

## HE OMAHA DAILY BEE

THE WEATHER

Fair; Warm

VOL. XLVIII.-NO. 1.

OMAHA, WEDNESDAY MORNING. JUNE 19, 1918.\*\*\* -- 10 PAGES

On Trains, at Bocala TWO CENTS.

# MY HELD ALONG

## ARMYMAN REGENTS ASK RESIGNATIONS GRAFTER UNITED STATES

Lt. James C. Staley, Reserve Officer Trained in Iowa, Arrested on Charge of Accepting Illegal Fee.

Washington, June 18 .- The trail of the government's pursuit of illegal profiteers on war contracts today led to the arrest in New York of Lt. James C. Staley, a reserve army officer, on a charge of accepting money from the Truefit Raina contract which he promised to procure.

partment of Justice agents, trian offensive had come from Berlin. who had followed the officer during his inspection of the plant of the raincoat company, stated that, thanks to the prompt and whose proprietors acted in co- cordial co-operation of America, it operation with the government would be impossible for the enemy to to detect the fraud.

The secret agents arrested Staley own after he was said to have received a sum of money from Joshua Rosenthal and Louis Wener, proprietors which they sought for 50,000 raincoats costing nearly \$250,000.

Lieutenant Staley made a complete confession of his part in the transactions, department officials said, and had reached a figure which a few gave much valuable information which months ago would have been thought cases of fraud. He will be tried by a court-martial.

Other Arrests. Forecast.

who were charged a commission. Other arrests may follow soon, as it tractors in New York and elsewhere result. are assisting the government in running down agents by whom they have

been approached. Lieutenant Staley is about 50 years old and came originally from Iowa. forces. He entered a training camp in that state last summer and later was transferred to Fort Snelling, near St. Paul, where he was commissioned in Au-Dodge, Iowa, and last December 11, quartermaster's department for raincoats and other rubber goods. He they have engaged. has been stationed in New York most of the time since.

Score Involved in Charges.

The shadow of complicity in the extensive scheme by which commission agents made millions out of government war orders acting as middlemen in obtaining contracts for manufacturers, today extended to scores of business men and attorneys in Washington, New York, Boston and other cities, and even to a few secretaries of members of congress.

These men, many of whom were amateurs in the game of soliciting war contracts, promised to use their influence with government officials, army officers or members of congress to asure the awarding of contract to special concerns, and in turn to receive compensation if the contracts were landed.

A large proportion of these cases, disclosed by correspondence and other documents seized in the simultaneous raids yesterday on officers of several hundred manufacturing plants and forwarded today to the Department of Justice, were not prompted by sinister motives, officials believe, and prosecutions will not follow. Many others, however, appear the result of carefully planned plots to squeeze millions from contractors, who in turn were to ..dd the contingent fees to prices which the government was required to pay.

One of the principal aims of the in quiry is now directed to learning whether any army or navy officers were subject to sinister influence of the agents. If it is found any officers were implicated directly, they will be speedily court-martialed, Secretaries Baker and Daniels said today after the cabinet meeting.

#### Mother of Nurse Executed

By Germans Passes to Rest London, June 18 .- Mrs. Ida Cavell,

mother of the heroic nurse, Edith Cavell, executed by the Germans in Belgium, has died at her home, Henley-on-Thames, at the age of 81. She had been in failing health since the death of her daughter.

### House Votes Big Increase

In Navy Enlisted Personnel Washington, June 18 .- Permanent increase of the enlisted personnel of the navy from 87,180 to 131,485, as provided in the naval appropriation bill as it passed the senate, was approved today by the house.

conscious disregard of his duty, I acter of the cause for which they are fighting and the confidence which their country reposes in them to perport to his company for further military duty.

# FROM THREE UNI. PROFESSORS

Troops Pouring Into France at Rate That Insures Victory; Enemy Unable to Reach Any Objectives.

**SAYS BONAR LAW** 

(By Associated Press.)

London, June 18 .- "After three days of attack the Austrian offensive has not secured the objectives hoped for coat company of New York, for on the first day," said Andrew Bonar Law in the House of Commons today. He added that there was reason to The arrest was made by De- believe that the initiative for the Aus-

Mr. Bonar Law read extracts from the minutes of the last war council which was held at Versailles. They gain a victory by wearing down the allied reserves before exhausting his

"America is not coming into the war, but is in the war," he said. On the western front, after three months of fighting, said Mr. Bonar of the plant. It was charged that he Law, although the allies have had to fold them he would expect more mon- give much ground, not one of the ey as soon as the got the contracts enemy's strategic points had been at-

Cheers Given for Americans.

