

ALLIES ARE NOT BEGGING, BUT DICTATING TERMS OF WAR LOAN; REFUSAL TO MEET THESE TERMS WILL MEAN EXPORT LOSSES

Consternation Evident in Yankee Banking Circles Over This Unexpected Aspect on Matters; Commission Awakened to Fact That Allies Hold Trump Hand in This Case.

By Special Wire to the Courier.

New York, Sept. 14.—The report that the Anglo-French financial commission, contemplates borrowing a billion dollars here without collateral of any sort and solely on government notes of Great Britain and France overshadowed all other topics in the financial section to-day.

CURTAINMENT WILL RESULT.

In case the commission should fail in its plan, it was said, wholesale curtailment of American exports would ensue. There is nothing, it was said, that Great Britain and France buy here that they could not obtain elsewhere with the single exception of munitions of war. These they were prepared to pay for in gold if necessary. The whither they will need for the next year, it was said, could be bought in Canada, Argentina, Aus-

tralia, India and Russia, should the Dardanelles be forced by next March. Irrespective of the Russian supply the visible export supplies of wheat in Canada, Australia and India were placed at \$25,000,000, or sufficient to last till March.

Cotton is already held in large quantities in Great Britain, it was said, and by stinting the supply could be made to last till the great fields of Egypt, now idle and untilled, could be made to produce sufficient to take the place of what otherwise would be bought from the southern states.

Meats would be bought to a large extent, it was said, from the Argentine and manufactured goods from the remaining neutral nations of Europe. American exports would dwindle to the leanest figures of the leanest years, (Continued on Page 5)

CANADA WILL NOW ADD THE INCREASE OF GUNS AND MUNITIONS

Heads of Canadian Industrial and Finance in Important Conference With Militia Council.

Ottawa, Sept. 14.—Steps were taken by the Government yesterday to organize an effective and energetic coalition of the representatives of industry and finance with the Militia Department towards the production in Canadian factories of war munitions in the largest possible quantities and with the greatest possible expedition. The captains and kings of finance and industry to the number of a hundred or more were summoned to the capital by Sir Robert Borden and Sir Sam Hughes for a conference as to how best to finance and produce the munitions of war. The conference was held in the afternoon and was presided over by Sir Sam Hughes, the Prime Minister and the Minister of Militia. The conference was held in the afternoon and was presided over by Sir Sam Hughes, the Prime Minister and the Minister of Militia. The conference was held in the afternoon and was presided over by Sir Sam Hughes, the Prime Minister and the Minister of Militia.

Canada will do much more. Yesterday's conference was with a view to taking counsel together as to the possibilities of manufacturing, etc. The methods of financing, etc. The conference was held in the afternoon and was presided over by Sir Sam Hughes, the Prime Minister and the Minister of Militia.

namely, the furnishing of the engines of war, including the manufacture of field guns.

SUB-COMMITTEE DELIBERATE

A sub-committee of those attending the conference yesterday was appointed, under the Chairmanship of Sir John Gibson, and this committee met for three hours in the afternoon and carefully considered the whole situation. As a result a report will be presented a little later to the Minister of Militia, embodying suggestions as to organization and methods of distributing and filling orders, and in regard to proposals for the manufacture of ordnance of various kinds. The sub-committee adjourned, to meet again at the call of the chairman, and it will constitute a permanent advisory body to the government.

The conference, which was held in the afternoon and was presided over by Sir Sam Hughes, who gave to those present a full and frank statement of the needs and opportunities of the situation. Sir Robert Borden also spoke at some length, giving the conclusions reached from his conferences with the War Office and Munitions Department in London.

THOSE PRESENT

The personnel of the conference included the following: Hon. Major-General Sir Sam Hughes, President; Sir Robert Borden; Brigadier Gen-

RUSSIAN ARMIES HOLDING WITH STEADY POWER

Nothing Like a Strategic Advantage to Accrue to the Invader.

By Special Wire to the Courier.

London, Sept. 14.—"Since General Pvoniloff, minister of war, reviewed the position of the Russian armies a fortnight ago," telegraphs the Petrograd correspondent of the Times, "no single event has occurred which can be construed as an advantage to the invaders. Nowhere have they inflicted either a tactical or strategic blow calculated to alter the military situation in their favor. General Polivanoff is satisfied the increase in supplies of rifles and ammunition is being well maintained, and that the Russian armies are in the position strong enough to view the future with confidence.

HUN SUBMARINE IS TORPEDOED

French Torpedo Boat Accounts for This One Near Tenedos.

By Special Wire to the Courier.

