New-York Tribune.

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CUBAN RECIPROCITY.

TERMS OF THE TREATY.

Concessions More Liberal Than Heretofore Reported.

Washington, Dec. 19.—The friends of the reciprocity treaty recently negotiated between the United States and Cuba have been assured by members of the Senate Committee on Foreign Relations that the treaty will be taken up by that committee as soon as practicable after the Christmas holidays. There were several conferences on the subject at the Capitol to-day, which resulted in this understanding. The terms of the treaty require that it shall be ratified before January 31, and its supporters appreciate the necessity for expedition in getting it out of the committee in order to avoid the necessity for an extension of time.

The treaty makes more liberal provision for the importation of American articles into the Republic of Cuba than has been stated heretofore, there being provision for reductions in some cases of as much as 40 per cent, in others of 30 per cent, and in still others of 25 per cent. On all American grown or American made articles except tobacco imported into Cuba, and not specified in the 25, 30 and 40 per cent classes, there is to be a uniform tariff reduction of 20 per cent. In return, the United States agrees to a uniform reduction of 25 per cent, without exception, on all importations from Cuba. The new island republic does not agree to any reduction on tobacco grown in the United States or in the territory of any of its possessions, and imported into Cuba.

The products of the United States which are to be admitted into Cuba at a reduction of 25 per cent from the rates of the existing Cuban tariff include pottery, salt fish, copper made machinery, cast and wrought iron and steel, and articles manufactured from them; glass, cotton and some cotton goods; ships and boats, whiskey and brandy. The 30 per cent reduction includes cutlery, shoes, plated ware, drawings, photographs, engravings, etc.; materials used in making labels and bands for tobacco, common soaps, preserved vegetables, butter, drugs, bottled beer, etc.; mineral waters, articles made of hemp and kindred fibres; musical instruments and writing and printing papers. The list of American importations into Cuba on which a 40 per cent reduction is made includes watches, umbrellas, knit cottons, preserved fruits, perfumery and woollen and silk goods.

There is a specific declaration to the effect that the rates fixed for each of the two countries by the other shall be preferential of each party to the convention as against all other countries. There also is a provision against a discriminating tax on the articles affected in the country of their origin. In case either country changes its tariff rates so as to deprive the other of the advantages granted, the other country is to have the privilege of abrogating the treaty. No specific provision is made for a subsequent reduction of the Cuban duty so as to let American goods in at lower rates by the regular methods of legislation rather than by treaty, but there is a clause under which, if this reduction is made, the Cuban government may reopen negotiations to secure a modification of the treaty. It provides for such a change only in case the Cuban tariff should be so reduced as to make the reduction unreasonable from the Cuban point of view.

The treaty is to go into effect ten days after ratification by the authorities of both countries.

PALMAS URGES EARLY ACTION.

Havana, Dec. 19.—President Palma sent the Cuban-American treaty to the Senate to-day, with a mesage urging that early action on it be taken.

NOT GOING TO THE HOUSE.

The Cuban Treaty To Be Ratified Solely by the Senate.

[BY TELEGRAPH TO THE TRIBUNE.]

Washington, Dec. 19.—It was announced to-day that the President has concluded that it is unnecessary to send a copy of the Cuban treaty to the House, one copy having already been sent to the Senate. In commenting on this decision Representative Sereno E. Payne said this evening:

"By sending the treaty to the Senate only, the President is acting entirely in accordance with precedent, and I have no fear that the prerogatives of the House will be disregarded. While it is impossible for me to say at this time what will be the course followed, I think it quite likely that when ratified the treaty will contain a clause requiring the concurrence of the House to make it operative. This opinion is based upon the fact that the Senate has attached such a clause to previous reciprocity treaties. On the other hand, if, when ratified, the treaty does not contain such a clause, I regard it as quite possible that the President will then bring it to the attention of the House, with the recommendation that such legislation be enacted as may be necessary to make it effective, thus following the course suggested in The Tribune's recent editorial on the subject.

"There can be no question," continued Mr. Payne, "as to the necessity of some action on the part of the House to carry into effect a treaty affecting the revenue laws. That is clearly a matter of constitutional law, as the constitution expressly provides that laws involving the revenue must emanate from the House, although the courts have held that the concurrence of the lower chamber fulfilled the spirit of the law."