The chancellor said that American troops were pouring into France and to the detection of other impossible, American military co-oplimited by the lack of transports. The references to the Americans

were loudly cheered. This was the first arrest of an army officer since the Department of Justice started its investigation into show that world ship construction for that the common stock issue of \$1,652,the system by which contingent fee the first time since the German subagents have made millions by ob- marine warfare began is exceeding with the Citizens' company be cantaining contracts for manufacturers the destruction of ships by U-boats. Discussing the Austrian offensive, Mr. Bonar Law said that the Italian dends wrongly paid on the common is known that a number of con- high command has no fear of the

> Mr. Bonar Law added that the results which had been attained justified the changes which were made leading to unity of command of the allied

"Those responsible," he said in conclusion, "look to the future without alarm. If three months hence none of the strategic objectives which gust. Subsequently he was trained at I have indicated has been attained the quartermaster's school at Camp by the Germans, then their campaign will have failed, and, despite their was appointed an inspector in the previous victories, will prove to be the most disastrous campaign in which

> "The future of our country and of the world depends upo the next few weeks. But I have confidence that our soldiers and those of all allies will not fail us."

#### Omaha Woman Killed When

She Steps in Front of Train

Mrs. Thomas W. Cox, 2874 Ida street, was instantly killed at Cheyenne, Wyo., Sunday night when she stepped off the train from Omaha directly in front of another train. Mrs. Cox and her 10-year-old son, Marvin, were on their way from Omaha to Idaho to visit Mrs. Cox's

She is survived by her husband and two sons, Marvin, and Ralph, 20 years old, who is in the United States army,

now stationed at Camp Cody, Deming She was a member of the Prettiest

Mile club and was prominent as a Red Cross wo ker.

American War Activity Now Destroys German Propaganda

Washington, June 18 .- A dispatch issue of June 10 quoted a German general as saying that the American military activity was very embarrassing to German military strategy and military writers as it did not coincide with the German program for influencing opinion at home.

## GERMANS ADMIT AMERICAN TROOPS WILL TURN WAR TIDE

(By Associated Press)

Geneva, June 18.—The enthusiasm created by the first German offensive has passed and a feeling of profound dejection reigns among the German people, according to an interview with a neutral diplomat, who has just arrived in Geneva from Berlin, in La Suisse. The people at home expected a quick victory from the early reports in official bulletins, and above all, a quick peace. The principal question asked in Berlin last week was:

"Have we entered Paris." The economic situation in the interior of Germany, the diplomat declared, is becoming more and more serious. Germans, both military and civilians, realize and virtually admit that the constant arrivals of fresh American

troops will turn the tide of the war. The diplomat concluded his interview with a statement that during a recent sitting of the reichstag the queston of autonomy for Alsace-Lorraine was discussed officially for the first time since the beginning of the war.

## LIFT IN LINCOLN

mission Decrees Entire Common Stock Issue at Consolidation Be Cancelled.

(From a Staff Correspondent.) Lincoln, June 18 .- (Special Telefrom six for a quarter to straight 5 both, no opposition will be offered by the War department.

commission, which in addition orders. In authorizing this statement today, celled. It directs replacement of \$198,-228 in the company's treasury as divistock, forbids payment of any future common stock dividends; allows an on the dollar, but requires that \$98,-

for other purposes. While the order is a unanimous one, next year. Commissioner Wilson made a little order of his own, in which he dissented somewhat from certain parts of the majority order and then intimates that the general order is not legal beproperty year by year.

#### Aviation Corps Member

Will Be Buried Today

Funeral services for Private Lucien Muriat, a member of the aviation corps who died Sunday at the Clark son hospital, will be held this morn ing at 9 o'clock at St. John's church The civilian relief committee of the Red Cross has charge of the arrange-

He was an instructor in the aviation corps schools in California until taken sick. He was 24 years old and is survived by an uncle, who was last heard from before the battle of Ver-Sepulcher cemetery.

