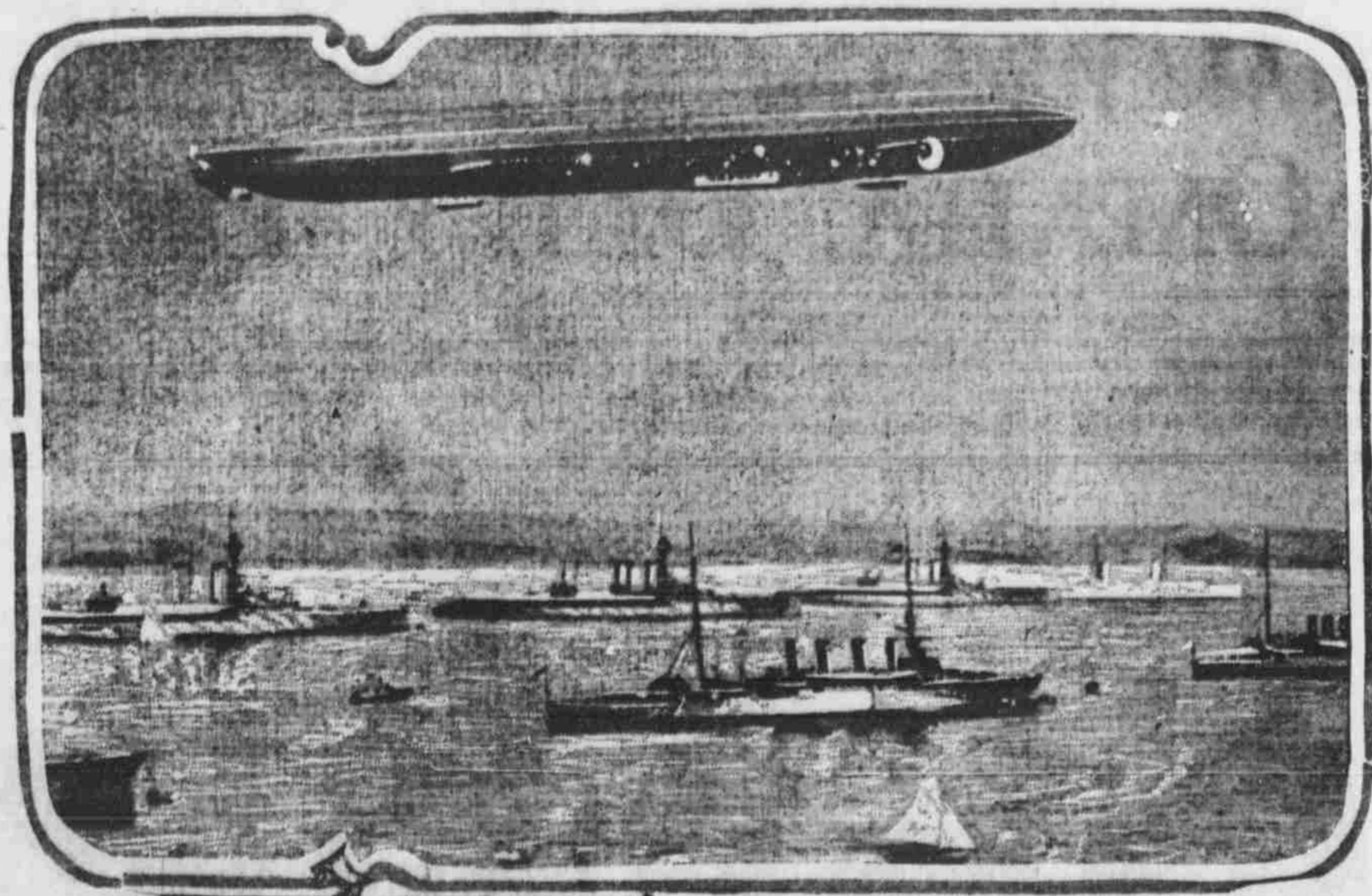


German Air Fighter Flying Over the British Fleet at Spithead



The above photograph, taken during the recent visit of the British fleet to German waters, shows a German army dirigible hovering over the English battleships. Should Europe be thrown into a general conflict as a result of the present Austro-Serbian war, balloons and all other types of flying craft will play an important part. All the nations involved are well supplied with aerial fighters with the exception of Serbia, which has only a few aeroplanes.

be for the continental powers to unite against the British empire. Russia taking her reward in Asia and India, Germany in Africa and France in Egypt. The original proposal broke down because France insisted on the recovery of Alsace-Lorraine. That barrier still exists. The war is confident of victory. He hears nothing alarming about the international situation. Rasputin, who was the peace influence during the last Balkan war, still is hors-de-combat.

