THE OMAHA DAILY BEE.

ESTABLISHED ... 19, 1871. OMAHA, FRIDAY MORNING, FEBRUARY 12, 1904—TWELVE PAGES. SINGLE COPY THREE CENTS.

MUST BE IMPARTIAL

President Issues His Proclamation to Citizens of United States.

ACTS FORBIDDEN BY NEUTRALITY LAWS

Prohibits Citizens from Entering the Service of the Belligerents.

PREVENTS THE HIRING OF MEN TO ENLIST

Fitting Out or Arming of Ships to Help Belligerents Forbidden.

SEVERE PENALTIES FOR VIOLATING ACT

Law Also Forbids Hostile Powers from in Any Way Preparing Ships in Waters of the United States.

WASHINGTON, Feb. 11.—Today President Roosevelt issued the following proclamation declaring the neutrality of this government in the Russo-Japanese war:

By the president of the United States of America.

A proclamation:

Whereas, A state of war unhappily exists between Japan, on the one side, and Russia, on the other side;

And whereas, The United States are on terms of friendship and amity with both the contending powers and with the persons inhabiting the several dominions;

And whereas, There are citizens of the United States residing within the territories or dominions of each of the said belligerents and carrying on commerce, trade, or other business or pursuits therein, protected by the faith of treaties,

And whereas, There are subjects of each of the said belligerents residing within the territory or jurisdiction of the United States and carrying on commerce, trade, or other business or pursuits therein;

And whereas, The laws of the United States without interfering with the free expression of opinion and sympathy, or with the open manufacture or sale of arms or munitions of war, nevertheless impose upon all persons who may be within their territory and jurisdiction the duty of an impartial neutrality during the existence of the contest;

And whereas, It is the duty of a neutral government not to permit or suffer the making of its waters subservient to the purposes of war;

Now, therefore, I, Theodore Roosevelt, president of the United States of America, in order to preserve the neutrality of the United States and of their citizens and of persons within their territory and jurisdiction and to enforce their laws and treaties of the United States in this behalf and of the law of nations, may thus be prevented from unintentional violation of the same, do hereby declare and proclaim that by the act passed on the 20th day of April, 1818, A. D., commonly known as the "Neutrality law," the following acts are forbidden to be done, under severe penalties, within the territory and jurisdiction of the United States, to wit:

Acts Forbidden by Law.

1. Exercising a commission to serve either of the said belligerents, by land or by sea, against the other belligerent.

2. Enlisting or entering into service of either of the said belligerents as a soldier or as a marine or seaman on board of any vessel of war, letter of marque or privateer.

3. Hiring or retaining another person to enlist or enter himself in the service of either of the said belligerents as a soldier or as a marine or seaman on board of any vessel of war, letter of marque or privateer.

4. Hiring another person to go beyond the limits or jurisdiction of the United States with intent to be enlisted as aforesaid.

5. Hiring another person to go beyond the limits of the United States with intent to be employed in the service of the other side.

6. Retaining another person to go beyond the limits of the United States with intent to be enlisted as aforesaid.

7. Retaining another person to go beyond the limits of the United States to be entered into the service of the aforesaid. (But the said act is not to be construed to extend to a citizen of either belligerent, who, being transiently within the United States, shall, on board of another vessel of war which at the time of its arrival within the United States was fitted and equipped as such vessel of war, enlist or enter himself or hire or retain another subject or citizen of the same belligerent who is transiently within the United States to enlist or enter himself to serve such belligerent on board such vessel of war, if the United States shall then be at peace with such belligerent).

8. Fitting out and arming, or attempting to fit out and arm, or procuring to be fitted out and armed, or knowingly being concerned in the furnishing, fitting out or arming of any ship or vessel with intent that such ship or vessel shall be employed in the service of either of the belligerents.

9. Issuing or delivering a commission within the territory or jurisdiction of the United States for a ship or vessel to the intent that it may be employed as aforesaid.

10. Increasing or augmenting, or procuring to be increased or augmented, or knowingly being concerned in increasing or augmenting the force of any ship of war, cruiser or other armed vessel, which at the time of her arrival within the United States was a ship of war, cruiser or armed vessel in the service of either of the said belligerents, or belonging to the subjects of either, by adding to the number of guns of such vessels, or by changing those on board of her for guns of a larger caliber, or by the addition thereto of any equipment solely applicable to war.

11. Beginning or setting on foot or preparing the means for any military expedition or enterprise to be carried on from the territory or jurisdiction of the United States, or in the dominion of the said belligerents.

Law Against Belligerents.

And I do hereby further declare and proclaim that frequenting and any use of the waters within the territorial jurisdiction of the United States by armed vessels of either belligerents, whether public ships or privateers, for the purpose of preparing for hostile operations or as posts of observations upon the ships of war or privateers or merchant vessels of the other belligerent lying within the same being about to enter the jurisdiction of the United States must be regarded as unfriendly and offensive and in violation of that neutrality which it is the determination of this government to observe, and to the end that the hazard and inconvenience of such apprehended practices may be avoided I further proclaim and declare that from and after the 15th day of February instant, and during the continuance of the present hostilities between Japan and Russia, no ship of war or privateer of either belligerent shall be permitted to make use of any port, harbor, roadstead or waters subject to the jurisdiction of the United States from which a vessel of the other belligerent (whether the same shall be a ship of war, a privateer or a merchant ship) shall have previously departed until after the expiration of at least twenty-four hours from the departure of such last mentioned beyond the jurisdiction of the United States.

