

revolutionary character, which the Mexican government denies, it is uncertain whether it is directed against the central government of Mexico itself, or against the local government of Coahuila, the governor of which is said to be unpopular. Excitement and unrest had extended into the States of Durango and Chihuahua by the 29th, but not elsewhere. The Mexican government has appealed to the United States government to aid in checking the movement as far as it is aided and abetted on American soil, and President Roosevelt has ordered the troops stationed at the border posts to take steps to preserve the neutrality laws.

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American Relations with Venezuela.

The withdrawal from Venezuela of Jacob Sleeper, the American chargé d'affaires for the United States, reported from Washington on the 23rd, has given rise to the suspicion that all diplomatic relations between the two countries have been broken off in consequence of the long controversy over asphalt privileges. The American minister, Mr. Russell, returned from Venezuela several weeks ago; the consul at La Guayra, Mr. Moffatt, was recently granted leave of absence; and with the withdrawal of Mr. Sleeper the United States is unrepresented in Venezuela. This fact, although attributed to the presence of the bubonic plague in Venezuela, is said to give emphasis to an intimation recently made by President Roosevelt to the effect that the Venezuelan matter as dealt with in his message to Congress (p. 39) would not be allowed to drop.

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President Roosevelt's message dealt with five private claims against Venezuela, supported by the State Department. These claims, as presented by the Department, are analyzed as follows by Charles Johnson Post of New York, an extensive traveler in South America and a student of Venezuelan affairs:

I. Indemnity in the sum of \$25,000 for the expulsion of A. F. Jaurett from Venezuela.

II. For an arbitration at The Hague (or other tribunal) as to whether the concession rights of the Orinoco Corporation or its succeeding or dependent or conflicting concessions companies have been injured, and to assess damages.

III. For the reopening and re-submission to a new arbitration of the Orinoco Steamship Company.

IV. For an international arbitration to investigate the rights of the New York & Bermudez Company (the asphalt concession), and assess its losses.

V. That the Venezuelan Government shall allow the United States & Venezuela Company to continue its business under the terms of the Crichfield concession, or that the company's damages be determined by arbitration.

I.

Jaurett was at the time of his expulsion the As-

sociated Press correspondent at Caracas. His dispatches were regarded by Venezuela as misleading, untrue and dangerous, and later developments have confirmed these views. He was a bitter partisan for the asphalt and other foreign concessionaires as against Castro and the Government, and finally he was given thirty-six hours to take the next steamer. It is for this expulsion that the \$25,000 is claimed by our State Department. There are serious doubts as to his American citizenship.

II.

This is substantially a claim arising out of conflicting concessions granted in 1883 and 1886 to two Americans, Fitzgerald and Turnbull, in the Orinoco delta. In this matter, as in all concessions granted in Venezuela, the concession provides that the settlement of such differences as may arise shall be determined by judicial processes in the courts of Venezuela. There is also a clause in the Venezuelan law providing that in any concession where such provision is not specifically made, all such differences shall nevertheless be understood as dependent for settlement in the courts of Venezuela, and not a subject for international reclamations.

Mr. Barge, the umpire of the American-Venezuela Arbitrations under the protocol of 1903, decided the no-reclamation clause of the concessions to be valid, and that the companies' remedy for alleged grievances lay in the courts of Venezuela.

III.

This claim of the Orinoco Steamship Company was submitted to the American-Venezuela Mixed Commission under the protocol of 1903. The Commissioners could not agree, and the umpire, Mr. Barge, awarded judgment against Venezuela in the sum of \$28,224.93—about 2 per cent of the original claim. This award was the result of an international arbitration agreed to and signed by Venezuela and the United States providing "that the awards of the commissioners, and in case they should not agree, those of the arbitrators shall be final and conclusive." It is this case that our State Department now insists shall be reopened and re-submitted.

IV.

This claim grows out of the action of the Venezuelan court in fining the New York & Bermudez Company \$5,000,000, and placing their Venezuelan property in the hands of a government receiver on the evidence of having fomented and assisted the Matos revolution. The \$5,000,000 fine is to reimburse the government for sums actually expended in suppressing the revolution, and there is a still further fine yet to be assessed for the loss in credit, loss in life, loss in commerce and agriculture, reimbursement for the war tax imposed on Venezuelan citizens, and the decrease in customs revenue that the war entailed.

