

TURKS SEIZE SMYRNA.

KEMALISTS' HIGH CLAIM.

ALLIES' GRAVE TASK

BRITISH FORCE AT CONSTANTINOPLE.

Official news of the fall of Smyrna was received by the British Government yesterday. Few details accompanied the official dispatch, but the messages which we print to-day from our correspondents at Athens, at Constantinople, and at Smyrna itself are ample proof of the magnitude of the Greek reverse.

In British official quarters it is stated that Kemal Pasha has invited representatives of the Allied High Commissioners as well as of the Greek command to meet him to discuss armistice terms. We learn that the commanding officer of the Turkish troops which have entered Smyrna has given an undertaking to the Allies that there will be no massacre of refugees. It is believed that British ships have safely embarked all British subjects in the city.

Meanwhile, there is no attempt in Government circles to disguise the extreme gravity of the general situation. It is believed in official quarters that it is essential that the Allies must present a bold front to the Turks, and without any delay. Kemal Pasha may have hopes of playing off the British, French, and Italian Governments against each other, but he would hesitate to challenge the three Powers combined. The Government remains determined on its insistence that the freedom of the Straits must be preserved at all costs. At the same time, we understand that the *debate* at Smyrna has not resulted in any fresh negotiations with France, nor were there any indications yesterday evening that the British Cabinet was to be summoned to discuss the latest developments.

Recent dispatches from our correspondents in the Near East indicate that the whole of the Mediterranean Fleet, with the exception of the Benbow and a few small ships, is now concentrated in the Near Eastern waters. The King George V., Iron Duke, and four destroyers are at Smyrna, together with three French, two Italian, and two United States warships. The air-carrier *Pegeus* left Constantinople for the Dardanelles on Thursday morning.

Our Paris Correspondent states that the French Mediterranean Squadron has been ordered to Smyrna, and is coaling at Toulon. The cruisers Metz and Strasbourg are almost ready to leave. The squadron was to have carried out manoeuvres off Italy, but the programme has been abandoned.

The British force of occupation at Constantinople consists of—The 3rd Hussars, a brigade of Field Artillery; two companies of the Royal Engineers, one company of the Royal Corps of Signals, the Irish Guards, 1st Battalion the East Kent Regiment (The Buffs), 2nd Battalion the Essex Regiment, 2nd Battalion Sherwood Foresters, and 1st Battalion the Loyal Regiment.

KEMALIST DEMANDS.

(FROM OUR OWN CORRESPONDENT.)

PARIS, SEPT. 10.

The Italian Note asking that the Allies should invite the Greek and Turkish belligerents to send at the earliest possible date delegates to Venice, since, with the assent of Allied delegates, they should examine the losses of Greece, is regarded favourably by the French Government.

It is pointed out, however, that the whole question of the Near East, including the fate of Constantinople and of Thrace, must be brought forward at Venice. The Governments of Bulgaria and Yugoslavia are asking that they should participate in the Conference.

Ferd Bey, who represents the Ankara Government at Paris, says that, besides Asia Minor, Turkey demands Constantinople, Adrianople, and Thrace.

The report that British troops were on the Asiatic side of the Sea of Marmara, near Izbah, brought from Ferd Bey the following declaration, which is printed to-day in the *Observer*: "We know against whom we are fighting. If they are British troops which oppose our

KEMALIST VICTORY COMPLETE.

THE ENTRY INTO SMYRNA.

REJOICINGS IN STAMBOUL.

(FROM OUR CORRESPONDENT IN THE NEAR EAST.)

CONSTANTINOPLE, SEPT. 10.

Official messages from Smyrna announce that the town was occupied by Turkish, regular cavalry and infantry yesterday morning before eleven. A few shots were fired by fear-crazed inhabitants and bombs were thrown, but the panic soon subsided.

The troops maintained discipline, and no excesses are reported.

The entire Greek Army had left before the arrival of the Turks, though much material was necessarily abandoned.

Stamboul is beflagged, the mosques are illuminated, and rejoicings continue. The Entente troops in the town are confined to barracks, but there has been no outward incident worth reporting.

A Reuter message announcing that the British Government is determined to resist any Turkish violation of the neutral zones of the Straits and Constantinople pending the conclusion of peace has been published here and has caused satisfaction to the British colony and in other quarters. It is, however, pointed out that the time is past when speeches and resolutions can affect the situation and some increase in the British forces protecting the areas in question is now necessary if the Government is determined to make a peace safeguarding vital British interests both political and commercial—in Turkey.

The French are reported to have sent a detachment of troops to Mudania. This seems an unwise step and may result in a collision with the retreating Greeks. It is expected that the Greek Military Mission will shortly leave Constantinople.

FAMINE IN SMYRNA.

The Near East Relief Committee has received the following message from Smyrna—

Thousands of exhausted refugees, the majority of whom are women and children, are blocking all the roads leading into Smyrna. The city is terribly crowded, and the refugees who fled with only what they could carry on their backs are exposed to famine. The lack of shelter is causing intense suffering and misery. Many deaths have been caused by starvation and the local hospitals, which are overflowing, need doctors, nurses, and medicines.

The Director of the Near East Relief Committee has left for Smyrna on the American destroyer *Laurence* with a medical unit and a detachment of emergency rations to assist the refugees.

The Ecumenical Patriarch has issued an Encyclical to the Greek community, exhorting prayer, calm, and abstinence from all provocative conduct and language.

ALLIED MARINES LANDED.

SEPTEMBER 9.

The representatives of the Entente Powers, having been informed by the Greeks of their decision to abandon Smyrna, sent a message to the nearest Kemalist force for transmission to Mustafa Kemal Pasha requesting him to make arrangements for the occupation of the town. According to the latest information the delegates will meet at Kassaia.

Meanwhile the Greek Government, which has commandeered several Greek vessels, is proceeding with the evacuation of troops, material, and refugees as fast as possible.

Refugees are still coming into Smyrna, where conditions are deplorable. By yesterday the refugees numbered 75,000. It is reported that the Greeks in retreating burnt many villages and killed many Turks. If the allegations are true they have again made it difficult for the Western Powers to protect the non-Turk minorities. Aidin and Nazi are reported burnt.

I learn on good authority from Smyrna that M. Storghialis (the Harmost of Ionia) is actually on board the British warship *Iron Duke*. The Greek civil administration ceased on Friday night. Mustafa Kemal Pasha at 2 o'clock this afternoon was at Kassaia.

British and French marines have been landed at Smyrna to protect national interests. The town yesterday was quiet and stories current here of air raids are not confirmed. Trains were running as far as Ayasuluk (Ephesus). Greek war material, I learn from neutral sources, is being transported to Chios and Mytilene from Smyrna.

THE CRISIS AT ATHENS.

NEW MINISTRY FORMED.

(FROM OUR CORRESPONDENT.)

ATHENS, SEPT. 10.

After two days spent in negotiations M. Calogeropoulos failed to form a Cabinet, and the King summoned M. Triantafyllakos, the ex-High Commissioner at Constantinople, who has formed a Ministry.

In the new Cabinet M. Triantafyllakos is Prime Minister and Minister of War and Marine; M. Eftaxias, Minister of Finance; M. Boussios [the leader of the Macedonian Deputies], Minister of the Interior and Supplies; M. Calogeropoulos, Foreign Minister; M. Giannopoulos, Minister of Justice; M. Sepufos, Minister of Education and Agriculture; M. Matsas, Communications, Posts, and Telegraphs; M. Mancias or M. Charilaos, National Economy.

King Constantine issued a proclamation this morning in which he urges unity and discipline owing to the critical situation. The Press also recommends the union of all Greeks in the face of a common danger.

