

everything in its power to prevent a threatened panic. Every bond bought takes away from the banks just so much basis for circulation, so there is no benefit to be derived from any bond purchases. In spite of this condition of affairs the appeals from Wall street have become more and more urgent, etc., etc., etc.

What right had the administration to pour public money into a Wall street rat hole? What right had it to lend the banks without interest public money on which it is paying interest? What right had it to risk public funds "without any too good security?" What right had the secretary of the treasury to "go to the danger line," and submit to "rank extortion," and to pay "extraordinary premiums" for government bonds before they were due, all to prevent a "threatened panic" in the nest of Wall street gamblers? Does anybody know?

"As prosperity increases, the hardships of poverty increase proportionally. "This is the paradoxical form in which the superintendent of the Chicago bureau of charities sums up the situation in Chicago. It sounds a little like saying that "as the cold increases the ice melts proportionally," or "as the heat increases the vegetation freezes proportionally," or "as a tree grows it becomes smaller proportionally." One might suppose that as prosperity increases the hardships of poverty would proportionally diminish. But the prosperity we are having is not of that kind. As the Chicago charity superintendent observes, "prosperity raises prices but does not raise wages of washerwomen and scrubwomen and day laborers." He seems to be what you might call a "calamity howler." To talk in that way is almost reckless. What if Prosperity should take offense!

"I was taught to believe in nothing worse than burning brimstone," protested the coal operator.

"Oh, they all say that," muttered the demon, as he gave the man a number and showed him the company store where he could run everlastingly into debt.

G. T. E.

ROYAL DEBT COLLECTORS.

Ostensibly, the war which the king of Great Britain and the emperor of Germany are making upon the republic of Venezuela, is for the collection of debts alleged to be due from Venezuela to certain influential persons or classes among the subjects of those potentates. Though other claims are referred to, they are indefinite and shadowy. The obtrusive claim is the debt claim; and this is the one which has secured for Great Britain and Germany the approval of the United States (through the Roosevelt administration) of their joint naval demonstration in the waters of Venezuela.

"The right of all nations to collect their debts is recognized by all governments." Such is the substance of the utterances regarding that demonstration which emanate from Washington. Upon this basis Great Britain and Germany have been encouraged by the Washington authorities to proceed; and for this reason, primarily, the war to the south of us has been precipitated.

But when and how, it may, with peculiar propriety, be asked, did this debt-collecting prerogative of nations come to be a recognized feature of international law? That it is something quite new is obvious to every American who has even so much as a superficial knowledge of the history of his own country.

As late as 1852 the State of Mississippi repudiated part of her public debt. Her statesmen had put her into the banking business during the flush times by selling State bonds for the purpose of raising capital for the Planters' bank. This institution flourished for awhile and then went to wrack and ruin; whereupon the people themselves, by popular vote at the presidential election of 1852, repudiated those bonds.

Although they were held in other States and in other countries, no attempt was made to collect them, either by other States through the courts of the United States or by other countries by means of naval demonstrations.

The reason is not far to seek. Down to that time, at least, the sovereignty of States and nations was under-

stood to include the right to repudiate their public debts, no matter who the creditors might be. It was esteemed dishonorable and impolitic, but no one disputed the legal right nor dreamed that international law recognized the propriety of collecting them by force.

That is the reason, doubtless, why Sydney Smith appealed only to the American sense of honor when Pennsylvania set the example in the early 40's which Mississippi followed in the early 50's.

Sydney Smith was not the only foreigner, nor the only Englishman, who had burned his fingers with the Pennsylvania bonds upon which the State defaulted. Large numbers of English families suffered, and if this indignant wit is to be believed, in every grammar school in Europe "ad Graecas calendas" was translated "American dividends."

But neither he nor any of his fellow sufferers appealed to their respective governments to send a fleet up the Delaware river and seize the Philadelphia tax office.

They knew it would be useless. For all governments then recognized the sovereign right of every nation to repudiate its debts if it wished to, and Pennsylvania was a sovereign nation in that respect. Whatever its moral duty in the matter may have been, its legal right to repudiate was unquestioned.

Sydney Smith's excoriation of the Pennsylvania defaulters is interesting reading at this time, when the British king is out in couples with the German emperor, collecting a Venezuelan debt with guns. If the repudiation had been a result of war, produced by the aggression of powerful enemies; or if it had resulted from civil discord; or if it had been due to improvident investments made in the early years of self-government; or if the State had been poor—then every friend, wrote Sydney Smith, would have been contented to wait for better times. But, he went on, "the fraud is committed in the profound peace of Pennsylvania, by the richest State in the Union, after the wise investment of the borrowed money in roads and canals of which

the repudiators are to-day reaping the advantage."