PARIS, Sept. 14, 4.55 a.m.—A German submarine has been torpedoed and sunk by a French torpedo boat patrol, between Mytilene and Tenedos, says an Athens despatch to the Journal.

Further Insurrection.

By Special Wire to the Courier.

Paris, Sept. 14.—5 a.m.—A new insurrectionary movement has broken out not only in Lisbon, but in the principal provincial cities of Portugal, says a despatch to the Journal from Madrid. Despatches from the Portuguese frontier on September 12 re-ported an insurrectionary movement at Brada and Caxias. Martial law was proclaimed in northern Portugal on August 29 to suppress a monarchical movement.

ADMIRAL SCOTT'S APPOINTMENT IS VERY PLEASING

British Press Thinks Him the Right Man in the Right Place This Time.

By Special Wire to the Courier.

London, Sept. 14.—The appointment of Admiral Sir Percy M. Scott, to take charge of the gunnery defenses of London against attacks by enemy aircraft, is hailed with satisfaction by press and public. He is considered an expert on all questions connected with gunnery. Upon this point the naval correspondent of The Times says, his inventive genius and capacity for improvising gunnery material and appliances often have been shown to the great benefit of the state.

In an editorial on his appointment, The Chronicle says:

"We have been fortunate thus far in escaping any important damage from a military point of view in the recent Zeppelin raids, but the man in the street, without wishing to murmur unduly against those in authority is inclined to ask why Zeppelins have been equally fortunate. Of course only a very special gun has the requisite vertical range, but such a gun exists and there is no reason why we should not have enough of them."

AUTHORS OF PRO-GERMAN BOOK EXPELLED

Swedish Socialists Get Short Shift After Discovery.

By Special Wire to the Courier.

Stockholm, via London, Sept. 14.—Professor Gustave Steffen, Oloffe Jerre, and Engv. Larssen, three prominent members of the Socialist party were to-day expelled from the party by the unanimous vote of the Stockholm Socialist commune, on the ground that they were the authors of the so-called war book.

This war book, which was published two months ago, strongly advocated Sweden's participation in the war on the side of Germany and has been the most widely discussed publication in Sweden since the beginning of the war. It presented an elaborate argument showing that for historical reasons, Sweden's duty is to fight against Russia.

Although known that the book was written by five men, the names were not given and the anonymity caused endless speculation. The discovery that part of the next was the product of members of the Socialist party, which favors the entente powers, has caused a sensation.

It is expected that the resolution expelling the authors will be confirmed by the committee of the whole party at a meeting next week.

Reports to Pope.

Rome, Sept. 14.—Pope Benedict, according to the Correspondence, has received Monsignor Kojunian, titular archbishop of Chalcoecia, and representative of the Armenian Catholics in Rome, and requested him to prepare a detailed report on the persecutions which it is asserted the Armenians have been subjected to by the Turkish authorities.

Critical Stage.

London, Sept. 14.—A despatch to The Times from Sofia says: "The relations of Roumania with the Central powers have reached a critical stage. The German Government in a recent note, demanded permission for the passage of Austro-German troops through Roumanian territory and the fulfillment by Roumania of an undertaking to supply benzene and other supplies to a value of forty million dollars. Over two thousand German wagons laden with war material are waiting on the Roumanian frontier."

Reported in Flames.

London, Sept. 14.—6.55 p.m.—The town of Phocaea, Asia Minor, 25 miles northwest of Smyrna is reported to be in flames, according to a Reuter despatch from Athens, which says it is inferred that the Turks are destroying coast towns and retiring into the interior in expectation of the fall of the Dardanelles.

BRITISH LOSSES TREMENDOUS: AN APPALLING TOTAL

Official Notice in House of Commons That 381,983 Total of Casualties.

By Special Wire to the Courier.

London, Sept. 14.—Official announcement was made to-day in the House of Commons that the total of British casualties up to Aug. 21st was 381,983 officers and men killed, wounded or missing.

The losses of the British army during the summer were somewhat smaller than in April and May. The last previous statement of the total of British casualties was made by Premier Asquith on June 9. It gave a total of 238,069 up to May. The losses from that time up to August 21 are therefore shown to have been 123,914, a daily average of about 1,500. In the two months before the end of May, the losses were as in the preceding announcement, the losses averaged roughly about 2,000 a day.

GERARD AND JAGOW HAD LONG TALK

Relationships of Germany and America Are Very Touchy.

By Special Wire to the Courier.

Berlin, Sept. 13, via London, Sept. 14.—American Ambassador Gerard had a long conversation last evening with Herr von Jagow, the German minister of foreign affairs, which have heretofore clouded those relations and to eliminate as far as possible the chances of torpedoing ships under conditions to which the United States objects.