### Grace Lusk Declared Sane:

Prison Sentence Imposed Waukesha, Wis., June 18.—Grace and Lindbergh 117,755. The returns Lusk, who was found guilty of murder included 27 counties of 86 complete. in the second degree for slaying Mrs. Mary Roberts, wife of David Roberts, former state veterinarian, this afterto the State department today says noon was declared by a board of alien-that the Berliner Tageblatt in its ists to be sane and was sentenced tion, claimed decisive majorities. by Judge Martin Luck to 19 years imprisonment.

When sentence was pronounced Miss Lusk fell backward in a faint. Before pronouncing sentence, Judge Lueck delivered a 10-minute speech, in which he severely scored Dr. Roberts.

### Wilson Pardons Two Soldiers Who Slept on Post; Warns Others

(By Associated Press.) Washington, June 18 .- In granting | "The needs of discipline in the

unconditional pardon to two young army with propriety impose grave penalties upon those who imsoldiers sentenced to death for havig slept on post at the front, Presi-dent Wilson expected his action to endanger their country's cause by lack peril the safety of their fellows and act "as a challenge to devoted servof vigilance, or by infractions of rules Anti-Saloon League ice for the future." in which safety has been found to The text of his order, identical in rest. I am persuaded, however, that both cases, and made public today, this young man will take the restored opportunity of his forfeited life as a 'In view of the youth of Private challenge to devoted service for the D. Sebastian (and Jeff Cook) and the future and that the soldiers of the tact that his offense seems to have army of the United States in France been wholly free from disloyalty or will realize too keenly the high char-

# Order by State Railway Com- May Become Necessary Soon

to Draw Men From Class 2; Congress May Change Draft Age Limits.

(By Associated Press.)

Washington, June 18 .- Should coneration, he continued, would not be gram.)-Application of the Lincoln gress decide that it is necessary at Traction company to the State Rail- this time to extend the draft age limway commission for a raise of rates its either below 21 or above 30, or

Secretary Baker said the department could see no immediate need for such action, although the date already is in sight when it will become necessary

to replenish the class I reservoir. A bill by Senator France of Michigan to extend the draft to men from 18 to 45 is now before the senate miliadditional preferred stock issue of tary committee and at a hearing on it \$281,200 to cover additions and better- last Saturday, rPovost Marshal Genments, which may be sold at 85 cents eral Crowder gave it as his opinion that extension of the draft ages would 538.49 of the proceeds be turned back be necessary. He told the committee into the fund for maintenance and de- that 3,000,000 would be under arms preciation, from which it was taken by next August 1 and that class 1 would be exhausted by the first of

The present tentative schedule of the War department is said to contemplate the arming of 4,000,000 men by next January 1. That would mean the calling of 1,000,000 men between July cause Hall and Taylor did not set out and January and the absorbing not in a specific manner the value of the only of the men remaining in class 1 from the first registration, but those placed in that class under the recent registration as well as 200,000 expected to be put in that class as the result of the reclassification recently

May Train Other Nationals. Congress is to be asked by the War department for an appropriation to provide training facilities in this country for forces other than American

## Governor Burnquist's Majority

St. Paul, Minn., June 18 .- At midnight tonight Gov. J. A. Burnquist a story of German intrigue and condun. Intermment will be at the Holy had increased his primary election majority for renomination to more than 50,000 over his republican opponent, Charles A. Lindbergh. Returns from 2,279 out of 3,119 precincts Judge W. L. Comstock of Mankato. democratic candidate for governor and United States Senator Knute Nelson,

## Labor Federation Protests

St. Paul, Minn., June 18 .- In accordance with instructions from the American Federation of Labor convention, President Samuel Gompers today sent a telegram to President Wilson protesting against the attitude in issuing a call for a convention of employes for the purpose of forming a "company controlled association. "The action of the company is intended as a continuance of its policy denying its employes their right to belong to a bona fide, legitimate trade union," the message said.

## Finds Americans Are

Sober and Efficient New York, June 18 .- American soldiers and sailors serving in Europe were termed "clean, sober and efficient" in a formal report issued here tonight by a commission sent abroad by the Anti-Saloon League of America to investigate moral conditions in the expeditionary forces

## **DECREE OF BOARD** PERSINGER, HOPT, LUCKEY MUST GO

In Addition to Others Cleared, Six More Freed of Lack of Whole-Hearted Support of War.

