

ITALY'S LAST WORDS

Ultimatum Presented to Castro by Her Envoy.

MINISTER HAS LEFT CARACAS

That Country Gives Adhesion to Monroe Doctrine—Spain and Belgium Also Assert Their Right to Payment of Claims.

The Italian Minister to Venezuela yesterday presented an ultimatum to Castro, and, receiving an unsatisfactory answer, went on board an Italian warship.

The Spanish and Belgian Ministers have notified Castro that they will expect settlement of their claims on the same terms as may be made with Great Britain and Germany.

The Italian Minister at Washington has notified Secretary Hay that his country will respect the Monroe Doctrine in any steps taken against Venezuela.

Some Italians, however, think their country's action impairs the force of that doctrine.

Two more Italian warships are on the way to La Guayra.

CARACAS, Dec. 16.—Senor de Riva presented Italy's ultimatum to Venezuela at 5 o'clock this evening.

CARACAS, Dec. 16.—The Italian Minister to Venezuela, Senor de Riva, has received orders from Rome to leave Caracas tomorrow morning. He will go on board the Italian cruiser Giovanni Bausan at La Guayra.

Senor de Riva has been instructed by his government to present to the Government of Venezuela, in the form of an ultimatum, Italy's demand for the immediate payment of \$400,000 to meet the Italian claims arising from the former revolution. As it is known that the Venezuelan government cannot pay the amount demanded, the communication to the Minister includes orders to leave Venezuela at once.

The ultimatum from Italy is couched in stronger terms than those used in the ultimatum presented to Venezuela by Great Britain and Germany. The interests of Italy in Venezuela will be placed in the hands of United States Minister Bowen.

The Italian colony in Caracas is very numerous. The Italian shield over the building, and instructions will be sent to all Italian Consuls in Venezuela to remove the shields from over their consulates. This step will be taken in order that the rupture between Italy and Venezuela may be apparent.

A government official remarked to a representative of the Associated Press today that the United States and France are the only powers which do not attack Venezuela.

SPAIN AND BELGIUM SPEAK.

They Ask Equal Treatment With Others in Payment of Claims.

CARACAS, Dec. 16.—The Spanish Minister to Venezuela, Senor Gaytan de Ayala, and the Belgian Charge d'Affaires, M. Vander Heyde, have presented a joint letter to the Venezuelan Minister of Foreign Affairs in which they ask, in case the claims of other foreign powers are paid by Venezuela, that the same treatment given these powers be accorded to Spain and Belgium.

ITALY NOTIFIES HAY.

But Agrees to Abstain From Seizing Any Territory.

WASHINGTON, Dec. 16.—The Italian Ambassador today called at the State Department and advised Secretary Hay that Italy had joined the allies in the operations against Venezuela. He requested that the Italian interests in Venezuela, and the Secretary granted this request, subject to the approval of Venezuela. Italy enters the combination on the same plane as to abstention from territorial seizures as Germany and Great Britain.

Falling to hear from Europe as to Mr. Bowen's proposal to arbitrate the Venezuelan trouble, the State Department today received cablegrams to the United States Ambassadors at London, Berlin and Rome instructing them to call the matter again to the attention of the Governments to which they are accredited, with a view to securing an early expression of opinion from them.

Nothing has been heard from Minister Bowen at Caracas since yesterday morning, so Secretary Hay had no fresh information to carry to the Cabinet meeting today relative to the Venezuelan affair.

The Italian Ambassador explained to Secretary Hay that it had been the hope of the Rome government at first to reach a satisfactory settlement of her claims against Venezuela such as France had secured. To this end a polite but firm note was addressed to the Caracas Foreign Office after the ultimatum of Germany and Great Britain had been sent. Pending the answer to this note, the Italian government did not resort to drastic measures. When the reply came, it was found to be not only a rejection of all Italy's demands, but its tone was wholly displeasing, and it was therefore necessary for Italy to follow suit with Germany and Great Britain and join in the allied naval demonstrations.

There is one Italian vessel now at La Guayra and two more are understood to have sailed today for Venezuelan waters from Naples.

So far as Secretary Hay's proposal to the powers of arbitration is concerned, it is learned from an official source that in view of the fact that the allied powers have agreed to assist each other in the pressing of their claims against Venezuela, there is a feeling that the reply of Germany, Great Britain and Italy should be unanimous.

Estimated at between 2,000,000 and 3,000,000 bolivars, Italy's claims are largely in excess of those of Great Britain, and the course of the Rome government in not acting hastily in the matter has commended itself to the State Department.

