# NEWS OF TWO CAPITALS

## AFFAIRS IN LONDON.

### Royalty in England and on Continent—Ministerial Instability.

(Special to The New-York Tribune by French Cable.)
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London, March 5.—The King's illness is not serious, since he has received the Russian Ambassador in audience and may attend the Bible Society's centenary service at St. Paul's to-morrow if the weather is fine. The public anxiety excited by so slight a cause is a significant proof of the steady growth of the sovereign's popularity and prestige. Royal initiative has come already to be regarded as indispensable for any important work. South African peace, the Irish land settlement, the restoration of cordial relations with France, the creation of the English system of checks and balance for the German Emperor's ascendency on the Continent and the effective reorganization of the War Office are accepted as the great achievements of the reign brought about by the King's personal influence. Ministers may be stale and inefficient, but the King works his own way, and accomplishes results which the nation considers of paramount importance. This is a rough, but accurate, summary of public opinion respecting the great increase of royal authority in the present reign.

The second report of the military triumvirate of reporters, with a recommendation for the creation of a general staff and many other changes, is a fresh indication of the effectiveness of the King's initiative after Mr. Brodrick's failure. The appointment of the Duke of Connaught as inspector general is an additional proof of royal tact. The enforced retirement of the Duke of Cambridge as commander in chief was resented by Queen Victoria as an affront to royalty, and it was one of her cherished projects that her favorite son, the Duke of Connaught, should ultimately succeed Lord Wolseley and Earl Roberts. The objection raised by the ministers, that the House of Commons could not discuss military matters with freedom when royalty was in command, was insuperable in the Queen's time, but the King, with the help of Lord Esher, has made the Duke of Connaught the chief figurehead of the British Army, with a more modest title and under conditions of subordination to the Army Council. The duke's appointment does not excite adverse criticism in any quarter. The old Duke of Cambridge's breakdown in health is deplored on all sides, for he also has been a popular prince.

While royalty demonstrates its utility in England, it is tainted with scandal on the Continent. The court martial in the case of Prince Prosper von Arenberg is reported in detail in the halfpenny press, and is commented upon with outspoken candor by the more dignified journals. The acquittal of the prince on the charge of murdering natives in South Africa on the ground of insanity excites derision, after the abominable disclosures of his cruelty, depravity, intemperance and low vices, and there is amazement that he should ever receive a responsible military appointment. An equally painful impression has been produced by the obstinate refusal of the King of the Belgians to effect a compromise with his daughter's creditors, and the flagrant scandal of a suit in a Brussels law court against him for maintenance brought by the Princess Louise of Coburg and the Princess Stephanie. The audacity with which counsel denounced the King of the Belgians for unnatural conduct toward his daughters fairly takes an Englishman's breath away, for he has been trained to respect royalty and never say aught against it.

There are signs of waning interest in the war in the Far East, but the newspapers themselves are responsible for this result, since they have clouded the situation with silly inventions, amateurish strategy and a medley of contradictions and misinformations. The situation in the Near East is also most confusing, but there is evidence this week of energetic action by the British Ambassador at Constantinople in favor of the immediate employment of the Italian General Duzlorge in practical reform measures, with rumors of another campaign in the Balkan in which Russia can obtain compensations for defeats in Manchuria. The stock and money markets here are oppressed with gloomy forebodings.

Mr. Ismay's frank announcement that the seat of the government steamship trust will be wherever he is causes much amusement in shipping circles, where he is called "Morgan's deputy monarch of the sea." There is much apprehension over the fate of the Atlantic Transport liner reported disabled and adrift by the Campania.

There are many interesting topics of public discussion, such as the opening of the new scientific buildings at Cambridge, the election of a new London County Council after a sluggish political contest, young Kensit's moderate fine for taking up his father's ideal of the church militant, and the arrangements for a new opera season, with six special performances, under Herr Richter's direction, with an augmented orchestra, and a preliminary Elgar festival at Covent Garden; but the fiscal question still holds the field, with the prospect of a general engagement of forces in the House of Commons this week over Mr. Pirie's motion involving censure of the government.

Signs of ministerial instability multiply. The government supporters who were confident a week ago that the Ministry would survive the session and introduce the Redistribution bill next year are now shaking their heads ominously over the Budget contingencies. Those in the inner circle report that Cabinet conferences disclose sharp differences of opinion respecting the expedients for raising the increased revenue and balancing the Treasury account. Austen Chamberlain has turned pessimist and seems bent upon making the situation as black as possible, and only allowing his colleagues a choice between unpopular methods of taxation, such as the reimposition of the duty on corn and the addition of a penny or twopence to the income tax. Mr. Balfour himself may decide the matter by forcing a trial balance sheet by increasing sugar duties and doubling export duties on coal; but Austen Chamberlain may bring on a crisis in his anxiety to provide his father with a fresh argument for revision of the fiscal system. Retrenchment is the last thing which anybody thinks of on the ministerial side. Arnold Forster has reduced the estimates for the army through the shrinkage of military expenses in South Africa; but experts insist that the artillery force must be armed with new quick firing guns by another year, and the current theory that every branch of the service must be prepared for war and ready to fight at a moment's notice involves increased expenditure.

