

fled from Erzerum and also are pushsians Are Following the Turks ing their way northward from the cap-

assurances to the Bulgarians, that the of credit. In addition to those ad- It is much too complicated and McKenna Points Out Strong Posi- latter item was not made clear by the fall of Serbia had not left the Bal- vances there were advances made by changes too quickly from day to tion of Britain in Financial Premier, but he declared that the pro-

tish Government. The amount of this visions of the September budget, al-World-After 18 Months of War otting £423,000,000 for loans to Al-Our Paper Can be Exchanged lies would not be exceeded For Gold at any Bank-Liberal The Chancellor of the Exechequer, Member Says Munitions Receiv in an optimistic statement regarding ed From United States Are Not the condition of British credit, said: "Criticism has ben made that we are up to the Mark not taking proper steps to maintain our credit, particularly with reference LONDON, Feb. 22 .- The House to American exchange. I merely ask Commons to-night passed a new vote the House to compare our American of credit to the amount of £420,000. exchange with that of other belliger-This is expected to carry the ents. At the present time the rate is war to the end of May, bringing the \$4,76 and the Government does not total sum appropriated by means of wish it to be higher than that. It is votes of credit since the outbreak of still ten cents below normal, but we war to £2,082,000,000. This sum, acdo not wish it to go either up to or cording to Premier Asquith, is not about normal for the simple reason only beyond precedent, but is actually reasons why genuine friendship beyond the imagination of any finanthat we are discouraging imports by keeping exchange a little below par should be felt in the United cier in this or any other country. Parand checking the export of gold to liament was occupied to-day entirely America. It is an absolute marvel with financial questions. Asquith that after eighteen months of war we spoke for fifty minutes, presenting the are still almost the only open gold Government's motion for new war country in the world. Our paper can. credits. Chancellor of the Exchequer be exchanged for gold at the bank Reginald McKenna, followed with and every sovereign paper money had statement regarding American exgold at the back of it. It would never change, which he declared is now as have been believed two years ago high as the British Government wishthat British credit could stand such es it to be. The point emphasized by an extraordinary test as it has been the Premier was not the enormous subjected to. Notwithstanding gigantotals necessary for war, but the fact tic expenditures we have maintained that by casual economy and safeour credit. We have greater reguards the Government had succeeded sources, but must husband them with in holding down the expenditure to prudence. I have no doubt that a well below £5,000,000 a day, which year hence I shall be able to show figure he thought unlikely to be exthat our credit is still unimpaired." eeded at any time. "I feel an enor-Touch on the question as to whetmous overwhelming responsibility in her after the war the acceptance and

Who Fled From Erzerum-Britkans' field entirely to them and the the Bank of England at the request day, he said, for me to be able to ured fortress to the Black Sea with Turks, and that they (the Germans) of the Government. Expenditure form any conjectures as to the ish Aviator Has Blown up Turk he purpose of establishing a would guarantee a sufficient supply under this head, he said, would pro-Power Stations on Ottoman there for their warships and transbably reach £423,000,000. of guns and material for the cam-Front East of Suez Canal orts. Bitis, on Lake Van, has been

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aptured by the Russians. The Turk power station on the Ottoman front LONDON, Feb. 22.—Another east of the Suez Canal has Germany's big zeppelin airships have blown up by a British aviator come to grief. Probably some, if no Again Constantinople all, of its crew perished, as it was hrown into a state of consternation enveloped in flames as it fell to the over her presence of an Allied subearth a victim of incendiary shell fir from French anti-aircraft gun.

narine in the Bosphorus, according to unofficial report, under water boat Paris official communication said to have torpedoed six transports ports an airship, southward, bound aden with munitions, and one tug from the region of St. Menihould when

French guns at Revigny began shelling it. At least on of the missiles objects to U.S. fire and fell in the vicinity of Bra bant LeRoi.

The Germans near Lihons, to the South of the Somme River have me with a repulse at the hands of the French in an intended attack extend

ing over about four and one-third miles. An offensive movement was preceded by heavy bombardment and

clouds of asphyxiating gases. When the German infantry endeavoured to come out of their trenche for an attack, however, a barrier fire and fire from French riflement

stopped them everywhere, according to Paris. Germans at Artois prevented from occupying the crater of a mine by a strong counter offen-

sive of the French In Champagne and the forest of decision might be expected.

to, it was said, because it was feared Verdun there has been much artillery some friction might develop. activity food which Paris claims con-Counsellor Barclay of the British siderable execution accomplished by

French gunners. The Germans report Embassy, to the great dismay of machines returned safely. additional repulses of British grenade officials, was shown by mistake into attacks against captured positions the room where Prince Hatzfeldt was along the Yser canal, who are putting waiting. If the British Counsellor and down Entente Allied offensive along the German Prince recognized one anthe Lens Arras road. Numerous air other, as they sat on opposite sides of al. fights between German and French the room, neither betrayed that he from our severe howitzer fire aviators have taken place. Paris re- felt he was in the presence of an en- against enemy gun positions at ports that several German machines emy. The situation was relieved by Radingham area.

