecaster G. Harold Noyes, of the Federal Weather Bureau here, in his weekly report today.

All crop growth has been excellent, the report says, and having progressed in all districts with a fairly satisfactory crop. Rice is nearly all harvested and the yield has been good. The cutting of wheat and oats is beginning, and will be under full headway in a short time; wheat continues better than seemed possible in the spring and sets will be a large crop, although possibly not a bumper.

Potatoes and corn are growing very satisfactorily and continue to give substantial promise; digging has commenced in some central counties. This season has been remarkably free from potato bugs. Sweet potatoes give fair indications, although there is some stem and black rot. Corn in the south, where early plantings are being picked, to the north-

ward, they are good where properly cared for. In the south, early onions, cabbage and tomatoes are being harvested.

Take This Set With You When You Go Away This "Hotpoint" Boudoir Set is invaluable when away. Consists of 3-lb. "Hotpoint" Iron; inverting stand, which converts iron into small electric stove; hood to heat curling tongs; and one pair of folding curling tongs. All fit compactly into felt bag furnished with set. Price, \$5. Frank H. Stewart Electric Co. 37 & 39 N. 7th St. Old Miss Bldg.

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