The naval outlay also is enlarged without necessity or prudence. The debates in the House of Commons this week have shown a blind, unreasoning devotion to the admiralty theory that the British Navy must be equal to the combined fleets of the two strongest foreign powers. This two powers standard is sacrosanct, as was free trade until Mr. Chamberlain offered to sacrifice the protectionist gods. Like the law of gravitation, it must not be challenged. The Russian naval losses have already lowered materially the accepted two power standard of sixty-three warships in the fighting line, but the Admiralty experts insist that the British fleet of seventy be kept abreast with the combined fleets of France and Germany, when the coalition of those powers against England is an idea only fit for bedlam. The unexpected purchase of the two Chilian warships would be a good excuse for modifying the construction programme, and the practical tests of naval mechanism in the war in the Northern Pacific would be a still better argument for deferring the outlay on battleships of the experimental type, but the ministers will not listen to any appeal for naval retrenchment.

Meanwhile Sir William Vernon-Harcourt, who unconsciously provided a resource for extravagant and ceaseless expenditures on military and naval armaments when he revised the death and estate duties, has announced his retirement from public life. The Liberals have no debater equal to Sir William Vernon-Harcourt as he was before his voice failed him, and no financier of like eminence. Sir William Vernon-Harcourt's withdrawal makes it probable that Mr. Asquith will be Chancellor of the Exchequer in the Liberal or coalition Cabinet and Mr. Haldane Lord Chancellor. One of the shrewdest observers of British politics forecasts the Premiership of the Duke of Devonshire, the elevation of Sir Henry Campbell-Bannerman to the peerage with the office of President of the Council, the return of Lord Rosebery to the Foreign Office, and the handing over of the leadership of the House of Commons to Mr. Asquith. This is also a favorite list in the new political salons and in Belgravia, where Mrs. Asquith is popular.

In the smart sets Lent has been the signal for a revival of gayety. Jenkins must be right when he says it is bad form to dance after Easter, for the best balls are coming off in Lent. This week there have been balls at Mrs. Close's, Mrs. George Napier's and Lady Vincent's, with a brilliant display of diamonds and a large retinue of men dancers. There has been much talk about the wedding of Lady Grizel Cochrane and the master of Belhaven at the Henry VII Chapel, and more about the probability that the royal wedding day dance will be repeated at Buckingham Palace.

Murray Carson's new comedy, "When a Man's Married," written with the assistance of Nora Keith, has received the honors of a trial performance at Mr. Wyndham's theatre. It is a pleasant idyll, with freshness in the acting of Jean Stirling Mackinlay, but the critics decline to take a serious view of it.

The best art show is the collection of French, English and Scotch pictures at the Goupil Gallery, the works of Besnard, Lhermitte, Blanche and Clausen being excellent.

E. A. Abbey has painted in a few missing royal heads, including the King's, and the coronation picture is virtually finished, ready for the next Academy. I. N. F.

## TOPICS IN PARIS.

### Interest in Attitude of United States Toward Russia and Japan.

(Special to The New-York Tribune by French Cable.)
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Paris, March 5.—The attitude of the United States toward Russia and Japan is eagerly discussed in the French press. Prominence is given to Count Cassini's representations to Secretary Hay and to the Russian ambassadorial manifestoes seeking to appease the continuation of the hostile controversies between American and Russian newspapers. With practical common sense the French recognize that anything like an independent free press or a genuine public opinion in Russia does not exist. The "Journal des Debats" voices the trend of feeling here by its statement that Secretary Hay's attitude from the outset of the war, and especially his note urging the guarantee of the administrative entity of China, is fair, impartial and absolutely correct, and that the efforts of the Washington Cabinet were not directed toward harassing Russia, but, above all, to put on record the rights of the United States to maintain an open door in China, including Manchuria, no matter what the final result of the war may be. The "Debats" hopes, now that the British press has modified its Russophobia, that the press of the United States may do likewise, and reiterates the popular idea prevailing in France that in the Far East the Russian peril is much less disquieting even to American interests than the yellow peril is. Such are the views of nearly all the organs of opinion in Paris, including the "Temps," the "Figaro," the "Gaulois," the "Matin" and the "Eclair." Indeed, the only note of sympathy toward Japan comes from Jean Jaures and a small group of Socialists. For this Jaures is ridiculed by the caricaturists, and in the illustrated prints, for instance in the "Rire," he is represented in a cleverly drawn but malicious sketch wrapped in Japanese robes masquerading as a Shinto deity juggling with chrysanthemums.