On the stand before the United States Commissioner for the Southern District of New York, 1905, T. H. Thomas, General Greene and General A. D. Andrews, the heads of the New York & Bermudez Company at the time of the Matos revolution, testified to the payment of \$100,000 to Matos and a later payment of \$30,000. Other testimony covered the repairing of arms, and the furnishing of ammuni-

tion and supplies at various times to the Matos forces.

The diplomatic correspondence of our State Department with Venezuela omits these points in its defense of the New York & Bermudez Company, and involves itself in long arguments on the legal phases of the original concessions, ignoring the treasonable acts of the concessionaire toward the government from whom it held its concession.

V.

This Crichfield asphalt concession is involved with the contract for the construction and operation of a railroad to the asphalt deposit. It is somewhat complicated, but the complications involve the interpretation of the acts and laws of the Venezuelan Congress and Senate in regard to the validity and terms of the concession and title. The Venezuelan government decided to allow the concession to operate as it had been doing without interference in its former manner until its legal rights were determined by the courts. With the exception of the Jaurett claim, our State Department is bringing its power to bear on matters of private contract, and where the means of settling any differences are expressly written into the contract, and covered in addition by the laws of the country.

In regard to the French Cable Company's claims, the Venezuelan government holds over 200 original documents, telegrams, letters, etc., proving conclusively that the whole staff of the cable company was at the disposal of Matos as a secret service force, eluding the censor (fiscal) and furnishing information as to the forces, disposition of troops, movements and results of battles.

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Reactionary Movement in Persia.

The bombardment of the parliament buildings in Teheran and the massacre of members of the "political clubs" on the 23d, reported last week (p. 300), has resulted in the terrorization of the Nationalists, upon whom the Shah puts the blame of the rioting, declaring that from within the parliament buildings they fired upon the Cossacks. Nationalist leaders are under arrest; their houses are successively, day by day, bombed and looted, and hideous atrocities are reported in connection with the government's activities. The Shah is regarded as having finally absolutely allied himself with the reactionaries. Parliament is to be dissolved, and new elections ordered.

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A King who Cannot Stand Censure.

It will be remembered that labor and socialist members of the English Parliament objected to the King's recent visit to Russia (pp. 252, 275). To the surprise of every one, the King has retaliated by refusing to invite four members of Parliament who voted with the radical minority on the question of the Russian visit, to a garden party at Windsor which had the character of a state function. The four were Keir Hardie, Victor Grayson, Harry Marks and Arthur Ponsonby.

The slight to Mr. Ponsonby was especially marked as he was the secretary of the late Premier, Sir Henry Campbell-Bannerman, and was elected to Parliament only a few weeks ago in succession to Sir Henry. The serious point in the incident is, as the dispatches state, that the King has sought to punish by exclusion from a state function a member of parliament for exercising his constitutional right of voting according to his conscience.

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More Public Ownership of Railways in France.

The French government is making strenuous efforts to add to its State-owned railways by purchasing the "Western railway," and the ministry has declared itself as ready to stand or fall on the purchase bill. A vote in the senate for delay until October, in order that negotiations for partial instead of complete purchase might be renewed, was lost on the 25th by 128 to 125; and the first clause of the bill authorizing the purchase passed by a vote of 151 to 116. According to a dispatch to the Chicago Tribune,

Mr. Clemenceau in his speech derided the idea that that state could not manage the Western railway. He said the state already manages 2,500 miles of railway. It manages all great public services; why not this railway? He did not believe Mr. Rouvier's objection that the state could not control expenses satisfactorily. "That is not saying," he added, "that I am a partisan of state ownership. I do not agree with putting the state everywhere. At the point where we are in social evolution the hour has not come, if it ever does, to weaken the central power too much, but the state is not in a position to make its will felt in regard to these great organizations when general interests oblige it to demand from them certain acts or concessions." Mr. Clemenceau confesses that in the purchase of the Western railway he sees a means of bringing pressure on the other companies so as to make them adopt the methods of working which the state proposes to apply to its own system.

NEWS NOTES

—Clinton, Minn., and McGregor, Iowa, have been wrecked by recent storms.

—The Socialist-Labor party will hold its national convention at New York on the 2nd.

—The North American Turnerbund met at Chicago on the 29th. A bitter controversy over socialism is agitating the organization.

—The complete recount of the Hearst-McClellan vote for the mayoralty of New York (p. 301) was finished on the 26th. It showed a reduction of McClellan's plurality from 3,884 to 2,965.

—In spite of the refusal of the Russian Douma (p. 275) to sanction the naval budget which included \$5,500,000 for new battleship construction (p. 253), the Council of the Empire, which answers to an un-elective senate, on the 27th adopted it. This con-