

PEACE OFFER IS REJECTED BY CZAR

Interesting Story From the Russian Capital.

CZAR SAYS NOTHING DOING

Germany is Now Straining Every Nerve to Eliminate Russia From the Number of Her Antagonists.

Petrograd.—The Bourse Gazette learns that last week Emperor William, through the King of Denmark, offered the Russians terms of peace. The reply of the Czar to the Danish monarch's letter was the categorical declaration that at the present time there could be no question of peace negotiations.

Having failed to carry out her original program of crushing France in the first few months of the war, Germany, according to talk here, has now altered her general plan and is straining every nerve to eliminate Russia from the number of her antagonists in order to be able to concentrate all her energies against the Allies in the west, when they at last are in a position to cause her serious inconvenience.

Germany had hoped by the momentum of her assault on both flanks of the Polish salient to cut off and utterly destroy the Russian armies occupying it and thus reduce Russia to impotence.

No doubt her calculations were largely based on the idea that the Russians would cling desperately to the Warsaw and Vistula fortresses and thus allow themselves to be caught in a trap.

Last week it must have become clear to the Germans that their plot was frustrated. Thanks to the timely decision of the Russian chief in command, Warsaw was evacuated promptly and with thoroughness. The Germans will find that the Polish capital is an embarrassing luxury.

It is quite natural that, under such circumstances, the Kaiser should dangle temptations before the eyes of Russia. No doubt the terms he offered seemed to himself generous and magnanimous. However, the emphatic rejection of his offer is a clinching proof of the steadfastness and constancy of Russia.

Further confirmation of the iron determination of this empire to fight to a finish is found in a remarkable article contributed to the Boerse Gazette by General Mikheevitch, head of the general staff, who places it beyond all doubt that Russia deliberately adopted the policy of 1812 of retreating everywhere, at ease and in good order, leaving behind a desert stripped of everything that could be of advantage to the foe. He says:

"If they want, the Germans can come on further and further until such times as Russia shall have supplied her needs. They will have to fight for every step of gain, but the Czar's armies will not allow themselves to be planned down to a decisive battle until their equipment is complete.

"Meanwhile the Germans will leave the railway's further and further behind them and will be compelled to carry every ounce of food they need across a devastated tract where the roads, at the best times, are few and worse than anywhere else in Europe.

"The only question about which there can be any doubt is whether the Russians have the hardness of temper to make the necessary sacrifices.

"All doubts on this score are now set at rest. Time is on Russia's side."

ITALIAN SUBMARINE SUNK.

Austrian Undersea Boat Reported To Have Destroyed Nereide.

Paris.—The Italian submarine Nereide is reported to have been sunk in an encounter with an Austrian submarine off the island of Pelagos, in the Adriatic Sea, according to a special dispatch from Rome. The Nereide, which was built in 1911, was 124 feet long, with a beam of 14 feet and displacement of 215 tons gross. Her peace time complement was 37 men.

NO MORE COAL FOR ALLIES.

Britain Restricts Exports To Her Own Possessions.

London.—After August 20 British coal cannot be shipped anywhere except to British possessions and to protectorates, according to an order in council issued. The export of coal heretofore has been restricted to the British possessions and to countries which are allies of Great Britain. The new ruling eliminates all the Allies.

SECRET STATION FOR U-BOATS.

Believed To Be Located On the Spanish Coast.

Madrid.—The suspicion that German submarines are supplied from a secret station on the Spanish coast is strengthened by the presence at night of a mysterious vessel near San Juan de los Rios. A German submarine was seen weeks ago near Conchadearo. It was provisioned at night with 50 tons of benzine by the steamer Marcella, from Bilbao.

WOUNDED TO BE EXCHANGED.

Russia and Germany Will Begin Exchange Thursday.