The revision of the Dreyfus case in the Criminal Chamber of the Court of Cassation proceeds amid a complete absence of popular excitement. In spite of the spasmodic efforts of a few noisy Nationalists, it arouses little interest, even among professional agitators. It is no longer possible to make political capital out of Dreyfus, and whatever the decision of the court may be it is likely to give rise to comparatively little controversy. The conclusion of Attorney General Baudoin that the incriminatory evidence fades away before close scrutiny, and that the famous secret dossier contains "only miserable documents whose sole importance was due to the mystery with which they were shrewdly surrounded," is accepted without discussion by the court, and also is accepted by the public without protest. Mme. Alfred Dreyfus, accompanied by her brothers, the Messrs. Hadamard, was present in the courtroom. She was modestly but elegantly attired in a black dress and a hat with gray feathers, and watched the proceedings with calm attention, now and then taking notes, but betraying no emotion.

The Paris Bourse continues despondent and nervous, with downward fluctuations of bonds and stocks of every description. The comparative firmness of Russian bonds and Russian industrial securities, of which $1,500,000,000 is now estimated as the amount held in France, is explained by the fact that 90 per cent of this sum is owned by small investors known as "la petite epargne." Just as was the case with the original Panama shares at the time of the cataclysm years ago, these thrifty investors have great staying power, and so far refuse to part with their holdings. Great apprehension prevails in banking circles lest the tendency to sell will set in. If the Japanese succeed in capturing Port Arthur, or other Japanese victories ensue, long headed financiers predict in such event a most disastrous avalanche of downward prices and panic. The masses of poor, small investors still cling to their Russian stocks with a faith worthy of a better cause and profess unshaken confidence in the ultimate success of their autocratic ally.

The timidity of large capitalists is illustrated by the fact that the famous historic chateau, the Maison Laffitte, which two hundred and fifty years ago cost 6,000,000 francs, and where the Comte Artois gave memorable fêtes to Louis XVI and Marie Antoinette, with a park of twenty thousand metres, is now offered for sale by its Russian proprietor, M. Gromme, for 300,000 francs, but he cannot find a purchaser. Another example was at the art auction at the Hotel Drouot on Wednesday, when a superb portrait of Queen Marie Leczynska, painted by Nattier, was sold for the sum of 16,100 francs, the equivalent of $3,220, to Count Louis de Turenne after moderate biddings from Mrs. Edward Andre and Count de Gramedo, the professional dealers not feeling confidence enough to buy a picture which on their own estimates was worth double the price paid by Count de Turenne.

Half a dozen clever new plays have been produced during the week. Among these "Les Oiseaux de Passage," by Maurice Donnay and Lucien Descaves, produced last night at the Théâtre Antoine, is a decided success. It is a romantic drama in which the heroine, a young Russian girl of Nihilist tendencies, undergoes a purely official platonic marriage with an almost unknown peasant, who, according to arrangement, renounces forthwith his marital rights in order to secure her independence from her parents. There are stirring sentimental events in the Latin Quarter of Paris, where the young woman arrives to pursue her art studies, somewhat suggestive of Trilby. The last act comes to a rather melancholy end in Siberia. The play is strongly written and full of action, and it is one of the best plays of the present season.

Another boulevard success is a highly seasoned comedy by Georges Feydeau at the Nouveautes Theatre, called 'La Main Passe," in which there is a maze of double barrelled divorces and meretricious complications that would not be tolerated on any American stage. "La Main Passe," however, was welcomed with fervid enthusiasm by the boulevard public, and promises as long a run as the "Dame de Chez Maxim," by the same author.

A pleasing little one act play "L'Escarpolette," by an American, Miss Grace Constant Lounsbery, translated into French by M. Nigond, was successfully produced on Wednesday at the Théâtre Sarah Bernhardt and admirably acted by Mme. Moreno. Mme. Sarah Bernhardt took great pains to mount the little American curtain raiser with great taste. It is the story of a girl in love with an admirer known to her only by his inflammatory letters. She refuses the hand of a college professor in order to remain faithful to her mysterious suitor, only to find in the end that the professor and the fervent letter writer are one and the same man, and so they are married. C. I. B.

## TERMS OF BANK MERGER.

### G. W. McGarrah To Be President of Mechanics'-Leather.

The terms of the proposed consolidation of the Mechanics' National Bank and the Leather Manufacturers' National Bank were made public yesterday, and it was announced that meetings of the stockholders of the two institutions for the purpose of ratifying the plan had been called for an early date.

The plan contemplates the increase of the capital stock of the Mechanics' National Bank from $2,000,000 to $3,000,000. Of the additional $1,000,000 the sum of $690,000 is to be used for acquiring the assets and business of the Leather Manufacturers' National Bank, in such manner as in effect will provide for the delivery by the Mechanics' Bank of $600,000 of the increased capital stock as a consideration for the acquisition of the assets and business of the Leather Manufacturers' Bank. Stockholders of the Leather Manufacturers' National Bank of record as of March 14 are entitled to subscribe for four shares of stock of the Mechanics' Bank (par value $25) for each share of Leather Manufacturers' Bank stock (par value $100). As the capital stock of the Leather Manufacturers' is $600,000, the aggregate subscription to the new stock of the Mechanics' will amount to the same sum.