Before leaving this morning the Italian Ambassador gave Secretary Hay every assurance that his government wished to act strictly in accordance with President Roosevelt's interpretation of the Monroe Doctrine. One of the comforting features of the day's developments, as to the official mind, was the reception of an intimation that, so far as Great Britain was concerned, she was disposed to accept the view of the State Department here as to the limitations of "a peaceful blockade."

That is to say, the disposition is to avoid interference with the neutral merchant shipping where its movements do not give actual aid to the Venezuelan government. There is some reason to believe that at present there is a difference of opinion between the allies relative to the block-

ade, and that England, with her great commercial and shipping interests, is reluctant to consent to the imposition of irritating burdens upon it every time there is a serious friction between two nations, yet not justifying a declaration of war.

DEMAND MADE BY ITALY.

Castro Answers by Referring Her Minister to the Courts.

CARACAS, Dec. 16.—Italian Minister Rivas only handed to the Venezuelan Government certain demands, which were not in the form of an ultimatum, and which did not specify any limit of time for an answer. His note simply asks for payment of sums due to Italy, and in case of payment being made to other countries, for the same treatment to be accorded to Italy.

The government answered today in the negative to the note of Minister Rivas, saying that tribunals exist in Venezuela to judge any claims arising from the revolution. The Associated Press correspondent is informed that the Italian Minister has called to Rome for further instructions.

The correspondent called today at the Italian Legation and saw Minister Rivas and his wife and two daughters with regard to the report that they had embarked on the Giovanni Bausan. They laughed and said that they had not.

"We have never left the City of Caracas, and much less embarked on the Italian cruiser at La Guayra."

There is no excitement among the people here against Italians, because, as yet, no Italian naval demonstration has taken place.

NEARLY ALL HAVE LOST.

Italians in Venezuela Claim They Suffered by Revolution.

ROME, Dec. 16.—The claims of Italy on Venezuela referred to by Foreign Minister Prinetti, in the Chamber of Deputies here yesterday, comprise losses sustained by Italian citizens during the recent revolution. Most of 7513 Italian residents of Venezuela have been heavy losers. All the marble works in Venezuela, besides their industries, are in the hands of Italians, hence the aggregate of the Italian claims for damages is large.

The instructions transmitted to Captain, commander of the Italian cruiser Giovanni Bausan, now at La Guayra, are to act in full accord with the British and German commanders in the blockade of the Venezuelan coast and any other measures which may be considered necessary in order to reach the desired object. The Italian Government, however, does not anticipate having to co-operate with the British and German forces.

The Italian cruiser Elba is expected to reach La Guayra January 4.

ALL ITALIANS APPROVE.

They Think Blockade Has Knocked Hole in Monroe Doctrine.

NEW YORK, Dec. 16.—Italian participation in the Anglo-German action against Venezuela produces an effect here, not anti-American, but one of self-satisfaction and pride at the policy which is considered the first break in the Monroe Doctrine, says the Tribune's Rome correspondent. Parliament and the public press, without distinction of party, are very strange in Italy, approve the action of the Minister of Foreign Affairs.

HAIL EL MOCHO.

(Continued from First Page.)

been learned here that during the bombardment of Puerto Cabello, December 13, by the British cruiser Charlydis and the German cruiser Vineta, the Charlydis was struck in the bow by a shot fired from a cannon on the Plaza Brusel.

The Vineta was struck twice by the Venezuelan fire.

The report which has been in circulation here that an officer of the Vineta was killed during the bombardment by a rifle bullet fired from the shore appears now to be true. The Vineta left this port suddenly, although it was supposed that she would stay here to protect German interests. She is at present at Wilhelmstad, Curacao, where she arrived with her flag flying at halfmast. It is believed that the German cruiser went to Wilhelmstad for the purpose of burying the dead officer there.

DIFFICULTIES IN THE WAY.

England in No Hurry to Accept Arbitration.

LONDON, Dec. 16.—At the Foreign Office this evening it was said that no decision had yet been arrived at in regard to Venezuelan arbitration. Many differences have arisen in the way of arriving at a basis of what can be arbitrated and what can be insisted upon. The outlook for a peaceful settlement of the dispute is not particularly bright.

Judging by statements given out by the Foreign Office, the Venezuelan situation tonight does not appear to be nearer a settlement. Up to a late hour tonight no suggestion had been made that Great Britain could eventually see its way to submitting its claims to arbitration.

The Foreign Office points out that Venezuela's offer to arbitrate is extremely vague. President Castro in the communications with the British Government, promises to resort to arbitration, provides no guarantee that the rights of British subjects in Venezuela will be respected pending the award.