London.—Arrangements have been completed for beginning on Thursday the exchange of incapacitated Russian and German prisoners of war. A dispatch from Copenhagen to the Exchange Telegraph Company says that a steamer has been chartered for this purpose to sail across the Baltic between Trellborg and Sassnitz, carrying 500 men on each trip.

ARE READY TO ACT ON MEXICO

Pan-American Congress Agree As to Procedure.

GEN. SCOTT SENT TO BORDER

Chief Of Staff Of Army Will Impress Upon Villa Need Of Making Concessions—Acting Under Secretary Lansing.

Washington.—The Pan-American Conference considering means to restore peace to Mexico adjourned after having developed no divergence of opinion as to its general purposes, but leaving undecided the exact course to be pursued. It will reassemble in New York probably this week.

Meanwhile the Latin-American diplomats will communicate with their governments, and Secretary Lansing will confer with President Wilson.

It was reported that the general form of the final appeal to the factional leaders had been agreed upon by the conferees and adjournment taken while Mr. Lansing laid it before the President. The Secretary was said to be at work on a draft of the appeal in consultation with Secretary Lane, who has kept in close touch with the Mexican situation. The appeal will be addressed to the Mexican people. Copies will be presented to the various Mexican leaders, to the Governors of the Mexican States without regard to the faction they represent, and also be circulated throughout Mexico by American and Latin-American consular officers, bearing the ratification of all South and Central American Governments.

Two days of conferences and hearing reports have brought all the participants in accord with President Wilson's general plan, which is promised on the fact that the great majority of the people of Mexico desire peace, which to be lasting must go beyond consideration of those who have furthered their plans through force of arms. The conferees were impressed that while the armed forces are in position to keep the country in a state of turmoil, they are, nevertheless, only a small proportion of the people of Mexico.

While all the participants are in sympathy with the President's plan to induce the military factions to enter another peace conference and have signified their willingness to cooperate with it to the fullest extent, the South Americans are not sanguine of success unless some way can be found for elimination of the military leaders and recognition of all classes in Mexico.

It is realized that there are questions of vast moment, when considered in the light of Mexico's international obligations and the responsibilities of the nations which are preparing to sponsor her rehabilitation, that cannot be determined in any brief conference, but must be the subject of deliberation.

Foremost is the extent to which the claims of the military chiefs shall be considered and what concessions between them can be arranged. One development which emphasized that feature was the dispatch tonight of Major General Scott, Chief of Staff of the Army, to the Mexican border to confer with General Villa.

The War Department refused to comment on General Scott's mission, and it was said there that any statement would be made by the State Department. After a conference between General Scott and Secretary Lansing and Acting Secretary Breckenridge of the War Department, it was said the General was going to readjust the American forces in the light of recent developments which have threatened attacks on border towns.

BILBO BY 5,000 IN MISSISSIPPI.

Nominated For Governor Over Four Other Aspirants.

Jackson, Miss.—Virtually complete returns from Tuesday's Democratic primary indicate that Theodore G. Bilbo was nominated for Governor by a majority over the four other aspirants which probably will exceed 5,000. M. W. Rolly led in returns from cities, but the late returns from country districts place Bilbo ahead.

STOLE \$6,000 IN GEMS, IS CHARGE.

Man From Columbus Also Accused Of \$300 Forgery.

Danville, Ill.—Arthur Jones, of Columbus, Ohio, was returned to that city to face charges of stealing \$6,000 worth of diamonds and of forging checks for \$200. He was arrested here on a description furnished by the Columbus police.

LONDON PAPERS ECONOMICIZE.