In addition, each stockholder of the Leather Manufacturers' Bank is entitled to subscribe at par, after the exchange of capital stock referred to shall have been effected, for an additional amount of the increased capital stock of the Mechanics' Bank to the extent of 15 per cent of his holdings, such subscriptions aggregating $90,000.

The merger is to be effected upon a basis of absolute equality of book value a share between the stockholders of each bank, and the directors of the Leather Manufacturers' Bank will have a full representation on the board of the Mechanics' Bank after consolidation. Under the terms of the consolidation it is understood that the Leather Manufacturers' National Bank shall, at such time as the merger becomes effective, have a capital stock of $600,000, and a surplus of $1,017,600 over and above all its liabilities.

It is virtually certain that the president of the Mechanics' National Bank, after the consolidation, will be Gates W. McGarrah, now president of the Leather Manufacturers' National Bank. It is also understood that the consolidated institution will occupy the offices now tenanted by both of the banks, which are next door neighbors in Wall Street.

## BUNAU-VARILLA SAYS GOODBY.

### Shakes Hands with Hay Before His Departure for Paris.

Washington, March 5.—M. Bunau-Varilla, the retiring minister from Panama, called at the State Department to-day to say farewell to Secretary Hay, preparatory to his departure for Paris. He left Washington this afternoon, and will sail from New-York next Thursday. The minister had already said goodby to the President. He has had prepared a set of photographs illustrating the making of the Hay-Bunau-Varilla canal treaty, which will be exhibited at the St. Louis Exposition. Before leaving here the minister took occasion to deliver an eloquent tribute to the American press for its fairness, impartiality and absolute integrity. He especially complimented the Washington newspaper representatives with whom he had come in contact.

## PITCHFORKS PIN HIM TO WALL.

### Murderer Attempted to Escape Gallows and Assaulted Guard.

Opelika, Ala., March 5.—C. H. Sparks, a negro murderer, was hanged here to-day. Before being taken from his cell Sparks assaulted and severely wounded one of the guards with a knife. Sparks was then pinned to the wall with pitchforks and the Sheriff and deputies overpowered and handcuffed him, after which he was led to the scaffold. The first drop was unsuccessful on account of the rope being too long, and it was necessary for the murderer to mount the scaffold again. The rope was shortened and this time his neck was broken.

## DALLAS RABBI AT EMANU-EL.

### The Rev. W. H. Greenburg Candidate for Pastorate, It Is Said.

The Rev. William H. Greenburg, rabbi of Temple Emanu-El of Dallas, Tex., preached yesterday morning in the Temple Emanu-El, Forty-third-st. and Fifth-ave., on "The Jewish Ideal of the Twentieth Century."

Dr. Greenburg is a graduate of the London University and of Heidelberg, in Germany. It was rumored yesterday that he is one of several candidates for the pastorate of the Temple Emanu-El.

YOUNG GIANTS,
those "Little Ads. of the People" in making business for those who use them.

# REVISION FOR DREYFUS.

## THE COURT'S DECISION.

### Supplementary Investigation Ordered—Labori's Action.

Paris, March 5.—The Criminal Branch of the Court of Cassation to-day granted the appeal of Alfred Dreyfus for a revision of his trial at Rennes.

The court's decision does not discuss the merits of the case. It merely recites the various steps taken in behalf of a revision of the trial, declares that these steps conform with the legal requirements of the French code, and concludes with the statement that the documents presented warrant the court in receiving the appeal, but do not permit a final judgment. Therefore, a supplementary investigation is ordered. It is expected that this investigation will take some time—perhaps two or three months—as it involves hearing oral testimony and a thorough sifting of the evidence on the points which thus far have been presented through documents. The ultimate form of the final decision also remains open.

The Criminal Branch of the Court of Cassation will conduct the supplementary investigation, and thereafter its findings will be presented by the United Branch of the Court of Cassation, which is the supreme civil authority. It is the expectation of the highest government authorities that the court's final decision will rehabilitate Dreyfus, but the Court of Cassation has the right to order another trial before a military court.

The decision was given at the close of the third day's hearing. Comparatively little public interest has been taken in the sessions of the court, and the courtroom was almost deserted, there being less than fifty persons present at the final session. Among these were Maitre Labori, who defended Dreyfus at Rennes, and several members of the Dreyfus family.

Most of the day was given to the address of Maitre Mornard, one of Dreyfus's counsel. He covered much the same ground as Attorney General Baudoin and M. Boyer, arguing that the case made against Dreyfus was a tissue of invention.

Counsel referred to Dreyfus's great qualities of heart and exalted character, and turned toward M. Labori, as if making a personal appeal to have his statements confirmed. Thereupon M. Labori arose and left the courtroom, causing some commotion.

M. Labori was quoted as saying in the corridor that he did not wish by his presence to confirm the eulogy pronounced upon his former client's heart and character.