One, at least, of the very conditions that Sydney Smith names as an excuse for defaulting, exists in the case of Venezuela. Her default, if there has been one, is a result of civil discord. But the British government has selected the moment of Venezuela's emergence from the anarchy of civil war as the occasion for joining hands with Germany in this debt collecting war. Sydney Smith's voice comes out of his grave condemning his country for the untimeliness of her demand upon Venezuela, as well as reminding her that even so late as his day international law, as understood by Great Britain, recognized no right on the part of any nation against any other to enforce the collection of defaulted debts.

That this claim of a right by nations to collect private debts due from other nations is indeed a novelty in international law, is emphasized by the fact that the men who framed our Federal constitution made no provision for the collection of State debts.

It was so well understood that repudiation is a prerogative of sovereignty—in other words, that only the sovereign authority can decide upon the justice of sovereign acts—that each State was left free in its own sovereignty to deal with its own debts in its own way.

No other adjustment would have been tolerated. To have surrendered that right to the control of the Federal government would have amounted to a complete surrender of State sovereignty.

Consequently we have in full recognition in our Federal relations the principle of international law which royal debt collectors, seconded by President Roosevelt's administration, blandly assume to have been abrogated. No State in this Union can sue another to collect debts which the other owes her citizens. That was decided by the Supreme Court when Virginia repudiated. And of course the creditors themselves cannot sue a sovereign State—no more than they can make war upon one. Yet if there were no Union, interna-

tional law, as now interpreted by the great creditor nations, would justify one State in making war upon another to enforce the payment of debts due her citizens.

That is the doctrine under which the king of Great Britain and the emperor of Germany are now jointly waging war against the republic of Venezuela.

But when and how did this novel doctrine find a lodgment in international law? The only possible answer is that it has never found lodgment there at all.

Nor can it do so without altogether abolishing international law as heretofore understood; for it would undermine the basic principle of international law, which is the principle of national sovereignty. Abolish the principle of national sovereignty and you have no international law in the old sense of fair dealing between independent nations. You have then nothing left but the doctrine of might. And if you recognize the right, as a right, to collect private debts by force of arms, you do abolish the principle of national sovereignty.

Recognize this international debt-collecting doctrine, and the weaker nations would be divested of the sovereign right of repudiation, while the strong nations would retain it; and this first assault upon national sovereignty would be followed by other assaults, also in the thin disguise of changes in international law.

That is the meaning of the so-called recognition of the right of nations to collect private debts from other nations by taking forcible possession of their taxing machinery. It is not an alteration of international law; it is a step in the process of abolishing international law and bringing all questions in which weak peoples are concerned to the test, not of fixed rules of right, but of heavy armaments on the one side and pluck and endurance on the other. It is another step in the onward march of imperialism.

Isn't it a little dangerous to send Admiral Dewey with the South Atlantic fleet? He may hand us a South American republic some fine morning that we won't know what to do with. —The St. Louis Globe-Democrat.

NEWS

The text of the ultimatums with which Germany and Great Britain inaugurated hostilities against Venezuela on the 8th (p. 567) have now been published; and as important documents in explanation of what may grow into a war of extraordinary historic magnitude, we reproduce them in full.

That of Great Britain, signed "Haggard," the name of the British minister, and addressed to the Venezuelan "Minister of Foreign Affairs," is as follows:

Replying to your excellency's note of the 4th inst., I have the honor to inform you that I have received instructions from his majesty's government to point out to the Venezuelan government in writing that, regarding the steamer *Ban Righ*, the British government has given full explanations and has shown that there exists no legitimate ground for complaint. Nor does his majesty's government think that there is any reason to attribute blame to the authorities of Trinidad, who only acted conformably with instructions.

I have the honor to further express that his majesty's government regrets the situation which has arisen, but cannot accept your note as sufficient reply to my communication, nor as indicative of the intention of the Venezuelan government to satisfy the claims which his majesty's government has brought forward, and it must be understood that they include all well-founded claims which have arisen in consequence of the last civil war and the previous ones, and the ill-treatment and imprisonment of British subjects, and also include an arrangement for the foreign debt.