Lincoln, Neb., June 18-The resignation of Professors E. B. Hopt, of regents of the University of Nebraska, following charges made by the State Council of Defense that faculty members lacked aggressive Americanism in their attitude on the

Six of the nine University instruc-ors cleared of suspicion of lacking whole-hearted support to the government in the prosecution of the war were Prof. Paul H. Grummann, L. B. Tuckerman, Henry Blumberg, L. E. Aylsworth, H. W. Caldwell, and H. K. Wolfe.

Criticize Dr. Fling. Dissensions in the faculty caused in part by utterances of Dr. F. M. Fling



G.W.A.Luckey

and Mrs. Minnie T. English are crit- northern front, long lines of German icised and unless they can explain camions, with which they expected wing, which runs f them, the board says, their connection to carry off the booty they hoped to Mestre, are claimed. with the university should terminate. find

Call Action Indiscreet. In a statement explaining its action the regents said the position and public utterances of Professors Per-(Continued on Page Two, Column Two.)

#### Venezuela Friendly to U.S., Minister Dominici Affirms

Washington, June 18 .- Venezuela's friendship to the United States and they have so far attained. freedom from German influence were affirmed today by Dr. Santos A. Dominici, Venezuelan minister here, in a statement commenting upon a published statement by Dr. Carlos Lo-Increases as Returns Pile Up pez Buslamanti, Venezuelan editor who recently came to America with trol in the Latin-American country.

#### Tony Costanzo Hurt.

Anthony Costanzo, 2210 Poppleton street, was lacerated about the face and badly bruised when a motorcycle on which he was riding and an automobile driven by E. S. Miller, Twenty-sixth and Center streets, collided at Fifteenth and Farnam streets. Costanzo's injuries were dressed by police surgeons and he was taken home. Miller was arrested for investigation in connection with the accident.

## AUSTRIANS FAIL TO CLOSE PINCER JAWS UPON ITALY

All Attacks in Alps Repulsed by Allied Troops Who, In Counter Blows, Regain Lost Territory; Emperor Charles' Troops Unable to Advance After Throwing 14 Bridges Across River

(By Associated Press.)

The Austrian pincers are not closing upon Italy with the precision of last October, when they forced back the Italian armies of General Cadorna from the Julian Alps to the Piave river and from the northern mountain regions almost to the plains of Venetia. In fact, they do not seem to be closing at all.

The upper jaw in the Venetian Alps is stalled under the C. E. Persinger and G. W. A. Luckey resistance of the British, French and Italian forces and the was demanded tonight by the board nether one seems to lack the force necessary to bring it across the Piave river and push back the Italian troops which are clogging its path.

## **AUSTRIANS USING** LARGE FORCES IN

Italians Resist Heroically Onslaught of 12 Divisions; Command Foresees Days of Arduous Fighting.

(By Associated Press.)
Rome, June 18.—Additional light on the Austrian offensive has been furnished by some of the 5,000 prisoners Venice. up to today. According to their testimony, the Austrian divifirst day the plain between Marostica the Piave troops were told to invest

The second phase of the battle is has been established by the Austrians on the lower Piave. The Italians continue to resist heroically the onslaughts of 12 divisions, which constantly are being replenished by reserves concentrated between Sugana and Conegliano. The mass attack between Montello and the Piave is being carried out by 25 first line divisions and eight reserves.

Expected to Take Booty.

The enemy has concentrated at Fonzaso, behind the lines on the

Premier Orlando went to the battle front today. Whether the enemy effort upon

move toward the rear of the famous Monte Grappa, key to the Italian mountain positions, or else to menace the Venetian plains and the city of are fighting desperately to hold what of 5,000.

The Italian command feels that while the first great attempt to advance has been blocked, each day will bring new efforts and with each effort the fighting will be most arduous,

Hindenburg Reported Physical and Mental

Wreck in Sanitarium Geneva, June 18 .- The Tribune says it learns from a reliable source that Field Marshal Von Hindenburg is suffering from an acute nervous disease, that his mental capacity is much affected and that he is confined in a private sanitarium. The newspaper adds that Hindenburg took no responsible part in the recent offensive on the western front, the work being chiefly done by General Ludendorff.

### Western Union Attitude Wife of Dead Car Inspector Faints As Attorney Describes Accident

Mrs. Elizabeth Koch, Sixtieth and railroad that allow for the death of a of Newton Carlton, president of the Western Union Telegraph company, in issuing a call for a convention of road yards near the Union Pacific room, When he returned Judge Wakedepot on November 24, 1916, fainted ley, before whom the trial was heard in court during the trial of her suit asked if he had anything further to for \$20,000 against the railroad and she say to the jury, and Mr. Kinsler re-remained unconscious for more than marked: "That (referring to the sudan hour. She fainted during the clos- den collapse of Mrs, Koch) is my fining argument in the trial which was made by Attorney J. C. Kinsler.