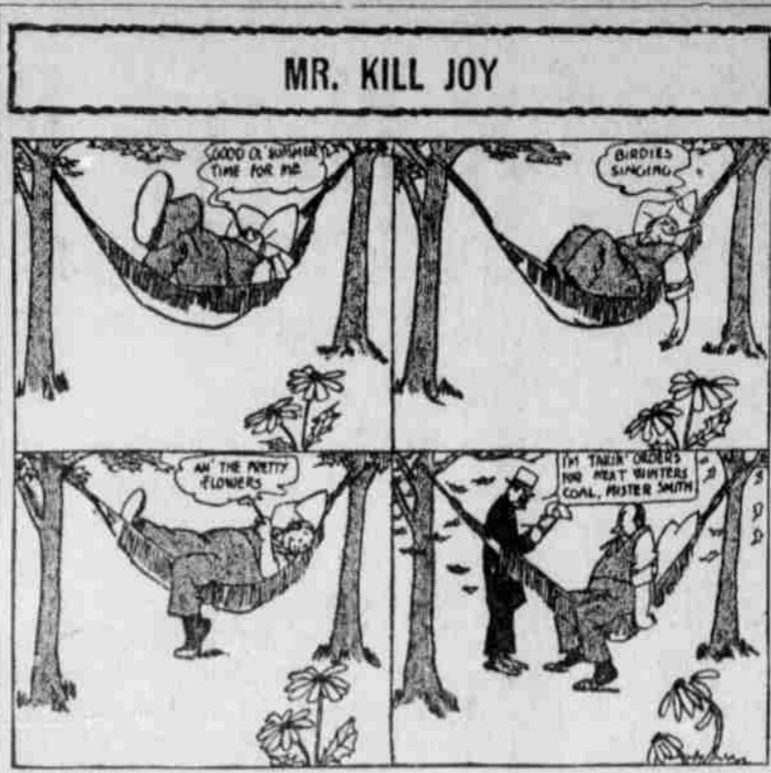
Leading Dailies Reduce the Number of Pages.

London.—Decreased advertising revenue and a shortage in the supply of chemicals necessary for the manufacture of white paper have resulted in an agreement by the proprietors of London's newspapers to reduce the number of pages. The Post Thursday contained 10 pages, while The Times, Telegraph and Standard contained 12.

GEN. B. F. TRACY DEAD.

Harrison's Secretary Of the Navy Succumbs To Paralysis.

New York.—General Benjamin F. Tracy, who was President Harrison's Secretary of the Navy, died of paralysis here in his eighty-fifth year, after a period of unconsciousness lasting nine days. General Tracy's death occurred shortly after 3:30 P. M. and followed a fight for life that had amazed the physician at his bedside.



BROAD PLAN FOR NATIONAL DEFENSE

But President Wilson is Opposed to Militarism.

WANTS A DEFINITE PROGRAM

The President's Idea is To Propose a Program That Will Have the United Support Of Congress and Be Adopted.

Cornish, N. H.—With the object of developing a broad and convincing program of national defense which will meet with the approval of Congress President Wilson is planning to cooperate with the chairmen of the Military and Naval Affairs Committees of the Senate and House, as well as with Secretaries Garrison and Daniels, of the War and Navy Departments, before he finally decides on the recommendations he will make in his next message to Congress.

The President told friends here that while he had made no definite plans for consulting with the chairmen of the committees interested in the question of national defense he would arrange to see them before Congress convenes in order to unite on a single program of action.

When the President sees the chairman of the four committees he expects to have before him the reports now being prepared by Mr. Garrison and Mr. Daniels. The heads of the War and Navy Departments are expected to take part in the conference, or series of conferences, in order to explain personally their recommendations.

Invites Committee Chairmen.

The President already has written to Chairman Padgett of the House Affairs Committee inviting the dignitary to meet him on Mr. Wilson's return to Washington. While he did not say whether he had written similar letters to the chairmen of the other committees, it was reported that he had done so.

The President believes the time has come for the United States to decide on a definite program of national defense, and he is anxious that as little friction as possible develop over the question when it is presented to the two houses of Congress. He will not decide in his own mind on the kind of program required until he has thoroughly examined the reports of Mr. Garrison and Mr. Daniels and has received the views of Congressional leaders.

The plan of the President is to consider carefully a program of national defense after free consultation with others and then to throw the entire weight of the administration behind the policy agreed on.