The Foreign Office declares that some matters are impossible to arbitrate, including the disrespectful treatment of Mr. Haggard, British Minister to Venezuela, and the seizure of the Italian ship, which has been a subject of dispute.

The Foreign Office appears to be without official cognizance of the attitude of the Washington Government, although it is convinced unofficially that Washington is anxious that further hostilities be avoided. It is known that the Foreign Office has made inquiries as to whether the United States would be willing to guarantee the fulfilling of Venezuela's pledges, either at the immediate cessation of present European action or pending the award of arbitrators. This inquiry resulted in a direct negative from the United States.

With the guarantee of the United States, the Foreign Office says, arbitration in the Venezuelan matter would be an immediate probability, but with only the aid of government, hitherto unreliable, arbitration is difficult of accepting, even upon the points where international relations admit of such a method of settlement.

ARE WITHIN MONROE DOCTRINE.

Allies First Obtained Approval of United States.

BERLIN, Dec. 16.—The conduct of the United States in the Venezuelan controversy is regarded in diplomatic circles here as being strong and dignified, and the State Department's handling of the affair is looked upon as establishing Europe's recognition of the Monroe Doctrine, because every step of Germany and Great Britain was made after taking into consideration the United States' consent.

At the same time it is claimed that events in Venezuela are saving the United States many future complications by letting the Latin republic understand that the United States will not protect them from the effect of financial delinquency and internal disorder.

The newspapers here today print long dispatches indicating that British public

Olds, Wortman & King

Our Toy Department

You can make Christmas such a joyous, roaring, rollicking good one here, with a very little money. The toys are lovely—just the kind to make little folks open their eyes wide and dance for joy on Christmas morning, and the prices are very small.

Special Prices Doll Furniture

Beautiful pieces in white, decorated enamel or Louis XIV. gold, and sturdy, good patterns in honest oak. Here are some of the specials:

Extra good oak tables, value \$1.15, special .90c
Oak commodes, value 62c, special .48c
Oak wardrobes, value 75c, special .57c
Oak wardrobes, value 50c, special .38c
Oak bureaus, 3 drawers, value 23c, special .18c

Oak bureaus, with 3 drawers and large mirror, value \$2.75, special \$3.25

Oak book case, 35 in. high, with glass doors, value \$4.00, special \$3.25

Children's Furniture

Nice for the little folks to use both in their studies and their play. Prices:

Oak writing desks, with blackboard attached, value \$2.25, special \$1.85

Oak writing desk, very complete, with two drawers and a special compartment for books and papers, value \$3.75, special \$2.60

Some Special Book Items

The Golden Library

Publisher's price 60c per volume, ours .24c

The best works of the best authors, in fine maroon red binding, gilt top and lettering, clear, large type and excellent paper. This is a great bargain, .24c only.

Christmas Presentation Umbrellas

Men's and women's styles, in beautiful pearl, silver and natural wood handles, most appropriate for gifts to Oregon people. Prices \$5.00 to \$20.00 each.

Feather Boas

Most attractive presents; no possible chance of any mistake as to their being suitable or appropriate. We offer a very choice selection in sizes from 36 inches to 72 inches long. Prices \$2.00 to \$45.00 each.

Germany is Cautionous.

Suspects Castro of Trying to Make Her Show Her Hand.

BERLIN, Dec. 16.—The German Government has not yet replied to President Castro's offer of arbitration, being still in correspondence with the British Government on the subject. It is intimated that Germany's reply is not likely to be ready for some days.

The opinion in the Cabinet appears to be that President Castro's proposals are merely a move in a game designed to see what Germany and Great Britain are now willing to do, and as a test also of American public feeling. The prevailing idea here at present is that it is too late to arbitrate, and that the acceptance of the offer to do so would place Germany in the position of having put her hand to the plow and as looking backward.

The Government's concern at the present moment is to guide the application of force so as to avoid what could be taken internationally as a declaration of war, resulting in the recognition of Venezuela as a belligerent.

WILL HIT CASTRO HARDER.

Allies Threaten Further Coercion If Blockade Does Not Win.

LONDON, Dec. 16.—Replying to a question in the House of Lords today, Lord Lansdowne, the Foreign Secretary, said that if the seizure of the Venezuelan gunboats did not produce the desired effect, further coercive measures would be employed. The matter had been considered in consultation with Germany, and it had been decided to resort to a blockade of the ports. It was not intended to land a British force, and still less to occupy Venezuelan territory.

Replying to a question in the House of Commons today, Under Foreign Secretary Cranborne said no attempt had been made by Great Britain to refer the dispute with Venezuela to arbitration.

Premier Balfour presided at a Cabinet meeting held at the Foreign Office at noon today. The Venezuelan crisis and the King's speech at the proroguing of Parliament were the principal matters considered.