As to the assertion made by certain Senators that, were the House to waive its prerogative in this instance, it would simplify the ratification of the treaty in Havana, because it would have the effect of eliminating the Cuban House as a factor in the equation, Mr. Payne characterized that argument as puerile, and said:

"The House cannot waive the responsibility imposed upon it by the constitution, whatever might be gained thereby. As to the possibility of delay in the ratification of the treaty, arising from a prolonged discussion in the Senate or its committee, I am not prepared to speak, but I feel sure that the House will act promptly and favorably when the matter is brought before it."

FOUR HUNDRED THOUSAND STARVING.

St. Petersburg, Dec. 19.—Four hundred thousand persons are reported to be destitute and starving as a result of the crop failure in Finland. The Anglo-American Church here has undertaken to feed and clothe the school children of four Finnish parishes, and Mr. Francis, the pastor, has issued an appeal for assistance in this work. He says that the conditions today are worse than those of 1867, when one hundred thousand persons died.

POLAND WATER IS INVALUABLE.
Millions of bottles of this celebrated mineral water are prescribed annually for diseases of the kidney and stomach.

INVALUABLE IN TYPHOID FEVER.
A positive and permanent cure for acute Bright's disease. Poland Water book mailed free. POLAND WATER DEPOT, 3 Park Pl., N. Y.—Advt.

DEATH IN TRAIN WRECK.

TWO FIREMEN KILLED.

One Passenger Hurt—Express Hit Track Jumping Car.

Hackensack, Dec. 19 (Special).—The Paterson express on the Susquehanna and Western Railroad, due at Hackensack at 1:51 p. m., while travelling at the rate of about fifty miles an hour this afternoon, crashed into a coal car that had just jumped across from the eastbound track, near Little Ferry. Two firemen were killed and one of the passengers was seriously injured. The dead are William Kelso, twenty-one years old, of Paterson, single, who was drowned in a ditch near the track, and William Mabey, twenty-eight years old, of Butler, N. J., married, who was buried under the engine and scalded. The injured man was Bernard Von Stein, a hotelkeeper of Cresskill, who had his shoulder dislocated and received severe bruises on the body.

The scene of the accident was near where the coal trains on the Susquehanna road are switched from the main track to the branch road that runs through the Fairview tunnel to the Edgewater docks. A coal train, with the caboose unattached, was being switched as the passenger train came in sight. The cars were moving south on the eastbound tracks toward the approaching train. The end car jumped the track and bumped over to the westbound track just as the express came along. All this was so sudden and unexpected that James Steiner, the engineer, had no chance to put on the emergency brakes, and the fast moving locomotive struck the end of the coal car with terrific force.

An eyewitness of the collision said that the engine seemed to bounce up in the air, leave the tracks and then plough along through the sand and dirt on the edge of the tracks for nearly one hundred and fifty feet. Then the engine stopped and slid into the ditch, and flopped over on the left side. The lurch was so sudden that the engineer was thrown out of his cab, and landed in the mud and water several feet away. He crawled out to a place of safetly unhurt.

William Kelso, one of the firemen, was not on duty, but was "deadheading" his way home on the engine when he met his death. At the time of the collision he was sitting in the fireman's cab, ringing the bell for his brother fireman, who was shoveling coal into the furnace. The engine turned over in the ditch in such a manner as to force Kelso under the water, and, escape being impossible, he was drowned before assistance could reach him.

One report that was circulated at the scene of the wreck was that Mabey was thrown half way into the open furnace when the crash came. His body was parboiled—as much as could be seen of it under the engine—by the escaping steam. There is hardly a doubt but that both firemen were dead before the trainmen recovered from the shock of the collision and reached the engine in the ditch. Among the first to reach the demolished locomotive was Martin Mabey, baggage master on the wrecked train, a brother of the fireman who was buried under the engine. A few minutes later another Mabey, a conductor of the coal train service, came along on his caboose from the Edgewater docks. He stopped to examine the wreck, and was told that "Billy" Mabey was under the ponderous double decked locomotive.

The first car, a combination baggage car and smoker, ploughed its way to the top of the locomotive, the forward trucks being torn off. Yet, strange to say, only one passenger was injured. He was Bernard von Stein, a hotelkeeper, of Cresskill, who was anxious to reach Hackensack before 3 o'clock to pay his hotel license, this being the last day. Notwithstanding his injury, which was a badly dislocated shoulder, Von Stein walked to the Little Ferry station along the tracks, a mile distant, laid his case before Michael Collins, a hotelkeeper of that place, and was hurriedly driven to Hackensack. After settling with County Clerk Ramsey, the injured man went to a physician to have his shoulder attended to.