All gatherings and demonstrations in Athens are strictly forbidden.

Owing to the critical situation, the convocation of the Constituent Assembly is almost certain.

M. Theotokis and General Dousmanis returned to Athens yesterday afternoon. At the time of their departure from Smyrna the greater part of the troops concentrated there had already embarked, and M. Theotokis declares to-day that the evacuation of the town is complete.

A portion of the army on the southern sector [Meander Valley] has proceeded to the Erythraea Peninsula, where it has begun to embark under cover of Greek warships. Practically all war material at Smyrna has been safely carried away.

It is understood here that the foreign Consuls requested the Turkish Army not to enter the city yet, but only to establish Turkish officials.

Four transports from Smyrna, forced by the troops aboard to alter their destination, have arrived at the Piræus. M. Stratos and the military authorities persuaded the men to hand over their arms. Home leave was granted immediately.

The transport making for the Piræus was stopped by a Greek destroyer and ordered to proceed to the island of Paros, where it has already arrived, and the troops are disembarking quietly and handing over their arms. British and French representatives have visited the Director of the Foreign Office to ask what measures were proposed for the protection of the Christian refugees at Smyrna. The Director replied that Greece was relying upon the immediate assistance of the Allied Governments for transport and maintenance of the refugees. The French representative promised to do what was possible.

Mme. Triantafyllakos has received a telegram signed by Mustafa Kemal Pasha informing her that her husband and other superior officers are his guests and quite well.

Fethi Bey, Kemalist Minister of the Interior, touched at the Piræus from Rome yesterday *en route* to Ankara on board an Italian steamer.

FEELING IN INDIA AND EGYPT.

(FROM OUR CORRESPONDENTS.)

CALCUTTA, SEPT. 8.

The Moslems are celebrating the Turkish victory over the Greeks. Their shops in Calcutta are illuminated and prayers are offered in the Mosques.

The Turkish Press Bureau states that in a dispatch addressed to Ferd Bey, the President of the Committee of the Caliphate of India declares that Friday, September 8, was regarded as a day of rejoicing by sixty millions of Mussulmans, who repaired to the Mosques to pray for the complete victory of the Turkish arms and for the total realization of Turkey's just cause.

CAIRO, SEPT. 10.

The Green-Turkish conflict is profoundly interesting the Egyptian public. The vernacular Press is most anti-British, in some cases insisting that Britain is aiding the Greeks, and is against Islam, to which France, they say, is alone friendly.

AUTUMN ELECTION RUMOURS.

BELGO-GERMAN BREAKDOWN.

DELEGATES LEAVE BERLIN.

SIX MONTHS' LIMIT REFUSED.

(FROM OUR CORRESPONDENT.)

BERLIN, SEPT. 10.

The negotiations between the Belgian delegates, M. Demelmans and M. Delacroix, in regard to the guarantees for the Treasury bonds to be handed over to Belgium as the condition of granting to Germany a moratorium to the end of the year, have broken down, and the delegates left Berlin to-day.

Last night the delegates issued the following statement on the situation—

The negotiations between the German Government and the representatives of the Belgian Government in regard to the guarantees which should be established for the Treasury bonds came to an end this evening. A result could not be attained. Although it was possible to come to a certain agreement on important points, the question of the extension of the Treasury notes beyond a period of six months created difficulties, since this extension, according to the view of the Belgian Government, goes beyond the bounds of the decision of the Reparation Commission. The Belgian delegates will leave Berlin to-morrow to report to their Government. They regard their mandate as ended. Conversations could, however, be resumed.

In an almost identical *communiqué* from the German Government a tinge of hope is shown in the statement that the Belgian delegates considered their mandate at an end "for the present."

The difficulties which have brought about this breakdown in the negotiations were due to the attitude of the Deutsche Bank, whose President, Herr Havenstein, had been persuaded by the Chancellor and the Minister of Finance to consent to the assumption by the bank of the responsibility of guaranteeing part of the Treasury bonds. While prepared to fall in with the views of the Government, the Deutsche Bank would not consent to do so unless the period during which the bonds should fall due was extended to eighteen months. The offer of the Reparation Commission to the German Government was to grant a moratorium to the end of the year, on condition that six months' bonds should be given to Belgium.

It is obvious that the Belgian delegates could not go behind this decision. Even if they considered it in the interests of Belgium, they could not honourably enter into an arrangement with the German Government which might be disadvantageous to the other creditors of Germany. What they have been asked to do in Berlin is practically to secure for Germany a moratorium, not merely to the end of the year but for eighteen months. In theory, regular payments due from Germany would have fallen due after the moratorium to the end of the year had expired, but judging from past experience it can hardly be doubted that in practice the process of paying off the Treasury bills given to Belgium would provide the excuse for shirking other payments.

A GRAVE SITUATION.

BELGIUM'S DECISION AWAITED.

(FROM OUR CORRESPONDENT.)

BRUSSELS, SEPT. 10.

M. Delacroix and M. Demelmans, the Belgian delegates to the Reparation Commission, accompanied by M. Philippson, will arrive in Brussels to-morrow. Their departure from Berlin, however, must not be considered as a definite rupture of the negotiations.

The Belgian delegates are returning to consult their Government and M. Theunis, the Prime Minister, will submit the question to a Council of Ministers which will be held on Tuesday.

My information is that the Belgian delegates have energetically opposed all proposals which aim at not strictly limiting the payment to a period of six months. Germany claims that the Treasury bonds should not be paid after the six months decided on by the Reparation Commission, but that the period should be extended to eighteen months. The Belgian Government is definitely opposed to all such measures, which would in fact be tantamount to granting Germany a supplementary moratorium. The Germans offer as guarantee only the Reichsbank through the medium of the exchanges. The heavy industry is

GERMAN SUN)

RESCUES BY SHIP

A Lloyd's message reports the sinking of the Hamburg-America monia.

According to a Reut Vigo, the *Hammonia* from Vigo bound for Cruz with eight hand board. On Saturday signals saying that eighty miles out at sea. Several steamers were called to her aid and off passengers and crew. The following S.O.S. (Gibraltar from the Han to boats. Help. passengers."

A message from the Kinfauns Castle said S.O.S. of the Ham northerly gale was blowing were running.

A later message from the Kinfauns Castle *Hammonia* sank at 6.26 in lat. 41.55 N., long. 13.40. It was rescued by the Kinfauns. The vessel is due at 6 a.m. to-morrow.

Among other vessels rescue are mentioned the Darro and Euclid (2 steamers). It may be possible also saved the lives passengers and crew.

The *Hammonia* was bound for Puerto Mexico in the burg-America Line, and set on September 4. She was vented from embarking a mouth owing to inability Mexico. She is a steamer built by A. Stephens and since the war has been the Royal Island Lloyd America Gesellschaft.

The Kinfauns Castle 1 4 p.m. on August 25 in mail for Southampton. As soon as the liner then emb seven passengers of all kinds against the German cruise America. Later, she was rescued and a hospital end of the war came she as a mine-layer.

ALL REPORTS

Vigo, Sept. 10.—The Darro has picked up the remainder of the passenger monia, all of whom Central News.

DISPOSAL METHUEN

SIR ROBERT REPL

We have received this from Mr. Percy Donald of Messrs. Rowley Clydesdale, Limited:— "Sir,—I enclose a letter Home, from which you can see the extent of the charges or assisting in the then which you and demanded. Yours

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Treasury-chambers.

Dear Sir,—I do not put detail your criticisms upon which you have addressed desired me to do so, I am you would have written wrote to the Press. It is say that I agree with what has done; that your actions in question is inane; and that I regard your wrote to the Press. It is Yours faithfully (Signed) Percy C. Donald, Esq., Messrs. Rowley, Du Limited.