As already indicated, the part of his next message devoted to national defense is expected to be the most important of the entire document. Much thought has already been given by the President to the subject since his arrival here, but he will convey no indication of his ideas until he obtains more information. He is opposed to a policy of "militarism," but thinks the United States should be adequately defended.

THE COUNTRY AT LARGE

The Holland-America Line steamer Rydam arrived at New York with 108 Belgian refugees, who will go to relatives in the United States.

The bodies of 26 victims of the flood in Erie, Pa., have been recovered. The total damage in the city is estimated at between six and seven millions and to the crops in the county at \$2,000,000.

J. H. Puergens, who wrote letters threatening President Wilson and former President Roosevelt, was arrested in San Antonio, Texas.

Stability tests for big lake steamers as result of Eastland disaster began in Chicago with the whaleback excursion steamer Christopher Columbus, which defied all efforts to tip her over.

Harry S. Houtz, arrested in Salt Lake City, confessed that he wrecked the scenic limited on the Denver and Rio Grande Railroad.

The committee to bring Latin America and the United States into closer business relations met in New York and made tentative plans for visits to South and Central America.

GERMANY INSISTS ON ITS POSITION

Claims Sinking of the Frye Was Justified.

WILLING TO PAY FOR SHIP

The Note Suggests Two Ways Of Determining the Indemnity To Be Paid To the Ship-owners.

Washington.—Secretary Lansing made public Germany's reply to the recent American note dealing with the case of the sinking of the American sailing ship William P. Frye, of which Captain Kuhne, of Baltimore, was master, when it was sunk by the German auxiliary cruiser Prinz Eitel Friedrich. In the reply just received the German government insists upon its interpretation of the treaty and challenges again the contention of the United States government that the destruction of the Frye constituted a violation of article 13 of the Treaty of 1795, between the country and Prussia. Germany takes the position that the commander of the Prinz Eitel Friedrich had a right to sink the vessel and admits the liability under the Treaty of 1795 to pay indemnity for the loss of the vessel.

The German government explains that the German prize court, at Hamburg, found by its judgment on July 10 that the Frye carried contraband, that the vessel could not be taken into court and its sinking was justified, but the prize court recognized the validity of the Treaty of 1795, making the German government liable for the payment of indemnity for the loss of the vessel.

The prize court was unable to fix the indemnity because the interested parties did not submit the necessary data and in order to fix the indemnity the German government suggests that each government name an expert, these experts to fix the amount of the indemnity, which will be promptly paid. But if the United States government does not agree to the proposed method of settlement the German government asserts its willingness to submit the different opinions to the Hague Tribunal for settlement.

The unofficial view here is that reparation by a commission of experts probably will be satisfactory to the United States with the express provision, however, that it is not a waiver of treaty rights for which the American government contends, but applies only to the matter of damages.

It is practically certain that if the United States allows the dispute to go to The Hague for interpretation of the treaty provision or continues the academic discussion of principles through the channel of diplomacy, it will insist that, meanwhile, Germany refrain from violation of what the United States contends are its rights.

WOULD BOLSTER GOLD RESERVE.

Great Britain Asks Public To Use Paper Money.

London.—To strengthen the gold reserve for exchange purposes the treasury has instructed the postoffice and all public departments to use whenever possible notes instead of gold in making cash payments. The public is requested to cooperate by paying in gold to the postoffice and banks, asking for payment of checks in notes and using the notes for the payment of wages and for cash disbursements generally.

AMERICAN KILLED IN FRANCE.

Richard Tanfield Vachell Lieutenant In British Army.

San Francisco.—Richard Tanfield Vachell, of the Fifth Fusiliers of the British Army, a native of California, was killed last Sunday in Northern France, according to a cablegram received here. Vachell, who was 25 years old, was the son of Horace Annesley Vachell, the novelist and playwright.

\$2,006,399,539 IN GOLD STORED.