were brought down by fire from the the departure of Counsellor Barclay French airmen. Aeroplane raids have 'to Polk's office



WASHINGTON, Feb. 21'.--Representations against the presence of a United States Deputy Marshal on the captured British liner Appam, the German prize in Hampton Roads, were made to-day to the State Department by the German Embassy. Prince Von Hatzfeldt, Counsellor of the Embassy discussed the whole subject with Counsellor Polk. It was said that while the Embassy realized that the

Deputy Marshall

On Board Appam

West was issued to-night. It says feature was out of the hands of the State Department and in the Courts. pots at Don about 12 miles southit was anxious to know when some The east of Lille, was carried out by 26 Argonne, and in the entire region of presence of the Marshal was objected aeroplanes yesterday. Extensive damage is believed to have been

> done to stores and railways. All Our artillery actively bombarded hostile trenches about Hulluch, north of Ypres and Comines Can-

Allied Airman

Bomb Hun

London, Feb. 22 .- A British of

ficial as to the campaign in the

Heavy explosion resulted

Enemy aircraft during the past

on various towns in our area, but York Herald cables: with no military results. A few civilians, however, were killed.

manner in which events concern-The vote of credit for the remaind- ing the Washington Government

The Bulgarians then declared that er of the financial year allowed an are liable to develop. There is if they were to make another ample margin for contingencies, such however, one thing which should as the purchase of American securigreat effort with the scant assistance be known, and it is that the symties, he added. The vote of credit of from the Turks, they would do so £300,000,000 raised the total votes of pathies of the great majority of only if they would guarantee large credit for the war to £2,022,000,000 the American people go out clear ompensations in Greek Macedonia, The Premier emphasized the steps ly and indisputably to the Allies. in other words, possession of Salon-

ika, Kavala and all the hinterland taken to secure economy in expendi-I never had the slightest fear of ture. The financial committee of the The Kaiser, however, in consideration real difficulties arising between Cabinet had appointed a special comf his promise made to King Constanmittee of business men to bring about the United States and the Allies, tine, put a halt on Bulgarian ambi-

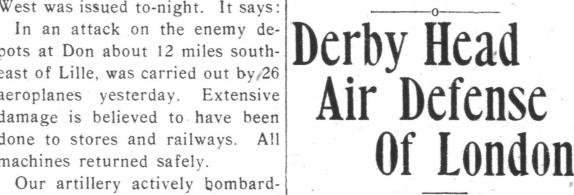
economy and efficiency. He - did not because it is hardly necessary for ions for the possession of Salonika. with the result that the Bulgarians think this system could be improved me to say that there are historical resolved to remain in their trenches. on The war, said the Premier, is be Germany, seeing that the Balkans campaign had come to a deadlock, ing conducted under rigorous condiithdrew still more troops, declaring tions, which prevented any money States for France (and Great Brit-

voted in Parliament from being de- ain) had need for them elsethat she

voted to any other purpose than the Lord Bryce expressed his satisjust cause would prevail. Asquith faction at the fall of Erzerum. He said he was uncertain what sums must be spent before the end of the said: "The cause of the Armenians financial year in purchasing American is especially dear to me; there is securities. He anticipated that the no people in the world which has Positions extra credits now asked, with the sum suffered more."

refloated.

still in hand, would last until the end of May. The House, before rising, went into Committee of the whole and passed the vote of credit.



Cabinet-Lord Robert Cecil will Enter Cabinet and Control Naval Blockade of Germany-Brit ain Determined to Win War

New York, Feb. 22 .- The Lonfew nights made several attacks don correspondendent of the New

I am informed that the organiza

discounting of German bills would be sum," said the Premier, "and could discouraged in London the Chancellor said this subject must be left for the future, but I am sure that the commercial interest of the country will oppose the relinquishment of trade by accepting and discounting bills drawn abroad which has made London the dmiration and envy of all the world's creat commercial cities.

s placed at the door of the German During the course of the evening's lated Pledge he Gave Secretary Ambassador for the reports, asserting debate Sir Joseph Walter (Liberal), criticized the Government' for not hat the German proclamation anhaving more carefully inspected the nouncing that the submarine campaign "Care munitions from the States. to be begun against merchant ships on March 1st was issued as a "logishould be taken that we do not get Facts Have Been Made Public cal development" of the American bad supplies from the United States,"

asking the House for this gigantic

Lansing to Keep Lusitania Negotiations in Entire Confidence -Washington Officials Know

OFF AGAIN

LONDON, Feb. 21.-The British

steamer Cymric Castle, which went

ashore last week on a reef off. Mom-

basa, British East Africa, has been

READ THE MAIL & ADVOCATE

Will be Known as Air Member of VON BERNSTORFF'S RECALL MAY **BE ASKED FOR BY UNITED STATES**

Asserted in Washing he Has Vio-