KAISER INVADES FRANCE FIRST IN WORLD'S WAR

(Continued from Page One.) Forty-four years ago today, that the French and Germans clashed in the first battle of that war at Saarbrücken, where the prince imperial, under the orders of the emperor, received his famous "baptism of fire."

It would appear today that Germany is taking the fullest possible advantage of its supposed superiority in rapid mobilization over France. The plan of the German emperor, according to military observers here, is to vanquish, or attempt to vanquish, France in the interval before Russia will be able to create serious trouble on her northern frontier. It is supposed that Russian mobilization will take about three weeks. All telegraphic and telephonic communication between Brussels and Luxembourg has been severed.

By the treaty of London, signed in 1867, the grand duchy of Luxembourg was declared neutral territory. Its integrity and independence were guaranteed. Longwy is a fortified town of France on the Belgium frontier, forty miles northwest of Metz, in Germany. A train full of German soldiers arrived at the station at Luxembourg during the night. The troops seized the station and the bridges on the Treves and Trols viaduct line in order to insure the regular passage of military trains across the grand duchy.

Officer Protested. After these returns the soldiers proceeded to the barracks. The major of the Luxembourg volunteers protested against the violation of neutrality, but in reply the Germans asserted that the railway belongs to them and that they have the right to do what they like in Luxembourg. A telephone dispatch from Brussels today said it was reported there that Germany had declared war on France and that the French ambassador, Jules Campon, had left the German capital. This report could not be confirmed. The French embassy today issued the following statement: "French territory has been invaded at Crey and German troops are marching on the fort at Crey. This act has been committed without a declaration of war. The German ambassador is at present in Paris."

Can't Answer Questions. Germany declared today that it was unable to answer the question put by the British ambassador at Berlin as to whether it is prepared to respect the neutrality of Belgium. This statement appeared in a communication issued by the French embassy. The neutrality of Belgium has been guaranteed by Great Britain and it is bound to protect Belgium for its own safety, as Belgium under German rule would be a never ending menace to England.

Germany's Meets Losses. BRUXELLES, Aug. 2.—According to advice received here 100,000 German troops are crossing the Grand Duchy of Luxembourg and concentrating on the French frontier near Liege. Frontiers engagements are reported in which the Germans are said to have won. More than 25,000 men are engaged in digging trenches in front of the German and French positions.

Debits Suspended in France. PARIS, Aug. 2.—A moratorium, suspending the payment of all debts in France until August 31, will be today proclaimed by the minister of finance. Bankers to Have Currency Ready in Gotham Monday. WASHINGTON, Aug. 2.—Secretary McAdoo and Comptroller Williams left for New York today to be in closer touch with the situation there tomorrow. Mr. McAdoo declared he had no fears for the situation, but thought it well to be near several millions of dollars in currency, with President Wilson.

Specie Payments Suspended by the Bank of England. LONDON, Aug. 2.—King George held a privy council this afternoon. According to The Press association he signed a proclamation authorizing the suspension of specie payments. Germany having invaded France, it is felt in London that the time for action on the part of England has arrived.

FATALLY STABS SWITCHMAN

P. W. Allison Dead and O. L. Henderson Badly Wounded. IS WORK OF NEGRO VAGRANTS. Police Put Out Dragnet, but as Yet Idea Not Borne Able to Find Any Trace of the Murderers.

F. W. Allison, a Burlington switchman living at 502 North Twenty-fifth street is dead, his throat cut, and O. L. Henderson, 1009 1/2 South Eleventh street, also a Burlington switchman, is in St. Catherine hospital suffering from knife or razor wounds. The police are seeking two negroes, aged about 30 years, and described as "typical vagabond negroes," dressed in blue overalls and white cotton shirts. Allison and Henderson had just finished their work and were on their way home, when the encounter took place at Eighth and Farnam streets. It was about 5:20 o'clock in the morning, and thus far the police have been unable to find any eyewitnesses.