Payments For Goods Exported To Europe Swell Supply.

Washington.—The United States has accumulated the largest stock of gold ever held by any nation on earth. Treasury Department officials declared the amount of gold, cash and bullion in this country totaled \$2,006,399,539. This amount is twice the size of the gold supply of any other nation and is said to be the largest ever held by a country in history.

WARSAW TAKEN BY THE GERMANS

Bavarian Troops First to Enter the City.

CZAR'S ARMY HARD PRESSED

German Forces May Now Swing To the Western Field Probable Attack On Serbia.

London.—The Germans are in possession of Warsaw, capital of Poland, and the third largest city in the Russian empire. Bavarian troops entered the city, having taken successively the Blonik lines and the outer and inner fortresses of the city itself. The Russians only fighting rear guard actions to allow their main army to make good its escape.

While to the Bavarians, commanded by Prince Leopold, has fallen the honor of taking over Warsaw in the name of the German Emperor and his consort, who are expected to make a state entry within a few days, the real conquerors are the troops fighting under Field Marshal von Hindenburg, along the Narew River to the northeast; to the Austro-Germans, who crossed the Vistula to the south of the city, and to the armies of the Austrian Archduke Joseph Ferdinand and the German Field Marshal von Mackensen, which are advancing northward between the Vistula and Bug Rivers.

Fighting Desperately.

The Russians are fighting desperately and stubbornly to check the progress of these four armies and have had several successes, inflicting heavy losses on their pursuers, but they are being steadily pressed back, which made the longer occupation of the Warsaw Polish salient a hazardous undertaking.

Even now, although the steadiness of the Russian troops and their fierce counter-attack have gained much valuable time for them, it is problematical whether the whole Russian Army will succeed in reaching the new positions chosen for it or whether, if it should set there, it will not find those positions turned by the Austrians, who have crossed the Bug southeast of Chelm, and the Germans under General von Scholtz and von Gallwitz, who have crossed the Narew.

Three Traps Set.

Indeed, the Austro-Germans have set three traps to catch and destroy the Russian Army. None of them was sprung, but one was so near to closing that Grand Duke Nicholas was forced to evacuate Warsaw and now is fighting with all his might to prevent the others from cutting off his retreat.

Thus far seemingly has been successful, for although the Germans claim the capture of a large number of prisoners, the aggregate is small when compared with the immense forces engaged. In addition, the Russian guns apparently are well on their way to the rear.

From refugees who left Warsaw some days ago and have arrived at Moscow it has been learned that Warsaw even at that early date had been denuded of virtually everything that might be useful to the Teutons. Factories had been stripped of their machinery and all war stores moved into the interior of Russia and the government of the city left to the Polish population.

The Russians also are preparing to evacuate Riga, the port on the gulf of that name in the north. The arrival of the Germans 10 miles south of that city already has been the cause of the civilian population departing.

Since early in May when they started their great counter offensive in Western Galicia against the Russians, who were debouching through the Carpathians on to the plains of Hungary, the troops of the Germanic powers had cleared the Russians out of Galicia, with the exception of a narrow strip of territory in the southwest, had recaptured Przemysl and Lemberg, taken Lublin, Chelm and Warsaw and are in military occupation of virtually the whole of Poland.

What their next move will be is a matter of conjecture. Some military observers believe they will continue to attack the Russians in the hope of finally crushing them—a task which, it is considered, is rendered difficult by the fact that the Russians in their retreat lay the country waste, making it necessary for the invaders to bring up every ounce of food required for their army.

The occupation of Warsaw also will have the effect of releasing large German forces, long concentrated on the reduction of the city, and permit them to turn westward for renewed operations against the Anglo-French Allies.

AMERICAN STEAMERS SEIZED.

Two Oil Ships Taken By Germans Into Swinemunde.

Malmö, Sweden, via London.—The American steamers Liama and Wico, bound from America to Stockholm, laden with petroleum, have been seized by the Germans and taken into Swinemunde. The Liama was seized on August 4 near Lillegrundet and the Wico on the following day near Oere Sund.