There was great confusion in the two coaches, where men and women were thrown about in all directions. The seats were broken and twisted, but not a single pane of glass in the entire train was broken. All the cars jumped the track and jolted along the ties.

Among the passengers in the coach was ex-First Assistant Postmaster General William M. Johnson, of Hackensack, who related his experience to a Tribune reporter this evening, as follows:

"I have often read and heard of experiences by people in railroad wrecks, but never properly appreciated such experience till this afternoon. Fortunately, I escaped without injury. Our train seemed to be travelling about sixty miles an hour when the crash came and sent everybody forward with a lurch. There was no warning signal or evident application of any brakes, and the train hit the obstruction with terrific force.

"I grabbed the back of the seat ahead of me and braced myself, while the car bumped along over the ties and finally slid down into the ditch. Other men and myself did our best to quiet the women in the car, who I must say behaved bravely under the circumstances. We assured them that all danger had passed when the car stopped, and they believed us. Several men left their seats as the car bumped along, and they were thrown down in the aisles and bruised.

"With the train so badly wrecked, it is certainly a miracle that none of the passengers were killed."

As the entire train left the tracks traffic was not delayed to any noticeable extent. Coroner Curry, of Hackensack, viewed the bodies of the dead firemen, but deemed an inquest unnecessary.

GIVES UP LEADERSHIP.

John F. Carroll Resigns at Meeting of XXIXth District.

John F. Carroll gave up his leadership of the XXIXth Assembly District last night, at a meeting of the district committee, held at No. 45 East Fifty-ninth-st., and Joseph F. Mulqueen, a lawyer, of No. 253 Broadway, whose brother is a son-in-law of ex-Mayor Thomas F. Gilroy, was elected to the leadership.

The meeting was held to elect officers. Carroll's name was about to be proposed for re-election, when in a short speech he explained that he wished to drop the leadership on account of business interests. He is said to be conducting big real estate operations, in addition to being vice-president of the Fourteenth Street Bank. Mr. Carroll said he would always be a Tammany man, and would do all he could to further the interests of the general and local organizations.

Mr. Mulqueen, on being elected without opposition, made many complimentary remarks about the administration of the retiring leader, and at the end of his speech a committee was appointed to draft resolutions of thanks to Mr. Carroll. Mr. Mulqueen is one of Mr. Carroll's friends.

980 MILES IN 20 HOURS.
The new "20th Century Limited" of the New York Central and Lake Shore does this every day, and effects a great saving to the busy man who travels between the East and West.—Advt.

ODELL MAY SEE LOW.

Type of Man as Police Head Who Would Please Governor.

Governor Odell came to town from Albany yesterday afternoon, and immediately afterward there began the circulation of apparently well founded rumors that Mayor Low would announce the selection of Colonel Partridge's successor before Christmas. Friends of the Governor who saw him last night, after comparing notes, said that if Mayor Low confers with the Governor to-day, as it was said he might do, he is pretty sure to get from the Governor some such suggestions as these:

The selection of a comparatively young and energetic man for Police Commissioner, without reference to his politics.

A man who will, after looking over the situation for a month, perform the duties of his office absolutely without regard to political consequences.

A man who will avoid all halfway expedients, and who will compel an enforcement of the law without fear or favor.

A man who will run the department on lines sufficiently different from the old lines as to present a striking contrast in methods.

Governor Odell did not see Senator Platt last night. The Governor reached the Fifth Avenue Hotel at 5:30, and dined at about 7 o'clock. The Senator dined earlier, and spent the evening with friends. It is expected that the Senator and the Governor will meet to-day to talk over affairs and to discuss certain features of the Governor's forthcoming message.

Mr. Odell greeted the newspaper men with old time cordiality, but was not communicative. It is, however, no violation of confidence to say that he has not suggested to Mayor Low the name of any one for Police Commissioner. The Governor said he had not heard anything about Francis Hendricks, Superintendent of Insurance, resigning his office in favor of James M. Gilbert, one of his deputies. It can be stated on good authority that Mr. Hendricks may remain at the head of the Insurance Department as long as he likes.