I have asked the Venezuelan government to make a declaration that they recognize in principle the justice of these claims; that they will immediately make compensation in the navigation cases and cases above mentioned, and in those in which British subjects have been unjustly imprisoned or ill-treated, and that respecting other claims they will accept the decision of a mixed commission as to the amount and guaranty which should be given for payment. I have also expressed the hope that the Venezuelan government will defer to these demands and not oblige his majesty's government to take steps to obtain satisfaction.

I have added that his majesty's government has been informed of the claims of the German government against Venezuela and that the two

governments have agreed to operate jointly for the purpose of obtaining an arrangement of all their claims, and that his majesty's government will require the immediate payment of a sum equal to that which in the first case should be paid to the German government. Any balance after the payment of urgent claims shall be held on account for the liquidation of claims which might go before the commission.

I have, however, instructions from his majesty's government to state clearly that this communication must be taken as an ultimatum.

The German ultimatum bears the signature of "Von Pilgrim-Baltazzi, German charge d'affaires at Caracas. It is addressed to "his Excellency, Senor Lopez Baralt, minister of foreign affairs, Caracas," and is in these terms:

In the name of the government of his majesty the German emperor I have the honor to make the following communication to the government of Venezuela:

The imperial government has been duly informed of the note of the minister of foreign affairs of Venezuela, dated the 9th of May last. In that note the Venezuelan government refused the demands of the imperial government relative to the payment of German claims arising out of the civil wars of 1898 to 1900, and to support their refusal referred to arguments already put forward. The imperial government even after examining those arguments anew do not think they can consider them satisfactory. The government of the republic argues in the first place that, owing to the interior legislation of the country it is not possible to arrange the claims of foreigners arising from the wars by the diplomatic course, thus asserting the doctrine that diplomatic intervention is excluded by interior legislation. That doctrine is not in conformity with international law, since the question of judging whether such intervention is admissible must be appreciated not according to the dispositions of the interior legislation, but in accordance with the principles of international law.

The Venezuelan government, with the object of making a demonstration of diplomatic defense, claim that this is inadmissible and rely on the twentieth article of the treaty of amity, commerce and navigation between the imperial government and the republic of Colombia of the 23d of July, 1892.

This argument is wanting in efficiency, firstly, because the treaty is valid only between the German empire and Colombia and because sec-

tion 3 of said article puts no obstacle in the way of diplomatic defense against German claims arising out of acts committed by the Colombian government or its organs. Likewise, the affirmations of the Venezuelan government are not correct that foreign claims consequent on Venezuelan civil wars have never been arranged by diplomatic course, for, because of like arrangements which Venezuela concluded with France in 1885 and with Spain in 1898, a formal agreement was signed on February 6, 1896, between the German minister at Caracas and the Venezuelan minister, at the order of their respective governments, for the arrangement of the German claims consequent on the civil war of 1892.

Nor can importance be given to the other objection of the Venezuelan government, that diplomatic defense of the present claims is inadmissible because an adequate road to a settlement is open by the decree of the 24th of January, 1901, since the proceedings provided for by the decree do not constitute a guaranty for a just solution of those claims.

By order of the imperial government, I have to ask the Venezuelan government to make a declaration immediately that it recognizes in principle the correctness of these demands and is willing to accept the decision of a mixed commission with the object of having them determined and assured in all their details. The imperial government hopes the government of the republic will satisfy the just demands of Germany and not oblige the imperial government itself to force their satisfaction.

At the same time the imperial government thinks it should not omit to mention that it has been informed by the British government of its claims against Venezuela. The two governments have agreed to proceed jointly to obtain satisfaction of all demands.

President Castro replied to the ultimatums on the 10th. The text of his replies is still withheld, but the substance of the one he makes to Germany was disclosed at Berlin on the 13th in the form of an official bulletin from Pilgrim-Baltazzi, the German charge d'affaires, cabled by that official on the 10th from Port of Spain on the island of Trinidad. According to this bulletin President Castro's reply, which had been placed in Pilgrim-Baltazzi's hands on the 10th, refused compliance with the demands of the ultimatum on every point. The substance of the reply to Great Britain was drawn out in the British parliament on the 15th. The foreign secretary explained that a

cable summary had been received from Mr. Haggard, the British minister, and that by this Venezuela appears to complain that no reparation was offered by Great Britain for the landing of marines and for certain misconduct of the British authorities at Trinidad, and to assure Great Britain that as her treasury is exhausted it is impossible to meet her debts for the moment but that as soon as peace is declared in the civil war it will not be necessary to remind her of her obligations.