Allison died on the way to St. Joseph's hospital before he had made a statement, and Henderson lapsed into unconsciousness as he was taken to the hospital. Later he said: "Story of the Attack. 'My partner and myself had just left the switch shanty at Seventh and Douglas streets. We had walked as far as Eighth and Farnam when I suddenly remembered that I had neglected to put some plates in my dinner pail. I went back, Paul going ahead and walking slowly. When I returned a minute or so later, I was just even with a refrigerator car at Eighth and Douglas streets, when a negro sprang out of a shadow. 'I've got you now,' he exclaimed. 'He had a razor in his hand and he slashed me across the face before I knew what was going on. I grappled with him, and got him down, but he escaped after cutting me a couple of times. I got up and saw a trail of blood leading toward the Bally hotel, and I just noticed it. I heard my partner yell. I ran over and found him wallowing in his blood, horribly cut. Then I called a train crew that I saw passing up the street a little way off and we got the police.'

Henderson thinks there was only one negro and that he used a razor instead of a knife. He would know him again if he saw him, he said. A bottle of Spring Hill whisky, containing about three drinks, and covered with blood stains made by a hand, was found near the spot where Henderson says he encountered the negro. He declared that he had no whisky, and to the best of his knowledge, neither did his partner. No Cause for Attack. Early in the evening Henderson and Allison chased a number of negroes away from a water tank near the switch shanty, but Henderson does not think them underer was in the crowd. "I don't know why he should attack me, or be laying in wait for me, because I never had any trouble with a negro in my life. I don't know what transpired between the negro and my partner, because Paul was unconscious when I got there."

Allison died on the way to St. Joseph's hospital, and his body was turned over to the coroner. He is married and had two children. Henderson is married and has four children. Physicians believe he has a good chance for recovery. Will Lauritsen and Howard Gibbs, both employed at Hartling's creamery, saw a negro going past the place a few minutes after the cutting. He was acting suspiciously and Lauritsen thought he was full of cocaine. He yelled "Hey, nigger, where are you going?" The negro turned, looked at him and then ran toward the railroad tracks. Lauritsen's description of the negro tallies with that given by Henderson. At Shaeley, during the afternoon, William Ferguson, a negro, was arrested. He was covered with blood stains but recently dried, and at first it was believed that he was the murderer. Later, however, there were developments which caused the police to believe that he was not mixed up in the murder case. All of the "vag" negroes now in jail will be prosecuted in police court this morning in an effort to make them either leave town or find regular work. For the last week the police have been making an effort to keep the old tenebafin dis-

trict cleared of itinerant negroes, on account of the frequency of strong-arm jobs and complaints of assault. A bloody newspaper, with which the murderer evidently wiped his hands, and which was covered with finger prints in blood, was found near the scene of the tragedy by Lloyd DeWolf, a street car conductor, and turned over to the police. DeWolf also found a white linen collar, but this is thought to be the property of one of the victims. Allison was married and leaves, besides his widow, a son under 6 years of age.

Germany Invades France; Loses Heavily in the First Clash; Progress of the War (Continued from Page One.) Paris is at a fever heat. A declaration of war against Germany is expected momentarily. The war council has been in session practically all day. It is probable that the declaration has already been issued, and that the army is now in motion against the Teutons. The invasion of French soil by the German forces at Nancy, however, is declared by all authorities on international law to have been tantamount to a declaration of war, and that all France is in duty bound to do its utmost to repel the invader. The British foreign office whether she would cross Belgian territory or not in approaching France. Belgium has always been the buffer state and England is bound to have it held inviolate. Germany's refusal to deny that she will violate the neutral country is considered as good as a threat that she will do so.

Good Omens of August 2. Germany seems to believe in the good omen of the date, August 2. It was just forty years ago, August 2, 1870, that the great clash of arms between Germany and France took place. Relying on her supposed superiority over France for immediate mobilization of her army, Germany seems to have chosen one of her "lucky days" to try it out. Leading military authorities, in discussing Germany's probable course, agree that her best plan of action is to hurl her entire army against France immediately in a bold effort to break her power before she has time to concentrate. It is believed that she will make a long conference. Immediately afterward an order was issued ordering the mobilization of the naval reserves. Almost at the same moment an order was dispatched to Ottawa, Canada, requesting the Canadian militia and avi reserves to mobilize.