The Governor has not decided to retain Henry B. Coman, who was defeated for the Attorney Generalship by John Cunneen, as his legal adviser. It is likely that the Governor will depend entirely on Mr. Cunneen and his deputies for legal advice, just as if they were Republicans. If he cannot get along with them amicably, he will make different arrangements.

The Governor has nearly finished his annual message. He completes a chapter and then puts it into "cold storage." After it has been there a few days he takes it out and sees how it reads "cold." He said last night that there was nothing to be said about the message at this time.

The Governor was escorted to the 9th Regiment Armory by ex-Senator John Ford and several other officers. In the course of the evening Senator Wilcox, of Auburn, and William Brookfield, of this city, called at the hotel to see him. The Governor will be in town to-day, returning to Albany to-morrow forenoon.

ASKS FOR MONEY ONLY.

France's Claims Are Exclusively Financial.

(Special to The New-York Tribune by French Cable.)
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Paris, Dec. 19.—The step taken by the French Government in presenting a note at Caracas summarizing all the claims against Venezuela and securing the favored nation clause for the French citizens whose grievances are not provided for by the specific protocols of May 23, 1899, of February 19, 1902, or by the Franco-Venezuelan treaty of 1885, meets with general satisfaction here, and is commended as formulating clearly and concisely exactly which the French claims are, a measure which the best informed personages here consider as affording a marked contrast with the mystery and vagueness in which are wrapped the claims and covert arrangements of the Anglo-German partnership.

The French claims thus become exclusively financial and can be handled without raising any political questions, and may be roughly summarized as follows: First, indemnity under protocol of October, 1902, amounting to about $300,000; second, the claims and indemnities grouped under the terms of the Fabriani debt, and for which judgment was rendered, but not yet paid, owing to lack of funds, and which amounts to $860,000, and third, claims under the protocol of February 19, 1902, amounting to $11,200,000, which may be whittled down by arbitration to some $10,000,000.

In diplomatic circles here the solution felt to be the most practical is to establish for Venezuela a purely financial commission similar to the commission of foreign creditors of Greece created a few years ago by international initiative, and which worked so successfully at Athens without infringing upon politics. The French idea is that foreign nations, including the United States, having claims against Venezuela should be represented on a Venezuelan liquidation commission by four commissioners each, and the presidency of this international commission should be given to the senior United States commissioner. C. I. B.

ITALY GLAD TO HAVE BOWEN ACT.

Proposition To Give Him Full Powers Received in Rome with Favor.

(Special to The New-York Tribune by French Cable.)
(Copyright; 1902: By The Tribune Association.)

Rome, Dec. 19.—The proposition that the United States give Minister Bowen full powers to act for Venezuela in the settlement of her troubles is received here with great favor. It is reported here that Italy and England will work together to prevent complications to which other powers seem not averse. The adhesion of Italy certainly strengthens England's hands in supporting the proposed arbitration. The intervention of France adds a new element. At present she is said to be undecided whether to join Germany or England and Italy.

Pelee Going Into Convulsions Again?

Predictions of Trouble in the West Indies To-Day—Theories on Which They Are Based.

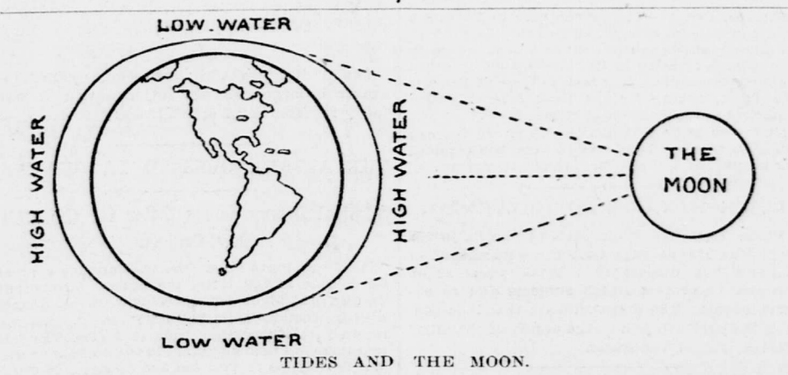
The possibility of further violent outbreaks of Pelée and Souffrière this month has been suggested by several persons who have studied the disturbances of the last few months there and who have some reputation as scientific experts. One man, Dr. Jaggar, of Harvard, by no means so eminent an authority as the geologist Shaler, also of Cambridge, thinks that he has detected a tendency to eruptions at steadily increasing intervals. He therefore looks for fresh trouble about to-day, December 20. Expectation has also been excited independently by the supposition that the cause of eruptions is the same that produces ocean tides—the attractions of the sun and moon, operating in the same direction. To this theory Professor Robert T. Hill, of the United States Geological Survey, has given some countenance, although he does not regard it as established. The mere statement of doctrine suggested that there might be a new outbreak at the time of the December full moon, which fell on the evening of December 14. Nothing did happen, however, so far as heard from, and now the world will watch to see whether Dr. Jaggar's guess is any better.