KILLS YOUNG SON AND HERSELF.

Woman Had Been Under Treatment For Melancholia.

Meriden, Conn.—Mrs. Nellie Breese Allen, wife of James F. Allen, treasurer of the Meriden Gravure Company, fatally shot her youngest son, Gordon, aged 8 years, as he slept, and then killed herself. Mrs. Allen had been under treatment for melancholia and Medical Examiner E. T. Bradstreet expressed the opinion that she had become suddenly deranged.

MOTHERS' PENSIONS FUNDS GIVEN OUT

Auditor General Powell Apportions \$234,000 By Counties—Draw Warrants Soon.

PREPARED FOR QUICK READING

Harrisburg.—Apportionment of \$234,000 has been made for the sixty-seven counties of the State by Auditor General A. W. Powell, for the mothers' pensions, and drawing of warrants will be started in a short time. The Legislature appropriated \$100,000, to which is added \$144,746.34, left from the appropriation of 1913.

The sum of \$10,746.34 has been reserved for the salary of the State Supervisor of Pensions, and the clerk, who yet have not been appointed by the Governor, and for their expenses, including adjustment of accounts of local boards.

The Act of 1915 provided that apportionment should be made on a basis of population, and Philadelphia and Allegheny each will receive \$35,100. Luzerne, Lackawanna, Westmoreland and Schuylkill are in the next class and will receive \$8,775, while counties having between 100,000 and 200,000 will get \$4,680; from 50,000 to 100,000 population, \$1,950; 25,000 to 50,000, \$1,023.75, and those having less than 25,000 population, \$585.

The apportionment by counties is announced as follows:

Adams	1,023.75
Allegheny	35,100.00
Armstrong	1,950.00
Beaver	1,900.00
Bedford	1,023.75
Berks	4,680.00
Blair	4,680.00
Bradford	1,950.00
Bucks	1,950.00
Butler	1,950.00
Cambria	4,680.00
Cameron	585.00
Carbon	1,950.00
Centre	1,023.75
Chester	4,680.00
Clearfield	1,950.00
Clinton	1,023.75
Columbia	1,023.75
Crawford	1,950.00
Cumberland	1,950.00
Dauphin	4,680.00
Delaware	4,680.00
Elk	1,023.75
Erie	4,680.00
Fayette	4,680.00
Forest	585.00
Franklin	1,950.00
Fulton	585.00
Greene	1,023.75
Huntingdon	1,023.75
Indiana	1,950.00
Jefferson	1,950.00
Juniata	585.00
Lackawanna	8,775.00
Lancaster	4,680.00
Lawrence	1,950.00
Lebanon	1,950.00
Lehigh	4,680.00
Luzerne	8,775.00
Lycoming	1,950.00
McKean	1,023.75
Mercer	1,950.00
Mifflin	1,023.75
Monroe	585.00
Montgomery	4,680.00
Montour	585.00
Northampton	4,680.00
Northumberland	4,680.00
Perry	585.00
Philadelphia	35,100.00
Pike	585.00
Potter	1,023.75
Schuylkill	8,775.00
Snyder	585.00
Somerset	1,950.00
Sullivan	585.00
Susquehanna	1,023.75
Tioga	1,023.75
Union	585.00
Venango	1,950.00
Warren	1,023.75
Washington	4,680.00
Wayne	1,023.75
Westmoreland	8,775.00
Wyoming	585.00
York	4,680.00

Lay Out Six State Game Preserves

Six new state game preserves are being laid out by act of the State Game Commission, through funds supplied by the hunters' license law. Four of the preserves are on State forestry reservations, and two are on leased land. All are in the central or eastern part of the State, but negotiations are under way for establishment of half a dozen more game preserves in western counties where lands have been offered for lease by the State at low rates for game purposes.