Russians Enter East Prussia. This plan appears to be fraught with much uncertainty, however, as dispatches from Berlin say that Cosacks already are riding toward Johannesburg in east Prussia, and appear to be followed by a large force of infantry and artillery. It is also reported that a strong Russian force crossed the German frontier at Eichenfeld, in Posen, and attacked an outpost guarding a bridge over the Warthe. The dispatches state that the Russians were repulsed. England Mobilizes Reserves. Late this afternoon Premier Asquith and First Lord of the Admiralty Churchill had a long conference. Immediately afterward an order was issued ordering the mobilization of the naval reserves. Almost at the same moment an order was dispatched to Ottawa, Canada, requesting the Canadian militia and avi reserves to mobilize.

Royal Reserves of British Navy Called to Service. OTTAWA, Ont., Aug. 2.—The Royal naval reserves have been called upon by the British admiralty for service. The Canadian government was officially notified of the call today. The call is interpreted as meaning that the British navy will be engaged shortly. The royal naval reserves are officers and seamen of the merchant service who have taken a special course of training in the British navy, have received a certificate of competence and have pledged themselves to answer a call to serve in the navy. They are scattered all over the world, there now being many thousands of them in the port of New York and other American ports. This is the first time that such a call has ever been made and it is considered most significant.

WASHINGTON, Aug. 2.—Consuls in Europe war today instructed to have orders for transportation home for stranded Americans honored by European agencies. Relatives here may deposit funds with American agents of the transportation companies. Neutrality for United States. WASHINGTON, Aug. 2.—Preparation of a neutrality proclamation was begun today at the State department. Officials said it probably would be issued tomorrow. Channel Steamers Still Running. LONDON, Aug. 2.—The cross-channel steamers are still running to England from France and Belgium. The boats again today were crowded with passengers, including many Americans. The Paris Nord line today notified the English agents that they could no longer guarantee trains to and from Paris. To Prevent Cornering Foodstuffs. THE HAGUE, Aug. 2.—The government proposes extraordinary measures to prevent the cornering of foodstuffs. It will also introduce bills authorizing the Netherlands bank, in case of war, to suspend payments in gold. Belgium Is Getting Ready. BRUSSELS, Aug. 2.—Parliament has been called to meet Thursday. LIEGE, Aug. 2.—The special corps of the civic guard has been mobilized and is guarding the bridges. German Baltic Fleet on War. COPENHAGEN, Aug. 2.—A Dane, who has just arrived from Kiel, says the German Baltic fleet is making its way to the North sea. Only an armored cruiser and two old ships are left in the Kiel roadstead. England Mobilizing. WASHINGTON, Aug. 2.—Official dispatches received here at 1 p. m., report England mobilizing forces along the North sea. British Naval Reserves Called. LONDON, Aug. 2.—The naval reserves were called out at 3 o'clock this afternoon. The action confirms the belief that the British government is ready to take its part in the struggle. Cosacks Entering Germany. BERLIN, Aug. 2.—A Russian column, with artillery, has crossed the German frontier at Schwinden, southeast of Bialla. Two squadrons of Russian Cosacks are riding in the direction of Johannesburg, in east Prussia, fifteen miles from the frontier. Debts Suspended in France. PARIS, Aug. 2.—A moratorium, suspending the payment of all debts in France until August 31, was today proclaimed by the minister of finance. The measure applies also to deposits and current accounts in banks. Depositors may withdraw only 50, and 5 per cent of their remaining balances. French Fleet Through Gibraltar. GIBRALTAR, Aug. 2.—A French fleet consisting of twelve vessels passed through the straits of Gibraltar today, bound east. Paris, Aug. 2.—The German ambassador into this afternoon was still in Paris awaiting instructions from Berlin to leave, none seemingly having yet reached him. It is understood that if he does not ask for his passports, they will be handed him tonight. Privy Council Held. LONDON, Aug. 2.—King George held a privy council this afternoon. According to The Press Association he signed a proclamation authorizing the suspension of specie payments. Mobilization in Far East. PETERSBURG, Russia, Aug. 2.—A telegram received here from St. Petersburg announces the mobilization of the Kuznetsov force in the far east. TOKIO, Aug. 2.—The western shores of the Pacific today showed active preparations for war. The British Asiatic fleet is concentrating at Hong Kong and the German warships in Asiatic waters are making their way to Tsing Tau. The warships of Japan are making every preparation for possible eventualities and are ready to sail at a moment's notice. The Japanese dreadnought Mikuma had a successful trial trip today. Germans resident in Japan subject to military service have been ordered to hold themselves in readiness to return home. The transportation of freight between Japan and Siberia and Europe has been stopped. Efforts are being made to se-

cur the vessels of neutral countries to move cargo destined to Europe. All insurance is at war rates.