TEN MINUTES TO GET OUT.

Short Notice Given by German Captain to Venezuelan Crew.

CARACAS, Dec. 16.—The Governor of Margarita Island reports that British and German warships are off that island.

Minister Bowen yesterday politely refused to have a monster patriotic parade pass before the United States legation.

Every one here hopes that the arbitration proposed by Venezuela through Mr. Bowen and Washington will be granted.

When the combined fleets seized the

Dolls--Special Values

No matter how many dolls the little girl has, she will hail with open arms one of these little beauties. They are prettily dressed, the garments alone seem worth the price—25c, 40c, 65c, 98c and \$1.19 each.

Beautiful dolls, 19 inches tall, of jointed bisque, only \$1.49

Small Dolls Special Bargains

There are five lots of these at 5c, 10c, 15c, 20c and 25c.

Doll Hats

We have a great variety of trimmed doll hats, representing the latest fashions, for only 25c

Untrimmed doll hats for 12c each. Also a great variety of doll slippers, caps, booties and stockings.

Doll Hospital

Our doll hospital is curing many disabled dollies. It is remarkable the wonders that can be worked here, and on such short notice, too. Charges very moderate.

About the Christmas Tree

Your Christmas Tree can be made a thing of beauty at small cost here. Bells, beads, balls, squares, oblongs, crosses, in a great variety of shining, shimmering, brilliant, silver, gold and fancy tints, tinsel garlands, candles in all colors and candle-holders; tinsel, tissue and lithographed angels; children's figures and fancy decorations, all at very low prices. Get them early so you will have plenty of time to make the tree enchanting.

Sharp Weather Specials

A necessity supplied is worthier than a luxury indulged. In the Christmas preparations proper attention should be paid to those to whom a few practical presents will be welcome. Here are some specials that will help you out in these commendable provisions:

Ladies' Jersey-ribbed wool Union Suits, Oneita style, Oxford gray or white, high neck, long sleeves, ankle length, a splendid \$2.00 quality, special, per suit \$1.39

Ladies' Vests and Pants, wool plated, color silver gray, an excellent \$1.00 quality, special, each 73c

Ladies' Christmas Gloves

Ladies' gloves are, as usual, found best here. All the sterling good ones that we have sold for a quarter of a century are here and at the smallest prices. Our "Monarch" gloves are the best made. Our "Derby," price \$1.50, the best known at that price.

Ladies' Neckwear in great profusion. Ruffs, collarettes, fichus, plastrons in mull and Liberty silks.

Children's Leggings

JUST RECEIVED

White and black knit leggings—prices:
Body leggings, 50c, 75c and \$1.00.

Separate leggings, 35c, 50c and 65c a pair.

Ladies' Hosiery

Special Christmas Sale

Very dainty, pure thread silk, in black and colors. Regular price \$2.75 and \$3, special, per pair \$1.69

Ladies' fancy lisle hose, regular value \$1.50 and \$1.75, special Christmas price only \$1.19

Venezuelan ships at La Guayra the German commander delivered to the Venezuelan authorities.

"By order of my sovereign and at the command of the commodore of the German squadron in West Indian waters, I, the commander of the Panther, request you to lower your ship's flag immediately and leave your ship with your crew within 10 minutes. This is not a measure of war on the part of Germany, but only with the object of making a provisional seizure of your ship in order to oblige the Venezuelan Government to recognize our just demands. In case you disobey and wish to defend your ship I shall be obliged to prevent you from so doing by the discharge of arms."

"December 1.

"The Adjutant called me to see if I knew the steamer Retribution of the English navy was towing the steamer Crospo and Totone, of the national navy, three or four miles north. I had heard four cannon shots and saw the two steamers had disappeared and understood they had been

REVOLUTIONISTS ARE PLOTTING.

Castro Arrests Editors Who Refuse Aid Against Allies.

PARIS, Dec. 17.—The Martin this morning publishes a dispatch from Caracas saying that the editors of the principal papers in the Venezuelan capital have been arrested on account of their alleged complicity in a revolutionary movement which is being furthered. Some of the revolutionary leaders have refused to make common cause with President Castro in his preparations to resist possible invasion.

No Trouble With Belgium.

BRUSSELS, Dec. 16.—In the Chamber of Deputies today M. De Paverau, the Foreign Minister, was questioned on the Venezuelan situation. He said the Belgian

The Cold Snap



Reminds us of what will follow during the next three months. Be prepared for it by providing yourself with a genuine

Alaska Sealskin Jacket

The most fashionable, durable and comfortable garment that it is possible to wear. If you purchase from us you get the best. This is our exclusive business. Made-up Eastern stuff is dear at almost any price.