FORDNEY TARIFF

(FROM OUR CORRE

NEW YORK

The Fordney Tariff conference stage yesterday consideration by both Houses made by their joint committee or less a formality to the President for Republican leaders stand will be law in two weeks. The conference Committee small chances in the Bill

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DIARY OF THE CAMPAIGN.

- Aug. 18-21.—Feint attacks on Greek positions in the extreme south, along the Meander Valley.
- Aug. 24-25.—Similar attacks on Greek posts in the extreme north. Bursa sector.
- Aug. 26.—Attack in force on Greek centre at Alton Karahissar.
- Aug. 28.—Fall of Alton Karahissar.
- Aug. 30.—Battle of Alton Karahissar ends.
- Aug. 31.—Greeks retreat to Ushak lines. Turk attacks in Bursa sector defeated.
- Sept. 2.—General Tricoupi captured by Turkish cavalry.
- Sept. 3.—Greece asks Powers to negotiate an armistice. British warship reaches Smyrna.
- Sept. 4.—Greek armies in full retreat, except in Bursa sector.
- Sept. 8.—Greeks begin to evacuate Smyrna. Athens Cabinet resigns.
- Sept. 9.—Turkish cavalry enters Smyrna.

TURKISH TROOPS ENTER SMYRNA.



The retreat of the Greeks in Anatolia continued without intermission and by Saturday morning the Greek Army had evacuated Smyrna, which was occupied by Turkish troops the same morning. In the Bursa sector the Greek Third Army Corps, which had beaten off all Turk attacks, is now withdrawing to Mudania, on the Sea of Marmara.

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The discipline of the Northern Greek forces remains good. They are now withdrawing from Mudania.

All the Greek garrisons have been withdrawn from the vicinity of the Dardanelles, and inter-Allied gendarmes, composed in this case of Turks under British officers, have taken over the maintenance of order at Bithia, Ezine, and other places in the Asiatic neutral zone of the Dardanelles.

Very large concentrations of refugees are reported at Mudania and Panderma, and the Greek Government has sent merchant ships to take them off.

M. VENIZELOS.

(FROM OUR OWN CORRESPONDENT.)

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Mme. Tricoupi has received a telegram signed by Mustafa Kemal Pasha informing her that her husband and other superior officers are his guests and quite well.

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MINISTERIAL CHANGES IMMINENT.

(FROM OUR PARLIAMENTARY CORRESPONDENT.)

Hints of an autumn general election are floating about. They are far from definite, but are not on that account to be ignored. They have a negative rather than a positive character, and are couched in such phrases as: "Nothing is settled. Parliament may run the full term of its statutory life, but you should be prepared for the possibility of something happening immediately, and without warning." That is all. One thing certain is that the next time the Prime Minister contemplates a general election he will not permit of a leakage of his intentions such as that which occurred at the beginning of the year.

The Ministry is not quite as united now as it was nine months ago. The Cabinet has been seriously divided on more than one issue of importance. Until quite recently the Coalition was most firm at the top. The dangers to its stability were deep in the two parties, far removed from the Government, and in the constituencies.

A Ministerial reconstruction is imminent. The clash of party interests will be felt when that delicate operation is undertaken. In addition, the Unionist leaders are showing concern about the November conference of the party.

DEATH OF MR. GEORGE SAUNDERS.

"THE TIMES" BERLIN CORRESPONDENT FOR 20 YEARS.

We deeply regret to announce that Mr. George Saunders, O.B.E., LL.D., who was for twenty eventful years the Berlin Correspondent of *The Times*, and afterwards for five years our Correspondent in Paris, died yesterday morning at his residence, Pontsarn, Woking. Although he had been ill for nearly a year, he was able to see his friends, and had been actively engaged in preparing for the Empire Parliamentary Association a series of reports on Germany. The last of these he dictated only a day or two before his death.

A memoir will be found on p. 13.

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The Germans offer as guarantee only the Reichsbank through the medium of the Exchange. The heavy industry is standing outside the combination. The German Government proposes five payments: three of fifty million gold marks (25,000,000) and two of sixty million gold marks (30,000,000).

In Ministerial circles there is no attempt to hide the gravity of the situation. There seems no hope of receiving new German proposals. But, whatever happens, the decision of the Belgian Government at its meeting on Tuesday must now be awaited.

A message from our Berlin Correspondent describing the German Government's plan appears on page 8.

IRISH POSTAL STRIKE.

THE NEW CABINET.

The general strike threatened by the postal workers of Southern Ireland began at 6 o'clock last evening, eleven-hour efforts to bring about a settlement of the dispute having failed.

The strike threatens to paralyse the whole of the Post Office service in the twenty-six counties of the South and West of Ireland, including telegraphs, telephones, letters, and parcels. From 6 o'clock last evening communication between England and Ireland was entirely cut off.

The strike is a protest against the withdrawal of increases of pay granted on the recommendation of the Irish Postal Commission and the reduction of bonuses. The Government offered to spread over a period of three months the reductions which they had resolved upon, but this proposal was rejected by the workers' representatives at a conference on Saturday.

As is reported on page 12, the Irish Free State Parliament held its first meeting on Saturday. The Cabinet has been constituted as follows:—

- Mr. William Cosgrave, President of Dail Eireann and Chairman Provisional Government;
- Mr. Ernest Blyth, Local Government;
- Mr. Desmond Fitzgerald, Foreign Affairs;
- Mr. P. J. Hogan, Agriculture;
- Mr. Joseph McGrath, Trade and Commerce (including Labour and Unemployment);
- General Richard Mulcahy, Minister of Defence and Commander-in-Chief;
- Mr. J. H. Walsh, Postmaster-General;
- Professor John MacNeill, Education; and
- Mr. Kevin O'Higgins, Home Affairs.

8 a.m. to-day. She carries the King's Irish Guard, and during the war the King's Irish Guard, took part in the attack on the German cruiser Ruffig River. Later, she transported and a hospital at the end of the war came ashore as a mine-layer.

ALL REPORTE

Vigo, Sept. 10.—The Darró has picked up the remainder of the passenger mooria, all of whom are Central News.

DISPOSAL METHO

SIR ROBERT J REPLY

We have received the from Mr. Perry Donald, for of Messrs. Rowns Clydesdale, Limited.

Sir,—I enclose a letter from which you will see the intention of examining charges or assisting in the charges which you and demanded.

Yours faithfully

Treasury-chambers, Sept.

Dear Sir,—I do not put detail your criticisms upon which you have addressed, desired me to do so. I am sure you would have written I wrote to the Press. It is as I say that I agree with what I have done, that your criticisms in question is incorrect, and that I regard your a action as unfair and unwise.

Yours faith (signed) Perry G. Donald, Esq., A. Messrs. Rowns, Drev Limited.

FORDNEY TARI

(FROM OUR CORRES

NEW YOF

The Fordney Tariff I conference stage yesterday consideration by both House made by their joint committee or less a formality, to the President for a Republican leaders state will be law in two week

The Conference Committee small changes in the Bill: Senate. The sugar and slightly lowered, as were dyestuffs. One important the restoration to the staple cotton, on which the pound was fixed by

MR. FORD'S "DE

(FROM OUR CORRES

NEW YOF

Mr. Henry Ford an consequence of the laxity ties in carrying out the pi Prohibition Law, be prop question, as far as the in his motor-car factories into his own hands.