The latter's theory, so far as he has any, might perhaps be best explained by a combination of two factors—an unrelieved and gradually accumulating pressure within, and a succession of stoppages or sealings of the crater which were increasingly effective. If such a state of things existed, there would be a disposition to break out less frequently, but with greater force, than at first. But that the elongation of the intervening periods would be regular enough to admit of prediction of dates is extremely doubtful. So eminent a student of volcanic action as Professor Israel C. Russell thinks that it is too soon to write a final report on the activity of Pelée and Souffrière, but it is not likely that he or any equally reputable expert would be willing to try to forecast further developments. Still, a good many curious people will be impressed by Dr. Jaggar's guesses, and will keep an eye on the West Indies to-day and to-morrow.

The tidal theory is backed up by a few such coincidences as these: The great explosion of May 8 occurred at the time of new moon. The premonitory rumblings that initiated the whole chapter of trouble at Martinique were heard on April 23, when there was a full moon. A second violent outbreak occurred on May 21, when the moon was again full. The marked renewal of activity in La Souffrière on October 15 antedated another full moon by a little more than twenty-four hours.

Here is another fact which may possibly have some significance. The moon's distance from the earth varies a good deal. She is said to be "in perigee" when closest to the earth. Perigees recur at intervals of about 27¼ days, while the lunar month is 29½ days long. Whenever a perigee coincides with either a new or full moon higher tides result, because the moon's pull is more powerful then than at other times. Now, there was a combination of new moon and perigee on May 8, the day when St. Pierre was destroyed. A full moon on November 15, occurring about thirty-six hours before a perigee, was itself attended with exceptional activity at Stromboli, which began on November 13. But a still closer coincidence in point of time arose this month, perigee following the full moon of December 14 by only eight or nine hours, and on that occasion, apparently, nothing happened in Martinique or St. Vincent.

Unfortunately for the lunar theory, some of the most violent demonstrations are observed at the wrong time. The outbreak of Santa Maria, in Guatemala, on October 23, came just half way between a full and new moon. The renewal of Pelée's activity on July 10 and 11 was similarly misplaced. A concurrence of perigee and new moon on August 1 to 3 seems to have passed without any notable volcanic outbreak, although mild earthquakes were felt in California during the closing days of July.



TIDES AND THE MOON.

Ocean tides are due primarily to the moon's attraction. The sun, too, exerts some influence, although this, owing to the great distance of that body, is much smaller than the moon's. Therefore, when the sun and moon are working together the tides are higher than when the sun pulls at right angles to the direction of the moon's attraction. In one case the solar influence is added to the lunar. In the other it is subtracted therefrom. It is a somewhat curious fact that a bulging mass of water is always raised on the other side of the earth as well as on the same side as the moon and sun. The practical effect is the same, whether the sun and moon are on the same side or on opposite sides. The former situation gives rise to a new moon tide and the latter a full moon tide.

If the intensely hot and theoretically soft interior of the earth is acted upon by gravitation as is the open ocean, and if a disposition to form tides exists inside as well as outside of the crust, two things might be reasonably expected. Manifestations would occur at weak spots in the shell, and these would be most conspicuous when a perigee fell on the same day as a new or full moon. But proof of that internal tidal tendency is needed before it can be accepted. Certainly none has been afforded thus far this month, when it might have been looked for with some reason. Moreover, it must be remembered that in some ways the interior of the earth acts like a perfectly rigid mass.

NEW CHESAPEAKE & OHIO TRAIN WEST.
Leaves New York, 23d-st., 12:55 noon, (Penn. R. R.), arrives Washington 6:10 p. m., Cincinnati next morning, and St. Louis next evening.—Advt.

HE BATHES EN ROUTE.
Bathing facilities, a barber and a stenographer are much appreciated features of the Pennsylvania Special.—Advt.