It is pointed out, however, that the relations working under difficulties, particularly in view of the keenness and ambition of the naval officers and public opinion, which is proud of the submarine achievements, and is quick to protest against any open indication of a backdown.

The relict of this attitude can be seen in the press, from which an acrimonious and abusive tone toward America of late has been conspicuously absent. This is shown particularly in the comment on the Dumba incident, almost all the papers which comment, admitting frankly and without bitterness that the United States is justified in the action it has taken, and pointing out that it need not affect Austro-American relations, although, at the same time, attempting to excuse Dr. Dumba through his patriotic interest in the Austro-Hungarian workers.

Furthermore, little is heard upon the munitions question, and some of the comment is in friendly tone.

SOONER OR LATER STAGE WILL ARRIVE

When Polite Notes to Berlin Will Appear Useless and of Little Moment.

London, Sept. 14 (In Montreal Gazette)—The Daily Chronicle in an editorial on the German-American situation says:

"No patriotic American and no reasonable Englishman or Frenchman will blame President Wilson for exhausting the possibilities of a peaceful solution before resorting to any other. Unless he took this course, the president could not hope to have the president behind him. At the same time to take it ad infinitum would be to concede to Germany in substance all that she wants. She will be physically content to go on exchanging enemy camps near Salt Lake. It also dispersed companies manoeuvring near Seddul-Bahr.

"An enemy cruiser and torpedo boat which tried to approach the coast were repelled by our fire. "On the remainder of the front there is nothing important to report."

HINDENBURG'S THRUST TOWARDS CAPITAL LIGHTLY REGARDED; MUSCOVITES ARE NOW PRESSING FOR ADVANTAGE IN GALICIA

KITCHENER HAS PRESENTED HIS ARMY ESTIMATE

Significant Fact About His Report is No Mention of Conscription.

By Special Wire to the Courier.

London, Sept. 14.—Lord Kitchener has just presented to the cabinet his estimate of the number of British troops it will be necessary to maintain on the continent next year, according to the parliamentary correspondent of The Daily Chronicle, who declares the estimate greatly exceeds the number already in the field, large as that is.

The correspondent adds that he has learned on indisputable authority that David Lloyd-George, minister of munitions, who formerly was a supporter of the voluntary system of enlistment now has become converted to compulsion, not so much for military as for industrial. He is said to believe the munitions problem can be settled in no other way since acceleration is impossible without a relaxation of all restrictive labor regulations and without utilization to a far greater extent of unskilled labor.

RIGA LOOKING WELL PREPARED FOR DEFENSIVE

Times Correspondent, After Three Days' Visit, is of This Opinion.

By Special Wire to the Courier.

London, Sept. 14.—After a three days' visit to Riga, the Times correspondent has reached the conclusion that the city is in an excellent position for defense. The works in its neighborhood are strong and well prepared to resist attack, while the river is broad and flooded by recent rains.

The correspondent believes the Germans more likely to seek possession of the town by a frontal attack. The Russians have stripped the city bare of everything that might be useful to the Germans if its evacuation becomes necessary. From half to two thirds of the population left some time ago and there is no sign of panic among the people who remain.

Altogether, the correspondent declares, there is more optimism in Riga than in Petrograd, although the former city is only twenty miles from the fighting line.

Hun Offers to Pay.

London, Sept. 14.—The German government has informed the Norwegian government, according to a Christiania despatch to Reuter's Telegram Co. that it could not recognize any responsibility for sinking the Norwegian steamer Einar Jarl on July 9, as the steamer was not provided with any sign showing that she was neutral. However, two of the crew have perished, and in order to show its friendly disposition towards Norway, German agrees to make amends for the damage done and asks Norway to nominate an expert, who will with a German expert will fix the amount of damages.

Quite Busy Day.

Constantinople, Sept. 13, via London, Sept. 14.—The following official statement was issued to-night at the Turkish War Office: "Our artillery successfully shelled an enemy regiment near Anatarta in the neighborhood of Karakol and enemy camps near Salt Lake. It also dispersed companies manoeuvring near Seddul-Bahr.

"An enemy cruiser and torpedo boat which tried to approach the coast were repelled by our fire. "On the remainder of the front there is nothing important to report."

Mrs. Fabian asks \$5,000 of a New York candy maker because she broke two teeth on a nail in the sweetmeat.

Freemont Burger, recently wed at Hudson, Mich., fired a gun at boys serenading his home and hit two; one will die.

British Opinion is That the Costly Campaign of Men and Materials in Courland is Working Its Undoing and Will Fail Unless the Russian Offensive is Crushed Quickly.