But Castro has not confined his response to a refusal to yield to the ultimatums. On the 12th he sent to the United States through the American minister at Caracas, Mr. Bowen, a proposal to arbitrate. Mr. Bowen was instructed by the Washington government that he might act for Venezuela in the matter, it being understood, however, that in this connection he was in no wise representing the United States. His communication transmitting President Castro's proposal to arbitrate was accordingly forwarded on the 12th to the British and German governments, with the cautious but diplomatically suggestive intimation that the United States would regard a settlement by arbitration with favor. The German foreign office is reported from Berlin as informally stating in response that the offer to arbitrate had come too late, and Premier Balfour has made substantially the same objection in parliament.

No reply having been received at Washington to the arbitration suggestion, the American government was reported on the 17th to have addressed notes to the two European powers, specifically inviting one; and it is understood that the Berlin and the London foreign offices are in communication with reference to this invitation.

Further efforts to avoid war were made by President Castro, who sent a commission composed of the leading merchants of Caracas to the invading powers. This commission reached La Guayra in the afternoon of the 15th and went aboard the British cruiser Charybdis and the German cruiser Vineta. Their proposals, the nature of which is not reported, were presented to the representatives of the allied powers, but were rejected.

Meanwhile the two powers are

prosecuting their war against Venezuela. It has been officially called "pacific" notwithstanding repeated acts of war, because no declaration of war has been made by either side. This theory is an outcome of the union of the great powers in their war in China two years ago, which was carried on "peaceably," that is, without a declaration, for the protection of foreign interests. In the prosecution of these "pacific" hostilities against Venezuela the fleets of the two European powers captured and sunk four Venezuelan government vessels in the harbor of LaGuayra on the 9th (p. 567) as reported last week. It was then explained that this had been done in reprisal for the arrest of German and British citizens in Caracas, but that appears now not to have been true, the arrests having been made after and not before the seizure of the Venezuelan ships. They were made in reprisal for the seizure of the vessels. It is evident that the seizure was made simply in pursuance of the original purpose of the expedition, for this reason was assigned by the German commander in his formal demand for the surrender of the vessels, which is now published. He delivered the following document to each of the Venezuelan captains:

By order of my sovereign, and at the command of the commodore of the German squadron in West Indian waters, I, the commander of the Panther, request you to lower your ship's flag immediately and leave your ship with your crew within ten minutes. This is not a measure of war on the part of Germany, but only with the object of making a provisional seizure of your ship in order to oblige the Venezuelan government to recognize our just demands. In case you disobey and wish to defend your ship, I shall be obliged to prevent you from doing so by the discharge of arms.

Other Venezuelan vessels have since been captured. They were ordered to surrender, the demand being declared to be not an act of war but an embargo and a precautionary measure. One refused and was given ten minutes in which to comply. Her commander complied.

On the 13th the allied fleets bombarded the Venezuelan defenses at Porto Cabello, some 70 miles west of La Guayra. The bombardment was for the ostensible reason that a Venezuelan mob had lowered the British flag from the British "tramp" steamer in Cabello harbor. She had discharged a cargo of coal but was un-

able to sail because her machinery had broken down. In this predicament she was boarded by a mob of over-patriotic Venezuelans who damaged her equipment and lowered her flag. The captain consequently complained to the commander of the British warship Charybdis, who demanded reparation within two hours. The American consul being then appealed to by local merchants intervened, but the British commander refused to modify his demands, and at 4:30 on the afternoon of the 13th he delivered the following ultimatum:

To the Comptroller of Customs at Porto Cabello, Venezuela, Dec. 13.—We have the honor to call your attention to the following facts: The British steamer Topaze, while discharging coal here recently, was confiscated and pillaged. Her officers and crew were subjected to great indignities and subsequently liberated and permitted to return to their vessel. Yesterday her captain was compelled to lower his flag. The American vice consul has informed us that this was done by the populace, without the intervention of the local authorities. We request you to send immediately to the British commodore complete satisfaction on the part of the government of Venezuela for the insult offered to the flag of his country and also a guarantee that similar proceedings shall not recur, and that the German and English residents at this port shall not be molested. If we do not receive communication of your answer by 5 o'clock this afternoon we shall proceed to demolish the forts and, if the fire is returned, the custom house also. Consequently we urge on the official commanding this city to remove prisoners and troops from the fortress in order to avoid unnecessary loss of life and to take steps to avoid that unauthorized persons return the fire. Neither of the governments of Great Britain and Germany desires to meddle with private individuals, and the seizure of the Venezuelan government ships is made only to enforce ordinary courtesy and to obtain satisfaction for the innumerable offenses which remain unanswered for.