Following M. Mornard's address the court retired, remained closeted for an hour, and then returned and gave out the decision sustaining the appeal for a revision of the trial and ordering a supplementary investigation. This decision from the highest tribunal in France goes a long way toward the complete rehabilitation of Dreyfus, the subsequent steps being generally regarded as formalities for carrying out this favorable attitude of the court.

Albert Dreyfus, an Alsatian Jew and a captain in the 14th Artillery of the French Army, detailed for service at the Information Bureau of the French Ministry of War, was arrested on October 15, 1894. The charge against him was of having sold military secrets to a foreign power. The greatest secrecy was maintained in the affair, and he was isolated in prison and treated with much harshness. He was tried in secret, and, being found guilty, was condemned to military degradation and to solitary confinement on the Ile du Diable, off the coast of French Guiana. His stripes were torn from him and his sword broken in public in Paris in January, 1895, and he was taken to the Ile du Diable in March of that year, where he was treated with great severity.

The chief evidence against him had been a memorandum, known as the bordereau, the fragments of which were found in a waste paper basket and pasted together. It was unsigned and undated, but the handwriting was declared to be that of Dreyfus. But it was found, in 1896, to resemble that of another officer, Major Esterhazy, more than that of Dreyfus, and attempts to free the latter were set on foot. The agitation increased in importance until, in 1898, the Minister of War declared in the Chamber of Deputies that Dreyfus was guilty, and referred to three documents not before brought to public notice. Commandant Picquart showed that two of these were irrelevant, and declared the third a forgery, and six weeks later Colonel Henry admitted forging it and committed suicide. This led to a reorganization of the General Staff, and Major Esterhazy and Colonel Paty du Clam, who had been most active against Dreyfus, were retired. The Court of Cassation ordered a new trial by court martial in June, 1899, and the result of this, in September of the same year, was a verdict that Dreyfus was guilty, but with extenuating circumstances. He was sentenced to ten years' imprisonment, from which the term already served was to be deducted. The members of the court then united in a recommendation to mercy, and President Loubet pardoned the prisoner on September 19, 1899. Since that time the agitation of the matter has been continued by the friends of Dreyfus. Esterhazy was dismissed from the French Army, and in 1899 he published a statement that he wrote the bordereau by order of Colonel Sandherr, the assistant chief of the intelligence department, to which all the officers concerned in the affair belonged. After his release Captain Dreyfus published a volume devoted to his experiences. His counsel, who had been indefatigable in efforts in his behalf at both trials, was Maitre Labori.

It was announced from London, in June, 1901, at the time of Maitre Labori's visit to England, that it had developed that the relations between the lawyer and Dreyfus had greatly changed since the Rennes trial, which was concluded in September, 1899. M. Labori's friends were reported to have said that Dreyfus had treated his lawyer shamefully. They declared that the last time Dreyfus stayed in Paris he never went near M. Labori, and had in other ways shown what they stigmatized as an utter lack of gratitude. M. Labori, it was added, did not conceal his appreciation of these circumstances, but he was as ardent as ever, declaring in private that Dreyfus was wrongfully convicted, the slightest suggestion to the contrary being sufficient to send the lawyer into a passionate fit of denunciation of Dreyfus's detractors.

## SYNDICATE BUYS TWO BLOCKS.

### Property Is Near One-hundred-and-tenth-st. Station of Ninth-ave. Elevated Road.

A realty syndicate was yesterday reported to have bought two blocks from the Interurban Railway Company. One block reported sold is bounded by Central Park West, Cathedral Circle, Cathedral Parkway, Manhattan-ave. and One-hundred-and-ninth-st., and the other by Eighth-ave., Cathedral Circle, Cathedral Parkway, Manhattan-ave. and One-hundred-and-eleventh-st.

A station on the Ninth-ave. elevated road at One-hundred-and-tenth-st. was opened some months ago, and this improvement occupies a large plot. None of the plot reserved for the further improvement of the station, if necessayr, enters, it is said, into this transaction. The property sold is vacant.

## PATRICK CASE FEE UNPAID.

### Brother-in-Law of Patrick Sued by New-York Attorney.

St. Louis, March 5.—John C. Tomlinson, a New-York attorney, has filed suit in the United States District Court against John T. Milliken, a prominent St. Louis broker, for $20,000, which the plaintiff alleges is due him as a balance for professional services rendered in the trial of Albert T. Patrick. Milliken is a brother-in-law of Patrick. Tomlinson alleges he was employed by Milliken to defend Patrick for $25,000, and that he has received only $5,000.

Albert T. Patrick, a lawyer, is now in the deathhouse at Sing Sing Prison under sentence of execution for the murder of William Marsh Rice, a wealthy man of this city, in the fall of 1900. His sentence is stayed by his appeal to the Court of Appeals.

## PROFESSOR VALMIGERE TO LECTURE.

Another French conference, with the subject "Le Testament Litteraire du XIXe Siécle," by Professor Valmigere, is announced for Thursday at 8:30 p. m. at the Waldorf, under the auspices of the Berlitz School of Languages. Cards may be had at the office of the Berlitz school.