Recently, he states, sev stances of men being infox factory have been brought and in several cases serious results. In future, there having the odour of beer, w his breath, or having any of on his person or in his ho position without excuse or

ROYAL YACHT I

The Admiralty announcement column of *The Times* (p. 19) that the Royal yacht is available for immediate out restrictions as to sale that sale to ex-enemy na be permitted. Practical and fittings on board will the sale of the yacht.

The King has two steam yachts and the Alexander of March 18 it was stated that would be treated as on t pending instructions as to a Committee suggested to be subject to his Majesty's Alexander should be disposed of afterwards the King had approved of the vessel in cases that t maintenance (about £20,000 be saved.

KING ALEXAN LONDON

King Alexander of Yugo in London yesterday from staying at Claridge's Hotel Count Avrala, attended by his principal private secre

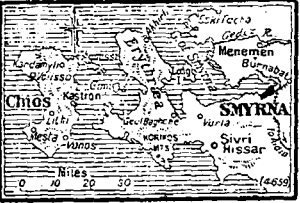
SMYRNA'S CLAIM TO FAME.

HOMER AND "BRIDGE."

SOCIAL AMENITIES.

(FROM A CORRESPONDENT.)

Smyrna, long the headquarters of an influential British colony, has been famous as a great commercial centre since the days when it disputed the honour of being Homer's birthplace with six rival cities.



Smyrna an inland town, till its lower course was diverted and the city saved from the fate which had overwhelmed its rivals centuries before.

It was characteristic of the Turk that although Smyrna was by far the most important centre of western Anatolia it was not the capital of the vilayet in which it stood.

At the same time, till the lower course was diverted and the city saved from the fate which had overwhelmed its rivals centuries before.

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CONTRACT WITH THE SOVIET.

TERMS OF MR. URQUHART'S AGREEMENT.

(FROM OUR CORRESPONDENT.)

BERLIN, SEPT. 10.

An agreement between the Russo-Asiatic Consolidated Company, Limited, and the Soviet Government was signed here yesterday by the chairman of the company, Mr. Leslie Urquhart, on the one side, and M. Krassin on the other.

Mr. Urquhart, in conversation this morning, expressed satisfaction with the results achieved, while M. Krassin appeared equally pleased, and explained a number of the clauses of the agreement, stating that it was the result of a compromise—both sides having made important concessions.

Mr. Urquhart was confident that the agreement afforded a basis for real work. It is understood that the company has obtained a general ninety-nine years' lease of its entire property (valued at £55,000,000), which was nationalized by the Bolsheviks.

The property was leasehold, except the Khabarovsk estate, which was freehold. Serious disadvantages were, however, attached to the freehold, as the minimum output from the property had been fixed very high, and the company was bound to keep to this minimum in the face of the risk of a rise in the price of Khabarovsk.

The rest of the property (about 75 per cent. of the total interests of the company) was held on lease, most of the leases having only some sixty years to run. The Soviet Government undertakes to pay compensation to the Russo-Asiatic Consolidated for the losses sustained by the company since 1917.

M. Krassin objected to the word "compensation," declaring that the Soviet Government was paying a sum of money to facilitate the resumption of work. However it may be described in the agreement (and apparently a different term is used), the Soviet Government has agreed to pay a sum exceeding two million pounds, this sum representing the maximum of its liability.

An Arbitration Committee is to be set up to fix the actual amount of the losses sustained by the company, and should these be less than the sum paid by the Soviet the balance will be refunded. The agreement provides for a certain portion of this compensation to be paid in cash, the rest in State bonds redeemable in fifty years.

The Soviet Government has further agreed that the management of the company should have the right to negotiate and dismiss workers, but as regards wages I understand that the scale fixed by the local Soviet authorities of the various districts will be adopted. Mr. Urquhart guarantees a certain minimum of production.

However, does not come into force for several years; but a certain percentage of the output is to accrue to the Soviet Government from the beginning. Should the right of private ownership be retained in Soviet Russia the full benefit of this, according to the terms of the agreement, will be extended to the company's interests.

M. Krassin is disposed to regard the agreement as a great victory for the Bolsheviks, and has no doubt that, as a whole, subject to some modifications in detail, it will be accepted and ratified by the Government in Moscow.

Mr. Urquhart is returning to London to report to the shareholders. It is for the future to show whether the Soviet Government will allow his company the freedom of action which it has promised.

M. CLEMENCEAU TO VISIT AMERICA.

NEED OF ALLIED SOLIDARITY.

(FROM OUR OWN CORRESPONDENT.)

PARIS, SEPT. 10.

M. Clemenceau has offered to go to America before the end of the year to explain on the public platform his ideas on the necessity of inter-Allied solidarity in the enforcement of the peace.

He was asked by the New York World for his opinion on some criticisms said to have been made by Mr. Rudyard Kipling against America. He replied in the following telegram:—

Jard (Vendée), Sept. 8. Without associating myself in the least with the attacks of Mr. Kipling, which sufficiently reveal the danger of the moment, and without making the least reproach against any person whatsoever, but, on the contrary, in expressing the liveliest gratitude to America and England, I am ready to come and explain directly to the United States, of my own accord, and without a mission from anyone, in order to declare frankly what are, in my opinion, the rights and the duties of each nation in the redoubtable world crisis engendered by the war, but the present crisis, in which all the Allies conjointly responsible for the future. (Signed) CLEMENCEAU.

To-day the Echo National carries the matter a step further by its publication of the following further message from M. Clemenceau:—

Jard (Vendée), Sept. 9. I have received from the New York Press the following dispatch:—"Your telegram to the United States allows Americans to suppose that you consider America has not fulfilled its duty of solidarity with the Allies. We would be infinitely grateful if you would say whether this is really your opinion and whether you have the intention of executing it at an early date your intention of coming to explain your thought directly to the United States."

I have replied as follows:—

"I consider that America has magnificently accomplished all its duties of solidarity during the war, but that, the present crisis, being the object of war, that solidarity ought to have been maintained until it had been secured. I believe moreover that if that solidarity had been maintained between America, France, and England, the present crisis would have been avoided, and that it cannot be overcome without the renewal of that solidarity. I am ready to explain these ideas publicly in America before the end of the year." (Signed) CLEMENCEAU.

There is much speculation on the meaning of these messages to America. It is asked whether this sudden emergence of the former Prime Minister from the almost complete seclusion in which he has remained since the defeat of his candidature for the Presidency of the Republic at the beginning of 1922 is a sign that he and his party consider the time nearly ripe to make a bid for power. Is this the herald of a great offensive when Parliament resumes its sittings a month hence?

PARIS, SEPT. 10.—M. Clemenceau has telegraphed the following message to the Associated Press, New York:—"I have not had time to make plans. All I can say is that I am ready to leave for America in the first week in November, and will remain there for a few weeks if my health permits. Will arrange whole matter with American friends who already know that I can no longer bear the idea of France being accused of imperialism and militarism by the American people. Naturally, I will speak of the League of Nations, but I pursue no other return home."—Reuter.

REPARATION BONDS.

THE GERMAN PLAN.

(FROM OUR CORRESPONDENT.)

BERLIN, SEPT. 10.

The actual plan of the German Government with regard to the guarantees of Reparation bonds is stated to be as follows:—

The Reichsbank was to guarantee the Treasury Bonds on the understanding that the gold reserves would not be touched. The first instalment of two hundred million marks (125,000,000) would be divided into three portions, all nominally due on February 15, 1923. On that date the first portion would be renewed for six months. The second group would be renewed for another six months, and the third would be renewed for redemption in August, 1924.

The first instalment would be guaranteed by the Bank of England against the issue of Treasury Bonds by the British Government. The two other thirds would be guaranteed by the German industrialists with whom negotiations, which had once failed, would be renewed.