Meanwhile the local authorities had communicated with President Castro, who ordered them to apologize and offer ample amends. His response was delivered to one of the foreign consuls at 4:45, but before the consul could transmit it to the British commander the hour of grace had arrived and the bombardment began. Both the Charybdis and the German war vessel Vinetta participated. The bombardment lasted 45 minutes, being feebly replied to by the fort-

ress, and at its close the Charybdis sent marines ashore to occupy the almost demolished fortifications.

In consequence of the bombardment of Porto Cabello, President Castro has issued the following proclamation:

Another act of very grave nature on the part of the perfidious foreigner has just been effected against the city of Porto Cabello, viz: The bombardment of that port by the combined fleets of England and Germany without any previous declaration of war or the fulfillment of any of the formalities observed by law for the carrying on of an act of force. It is no longer an act against the government and the people of Venezuela, but against the general principles of civilization and against those nations who have valuable assets in that port, and who, therefore, have a perfect right to expect the fulfillment of the necessary formalities in such cases, which were utterly ignored, as no time was given for the withdrawal of women and children from the dangers of the bombardment. This is not only cowardly but it is an insult to all the nations, and I denounce it as such in the name of the principles of civilization professed by Venezuela. The august shades of our liberators are no doubt rising from their tombs, majestic and severe, to awaken in the Venezuelans in these solemn moments the love of their country, which is once more under painful trial. I call on you to answer to their summons.

Also inspired by the Cabello bombardment, the Venezuelan president delivered on the 14th the following speech to a mass meeting of 10,000 angry people, before whom some of the speakers had advised reprisals upon resident foreigners:

Citizens: The size of nations like the size of men is measured only by their acts. Those born brave prove their valor on the battlefield, not against defenseless citizens, who perhaps are innocent, who are in their hearts with us, and who are ashamed of the infamy of their compatriots. We will seek prisoners for Venezuelan jails on the battlefield. Our action will be directed only against those who come armed. However great may be our indignation, we must behave as a cultured and civilized people, especially now, and when the most powerful nations of Europe are behaving like real savages. I counsel the greatest prudence in order not to abandon our rights, the justice of our cause, and our reputation. The good name of Venezuela must remain always secure, whatever emergencies may arise in the struggle. If we fail, it will be gloriously and heroically, but I assure you that our

country will be saved because the Supreme Being above, who sees and directs all, cannot abandon us in this fatal emergency, justice and right being on our side. I, who never trembled before danger, will swear I will fulfill my duty and joyfully sacrifice my life for the honor and dignity of the nation. I recommend great circumspection, prudence, and even cordiality, so that strangers resident in our country—Americans, French, Italians, Spaniards, and even the Germans and English—may be the first to proclaim in the face of the world that Venezuela is a cultured and civilized nation.

That the Venezuelan government has intended to resist this European invasion is evident, as it also is that the people, suppressing all domestic quarrels in the face of a common enemy, are one for the defense of their country. President Castro has called 250,000 men into the field and enlistments are pouring in. More than 40,000 well equipped troops are already in the field. There are indications also that other South American states, fearing that this assault upon Venezuela is only the first move in a general policy of European conquest in South America, are preparing to support Venezuela. On the 17th, however, a large committee of leading citizens of Caracas addressed a note to President Castro on the following terms:

In view of the acts of violence already committed, and of the absolute impotence of Venezuela to meet force with force in response to the allied action of Germany and Great Britain; in view of the fact that Venezuela has exhausted all the means required by civilization and diplomacy to put an end to the present situation; and the government and the people of Venezuela having complied honorably and worthily with the demands of national honor, we consider, with all due respect, that the moment to yield to force has arrived. We therefore respectfully recommend that full powers be given to the minister of the United States of North America, authorizing him to carry out proper measures to terminate the present conflict in the manner least prejudicial to the interests of Venezuela.

This communication is the basis of a report from Caracas that Venezuela is about to yield.

