

the Venezuelan offer, because it would place all the creditor nations on an equality. This complicates the negotiations, because it brings France and other nations, including the United States, into the controversy. France has a treaty with Venezuela regarding the French claims, which would be broken if a preference were given by Venezuela to Great Britain, Italy and Germany; and her minister at Washington has informed Secretary Hay that he has explicit instructions to insist that she shall not be discriminated against.

As Mr. Bowen had gone the full length of his authority in making his peace offer, he was unable to respond to the unfavorable reply of the blockading powers without further instructions from President Castro. It was, however, given out semiofficially, on the 30th, that he had advised the blockading powers that if they insisted upon their demand for a preference in payment, he would call the representatives in Washington of the other claimant powers and explain to them that Venezuela was being forced to yield to a settlement which would seriously affect the interests of France, Belgium, Norway and Sweden, Denmark, Holland and the United States. His instructions from President Castro arrived on the 1st. "The Venezuelan government desires equal treatment," wired President Castro, "for all the creditor nations in Europe and America, keeping in mind, in addition, its diplomatic convention and anterior stipulations." After Mr. Bowen had received these instructions he met with representatives of the blockading powers, on the 2d, and delivered to them a note which amounted to an ultimatum. A modified demand had been submitted at this meeting by the British ambassador in behalf of the blockading powers, proposing that they be allowed two-thirds of the 30 per cent. of customs receipts of the ports of La Guayra and Porto Cabello, and that the other claimant nations have the other third. Replying to this, Mr. Bowen refused point blank; proposing, however, that the question of preference, being now the only one at issue, be submitted to the international arbitration tribunal at The Hague. His note has not been published, but the news reports agree in saying it declares that the blockading powers have transgressed the rules of civilized nations in sacrificing human lives merely to secure a preference in the payment of debts. Re-

plies to Mr. Bowen's ultimatum are hourly expected.

In the midst of these negotiations the blockading vessels before Caracas notified the civil authorities of that Venezuelan city on the 3d, that the presence there of Venezuelan troops was objectionable to the European powers, and that if they remained the forts guarding the city would be shelled. It is somewhat significant that the Venezuelan revolutionists had just issued a manifesto urging a revolutionary attack upon Caracas. The same manifesto declared, with an assumption of knowledge of the purposes of the blockading powers, that the blockade will not be raised until Castro vacates the presidential office. The significance of this manifesto is heightened by the fact that the revolutionists have moved upon Caracas. A victory of President Castro over them was reported from Caracas on the 3d. It was gained by Gen. Alcantara, a graduate of West Point, in a battle with Gen. Ducharme on the Camalagua river, about 50 miles south of Caracas. The fight lasted seven hours, and the revolutionists were completely routed. They left all their ammunition behind and 250 men and officers as prisoners. But this report cannot be trusted altogether, for on the same day other reports came from Caracas which described the revolutionists as almost at the gates of Caracas, and told of great defensive operations to resist an attack upon the city. It is charged by the Castro government, and these various dispatches tend to confirm it, that the revolutionists on the land side and the blockading fleets off the coast are acting in cooperation.

Farther north, in the republic of Honduras, a civil war is just reported in connection with which the United States government has been appealed to for protection to American interests that may be put in jeopardy. This war has been precipitated by a contest over the presidential election. President Sierra, who was defeated for reelection by Senor Bonilla, refuses to retire from the office, and Bonilla has effected a military organization, with headquarters on the island of Amapalpa, to oust him. In consequence, therefore, of the probability of civil war, certain unnamed American commercial interests in Honduras have appealed for protection to the American government,

which has in response ordered Rear Admiral Casey to proceed immediately with his squadron from San Francisco to Amapalpa and report to the American consul at Amapalpa and the American minister to Honduras, with a view to protecting American commercial interests.

From the other side of the world, where a revolution against the Sultan of Morocco has for some weeks been in progress (p. 663), and the reports of two weeks ago described the Sultan's army as demoralized and his abdication as imminent, the latest news indicates his complete triumph. The revolutionary army was reported several days ago as being within 25 miles of Fez, and reports of the 29th told briefly of his repulse. For a time the news was conflicting. But on the 1st dispatches from Tangier were to the effect that the battle had been fought on the 29th and that the revolutionary army had been annihilated. Dispatches of the next day from the same source attributed the sultan's decisive victory to the desertion from the revolutionary forces, at a critical point in the battle, of a body of tribesmen whom he had bribed to perpetrate the treachery. On the 4th it was reported that the revolutionary leader had been captured.

Returning to our own side of the world for current news of permanent importance and present interest, we are led to Chicago, where negotiations on the street car question (p. 663) have reached the point of a conference between the committee on local transportation of the city council and the financial and legal representatives of the traction companies. The first meeting was held on the 4th. It was devoted to an interchange of views as to conditions of compromise, the 99-year franchise being claimed as valid by the corporations, while the committee insisted that it must be waived as a prime condition of any adjustment whatever. The representatives of the companies intimated their willingness to yield all claims in consideration of an acceptable compromise, but were indefinite when questioned as to their ability to secure the assent of stockholders and bondholders. Edwin Burritt Smith and John C. Mathis appeared as special counsel for the committee, under retainer from the corporation counsel.

Bearing upon this question, the Municipal Voters' League, which is cred-