The Government would endeavor to provide the Reichsbank with some ten to twelve million gold marks (10,000,000 to 12,000,000) monthly, to be temporarily placed at its disposal by the German export trade.

It is obvious that a considerable time would be required to work out the details, even were the Reparation Commission to meet in the long extension of the period of redemption of the Treasury Bonds which is asked for.

The German Government declares that the negotiations with Belgium are only temporarily broken off, and adds that negotiations are still going on between the Government and industrial circles with the view to the formation of a special syndicate to guarantee a portion of the long-term bonds.

ANNIVERSARY OF THE MARNE.

M. POINCARÉ ON FRENCH RIGHTS.

(FROM OUR OWN CORRESPONDENT.)

PARIS, SEPT. 10.

In spite of driving rain the Marne Anniversary was kept to-day with all its customary impressive solemnity in the old Cathedral city of Meaux. Shortly after 10 o'clock the train conveying M. Poincaré, Marshal Fayolle, Field-Marshal Lord Ypres, Generals Berdoulat, Dubail, Belain, Mannoury, Brigadier-General Spears, who was British liaison officer with the French at the Battle of the Marne, and many other distinguished personages steamed into the station.

Passing through an immense crowd of people, the party drove first to the Hôtel de Ville, and thence to the Cathedral, where Archbishops and Bishops stood awaiting them. The Bishop of Amiens preached the sermon, taking as his text the words:—"After the ordeal, the crowns." The service was followed by a banquet at the Hôtel de Ville, where M. Poincaré spoke.

The Battles of the Marne, said the Prime Minister, would be entered on the roll of those which saved the nation from deadly peril: Bouvines, Orléans, Denain, Valmy, and the Marne. The Marne symbolized the glory of the spirit of nations, the triumph of the spirit of nations, the triumph of the spirit of nations. The Marne was not destroyed in order that a fresh imperialism should take its place. The peace so dearly purchased must become a reality. "What is the use," continued M. Poincaré, "of asserting on the comparative sacrifices of the Allies? We have never questioned either the bravery, the disinterestedness, or the loyalty of any friends; we will not compare accounts of costs, or tables of dead or lists of wounded; we will not attempt to take account of the fact that our losses were heavier: each of the Allies in his station did his whole duty; that is a sufficient reason why none of them should be entitled to arrogate to himself as against the others the primacy in victory."

FRENCH PATIENCE.

For four years past France has been exhausting herself in her efforts to repair alone the losses she has suffered in her provinces of the North and East. "Is that what you call justice?" The Government of the Republic had just given a fresh proof of its patience and moderation in refusing to fix precipitating matters on the morrow of the decision recently taken by the Reparation Commission.

Germany solicited a new moratorium, first till the end of this year and then for the two years following. The Commission has not granted this request, and for the present at least it has maintained the amount of the next payments at the figures previously fixed. There was no cause for us, therefore, to seize the opportunity of this moratorium, which was necessary for the hypothesis of a moratorium. On the other hand, the Commission thought that as Belgium is alone directly interested, by reason of her priority, in this year's payments, that she should assume the right to fix for herself the guarantees for these payments.

It would have been unmanly on our part to reject an arrangement which was not accepted but proposed by our Belgian friends. The Brussels Cabinet has hesitated, made a point of assuring us that the conditions which it would require from Germany would not have the effect of establishing a disguised moratorium and of lightening to-day's burdens to the detriment of to-morrow. If Germany were to give Belgium her legitimate demands, she would place herself in the state of failure to pay, and our only course would be to make use of the liberty with which we have not parted and with which we will not part."

The problem of reparations cannot, however, be solved by partial and temporary assistance. The questions which it presents are only adjoined, and will all come up again before the end of the year. "May they at least," added M. Poincaré, "be approached in their entirety, and may they be settled by the end of the year, as has been repeatedly reminded, be comprehended in a general settlement. We shall approach this study with a lively desire to see the end of the nightmare weighing over Europe. It is, therefore, necessary to make it clear, before all, that we mean to recover our credits on Germany. If we are reproached with insisting on our rights, we repeat that we cannot renounce our claims without ruining ourselves. We desire to maintain European solidarity, but that solidarity necessitates the well-being of France. If we are not helped, we will help ourselves. On the battle of the Marne let us swear that we will obtain justice."

LORD YPRES'S TRIBUTE.

Lord Ypres, who was enthusiastically received, said:—"The assembly, the place of meeting, its surroundings, revive in my mind the sombre but glorious scenes of which we were witnesses together by partial and temporary assistance. We are now that the illustrious Marshal of France who led us to the ever-memorable victory of the Marne showed us his plans and his great ideas. Animated with his spirit, stimulated by his able and bold estimates, every officer, non-commissioned officer, and man in the British Army was ready to do all that a man could do, and to shed his blood without stint for the accomplishment of the great mission of the Marne. It was a successful advance to victory, left sustained and encouraged at every step by the splendid work accomplished on each of its flanks by the French Army. "The intrepid and glorious chief of the

CHINA'S NI

GRAPPLING FINANCIAL.

(FROM OUR CORRESPONDENT.)

PEI

Chang Ying-hua, w at Manchester, has some time to carry Ministry as vice-Mini agreed, after strong President and the Ct assured the duties o Tsoo-kun (Tschun o Pei-fu have pledged interfere with the reve Government and to us have the Provincial cor on these promises.

Wang Chung-hui h at time as Prime Minis some hope that the Ca portfolios of which ar elected men, will ret time if the present fin be satisfactorily met.

The difficulties confr are tremendous, the f tions to be liquidated reaching \$8,500,000 (the administrative lia vious Governments ha to meet and left as successors in office, a Wellington Koo, the F head of the financial i ference, is cooperating in the development of date the foreign oblig pacify the unpaid Civi:

Chang Ying-hua told The Times to-day that sideration from foreign b be signed over. He said taken to impress upon the consequences of a contin practices of withholding Central Government. H all for a national fin Pekin, made in a Presc promulgated, to discuss rehabilitation of the natic be productive of importa at least it would be awa of the jeopardy in stands. In order to prev on Ministers by unpaid of mandate orders that he shall be responsible for rates. At the same tin Finance Ministry is in salaries preparatory to de justment.

Chang Tso-lin, who con in the side of the Govern maneuvering to have his Presidential mandate/hav ing him to return the r Fekier-Mukden Railway, that the railways were capital, and should be Central Government in or ruin and consequent intio tions. The mandate also al authorities against i railways in the same in.

Chinese circles develop optimism when it became Chang Ying-hua was assu bility of the Finance Mini of support from the Govern known that he has also the Central Government in or ruin and consequent intio tions. The mandate also al authorities against i railways in the same in.

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IRAQ WAS RESIDE.

NEW WORK PUI

According to advices the finishing touches for the completion of missioner's hou e in E estimate of £50,000 in E the House of Comm as very conservative to the officers' hospital du its subsequent transp Residency since 1919, expert opinion the he value for the money doubtful whether it w if offered for sale in the

This large expenditure occasioned by repeated design and rebuilding. The outstanding cost Residency is insignificant with a few hundred British Residency is General Headquarters, Palace, formerly the sisters' quarters, has 1 but is a much more mod the Baghdad waterworks expense of the dazzling road leading to the Roy Public Works Department a second palace in t Baghdad at a probab £20,000. The Baghdi expense of the new complement amusement; affecting only the Briti

THE RUSSO-J NEGOTIAT

IMPERIAL AIRSHIP PLAN.

"A SPORTING CHANCE."

(FROM OUR OWN CORRESPONDENT.)

MILBOURNE, SEPT. 10.