H. LIEBES & CO.

of Portland.

Exclusive Furriers.

288 MORRISON ST.

JOHN P. PLAGEMANN, Manager

STORE OPEN EVENINGS

ARTISTIC PICTURE FRAMES MADE TO ORDER

Lipman, Wolfe & Co.

Imported From Scotland Scotch Mercerized Oxfords Shirtwaist Lengths

Spring 1903 styles, in advance of the season, in time to be here for Xmas gifts. Many styles in pure white and rare colorings. Not to be found elsewhere. Shirtwaist lengths of the fine Scotch fabrics make universally acceptable gifts—

Price \$1.50 to \$3 Length

(3½ yards to length)

On sale at Men's Furnishing counters

Stationery Store

1600 Fencing Girl and Bachelor Calendars, entirely new, Special 5c
500 rolls of Fancy Decorated Crepe Paper, Special 10c
Holly Box Paper in white and colors, pretty Holiday boxes, Special 25c

Picture Store

2500 Gilt, Black, Oak, Cherry, Olive, Bronze and Silver Frames, assorted mats and openings, 25c
5000 Oval, Square and Oblong Views of Oregon—3 views in each style, Special 15c

Sale of Dressed Dolls

Hundreds and hundreds of our dolls have found new owners. Again today we offer you the choice of a large assortment of dressed dolls at sale prices—

Special, 63c, 73c, 98c

DOLL CABS, all styles, 25c to \$10.00

ANNUAL SALE

HOLIDAY UMBRELLAS

Black, Blue, Red, Green, Brown, finest silk, mounted with the finest imported handles, white and tinted ivory, long pearl, silver bands, iridescent pearl satin gold trimming.

\$5.00 Umbrellas at \$4.15 \$ 9.00 Umbrellas at \$ 7.85
\$6.00 Umbrellas at \$4.95 \$10.00 Umbrellas at \$ 8.75
\$6.50 Umbrellas at \$5.45 \$11.00 Umbrellas at \$ 9.85
\$7.00 Umbrellas at \$5.85 \$12.00 Umbrellas at \$10.50
\$7.50 Umbrellas at \$6.45 \$15.00 Umbrellas at \$12.75
\$8.00 Umbrellas at \$6.85 \$17.50 Umbrellas at \$15.00

Sale of Blankets

One hundred pairs Fine White Wool Oregon Blankets, size for double bed, Special \$4.35
Pure layer Cotton Comfortables, special \$1.50

Handkerchiefs

Thousands of fine handkerchiefs in fancy boxes for presentation. Six handkerchiefs in a box.

Plain white all pure linen handkerchiefs, special

78c, 98c, \$1.23, \$1.49, 1.98 and \$2.95 box

Fancy embroidered scallops and hemstitched border, some lace trimmed, special

49c, 78c, 98c, \$1.23 to \$2.49 box

Ladies' Fur Boas

Three yards long, of Imported Siberian Bear, the most fashionable fur of the season. Regular \$12.50
Special \$7.85

Also Ladies' Cluster Scarf of Imported Siberian Bear, made with 6 full tails to match. Regular \$3.50
At \$2.65

Ladies' Dressing Sacques

Ladies' Dressing Sacques of Fine Ripple Eiderdown. 69c

Regular \$1.00 at

Ladies' Dressing Sacques of Fine Ripple Eiderdown. 81c

Made in red, blue, pink, gray. Regular \$1.25 at

acting Consul-General at Caracas had been arrested when the British and Germans called in the Venezuelan capital were taken into custody and subsequently had been released. The Venezuelan authorities apologized. The Consul-General now has been instructed to protect Belgian interests, and these instructions would be supplemented if further developments occurred.

GIVE COAL TO THE POOR.

May Serve Out Their Terms.

WASHINGTON, Dec. 16.—Secretary Moody announced today that he had decided to request Rear-Admiral Melville and Kenny, respectively Chief of the Bureau of Steam Engineering and Paymaster-General of the Navy, to serve out the remainder of their terms as bureau

chiefs. Ordinarily both these officers would have been retired next January when they reach the age of 62 years. Admiral Melville's commission as Chief of the Bureau of Steam Engineering will expire August 8, 1903, and Admiral Kenny's May 4, 1903. Both officers have records of exceptional efficiency.

NEW YORK, Dec. 16.—The Board of Aldermen today voted \$250,000 to buy coal for the poor of the city. The resolution passed last week voting \$100,000 for this purpose was recalled.

283-285 Morrison Street Portland, Or.

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