## BRIDGE KILLS SIX.

### Collapse of Structure Caused by a Recent Cloudburst.

Cleveland, March 5.—Six men were drowned and four injured as a result of the collapse of a bridge spanning Yellow Creek, near Irondale, on the Cleveland and Pittsburg Railroad to-day. The men were on two locomotives that attempted to cross the bridge close together.

The dead are J. F. Maas, engineman; J. J. Henderson, fireman; George Phillips, conductor; Thomas Kerr, fireman's apprentice; T. J. Coontz, brakeman; A. J. King, flagman. The injured are Emmett Ralston, engineman, ribs broken; T. Grafton, fireman, scalp badly cut; E. Doody, conductor, bruised; G. P. McDermott, badly cut and bruised.

Most of the men lived at Wellsville, Ohio. Of the eleven men making up the crews of the two engines all went down except one man, left at one end of the bridge as a flagman. The bridge had been weakened by a cloudburst that occurred on Thursday. The engines had hauled out two work trains, and were returning to Wellsville for water when the accident occurred.

## NEED IN PHILIPPINES.

### It Is Rational Amusement, Secretary Taft Says.

#### UNIVERSITY SETTLEMENT MEETS.

"We are working in the Philippines on a problem analogous to that which the University Settlement, as I understand it, is working out," said W. H. Taft, Secretary of War, at the annual meeting of the University Settlement Society yesterday. Secretary Taft was warmly welcomed by an audience that crowded the ballroom at Sherry's. Stephen H. Olin, who presided, introduced Secretary Taft. He said in part:

The University Settlement is an association of young men and women, living and working together to bring the people of the neighborhood into an atmosphere of culture and rational amusement. Rational amusement! That is what we need chiefly in the Philippines. We need it among the Americans, who, if they do not have rational amusements, will seek vicious ones. We need it among the poor in the large towns of the islands. We are trying to put such amusement in the hands of the people, to Americanize them through the public schools, and send one hundred young men every year to the various educational institutions in this country, that they may learn intellectual and political freedom. And how much that involves of self-control and self-restraint!"

"The dream of the settlements—of equal opportunities for all—would be impossible," said Mr. Olin, "without the public school system and the institutions of higher learning."

Then he introduced President Finley of the College of the City of New-York. President Finley denied that he had been born in the tenements, as he had been reported as saying.

"I was born in the fields," he said, "and I might say, with a Western judge, 'I was brought up between two rows of corn.' We are told that all men are born equal. That is not true politically. Some are born in Ohio (laughter), and others are born in—Delaware."

President Finley then went on to compare the lot of the country youth and the city youth, to the advantage of the former.

"The advantages, opportunities and responsibilities of the urban born have vastly increased," he said. "One hears of the privations of those who are born in boxes of tenements, but compare them with the privations of the average farmer's boy. Half the prairie boys I grew up with are under the sod which they cultivated or else old men at forty. The man of feeling will give his heart to the place where his boyhood was spent, whether it be an East Side street or the open country. While I would not underrate the attempts that are made for the physical betterment of the poor in cities, yet we must remember the words of our Lord, that the Kingdom of God is within us."

"We have grown to look for sympathy from the Bishops of New-York," said Mr. Olin in introducing Bishop Coadjutor Greer, who began his address by saying that he was there because his friend, James Speyer, told him to be, and since they went into business together—"the pawnbroking business, I mean"—he always did what Mr. Speyer told him to do.

"What are the characteristics of the Settlement movement?" asked Bishop Greer. "In the first place, they work by substitution or the vicarious method—putting something wholesome and pure and true into the place of the reverse. It is an axiom of physics that two things can't occupy the same place at the same time, and it holds good of metaphysics and ethics equally. Two thoughts can't occupy the brain at the same time, nor two passions. This is the only effective rule for improving human society. We have tried other systems—we have tried to reform with the aid of policemen, with enactments, with penalties, but the evil was only beaten down; it was not destroyed. Put good in its place and by the law of mutual exclusion you banish the bad.

"In the second place, these young men and women of culture go and live among—one hates to say 'the poor,' because that signifies a class and suggests patronage, and both are un-American. Whatever you do, don't go among the poor in a spirit of patronage—nothing is so deadly. These young Settlement workers often do not go among the poor to do anything for them; they just live among them, and they determine to live the same lives in the Settlements as if they lived in their homes in Fifth-ave.

"I have learned more lessons of courage, patience, bravery and splendid heroism from the poor of this city than from any other class. If you are getting bored, go down and see how these dear, good people are happy and free from anxiety. The most anxious place in New-York is Wall Street." (Laughter.)

President Butler of Columbia University cited Huxley's figure of the educational ladder, which has its feet in the gutter, but reaches to the university, permitting passage not only up from the gutter, but down from the university.

"The Settlement is like that," he said. "It is engaged in making not only men and women out of children, but American citizens out of aliens. New-York City is itself the most tremendous educational institution of th country."