The European alliance in this movement has now been increased by the accession of Italy, which also makes pecuniary demands against Venezuela. Her claims are for \$565,000 damages sustained by Italians

during the Venezuelan revolutions. On the 13th the Italian minister at Caracas forwarded to the Venezuelan minister of foreign affairs an ultimatum similar to those of Great Britain and Germany. President Castro refused the demand with a statement that there were tribunals in Venezuela for the adjudication of such claims. Italian interests have been placed in charge of the American minister and on the 14th an Italian cruiser arrived at LaGuayra to enforce the ultimatum. Spain and Belgium also have filed claims. But they make no ultimatum. They simply demand the same consideration regarding their claims that Venezuela may give to those of other powers.

The possibility that this South American invasion will involve the United States has been imminent. Besides inviting Great Britain and Germany to reply to the proposal of arbitration made by Castro through Mr. Bowen, as noted above, the Washington government formally indicated their opposition to the kind of blockade the powers were proceeding to establish along the Venezuelan coast. When these powers were preparing for their expedition to Venezuela they communicated with the United States government (p. 552) advising it that they intended only to collect over due debts and to that end to establish a peaceful or "pacific" blockade. The process of establishing the blockade began on the 12th, and on the 15th both the British and the German commanders declared a blockade of LaGuayra, forbidding all vessels to enter and discharge cargoes. Pursuant thereto and on the same day, they turned back the steamer Yucatan from Curacao. The declaration was made in the form of a note to the Venezuelan government, "requesting" that Venezuelan ships refrain from sailing from the port of LaGuayra until the issues between Venezuela and the allies are settled. The Venezuelan authorities refusing to receive the note, it was sent to Minister Bowen for delivery. Startled by the seizure of the Venezuelan war ships and the bombardment at Cabello, the American government became suspicious of the "peaceable" character of this blockade. Moreover, its design of shutting out all vessels, which would include those of the United States, was not acceptable to this government. Consequently American ships

were allowed to depart from American ports for Venezuela without official warnings of the blockade, and Secretary Hay was reported to have intimated to Great Britain and Germany that the blockade could not be recognized by the United States as applying to American ships. Specifically he requested these powers to explain the character of the blockade they were maintaining. A similar request and intimation was made to Italy after she joined the Anglo-German alliance. The point involved was this: An effective blockade in time of war, one which excludes all commerce, is a recognized device of warfare; but an effective blockade in time of peace is a novelty which the United States rejects. Consequently, in the American view, war must be declared or an attempt to exclude American commerce from Venezuela would amount to an act of hostility toward the United States. But the American objection was skillfully met by the British government on the 17th when Mr. Balfour, the premier, made a long statement in the House of Commons conceding,—personally, however, and not officially for the ministry—that there is no such thing as a "pacific" blockade, and asserting that a state of war actually exists between Great Britain and Venezuela. In consequence of this statement it is reported from Washington that the United States will acquiesce in the blockade if effective and generally enforced, and maintain the attitude of a neutral so long as no permanent occupancy of territory in contravention of the Monroe doctrine takes place.

Great Britain issued a parliamentary paper on the 15th containing the correspondence relating to the Venezuelan trouble. It begins with a memorandum indicating the British causes of complaint, but in a general way. According to the correspondence, Germany suggested and Great Britain acquiesced in a conference with a view to joint action as early as July 23, 1902. On Sept. 27 Vice Admiral Douglass advised the government that it would be necessary, in order to bring effective pressure upon Venezuela, to blockade the ports of La Guayra, Porto Cabello and Maracaibo toward the end of November and to seize all Venezuelan gunboats. Lord Lansdowne, secretary of state for foreign affairs, appears on the 22d of October to have written that the proposed blockade is "open to some

objection," but to have approved the proposed seizure of the vessels. On the 11th of November Lord Lansdowne noted the agreement of alliance with Germany, and in the course of his communication, which was to the British charge d'affaires at Berlin, he wrote:

As to the joint execution of measures of coercion, the German government recognized that there was a sharp distinction in the character of the British and German claims, but that nevertheless the two claims ought to stand or fall together, and that we ought to exclude the possibility of a settlement between Venezuela and one of the two powers without equally satisfactory settlement with the other.

The last communication in this parliamentary paper is from Lord Lansdowne to Mr. Haggard, the British minister at Caracas, instructing him as to the terms of the ultimatum.