Heavy Firing is Now Proceeding in the North Sea. LONDON, Aug. 2.—The News of the World says it has received a wireless communication to the effect that heavy firing is proceeding in the North sea. The newspaper presumes that German and French fleets are engaged.

BULLETINS. WASHINGTON, Aug. 2.—Consuls in Europe war today instructed to have orders for transportation home for stranded Americans honored by European agencies. Relatives here may deposit funds with American agents of the transportation companies. Neutrality for United States. WASHINGTON, Aug. 2.—Preparation of a neutrality proclamation was begun today at the State department. Officials said it probably would be issued tomorrow. Channel Steamers Still Running. LONDON, Aug. 2.—The cross-channel steamers are still running to England from France and Belgium. The boats again today were crowded with passengers, including many Americans. The Paris Nord line today notified the English agents that they could no longer guarantee trains to and from Paris. To Prevent Cornering Foodstuffs. THE HAGUE, Aug. 2.—The government proposes extraordinary measures to prevent the cornering of foodstuffs. It will also introduce bills authorizing the Netherlands bank, in case of war, to suspend payments in gold. Belgium Is Getting Ready. BRUSSELS, Aug. 2.—Parliament has been called to meet Thursday. LIEGE, Aug. 2.—The special corps of the civic guard has been mobilized and is guarding the bridges. German Baltic Fleet on War. COPENHAGEN, Aug. 2.—A Dane, who has just arrived from Kiel, says the German Baltic fleet is making its way to the North sea. Only an armored cruiser and two old ships are left in the Kiel roadstead. England Mobilizing. WASHINGTON, Aug. 2.—Official dispatches received here at 1 p. m., report England mobilizing forces along the North sea. British Naval Reserves Called. LONDON, Aug. 2.—The naval reserves were called out at 3 o'clock this afternoon. The action confirms the belief that the British government is ready to take its part in the struggle. Cosacks Entering Germany. BERLIN, Aug. 2.—A Russian column, with artillery, has crossed the German frontier at Schwinden, southeast of Bialla. Two squadrons of Russian Cosacks are riding in the direction of Johannesburg, in east Prussia, fifteen miles from the frontier. Debts Suspended in France. PARIS, Aug. 2.—A moratorium, suspending the payment of all debts in France until August 31, was today proclaimed by the minister of finance. The measure applies also to deposits and current accounts in banks. Depositors may withdraw only 50, and 5 per cent of their remaining balances. French Fleet Through Gibraltar. GIBRALTAR, Aug. 2.—A French fleet consisting of twelve vessels passed through the straits of Gibraltar today, bound east. Paris, Aug. 2.—The German ambassador into this afternoon was still in Paris awaiting instructions from Berlin to leave, none seemingly having yet reached him. It is understood that if he does not ask for his passports, they will be handed him tonight. Privy Council Held. LONDON, Aug. 2.—King George held a privy council this afternoon. According to The Press Association he signed a proclamation authorizing the suspension of specie payments. Mobilization in Far East. PETERSBURG, Russia, Aug. 2.—A telegram received here from St. Petersburg announces the mobilization of the Kuznetsov force in the far east. TOKIO, Aug. 2.—The western shores of the Pacific today showed active preparations for war. The British Asiatic fleet is concentrating at Hong Kong and the German warships in Asiatic waters are making their way to Tsing Tau. The warships of Japan are making every preparation for possible eventualities and are ready to sail at a moment's notice. The Japanese dreadnought Mikuma had a successful trial trip today. Germans resident in Japan subject to military service have been ordered to hold themselves in readiness to return home. The transportation of freight between Japan and Siberia and Europe has been stopped. Efforts are being made to se-

War Signs Appear All Over Far East. TOKIO, Aug. 2.—The western shores of the Pacific today showed active preparations for war. The British Asiatic fleet is concentrating at Hong Kong and the German warships in Asiatic waters are making their way to Tsing Tau. The warships of Japan are making every preparation for possible eventualities and are ready to sail at a moment's notice. The Japanese dreadnought Mikuma had a successful trial trip today. Germans resident in Japan subject to military service have been ordered to hold themselves in readiness to return home. The transportation of freight between Japan and Siberia and Europe has been stopped. Efforts are being made to se-

FRANCE MAKES STATEMENT

Declares It Waited Till Last Moment Before Mobilizing. WOULD NOT BE AGGRESSOR

Says Germany Has Violated Neutrality of Luxembourg by Sending Troops Through that Place Contrary to Treaty.