ARBITRATION FAVORED BY ALL

BUT THE ALLIES ATTACH CONDITIONS TO ACCEPTANCE OF VENEZUELA'S OFFER.

England Wants Guarantees and Germany Demands Apologies—A Pacific Settlement Expected.

The governments of Great Britain, Germany and Italy have informed Secretary Hay that they will agree to submit their differences with Venezuela to arbitration, subject to certain conditions. Great Britain, it is said, desires guarantees, while Germany demands apologies from Venezuela. Italy is inclined to follow the lead of the other powers. It is believed in Washington that a pacific settlement will be reached.

Ambassador Meyer informed Foreign Minister Prinetti, of Italy, that he had received a dispatch from Secretary Hay saying that the Secretary was disposed to consent to Minister Bowen's acting for Venezuela.

GERMANY ANSWERS YES.

Delivery of the Reply Delayed for a Day or Two.

Berlin, Dec. 19.—The answer of Germany to the arbitration proposal in behalf of Venezuela, received through the United States, is its acceptance. The delivery of this reply to the United States for transmission to Minister Bowen is delayed for a day or two for tactical reasons, probably through the hope that another solution will be found, possibly by President Castro's yielding. Four days ago the German Government was in favor of rejecting arbitration, and that is understood here to have been the temper of the British Foreign Office, also. While it is impossible to trace the steps which led to the reversal of this view, it appears that it was caused by the state of public opinion in the United States, so far as Germany is concerned, as it is understood here. The Foreign Office has no information to the effect that President Castro has bestowed on Minister Bowen full power to represent Venezuela in the settlement of the difficulties, but such a step toward a solution would be received with pleasure.

A semi-official statement in the "Norddeutsche Allgemeine Zeitung" says:

"A local paper has published a cable dispatch from New-York, saying: 'The greatest excitement prevails here. The entire press holds Germany responsible for the present situation. Germany is attacked in hostile articles, while Great Britain is praised. The newspapers insist that Germany intends to acquire colonies in Venezuela and Brazil.'

"We have noticed similar telegrams in English papers, and if these statements represent the feeling of the United States with even approximate correctness we would have sincerely to deplore that the American press shows itself accessible to wholly unfounded suspicions of German policy. The government of the United States long ago was categorically informed that Germany was seeking nothing in Venezuela beyond satisfaction for just claims. The Anglo-German operation is based upon the similarity of the interests affected, and only wilful prejudice could detect a difference in the proceedings of the two countries. The course of events will demonstrate that the intentions of the German Government are free from adventurous motives."

SAYS BOWEN MAY ACT.

Ambassador Meyer so Informs Italian Foreign Minister.

Rome, Dec. 19.—Ambassador Meyer visited Foreign Minister Prinetti at the Foreign Office to-day, and communicated to him a cable message from Secretary Hay, saying that the Secretary was disposed to consent to the investment of Minister Bowen with full powers for Venezuela in the settlement of the Venezuelan controversy, if agreeable to Germany, Great Britain and Italy.

A semi-official announcement now places the Italian claims against Venezuela at $2,000,000.

REBELS NEAR CARACAS?

Reported That 10,000 Men Are Advancing Under Four Generals.

Port of Spain, Dec. 19.—The British cruiser Alert left here last night for Carupano, and the British torpedo boat Rocket sailed from here this afternoon for Ciudad Bolivar. The British cruiser Fantome, which started for the Orinoco River on December 9, had not reached Barrancas on the 12th. The reason for the delay is not known.

It is reported here that the Venezuelan revolutionary generals Penalosa, Rolando, Riera and Solague, with 10,000 men, are marching on Caracas and are near that city. Cable messages coming from Venezuela to this port are subjected to Venezuelan censorship.

Admiral Douglas, of the British fleet, has ordered the blockade of La Guayra, Carenero, Guanta, Cumana, Carupano and the mouths of the Orinoco River. This blockade is to go into effect at midnight to-morrow. Days of grace are allowed as follows: To vessels sailing prior to the date of the decree of blockade from West Indian ports and from the east coast of America, steamers ten days, sailing vessels twenty days; from other ports, steamers twenty days, sailing vessels forty days; vessels in the blockaded ports will be allowed fifteen days to obtain clearances. Violators of the blockade will be liable under the law. It is intimated here that the blockade will not last longer than thirty days.