Mr. Hughes, the Commonwealth Prime Minister, proposes to ask the opinion of Parliament on Mr. Ashbolt's airship

stood. Aidin, further, it was the
anonymous administrative centre of
the Turkish *Calas* often lived
in Smyrna, which had many features of
a metropolis, not least among them being
the presence of numerous Consuls-General
and wealthy and hospitable foreign mer-
chants. Indeed, it is a record that
Turkish *Calas* occasionally in foreign con-
sulates to take refuge in foreign con-
sulates from the unrelenting attentions
of their mothers with bowstrings or their more
modern but equally unpleasant equiv-
alents, sent by political rivals from the
Abode of Bliss on the Golden Horn.

Whoever was a social life in pre-war Smyrna
wholly without the charm of the unexpected.
It was, however, a point of honour on the part of the
best-known brigand of the Smyrna district,
Chakerli, never to carry off a player engaged
on those days who was a whole lot for
himself to be guaranteed by the Turkish Wali.
It was much more sporting to snup up your man
from under the noses of numerous patros.

In the war-time, when Rahmi Bey reigned
in Smyrna almost like an absolute monarch
and seemed locally supposed to be aiming
at the crown of Ionia for himself—the British
colony was less molested by the Turks than
anywhere else in the Ottoman Empire, and
that Wali, on the occasion of the Kaiser's
birthday, once excused himself from attending
by official notice to the German
Field-Marshal and Consul-General, on the
ground that he was already engaged to dine
and play bridge with a prominent British
merchant at Burnabat, the residential suburb.
Whoever may be said to have any claims
in connexion with Homer, it is firmly believed
by many, and on apparently good grounds,
that the game of bridge was originally in-
vented and first played under the shadow of
Mount Parnus, which contained the temple
governed by interesting medieval ruins.
Certain it is that "no trumps" scored ten per
cent for whole decades in Smyrna before the
Portland Club decided to reduce them from
twelve to ten—and indeed, before the Port-
land Club had ever heard of bridges at all.

During the war the Gulf of Smyrna was
blockaded, chiefly by the assiduity of a num-
ber of R.N.V.R. officers in command of motor-
boats, with the occasional assistance of a
monitor, a light cruiser, or a destroyer, and
the Turks were induced to expend their
money in adequately remunerating guards
for the purpose of making Long Island
(Chastan Island or Makronisi), in the Gulf
of Smyrna, untenable by the British. The
Navy used it as an observation base, and at
one time had a small aerodrome there.
Both parties were pleased: the British at
once occupying the island and the Turkish
daily at dawn, and the Turks bombed it
each day, stopping at sunset, presumably so as not
to interfere with the nightly arrival of the
British garrison, which busied itself with
militaristic activities.

Rahmi Bey, the Wali of Aidin, was not
above profiting from these activities, and once
sent a message through an agent (sup-
posed to be secret) asking for a set of tires
for his motor-car, as he complained of the
inconvenience of the German substitutes. He
promised that he would never take any Ger-
mans in his car while the tires lasted if pro-
vided with a set. The tires were supplied to
him, with due regard to secrecy, and doubtless
the kindly *Wall*, while using the tires, did not
grudge the Intelligence its little success in
getting a number of unsuspected communica-
tions into Smyrna between the covers and the
inner tubes.

It is difficult to be precise about the population
of Smyrna. Before the war it was about a
quarter of a million, of whom more than
half were Greeks. But during and since the
war many members of the numerous European
colonies have departed, and the result was
there was a considerable influx of expatriated
Ionians at the beginning of the Greek occupa-
tion, and, more recently, numbers of refugees
have arrived from the interior.

In normal times the prosperity of the
town was supported not only by its European
and American colonies, but also by its large
communities of Armenians, Persians, and
Jews. The latter, like their kindfolk in Salonika,
speaking Judeo-Greek, and of Italian and
a good deal of French was spoken, but Greek
was the dominant language and many mem-
bers even of the British colony used it col-
loquially among themselves. Turkish, the official
language of the Ottoman empire, was used in
the place in 1424, has been of little
account in the commerce of the chief port of
Anatolia.

MRS. HARDING'S ILLNESS.

(FROM OUR CORRESPONDENT.)
NEW YORK, SEPT. 10.
Mrs. Harding, the wife of the President,
who has been indisposed for the last two
weeks, is in a critical condition today
owing to a sudden aggravation of a
kidney complaint from which she has
suffered for many years.

On Friday night the malady, which on pre-
vious occasions had responded to treatment,
suddenly took its normal course, and
hurred calls were sent to several hospitals.
Yesterday at noon it was feared that
the patient's temperature, which had been
almost normal, had begun to rise. This morn-
ing Mrs. Harding was conscious, but in great
pain.

A doctor's message states that the doctors
noticed yesterday a slight improvement in
Mrs. Harding's condition since Saturday.

RUSSIAN WARSHIPS SOLD TO GERMANY.

(FROM OUR CORRESPONDENT.)
BERLIN, SEPT. 10.
The Bolshevik Government has sold
the cruiser Admiral Makarov to a German
firm for old iron. The vessel arrived at
Reval from Petrograd on August 31, and
is on its way to Stettin, where it will
be broken up. It is stated that the
Bolshevik Government is selling alto-
gether thirty ships to Germany.

able in fifty years. The Soviet Government
has further agreed that the management of
the company should have absolute freedom
of action, and that the Bolsheviks, in
regards wages I understand that the scale fixed
by the local Soviet authorities of the various
districts will be adopted. Mr. Urquhart
guarantees a certain minimum of production.
This, however, does not come into force for
several years, but a certain percentage of the
output is to accrue to the Soviet Government
from the beginning.

Should the right of private ownership be
recognized in Soviet Russia the full benefit
of this scheme would be lost, and the agree-
ment will be extended to the company's
interests.

M. Krassin is disposed to regard the agree-
ment as a great victory for the Bolsheviks,
and has no doubt that the scheme will win
some modifications in detail, it will be accepted
and ratified by the Government in Moscow.

Mr. Urquhart is returning to London to
report to the shareholders. It is for the future
to show whether the Soviet Government will
insure the company the freedom of action
which it has promised.

ARMENIANS' NEED.

LEAGUE ASSEMBLY APPEALS.

(FROM OUR CORRESPONDENT.)

GENEVA, SEPT. 10.

The discussion on the report of the
League of Nations Council was concluded
at yesterday's meeting of the Assembly.
On the whole the report has been
approved and praised by the Assembly,
and few criticisms have been expressed.
Count Gianno (Spain) declared that the
unquestionable utility of the League was
proved when it settled the Upper Silesian
dispute. He expressed Spain's sympathy for
Austria, and alluded to the recent centenary
of the first voyage round the world, completed
by the Spanish navigator Sebastian del Cauto,
who during the greater part of his voyage was
accompanied by the Portuguese navigator
Magellan. The Assembly decided to send
telegrams of congratulation to the King of
Spain and the President of Portugal.

M. Hymans (Belgium), answering certain
criticisms, said that the League could not, on
its own authority, take away from the con-
sideration of the various Governments ques-
tions which were already being discussed else-
where. The Governments must come to the
League and lay before it the questions which
they wanted it to settle. He made an appeal
on behalf of the Armenian people. Seven
hundred,000 refugees were being sent
along his country, and he begged the Assem-
bly to take action. The President, Mr. Wood-
row Wilson, urged the Assembly to take
steps to help them to get home.

M. Streit (Greece) alluded to the question
of minorities, and spoke in behalf of the
Armenians. The President, Mr. Woodrow
Wilson, alluded to the Armenian question.
The Assembly will not meet for a few days,
in order that the Commissions may be able
to prepare their reports.