LONDON, Aug. 2.—The French embassy in London today issued the following statement: "German troops have invaded Luxembourg, violating its neutrality. This neutrality was established by a treaty negotiated and signed in London in April, 1867. Ratifications of this treaty were exchanged in London, May 30, 1867. Article II of it reads as follows: 'The grand duchy of Luxembourg will be a state perpetually neutral. The powers which sign the present treaty declare themselves as bound to respect this neutrality, and to make it respected by others. This neutrality is placed under the guarantee of the powers which have signed this treaty.'" Continuing the statement of the embassy says: "The British ambassador at Berlin asked the German secretary of state for foreign affairs whether Germany was prepared to respect the neutrality of Belgium. The German secretary of state for foreign affairs declared he was not able to answer. The neutrality of Belgium has been established by a treaty signed in London. Stops Peace Talk. The German ambassador at St. Petersburg notified Russia of the declaration of war by his government while negotiations were pending between Austria-Hungary and Russia and at the very moment when Austria-Hungary had declared that she was prepared to consider the matter of the Austro-Serb conflict with Serbia, or with a neutral power on behalf of Serbia. The German ambassador at Paris yesterday morning held an interview with the French prime minister concerning the Austro-Serb conflict and especially about the decision reached by Austria-Hungary to consider the matter with Serbia or with a neutral power speaking in behalf of Serbia. In spite of this, on the afternoon of the same day war was declared by Germany on Russia. Germany Wants to Know. France was asked to tell what she would do in case of war between Russia and Germany, and the German ambassador at Paris began to prepare everything for his departure from the French capital. July 31, Germany called to the flag the last five classes of the reservists. This she could not do by means of martial law by Germany, which permitted her to keep this news secret. Conse-

quently, on July 21 mobilization was begun in Germany. "In spite of this France waited until August 1 at 5 o'clock in the afternoon to order a general mobilization. This was done for the purpose of making it clear that she was not the aggressive power, and also that she might be able to claim British support. France Waits on Germany. "General mobilization was ordered in France August 1 at 5 o'clock in the afternoon. The first day of mobilization began August 2 at midnight." The French embassy has received the following statement from M. Viviani, the French premier: "I have just sent the following telegram to the French minister at Luxembourg: 'Will you inform the premier that in conformity with the treaty in London of 1867, the government of the republic intends to respect the neutrality of Luxembourg, as has been shown by her attitude. The violation of her neutrality by Germany is of such a nature as to oblige France to take into account the care of her defense and her interests.'"

German Fire Brings Down French Plane

BERLIN, Aug. 2.—German troops today fired upon and brought to earth a French flying machine near Wesel.

AMUSEMENTS. Tomorrow Only The ROUNDUP A 5-Reel Sensational Picture. Will be shown for the FIRST TIME in moving pictures IN OMAHA. FARNAM THEATER 1415 FARNAM. LAKE MANAWA Dancing, Boating and Many Other Attractions. Free Moving Pictures Every Evening. Free Band Concerts on Sundays. Ideal Picnic Grounds.

WARNING! Do not expose this Beer to LIGHT BEER IN LIGHT BOTTLE Why Take the Risk of your beer becoming impure? You are not asked to take a similar risk with other kinds of food. And yet, every time you buy beer in a light bottle you must assume the burden of keeping it away from light to avoid that skunky taste. Get Schlitz Brown Bottle, and you get beer that is kept pure from the brewery to your glass. See that Crown is branded "Schlitz." Phone Doug. 1507 Schlitz Bottled Beer Depot 728 S. 24th Street, Omaha, Neb. Phone 481 117. Gerber, 2 E. Main St. Council Bluffs. TOKIO, Aug. 2.—The western shores of the Pacific today showed active preparations for war. The British Asiatic fleet is concentrating at Hong Kong and the German warships in Asiatic waters are making their way to Tsing Tau. The warships of Japan are making every preparation for possible eventualities and are ready to sail at a moment's notice. The Japanese dreadnought Mikuma had a successful trial trip today. Germans resident in Japan subject to military service have been ordered to hold themselves in readiness to return home. The transportation of freight between Japan and Siberia and Europe has been stopped. Efforts are being made to se-