By Special Wire to the Courier.

London, Sept. 14.—Field Marshal Von Hindenburg's offensive near Dvinsk, where the railroad leading from Vilna to Petrograd has been reached, again menaces the railway connections with the Russian capital. The comparative success in other sectors which the Russians have gained in the last fortnight, however, causes the capital to regard the latest threat against it with no great alarm. British opinion is that the Courland campaign of the Germans not only is proving costly in men and supplies, but is likely to fail unless the Russian offensive on the other extreme on the long front can be stopped soon.

By their latest attack in Eastern Galicia, the Russians are reported to have penetrated the Austro-German trenches in the face of an exceptionally heavy artillery fire. To the north, the Russians are withdrawing steadily from the dangerous Niemen salient, opposing the German advance merely by stubborn rearguard actions. The tremendous duel of big guns still marks operations along the Franco-Belgian and Italian fronts. Except for occasional attempts to rush advanced trenches, there is little infantry activity on either side. From the near east comes reports that the Turks are firing villages on the Asiatic shore of the Dardanelles, and it is suggested that they are preparing to abandon the Straits. It is also reported that the Turkish shore batteries on the Asiatic side of the Straits have been almost reduced to silence.

BILLION DOLLAR WAR LOAN PROPOSAL OF THE ALLIED POWERS

Britain and France Would Borrow the Huge Sum on Straight Govt. Bonds Without Any Security Whatever.

New York, Sept. 14.—The present plan of the joint Anglo-French Financial Commission, it was reported to-day, is to borrow \$1,000,000,000 in the United States on straight British and French government bonds without any collateral whatever.

If this vast sum is obtained it was said, it is to be spent, to the last penny, in the United States in payment of wheat, cotton, meat and other commodity shipments, including munitions of war. It will therefore, be classified as a commercial loan.

U. S. NEUTRALITY INVOLVED.

Whether the United States' neutrality would be questioned should the bankers accept straight government bonds as their security has been given careful consideration. It was said that the financiers familiar with the plan had every reason to believe that the Washington Administration would not interfere.

The foregoing was the unanimous opinion to-day of many of the scores of prominent bankers from New York and the chief cities of the country who have visited the commission at its headquarters here during the three days of its stay in this city. As to its correctness, the members of the commission declined positively to comment. All that the commission cared to publish as authoritative was voiced by Lord Reading, its chairman, who received newspaper men last night for the first time.

A STARTLING PROPOSAL

The outstanding feature of the situation that overshadowed by its tremendous importance everything else that has influenced the foreign exchange rates since their recent slump began was the reported plan of the Financial Commission, it was reported to-day, to borrow \$1,000,000,000 in the United States on straight British and French government bonds without any collateral whatever.

Some of the financiers who called on the Commission with vaguely pronounced ideas that Great Britain and France would not only give their notes for whatever sum they would borrow, but would put up a huge collateral, dollar for dollar of the loan, composed of approved American securities, were startled by the radical proposal that the money should be borrowed absolutely without collateral.

FINANCIAL WORLD SHOCKED.

Generally, the commission's reputed plan came as a distinct shock to the financial world. In all the talks that has preceded the commission's arrival here, and in all the gossip that has followed it, there has been only a whisper, now and then, that there would be an attempt to finance a loan of such mammoth proportions, or, in

(Continued on Page 4)

MOBILIZATION IS TAKING PLACE

Roumania Calls Up Her Reservists—May Anticipate War.

By Special Wire to the Courier.

London, Sept. 14.—A partial mobilization of the Roumanian troops has been ordered in preparation for eventualities following the concentration of Austrian forces in Transylvania, according to reports from Bucharest, says a Reuter despatch from Athens.

ON GALLIOLI STEADY ADVANCES ARE CONTINUED

Report From Paris of Successful Bombardment and New Advances.

By Special Wire to the Courier.

Paris, Sept. 14.—The allied fleet has succeeded in locating Turkish batteries along the Asiatic shore of the Dardanelles, according to a Journal desparch from Athens. Observers in a captive balloon spied out the Ottoman artillery which was silenced by shells from British and French guns with the result that the camps of the allied troops are more tenable.

Advices from Mytilene received at Athens are to the effect that large bodies of Franco-British troops are disembarking on the Gallipoli peninsula. Steady progress by the allies is reported to be causing consternation in Constantinople.

For Aeronautics.

Paris, Sept. 14.—The government has decided to create an under-secretaryship of state for aviation and aeronautics, the morning papers announce. The new member of the cabinet will be announced at to-day's meeting of the ministry.