

### THE ALASKAN BOUNDARY DIFFICULTY.

On Sunday last, Sir Louis H. Davies, Minister of Marine, returned from England. He has been there for some months consulting with the Imperial Government regarding the Alaskan boundary difficulty. He was promptly interviewed on his arrival in Montreal by a newspaper reporter, who states that Sir Louis Davies claims to have removed all the wrong impressions held by English authorities on this important question. The British Government, Sir Louis Davies assures us in this newspaper interview, is now thoroughly in accord with Canada's contentions, and a temporary agreement has been arrived at pending a permanent settlement of the whole case. Sir Louis Davies says that on behalf of Canada he made three propositions, an unconditional arbitration, a reference on the lines of the Venezuela arbitration, or if the United States persisted in claiming Skagway and Dyea in any event that Canada should have Pyramid Harbour.

What our neighbours say and think of the result of the mission of Sir Louis Davies, of the impression he has made upon the British authorities of the claim to Pyramid Harbour, and of the temporary agreement pending final settlement of the difficulty, may be judged from the following article published two days prior to the arrival in Montreal of the Minister of Marine. The journal in question, the New York "Commercial Bulletin," has devoted a lot of time and attention to the subject in dispute, and, although its assumption of superior knowledge and its cocksureness as to the rights of the United States, are somewhat irritating, too much publicity cannot be given to opinions entertained by those who are surveying this boundary difficulty from another point of view than ourselves. The "Bulletin" says:—

Some months ago Canadian papers taunted the United States with refusing to arbitrate the Alaskan boundary, while it had insisted that Great Britain ought to arbitrate the Venezuelan boundary. The two cases were radically dissimilar. The Venezuelan boundary had never been defined; it depended upon various rival claims; the Dutch had claimed certain unexplored regions; the Spaniards had made like claims, and the two overlapped. But no one pretended that there had ever been an agreement between those two as to the location of the dividing line. In the case of Alaska the American claim is that of Russia and the Canadian claim is that of England, and England and Russia precisely defined the dividing line by treaty in 1825; this line was to be the summits of mountains running parallel with the coast, or if they were more than ten leagues inland the boundary was to be at that distance from the coast. There was nothing to arbitrate under that definition except the meaning of words; what did the word "coast" mean?

But we have now official information of the kind of arbitration that Canada officially proposed. She offered to arbitrate the boundary, provided that Pyra-

mid Harbour was conceded to her in advance, and to facilitate this she was willing to waive all claims to Dyea and Skagway. But Pyramid Harbour must be conceded to her before she would arbitrate anything else. This is the most remarkable proposition that was ever made in the history of arbitration. The only reason why Canada has recently objected to the boundary as understood by the United States was that she desired a seaport. England desired a seaport in 1825, but Russia would not yield it, and England settled with Russia without it. Canada had no right which England did not have, but she asserted a claim to a seaport, and as that conflicted with the boundary she proposed to arbitrate the boundary, provided that the seaport was conceded to her in advance. It is hardly possible to treat such demands as this seriously.

Pyramid Harbour could not possibly be on the Canadian side of the line if Dyea and Skagway were on the American side. But Canada was willing to concede Dyea and Skagway to the United States on the ground that they had been for years occupied and administered by Americans. But Pyramid Harbour was vacant, and Canada would have that or she would not have arbitration.

The rights of the United States are so clear, the meaning of the word "coast" is so little in doubt, that we have compared the position of Canada to that of a highwayman who demands a traveler's watch, and, being refused, offers to refer the question of ownership to arbitration. But in view of the present official statement of the Canadian demand it can only be compared with that of the highwayman who demands the traveler's watch and chain, and on being refused offers magnanimously to leave the ownership of the chain to arbitration if the traveler will absolutely surrender the watch "as a condition precedent to and absolutely preliminary to arbitration." It is quite evident that Great Britain procured Canadian assent to the "modus vivendi," which leaves the line several miles back from tidewater, because the Canadian demand was too unreasonable to be insisted on, while calling the agreement temporary, and without prejudice saved the feelings of the Dominion.

ITALY'S FINANCIAL CONDITION.—Considerable excitement has been created in financial circles here by the attempts of unscrupulous speculators in Genoa, Berlin and elsewhere to provoke a fall in the price of Italian securities by spreading unfounded rumors that Italian finances are in an unsatisfactory condition. These rumors, which have been inflated by the Opposition press, originated in the perfectly well-known fact that the present financial year will be more or less a critical period for Italian finance, on account of the cessation of certain payments for the amortization of the redeemable debt. They carefully ignore the circumstance that a steady increase of revenue resulting from the development of trade and industry and from the general growth of national prosperity is more than keeping pace with the expected demands upon the Exchequer.—Rome Correspondence (October 12) London Times.