IMPERIAL AIRSHIP PLAN.

"A SPORTING CHANCE."

(FROM OUR OWN CORRESPONDENT.)

MELBOURNE, SEPT. 10.

Mr. Hughes, the Commonwealth Prime
Minister, proposes to ask the opinion of
Parliament on Mr. Ashbolt's airship
scheme. He thinks Australia should
take a "sporting chance" on its success.

Mr. A. R. Ashbolt, the Agent-General
for Tasmania, has been in Melbourne a
strong advocate in this country, as has Mr.
Hughes in Australia, of an imperial airship
service. The original scheme contemplated
a regular fortnightly airship service from
England to Fiji, South Africa, India, Aus-
tralia and New Zealand, and Mr. Ashbolt
proposes that Germany should supply some
of the material as part of her reparation debt,
but that it has been considerably modified, partly
because some of the Dominions refused to
take part on grounds of economy. The latest
proposals, as put forward by Sir Keith Smith,
provide for a weekly service from England to
Australia, in conjunction with a more frequent
service to India.

GLIDING CHALLENGE.

(FROM OUR OWN CORRESPONDENT.)

PARIS, SEPT. 10.

In view of the decision of Herr Hentzen,
the German airman, not to take part in
the *Daily Mail* intercontinental flying com-
petition, the French pilot who makes
the longest gliding flight at Clermont-
Ferrand, has addressed a challenge
directly to Herr Hentzen. He suggests
that a meeting should be arranged
between them in the Rhon region (near
Fiddin), at which they could take part
simultaneously in flying tests, and adds
that such experiments, made with
machines constructed on entirely different
principles, would be of the greatest inter-
est for the future of flying. At Cler-
mont-Ferrand Bessonnot used a small
Farman monoplane and an ordinary Far-
man biplane with the motor taken out.

STOLEN MOROCCAN FUNDS FOUND.

(FROM OUR CORRESPONDENT.)

MADRID, SEPT. 10.

The whole sum of 1,030,000 pesetas
[£12,000], alleged to have been stolen by
Captain Jordan, who was in the adminis-
trative staff in Morocco, has been found
at Ronda by a Civil Guard. The money
was hidden in a garage.

Captain Jordan, who held an important
post in the post office, was arrested
recently on a charge of embezzlement of
official funds. He is reported to have made
several unsuccessful attempts against other high officials
when it was arrested.

and England in the present crisis would have
been solid as that which we are enjoying
without the renewal of that solidarity. I
am ready to explain these ideas publicly in
America before the end of the year." (Signed)
CLEMENCEAU.

There is much speculation on the
message of these messages to America.
It is asked whether this sudden emer-
gence of the former Prime Minister from
the almost complete seclusion in which
he has remained since the defeat of his
candidate for the Presidency of the
Republic at the beginning of 1922 is a
sign that he and his party consider the
time nearly ripe to make a bid for power.
Is this the herald of a great offensive
when Parliament resumes its sittings a
month hence?

PARIS, SEPT. 10.—M. Clemenceau has
telegraphed the following message to
the Associated Press, New York:—
I have not had time to make plans. All I
can say is that I am ready to leave for
America on the first week in November, and
will remain there for a few weeks if my health
permits. Will arrange whole matter with
American friends, who already know that I
can no longer bear the idea of Franco being
accused of imperialism and militarism by the
American people. Naturally, I will speak of
the League of Nations, but I pursue no other
designs than to say what I feel and then
return home.—Reuter.

REPARATION BONDS.

THE GERMAN PLAN.

(FROM OUR CORRESPONDENT.)

BERLIN, SEPT. 10.

The actual plan of the German Govern-
ment with regard to the guarantees of
Reparation bonds is stated to be as
follows:—

The Reichsbank was to guarantee the
Treasury Bonds on the understanding
that it would receive a loan of 100 million
marks from the Reich Government. The
whole sum involved, two hundred and seventy
million gold marks [£13,500,000], would be
divided into three portions, all nominally due
on February 15, 1923. On that date the first
portion would be renewed for six months,
the second for one year, and the third for
the same year to be renewed for another six months,
and the third would be renewed for redemp-
tion in August, 1924.

The first instalment would be guaranteed
by the Bank of England against the issue of
Treasury Bonds by the Belgian Government.
The two other thirds would be guaranteed
by the German industrialists with whom
negotiations, which had once failed, would be
renewed.

The Government would endeavour to pro-
vide the Reichsbank with some ten to twelve
million gold marks [£300,000 to £600,000]
monthly, to be temporarily placed at its dis-
posal by the German export trade.

It is obvious that a considerable time
would be needed to develop the scheme, and
the Reparation Commission to acquiesce
in the long extension of the period of redemp-
tion of the Treasury Bonds which is asked
for.

The *Börsen Courier* declares that the
negotiations with Belgium are only tempo-
rarily broken off, and adds that negotiations
are still going on between the Government and
industrial circles with the view to the forma-
tion of a special syndicate to guarantee a
portion of the bonds.

The Chancellor, Dr. Wirth, was present at
a political tea given at the residence of the
President of the Republic this afternoon, and
in a short speech referred with great bitterness
to the breakdown of the negotiations
with Belgium. He declared that the German
Government had temporarily made an agree-
ment on the question of the prolongation of
the Treasury bonds impossible, because it
had insisted on the letter of the Reparation
Commission's decision and demanded that it was
impossible now to go beyond the limit of
six months. "What good," he exclaimed,
"are six months bonds to Germany, which
will fall due in February next year, probably
before we get through which Germany will
have to go?"

Messages from our Berlin and Brussels
Correspondents on the breakdown of negotia-
tions are given on page 10.

SIKH AGITATION SERIOUS.

(FROM OUR OWN CORRESPONDENT.)

SIMLA, SEPT. 8.

The situation at Guru Ka Bagh, near
Amritsar, is most serious. The Sikhs
declare that the number of *Alahis* [fanatics]
ready to undergo a beating by the police is
seventy thousand, of whom forty thousand are
ex-soldiers. The authorities, it is believed, recog-
nize that the situation is not likely to be
met satisfactorily by present methods.

The restraint of the police is remarkable.
The developments are being keenly watched,
and new measures to cope with the difficult
problem may possibly be devised. The
problem is complicated by the existence of a
real religious movement, fanatical, but not
irreconcilably political in character, whose
power of malicious misrepresentation of the
Government increases daily.

The Punjab Government issues a constant
stream of pamphlets denouncing the *Alahis*,
but this stimulates rather than dis-
courage the *Alahis*. More drastic action
seems desirable in that sphere at all events.

THE AMEER'S BROTHER.

(FROM OUR OWN CORRESPONDENT.)

ALLAHABAD, SEPT. 9.

The *Pioneer's* frontier correspondent
reports the happy reconciliation between the
Ameer Amanullah Khan of Afghanistan
and his eldest brother, the Sardar
hayaatullah Khan, who has been
in retirement since their father's
death in February, 1919. The Prince
made a public appearance at the recent
festivities in Kabul, and it is expected
that he will shortly be given an important
appointment by the Ameer.

FRENCH PATIENCE.

For four years past France has been ex-
hausting herself in her efforts to repair along
the lines of her suffering in the hands of
the North and East. "Is that what you
call justice?" The Government of the
Republic had just given a fresh proof of its
patience and moderation by refraining from
precipitating matters on the morrow of the
decision recently taken by the Reparation
Commission.