"Within the memory of the children at the University Settlement, the European centre of immigration to this country has shifted from the neighborhood of Brussels to a point southeast of Budapest. Whereas the majority of our immigrants used to come from the domain either of Roman law or the common law of England, and were familiar, in a small way, with self-government, the principles of government, with representative government and orderly elections, now we are handling in this city increasing numbers of people who have no familiarity with constitutional law or with the habits of self-discipline and self-control which lie at the root of our government.

"Every class and club in the University Settlement is a link in the chain which rivets these aliens to American principles and helps to make complete citizens of them."

Dr. Blaustein said the mission of America was to blend races.

"The greatest problem we of the East Side have," he continued, "is the healing of the breach between the parents and children. The public school, while it unifies the children, magnifies the gap between the child and the parents."

Then he went on to say how he was himself fourteen years old before he ever saw a Gentile, and then it was an official who asked him if he had a passport.

"Most of the Jews on the East Side come from small towns, and have as little knowledge of the Gentiles as I had. There are two streams of Jews who come here—one extremely conservative, the other extremely radical. Some Jews curse Columbus for having discovered America, and say: 'What could you expect of America?' when any great disaster or crime occurs."

James H. Hamilton, the head worker of the society, told of the work of the Settlement throughout the year.

## A FILIPINO CATHOLIC COUNCIL.

Rome, March 5.—Archbishop Guidi, Apostolic Delegate to the Philippines, has informed the Vatican that he intends to convoke, on St. Peter's Day, June 29, a national Filipino council to establish rules for the Catholic hierarchy in the archipelago.

## UNFAVORABLE TO THIS PORT.

Martin A. Knapp, chairman of the Interstate Commerce Commission, who was in New-York yesterday, said that he had heard it reported that the controversy between the New-York and Philadelphia railways over the differential claimed by the Pennsylvania and the Lehigh Valley on grain rates from Buffalo to Philadelphia might be referred to the Interstate Commission for investigation and adjudication. Asked as to his opinion about New-York's position as an export centre, he said that the outlook seemed unfavorable.

## ROME PLEASANT IN SUMMER.

The elevated position and shady streets of Rome render it perhaps a more desirable place to visit in summer than in winter, particularly as in summer one escapes the crowds of foreign pilgrims so much in evidence in winter. The Grand Hotel, facing the American Embassy, remains open in summer, under the management of Mr. Dreyfuss, whose hospitable treatment of Americans has made him many friends.

## GROWTH OF WIRELESS SYSTEM.

Communication has been established between stations of the Marconi wireless telegraph system at Broomfield, Essex, England, and Amsterdam, Holland, two hundred miles over sea and sixty miles over land. La Gascogne and La Champagne, of the French Line, and the Grosser Kurfürst and Kaiserin Maria Theresia, of the North German Lloyd Line, have been equipped with the Marconi system, making the Marconi fleet between this city and Europe thirty-eight vessels.

TO-DAY IS THE DAY.
The regular meeting of the many little business houses that have bargains to offer in their respective lines takes place to-day. You will find them under the "Little Ads. of the People."

## Financial.

### The Financial World.

In the death of Cuthbert Mills, who for years in this column addressed a wider and more attentive audience than that commanded by any other independent financial writer, there is large loss both to journalism and to the financial world, and the continuance of the work of such a predecessor can have no higher aim than the endeavor to approach standards maintained by his judgment and conservatism.

Keen and comprehensive to notable degree was this statement in his last published review:

"It may be assumed as being as near a certainty as financial forecasts can be, that the year 1904 is going to be one of easy money."

Each successive day adds emphasis to the forecast—touching what is fundamental in the security market situation. Long lists of interferences have been paraded; but all the handicaps disappear every time a test comes; and—significantly—these show this easy money "certainty." And only tyros or reckless partisans can affect to ignore the elemental influence disclosed. It smacks too much of the financial kindergarten to elaborate any argument as to the controlling effect of money market conditions upon current security values. Of itself alone incapable of creating an active market, or maintaining a strong one, easy money is foremost among foundation essentials, and the ample attracter of other factors (including public speculative spirit) which can make the market broad and buoyant. Thus present ruling charges of from one and one-half to two per cent for the use of funds on call and four and a half per cent on contracts carrying accommodation through the national political campaign to the end of the year are of basic importance. Practically every banker in Wall Street agrees that these rates are natural and going to be lasting; and all the gruesome prophecies not long ago crowded upon us are disposed of by banking confidence. Yet when yesterday's weekly Clearing House statement appeared, showing some increase in the loan account and some shrinkage in surplus reserves, the excellent small fry who proclaim themselves the professional talent of the Stock Exchange fell upon the market and belabored it. A few concessions were forced, but, aside from an incidental extension of the short interest, there was nothing done.