THE WELL-GROOMED MAN
Uses the Pennsylvania Special, on which he can have his morning "tub" and shave, as at home.—Adv.

THE OUTLOOK HOPEFUL.

Washington Believes All Difficulties Will Be Overcome

[BY TELEGRAPH TO THE TRIBUNE.]

Washington, Dec. 19.—Great Britain, Germany and Italy have informed the government of the United States that they will agree to submit their differences with Venezuela to arbitration, but that they do not do so without qualification. They insist on preliminary understandings on some points, the most important of which is as to the security they are to have for the payment by Venezuela of any awards which may be made by the tribunal of arbitration. Although this question of security presents grave difficulties, it is not believed by State Department officials that they will prove to be of such a character as to prevent an agreement being reached by which the controversy will be submitted to arbitration. It may be that the question of the security to be given will be one of those on which the tribunal of arbitration will be asked to pass judgment.

THE VENEZUELAN COAST.
Showing ports which will be blockaded by the allied fleets to-day.

PRIVATE GUARANTEE SUGGESTED.

The plan of having the payment of the award of the arbitrators guaranteed by a banking house or by a syndicate of bankers is again being discussed, and was the subject of a conference at the State Department this morning between Secretary Hay, Ambassador Herbert and Senator Depew, who was present on behalf of the Seligmans. There will be no objection on the part of the State Department to American bankers undertaking to guarantee the payment of the award, but it was said in the most positive and authoritative manner this afternoon that the United States Government would not guarantee such bankers against loss. On the same authority it can be said that it is extremely improbable that any American bankers wishing to guarantee payment by Venezuela will receive explicit assurances that the United States Government will intervene in any way with Venezuela to guard them against loss. Such assurances would amount to a practical guarantee. They will, however, be pointed to the long list of cases in which the United States has sustained the claims of its citizens against foreign nations, and if they desire to undertake the financing of the award they must trust to the traditional policy of the government without receiving any express pledges.

It is the view of some of the officials of the State Department that too much stress is being placed by the allied European powers on the necessity for an explicit financial guarantee. They are disposed to believe that if an award should be made by The Hague tribunal, it would carry with it so much weight that Venezuela would be forced by the enlightened public opinion of the civilized world to yield to whatever arrangements might be necessary to insure the payment of the award, and that the same enlightened public opinion would justify and sustain any measures which might have to be adopted to enforce the award if Venezuela should not yield willingly.

CONTROL OF VENEZUELA'S FINANCES.

While no exact estimate of the total of all the claims against Venezuela is in the possession of the State Department, it is believed that their total is so great that provision for their payment would greatly embarrass the government of the republic in meeting its running expenses, and that the owners of outstanding Venezuelan bonds would also suffer heavy losses from their shrinkage in value unless some provision should be made for taking care of them. In connection with this subject, a provision for foreign control of the finances of the republic has been suggested, and may be considered in the negotiation of a basis for an arbitration agreement.

In these negotiations the European powers will deal directly with the government of the United States. Venezuela will not be directly recognized by them until the preliminary agreement has been entered into. This is following the precedent established in the Venezuelan boundary controversy, when the negotiations were conducted between the United States and Great Britain, and the heads of a treaty to be subsequently entered into between Great Britain and Venezuela were arranged. In this case Minister Bowen has been clothed with full power to act for Venezuela. He will not, however, deal directly with the European governments, but will keep the Venezuelan Government in touch with the State Department, which will conduct the negotiations which are expected to result in an agreement to submit all the points in controversy to The Hague tribunal for arbitration.

No confirmation of the report that a New-York syndicate, headed by J. & W. Seligman & Co., had been formed for the purpose of floating an issue of Venezuelan bonds, which will pay all outstanding indebtedness, could be ob-

TRIUMPHS OF 1902.
Seldom if ever in any one year of the history of the world have so many important events of universal interest taken place. America, England, Germany and France have each participated. The President of the United States welcomed and entertained H. R. H. Prince Henry of Prussia at the White House, Edward the VII was crowned King of England and Emperor of India, the German Emperor had his American built yacht "Meteor" christened, France had the unveiling of the Rochambeau Statue, and at all functions attending these celebrations Moët & Chandon Champagne was used exclusively. This indeed is an unparalleled record which is proof positive of the superiority and popularity of the renowned brand of Moët & Chandon White Seal.—(Advt.