Germany solicited a new moratorium, first
till the end of this year, and then for the
two years following. The Commission has not
granted this request, and for the present at
least it is in which will not be paid, and the
next payments at the figures previously fixed.
There was no cause for us, therefore, to seize
forthwith the guarantees we had judged neces-
sary for the hypothesis of a moratorium. On
the other hand, the Commission thought that
as Belgium is alone directly interested, by
reason of her priority, in this year's payments,
there was reason to leave her the right to fix
for herself the guarantees for these payments.

It would have been unmanly on our part
to refuse an arrangement which had not only
accepted but proposed by our Belgian friends.
The Brussels Cabinet has besides, made a
point of assuring us that the conditions which
it would require from Germany would not
have the effect of establishing a disguised
moratorium, and of lightening today's burden
to the detriment of to-morrow. If Germany
were to evade Belgium's legitimate demands,
she would place herself in the state of failure
to pay, and our only course would be to make
use of the liberty which we have not
granted her, and which we do not intend to
grant her.

The problem of reparations cannot, however,
be solved by partial and temporary decisions.
The questions which it presents are only ad-
justed, and will all come up again before the
end of the year. "My dear M. Briand," added
M. Poincaré, "be approached in their entreaty,
and may these inter-Alleed debts, of which we
have been prematurely reminded, be compre-
hended in a general settlement. We shall
approach this study with a lively desire to
reach an arrangement which will weigh evenly
Europe. It is, therefore, necessary to make it
clear before all, that we mean to recover our
credits on Germany. If we are reproached
with insisting on our rights, we repeat that we
cannot recover our credits without ruining
France, and the ruin of France will be for
Europe the most terrible of catastrophes."

Under pressure, Germany must fulfil her
obligations. We desire to maintain Euro-
pean solidarity, but that solidarity necessitates
the fulfilment of our obligations. We are not
we will help ourselves. On the battlefield of
the Marne let us swear that we will obtain
justice.

LORD YPRES'S TRIBUTE.

Lord Ypres, who was enthusiastically
received, said:—
This assembly, the place of meeting, its
surroundings, revive in my mind the sombre
and gloomy scenes of my youth, which were
eighty years ago. It was not far from the place
where we are now that the illustrious Marshal
of France who led us to the ever-memorable
victory of the Marne showed me his plans
and the map of France animated with his spirit,
inspired by his able help by me as an
every officer, non-commissioned officer, and
man in the British Army was ready to do all
that a man could do, and to shed his blood
without stint for the accomplishment of the
great task. He said to me, "I am now
successful advance to victory, we felt sustained
and encouraged at every step by the splendid
work accomplished on each of its flanks by
the French Army."

The intrepid and glorious chief of the
Sixth Army, General Maunoury, on the left
of the joint line of attack, was already on
the point of snatching victory from the
enemy's hands. He rapidly forced the bridges
of the Ourcq, while Franche's d'Esperey, now
Marshal of France, repented the exploits
and glories of his youth, his famous pres-
ence on the battlefield of Montmirail, and a
little farther away, towards the east, an almost
superhuman energy and spirit of determina-
tion were shown by the great Marshal, then
General, Foch, who later led the combined
forces of the Allies to victory, and whose name
will be etched down to posterity with those
of the greatest soldiers of the world.

There are many of my companions whose
wonderful deeds present themselves vividly
to my memory, but time fails me to speak
of them. There is one name, however, which
I ask my comrades to remember, which I ask
to recall to their mind: it is the name of one
who was recently taken from us in tragic
circumstances. Sir Henry Wilson. I am proud
to be able to invoke his memory as an inti-
mate friend, and know in what affection he
was held in the French Army. I cannot look
back on the exploits of our French Army
but thinking of the precious help which he
gave me, thanks to his intimate knowledge of
the French Army. In the name of all my
comrades, let me express the pride and joy
that we shall always feel at having taken part
in that great and ever-memorable feat of arms,
and let me add our firm assurance that our
common sacrifices, like our common victories,
have joined the French and British Armies
together with bonds which can never be dis-
solved.

THE FRENCH BANK SCANDAL.

(FROM OUR OWN CORRESPONDENT.)

PARIS, SEPT. 10.

Reports have been handed in on the
official investigations into the increase of
capital in 1919 of the Union Francaise
Company, which, according to complaints
lodged with the judicial authorities, caused
a fictitious rise in the value of the shares.
The shares rose rapidly from 100 francs
to 250 francs per share, and the rise was
followed by such a rapid fall that they
can with difficulty be negotiated today.

The judicial inquiries have brought to
light the fact that M. Andre Berthelot
and M. Penotie, of the Banque In-
dustrielle de Chine, were on the board of
directors of the Union Francaise, and that
the latter company was aided by the assistance
of the B.I.C. with a sum of five million
francs (nominally £100,000), which was
lost.

aware of the jeopardy in
stand. In order to prevent
on Ministers by unpaid office
mandate orders that head
shall be responsible for the
misses. At the same time,
Finance Ministry is to give
salaries preparatory to devi-
justment.

Chang Tso-lin, who contin-
in the side of the Govern-
manoeuvring to have his po-
sition as President of the
tion him to return the role
Peking-Mukden Railway,
that the railways were b-
capital, and should be b-
Central Government in ord-
main and consequent inter-
actions. The mandate also c-
authorities against inter-
railways in future.

Chinese circles developed
optimism when it became k-
Chang Ying-bua was nomi-
of the Finance Ministry
of support from the Chihli
known that he has also the
others, particularly of the
Stanchun. If the promises
however, and if foreign in-
operate to save the situatio
a matter of time when cha-

IRAK WAST RESIDEN

NEW YORK PUL

According to advices:—
the finishing touches ar-
for the completion of
missioner's home in Ba-
estimate of £50,000 recen-
the House of Common
as very conservative for
the officers' hospital dur-
its subsequent transfer
Residency since 1919.
expert opinion on the hou-
value for the money is
doubtful whether it woul-
if offered for sale in the
This large expenditure
occasioned by repeated a-
original designs, necessita
down and rebuilding of
The outstanding featu-
Residency is its magnific-
with a teakwood floor.
British Residency is sti
General Headquarters,
Palace, formerly the J-
sisters' quarters, has be-
but is a much more mode-
the Baghdad ratepayers
expense of the dazzling
road leading to the Royal
Public Works Department
a second palace in th-
Baghdad at a probable
£20,000. The Baghda-
expense of the new I
complacent amusement as
affecting only the British

THE RUSSO-J- NEGOTIATI

TOKYO DISPLI

(FROM OUR OWN COR-

TOI
The Changchun *contr*-
a complete surprise to Tol-
ing is general that the Ja-
have been "betrayed." It
that the conference will
week, if then. The Tok
insists upon the unsmile
as a basis of discuss-
The *Asahi* correspond-
telegraphs the cryptic
Russian source that no ag-
concluded until the Jap
have left Siberia. It is
that Yoffe, in the eve
Japanese agreement, will
ference between Japan, C
Russia for a settlement
other questions.

Yoffe and other delegat-
are busily occupying them-
plaining to numerous Jap
representatives what Soviet

THE PALESTINE

(FROM OUR CORRES-

JERUSALE
Lord Allenby, the
sioner for Egypt, is exp-
to-morrow for the cer-
proclamation of the mand-
Sir Herbert Samuel, a
missioner, Sir Wyndham D-
Secretary, and Sir Ron-
Government of Jerusalem,
a gathering of some 30
camped near Jaffa. The
annual, and has no polit-
but this year it is unusu-
News has arrived to da-
that the Wahabis are a
Transjordan, but no det
mandu public.

QUEEN WILHE

(FROM OUR OWN COR-

STOCKHOL
The Queen of the Nethe-
rlands by the Prince Co-
Dutch Foreign Minister, an
a large suit, arrived here
to the King and Queen of