The truth is that in so far as money is concerned security market conditions are altogether satisfactory—despite hysterical endeavor upon the part of demoralization apostles. Suggestive of the disposition and methods employed by this contingent is an elaborate bulletin industriously circulated announcing that "inside information" from official banking supervisors discloses that $350,000,000 is being loaned to seventeen individual New-York capitalists; upwards of $20,000,000 per man. This is projected as a direful danger signal. All kinds of disaster and distress are incidentally reckoned. Probably this schedule is a fake. But—risking the remotest possibility—suppose it an actual record and literally true, what security market significance is involved? Is there a single thing that is new in this situation? Where is the surprise that the metropolis of America has millionaires who are alert and active in business, swinging individual and corporation enterprises on a gigantic scale? And what signifies the paraded fact that they pledged their own individual faith in co-operation with the corporations they esteem than to betoken their confidence and assert their financial ability? Rest sure of one thing:—New York banking institutions are giving credit on no guesswork plan. Philanthropy is no specialty of theirs. Before they lend they know.

A great majority of the railroads for the last three months, and at the present time, report decreases in both gross and net earnings. There is no doubt that this exerts a depressing influence on speculation, but thoughtful examination of the causes producing decreases reveals no cause for alarm. Gross earnings have declined not from any lack of tonnage offered, not from any general contraction of business, but solely from the severity of the weather. Not only have heavy snows literally buried thousands of miles of tracks but zero temperature has played its part in reducing efficiency of engine-hauling power. Weekly statements made to the public by traffic managers—a most commendable practice—are unanimous in presenting these facts. It of course follows that accumulated tonnage will move in the future and bring about a more cheerful average. Decreases in net reflect the heavy charges necessary for cleaning the tracks and meeting other extraordinary disbursements imposed by winter conditions. These, of course, cannot be recovered by the roads, but they are not a continuing charge and the roads can bear them without distress.

A more gratifying feature to review is the series of magnificent reports lately submitted for the year 1903. During the past week a number of these made their appearance—notably Pennsylvania and Delaware and Hudson. Pennsylvania's record is indeed remarkable; gross earnings for a year approaching a quarter of a billion are so stupendous that it seems as if the record were not of a corporation, but of a government; indeed, there are many nations whose budgets fall far below these figures. Distribution of nearly $15,000,000 to over forty thousand stockholders suggests the payment of a royal civil list. Enormous disbursements for improvement of existing lines were incurred; also for great new undertakings, notably for the New-York terminals and tunnels. The increase of capitalization effected is shown to be amply warranted by the increase of earning power, the road easily providing out of earnings for the additional dividend payments required. Criticism levelled at Pennsylvania—and there has been plenty of it—fails utterly to take into account the changes brought about in the transportation business, as in all other businesses, by the wonderful developments of the last five years, during which period the United States has undergone transformation, emerging from isolation to world leadership. Our country has taken the lead in international trade; its consumption (and world consumption) has so overtaken production that although American crops keep near a maximum, prices for them have practically doubled, creating a national wealth never before equalled—never approached—in the history of the world. Thus the eastbound traffic of railroads, particularly the export portion, is the visible sign of agricultural prosperity, which in its turn creates westbound traffic. No railroad system more typically reflects these conditions than Pennsylvania, and it is gratifying that this vast—this imperial—system is found to be managed by men broad enough to grasp the meaning of events and rise to their full level.

Another great system—Rock Island—makes public notable achievements. To take a single detail of its gigantic construction work: It has erected at Moline, Ill., one of the most modern and efficient plants ever built, including a railway storehouse with a floor area of 141,200 square feet, larger than any other half dozen similar storehouses in the country. Wall Street speculators do not study nor particularly care for such items, but investors must rejoice to see the revolution in railroad management which devotes its best energies not to the speculative end but to the actual upbuilding of property. And speculation in the long run will be compelled to take cognizance of facts.

To comment on the great earnings of the Southern roads would be to tell an oft told tale. South and Southwest are treading the road of development with giant strides. Thus it may be seen from this brief survey of different sections and these few illustrations quoted that the railroad system of the country is well abreast of the times, and that its prosperity rests on a safe, sound basis. Temporary expenses brought about by an unusual winter can be viewed equably by owners of stock, howsoever the speculative contingent may see fit to use them as a weapon to attack values.

In the Southern situation stands a long list of new factors of encouraging character. For the cotton crop and its by-products the South this year collects an actual increase beyond $250,000,000. There are easier things than comprehending what figures like these can signify to a section of the country already freed from debt and not merely ready but alert for expanding business opportunity. Quite within bounds is the forecast that Southern railroad records in the near future are bound to be illumined by a prosperity exceptional and absolute. Naturally enough the vastness of this extraordinary new progress contributes chiefly to the perfected system which Samuel Spencer, his in calmness and cheerfulness rounded out in his Southern Railway system. But there comes a new factor into the Southern field, stalwart and complete, just as the new South is ready and needful of expanded service—the reinvigorated Seaboard Air Line system, with 3,000 miles coming into compact operation. Local Southern control is amplified now by relations with Northern capitalists' interests of first importance—