Attorney Kinsler had given a dratalk was particularly forceful and aroused many of the attendants in the court room. Mrs. Koch had sat quietly car under which he was working.

ishing remark."

Mrs. Koch made allegations that it was the carelessness of the railroad on the thermometer yesterday. The matic word picture to the jury of the that allowed the "flying switch of a maximum Tuesday was 90 compared finding of the young man's body, the train of freight cars to be hurled gathering of the torn fragments and against a car under which her husof the shock to the young man's wife band was working, killing him. The when the body was takne home. His railroad contended that Koch had disobeyed orders by not placing a "blue" flag, a danger signal, at the end of the

O In the Alps the Austrians have been unable further to advance their lines since their initial onslaught last week. Everywhere from the Asiago plateau sector eastward to the Piave river all their attacks have quickly been repulsed by the allied troops, who, in their turn, have delivered counter attacks, regained lost terrain, inflicted heavy casualties on the enemy and taken a considerable number of pris-

Fierce Fighting Going On.

All along the Piave river, from the mountain passes, fierce fighting is going on, especially on the Montello plateau; in the region of the famous Zenson loop and further south from Fossalta to the marsh country around Capo Sile, some 20 miles east of

Italian war office a that the enemy everywhere is being sions operating on the Asiago plat-teau had as their objective for the sector of the Montello plateau, which first day the plain between Marostica bars the way from the northeast to and Bassano; the Monte Grappa divisions were ordered to take the plain strengthened their positions on the between Castelfranco and Asolo, and northern edge of the plateau and repulsed two enemy attacks to advance on the northern border. Likewise to the south, near Maserada and Candelu, exceptionally violent, A bridgehead attempts by the Austrians to effect new crossings of the Piave were frus-

trated with heavy losses. Vienna Claims Success.

From Vienna comes a variant reort. It does not concede to the alies any gains of ground in the mountain region, saying that all their counter attacks were repulsed. Concerning the fighting along the Piave, it asserts that the Austrians have gained ground at numerous points and that the battle is following its intended course. Consoldation of the gains on the Montello plateau and progress on the southern wing, which runs from Fossalta to

In addition, the Austrian war office says the number of prisoners taken in the fighting has increased to 30,000 and that 120 guns in addition to mine Montello plateau is an attempt to throwers, machine guns and war material have been captured. The prisoners taken by the Italians Monday at one point amounted to 1,550, which would bring their total and those Venice, it is certain that the Austrians of the allies well in the neighborhood

Unofficial advices are to the effect that the Austrians have thrown 14 bridges across the Piave along a front of about 141/2 miles between the Zenson loop and the Conegliano railway bridge, but that the Italians are heavily engaging the enemy at all points and have the pontoons under their

Guns Roaring on Western Front.

The infantry operations on the battle front in France continue virtually at a standstill, but the allied and German guns are roaring on various sectors and it is not improbable that fighting on a large scale will be resumed somewhere shortly. Along the Ancre, south of Albert and west of Serre, the British and Germans are engaged in mighty artillery duels, while spirited activity is noticeable along the French sectors near Montdidier and between Montdidier and the Aisie. The French continue daily to regain ground taken from them in the recent German offensive south of the Aisne and also to take prisoners

in their enterprises. Several attempts made by the Germans to penetrate the American lines in the Marne sector have been smashed by the American machine gun fire.

### Slightly Cooler Weather

In Sight for Today The extreme heat wave under which Omaha and Nebraska have sweltered is now broken according to the weather sharks. Their predictions are borne out by a drop of 10 degrees with 100 on Monday and 105 Sunday.

#### They promise another drop today. Cousin of Mrs. Drapier

Dies of Wounds in France Mrs. W. C. Drapier, 4102 California by during the long sessions of the trial, which commenced last Wednesday.

As Mr. Kinsler hurled a particularly scathing remark about the "rules of a new trial"

The jury was out several hours, but being unable to agree on a verdict, was dismissed by Judge Wakeley Toledo, died of wounds received with the American Expeditionary forces in France June 11.