The new preserves are on State lands in Huntingdon, Lycoming, Sullivan and Cameron counties, and on leased lands in Bradford and Carbon counties. All are surrounded by wires and notices will be posted, warning everyone that they are closed at all seasons.

Steps will be taken before many weeks to stock these preserves with deer and other game. It is planned to buy hundreds of deer and to turn them loose in the preserves.

Young Studies Plan Of Deposit Bonds.

These are the busiest kind of days for the State officials in charge of the making of the bonds to cover State deposits and State Treasurer R. K. Young, is making searches of records so that he will have information on which to base estimates.

By the new system under way, every deposit of State money, whether the account of a hospital or the contingent fund of a department of the State Government, is to be protected by a bond.

Butler Acts To Stop Pollution.

Energetic steps were taken by Nathan R. Butler, State Commissioner of Fisheries, to halt stream pollution by manufacturing plants which have disregarded notices to stop dumping wastes and drainage into fishing streams in Monroe and Clearfield counties. Reports that fish in the Monroe region, which is noted for its fishing streams, were being killed by manufacturing wastes were investigated and the owners of the plants declined to install filters.

STATE NEWS BRIEFLY TOLD

Latest Doings in Various Parts of the State.

PREPARED FOR QUICK READING

Six small boys, George Martz, Clarence Williams, Fay Resler, Michael Nusner, William Fyers and Henry Koble, aged from 8 to 15 years, pleaded guilty to being responsible for a series of robberies of business houses in Sunbury that would have done credit to experienced yegmen, according to Merle Shannon, police chief. They admitted the theft of watches, guns and sporting goods.

While sweeping out the Standard Powder Company's sub-station at Horell, C. A. Sones, aged twenty-five, an assistant electrician, accidentally touched one of the leads of the transformer and received a shock of 6,000 volts of electricity. He ran forty feet from the building and dropped over dead. Physicians said his heart was paralyzed.

Although he earned good wages, her husband bought her only three pairs of shoes in twelve years, was the testimony of Bessie E. Robinson, wife of William P. Robinson, of Danville and Bloomsburg, in her application for a divorce on the grounds of cruelty, which was granted in Northumberland County Court at Sunbury, according to the report of a master.

The York Chamber of Commerce is in receipt of several denials from the Lincoln Highway Association of the published report that the route of the highway between Philadelphia and Gettysburg has been diverted so as to cut out Coatesville, Lancaster, Columbia, Wrightsville and York. There has been no change in the route, it is stated.

Mrs. Daniel Hurley, of Easton, was sitting in her room when the door opened and her sister, Mrs. Margaret Doyle, of Chicago, walked in. It was fifty-one years ago when the sisters last met, and Mrs. Hurley had lost all trace of her sister. Mrs. Doyle and her son, John Doyle, are on their way to New York, where they will reside.

Confessing the theft of goods from the store of J. J. Newberry & Co. during the night, Robert Boyle, a Hamilton boy, admitted that he had committed numerous other petty burglaries during the past six weeks. He was committed for action by the Juvenile Court.

Rev. Dr. Joseph Stump, son of Michael Stump, of Marietta, has been chosen professor of dogmatics in the Chicago Lutheran Theological Seminary, vice Rev. Dr. F. Weidner, deceased. He will assume duties next month.

Thirty-eight boys have formed corn clubs, according to County School Superintendent Shambaugh, of Delaware county. There also are numerous potato contest clubs. The county has 171 schoolhouses and 315 teachers.

C. P. Fenstermacher, State game protector, informed Mohnton hunters that they should not allow dogs at large while rabbits and other game are young and hunting is not in season.

A school building is being erected at Gap for a consolidated school, which will unite six schools of Salisbury Township. It will cost about \$25,000.

Bee culturists, of Boyertown, claim that the rainy weather during the last weeks will result in the reduction of the value of the honey crop at least \$100,000. Last year's honey crop in Berks county was valued at \$100,000.