seat of war, 25; have blockaded neutral coasts, thus pianning to strike whole economic system of Germany; neutral powera have acquiesced; net ral powers thus admit vital interests of a belligerent sufficient excuse for waging any method of warfare Germany invokes such vital interests, 26; neutral powers, warned not to intrust their crew, passangers or merchandise to enemy merchant vessels, 26; waters north of Shetland Islands, the eastern part of North Sea, and a zone 30 marine nilles wide along Dutch coast are outside war zone, 27; American acknowledgment of German notification of blockade, 27-29; calls attention to serious possihilitles of course of action contem plated, 27; asks Germany to reconmerchant vessel should be destroyed or American lives lost, 27-28; sole right of belligerent in dealing with neutrals on high seas limited to visit and search, unless blockade is proclaimed and maintained, which is not proposed in this case, 28; United # States reluctant to believe Germany would declare or exercise right to attack or destroy any vessel entering prescribed area without visit and search, 28; suspicion of use of false flag no presumption that all ships traversing a prescribed area are guilty, 28; right of visit and search recognized to determine such questions, 28; American Government open to none of the criticisms for un-neutral actions noted in German memorandum; has taken position that belligerents vloi ting the rights of Americans would held responsible, 28; If German commanders should destroy American lives or American / vessels, it would be hard to reconcile such act with friendly relations subsisting between the two governments. 28; would hold Germany responsible and take necessary action to secure American rights on high seas, 28; urges that American vessels be not molested otherwise than by visit and U search, 29; German reply to Ameri-can note, 29:35; agrees that it is de-sirable to avoid misunderstanding, 29; proclamation not directed at legitimate trade, but represents act of self-defense, against England's violation of international law which

neutrals has failed to abate, 30; sets forth sgain England's violations of international law, 30; conceded violations are intended to cut off Germany from all supplies, 30; calls attention to American protest to British Government, 30; cites case of Wilhelmina, 30; rely on neutrals who have tacitly or under protest submitted to England's violation of international law to display same tolerance toward German measures, 32; not intention to destroy neutral property, 32; safest method to avoid danger is to stay away from war zone, 32; only enemy merchant ships to be destroyed, 33; again calls at-tention to misuse of flag by England, and trade in war materials by neutrais, 33; Germany suggests convoy, 34; prepared to enter into negotiationa as to convoy, 34; ships advised to avoid English waters, 34; German submarines to abstain from violence to American merchant vessels when t recognizable as such, 34; American suggestion as to agreement between Great Britain and Germany as to rules of maritime war, 35-37; German reply to suggestion, 37-38; Germany would undertake not to use them to attack merchant ships except to enforce right of visit and search, 37; when enemy character of vessel or presence of contraband be ascertained submarines would proceed according to international law, 37; restricted use contingent on encmy ships abstaining from use of false flags, etc., 38; merchant chips not to be armed, 38; legitimate importation of food into Germany to be allowed, 38; waters around Orkney and Shetland Isles declared a war zone by Germany, 39; British re-ply to American suggestion as to agreement on rules of maritime war, 39-43; calls attention to violations of international law by Germany, 40; sinking of British merchant ships, 41; German statement as lo attacks on neutral merchant shins by Ger-43-44 : man submarines or alreraft, first American note on sinking of Lusitania, 44-47; sinking of Falaba, 44; attack on Cushing, 44; sinking of Gulflight, 44; calls attention to practical impossibility of using submarines under rules of international law, 46; calls attention to warning