So meager has been the information which the British ministry has disclosed regarding the merits of the British claims against Venezuela, that on the 16th it was called to account in parliament. A motion to lay aside the regular business of the House of Commons for the purpose of discussing Venezuelan matters was made by an advanced Liberal, which, while not supported by the Liberal leader, Campbell-Bannerman, called from him a speech expressing dissatisfaction that the information accorded by the ministry was so meager, and declaring that Great Britain seemed in this alliance to have been bound hand and foot to Germany. On that point he said: "We could do nothing with regard to our claims unless the Germans are perfectly satisfied with the settlement of their claims. Such an agreement is contrary to the country's best interests." He added, referring to Lord Lansdowne: "The noble lord has said nothing about an important communication received from the United States. There would be universal satisfaction if that communication was of such a nature as to lead to a peaceful solution of what, after all, seems to be a somewhat squalid difficulty." This brought the premier, Mr. Balfour, to the floor, with the declaration, says the Associated Press report, that—

the United States government had not suggested arbitration. It was from Venezuela, through the United States, that the suggestion for arbitration had come. On that point he would only say

it was unfortunate that Venezuela should not have thought of the advantages of arbitration during the long period covered by these controversies and until actually engaged in hostilities.

Mr. Balfour insisted, according to the same report, that—

there was no justification for the assumption that the government was prepared to go to war for the Venezuelan bondholders. The crux of the matter was a series of outrages by Venezuelans on British seamen and ship-owners, for which not only had compensation been refused, but Great Britain's remonstrances had been entirely disregarded. It was an intolerable situation, and the premier denied that the government had been unduly hasty.

He gave the assurance that in so far as the financial claims were concerned the government was prepared to agree to a tribunal to assess them equitably. In the course of this debate Lord Lansdowne referred to the Monroe doctrine, saying that the United States took "the sensible view that Great Britain's insistence that Venezuela should meet her engagements was not an infraction of the Monroe doctrine," and adding:

No country has been more anxious than Great Britain to assist the American government in maintaining that doctrine.

The motion to discuss the Venezuelan subject having accomplished its purpose of evoking such a discussion, was defeated without division.

But on the 17th further information was asked by the Liberal leader, and it was in reply to this interpellation that Mr. Balfour made the statement noted above, that there is no such thing as a "pacific" blockade, and declared that a state of war with Venezuela actually exists. The parts of his speech in which this declaration occurred were as follows, according to the Associated Press report:

"The blockade will be carried out by Great Britain and Germany along different parts of the coast, and though the two fleets will have the same objects they will not act as one force. We never had any intention of landing troops in Venezuela or of occupying territory even temporarily. We do not think it desirable on either military or other grounds. All the conditions governing such a blockade have been considered carefully and will be published in due time for the information of neutrals. The government is most anxious that these operations, the necessity for which we deeply regret, should be as little inconvenient to neutrals as they can possibly be made. No differ-

ence will be made between the vessels of the various neutral powers. I think it is quite likely that the United States will think that there cannot be such a thing as a 'pacific blockade,' and I, personally, take the same view. Evidently a blockade involves a state of war."

Asked by Mr. Healy, Irish Nationalist, if the United States assented to a blockade which would exclude United States vessels, Mr. Balfour replied: "Neutrals are not consulted when you are in a state of war with a third party." "Is war declared?" asked Mr. Healy. The premier replied: "Does the honorable member suppose that without a state of war you can take vessels and have a blockade?"

The British education bill, a measure for the establishment of a denominational system of public schools in the interest of the Church of England, which was rushed through the Commons last month under closure (p. 502) was amended by the House of Lords on the 13th. In one or two respects these amendments are regarded as infringing the prerogatives of the lower House. The amendments, moreover, make the bill still more partisan as a measure in the interest of the established church.

Germany has now enacted the protective tariff bill over which the reichstag was thrown into commotion last week (p. 568) by Socialist opposition to the bill. The measure passed the reichstag on the 14th. It provides for an increase of duties on all provisions, and is especially aimed at farm products in the interest of the agricultural landlord classes of Germany.

In the French strike at Marseilles (p. 569) many persons were injured on the 12th by a charge upon the strikers by the police. It was the first collision since the strike began and is reported to have been the outcome of an attempt on the part of a mob of strikers to destroy the tracks in front of a car loaded with coal and on its way to the dock.

The American coal strike arbitration (p. 569) is still proceeding. On the 11th one of the independent operators, L. N. Crawford, was called as a witness by the miners to show the price of coal. He refused to answer. John Mitchell again testified on the 12th, and Samuel Gompers did