If any ship of war or privateer or either belligerent shall, after the time of this notification takes effect, enter any port, harbor, roadstead or waters of the United States such vessels shall be required to depart and put to sea within twenty-four hours after her entrance into such port, harbor, roadstead or waters, except in case of stress of weather or of her requiring provisions or things necessary for the subsistence of her crew or for repairs; in either of which cases the authorities of the port or of the nearest port (as the case may be) shall require her to put to sea as soon as possible after the expiration of such period of twenty-four hours, without permitting her to take in supplies beyond what may be necessary for her immediate use, and no such vessel which may have been permitted to remain within the waters of the United States for the purpose of repair shall continue within such port, harbor, roadstead or waters for a longer period than twenty-four hours after her necessary repairs shall have been completed, unless within such twenty-four hours a vessel, whether ship of war, privateer or merchant ship of the other belligerent shall have departed therefrom, in which case the time limited for the departure of such ship of war or privateer shall be extended so far as may be necessary to secure an interval of not less than twenty-four hours between such departure and that of any ship of war, privateer or merchant ship of the other belligerent

(Continued on Second Page.)

NEBRASKA WEATHER FORECAST

...and Warmer Friday; Saturday ...y, with Snow in West Portion.

...ature at Omaha Yesterday:

Ho...	Deg.	Hour.	Deg.
5 ...	0	1 p. m.	12
6 a. ...	0	2 p. m.	15
7 a. ...	—1	3 p. m.	15
8 a. m.	—2	4 p. m.	17
9 a. m.	0	5 p. m.	16
10 a. m.	4	6 p. m.	15
11 a. m.	8	7 p. m.	14
12 m.	10	8 p. m.	13
		9 p. m.	12

— Indicates below zero.

PANAMA QUESTION IN FRANCE

Premier Combes Has Discussion in Chamber Postponed Until Last of Session.

PARIS, Feb. 11.—The Panama question came up in the Chamber of Deputies today when the president of the chamber, M. Brisson, submitted the interpellation of M. Ferrette (nationalist) asking what measures the government proposed to adopt against the "peril of the cession of the canal to a foreign government."

Premier Combes requested that the debate be postponed to the bottom of the list of all matters now pending.

M. Ferrette declared that 800,000 French holders of obligations were anxiously waiting to know what the government's course would be.

M. Combes replied: "I would like to know what minister could be expected to answer such an interpellation? The funds of the Panama Canal company are private funds. Therefore it is not for the ministers to answer such questions."

By a vote of 300 to 252 M. Combes' motion to postpone the discussion of M. Ferrette's interpellation until all others on the list was adopted.

The premier's declaration was considered as expressing the government's intention not to be drawn into the controversy.

REGARDS WAR INEVITABLE

Sublime Porte Finds in Bulgaria a Loophole of Escape from Carrying Out Reform Measures.

VIENNA, Feb. 11.—The Politische Korrespondenz, a semi-official newspaper, today publishes a communication from Constantinople, saying that in Turkish governmental circles the conviction obtains that the present situation in the far east renders war in Bulgaria inevitable. In view of this condition of affairs it is considered unnecessary that the porte should burden itself with the serious obligation involved in carrying out the principal measures of the reform plans for Macedonia.

Commenting upon this statement the Politische Korrespondenz says the fact that such an opinion prevails merits the most earnest attention of the interested powers.

TOWER DINES THE EMPEROR

Kaiser's Presence at Ambassador's Reception Regarded as a Compliment to United States.

BERLIN, Feb. 11.—Emperor William dined with United States Ambassador and Mrs. Tower tonight. Among the guests were George von L. Meyer, United States ambassador to Italy, and Mrs. Meyer, Melville E. Stone and Dean B. Mason, United States vice consul general in London. Emperor William remained in conversation with the company for two hours after leaving the table.

The diplomatic corps regards his majesty's presence at this dinner as a compliment to the United States and that it is intended by his majesty as an unusual indication of the high position Mr. Tower has attained as ambassador to Germany.

ROUMANIA TO WATCH BULGARIA

Report that Powers Desire Former to Protect Peace in Latter.

BUCHAREST, Roumania, Feb. 11.—It is reported here that Premier Stourdza has been sounded by the Austro-Hungarian and Russian governments as to whether in the event of the Macedonian movement assuming serious proportions in the spring Roumania would accept a mandate from the European powers to occupy Bulgaria with troops.

According to the "Statesman's Year Book" the army of Roumania, on a war footing, numbers about 170,000. The war strength of Bulgaria is estimated by the same authority as being 206,000 men.

AMERICANS DROWN IN TAYABAS

Philippine Teachers and Physicians Die as Result of Capsizing of Boat.

MANILA, Feb. 11.—A serious drowning fatality is reported off the coast of Tayabas, the southeastern province of Luzon. A number of government officials were returning to the mainland from a festival on Alabat island in a small boat, when a severe storm arose and the frail craft was capsized. The list of drowned included Burch and Grace MacGrew, teachers; a contract surgeon named F. Tetamore, J. Williams, a physician of the Board of Health, and two natives.

FEAR WAR IN THE BALKANS

Belief is Expressed that Turkey and Bulgaria Will Settle Old Scores.

CONSTANTINOPLE, Feb. 11.—In diplomatic circles here the fear is increasing that Turkey and Bulgaria will take advantage of Russia's preoccupation in the far east to settle their differences.

Turkish securities have been falling since February 6.

Chamberlain Goes to India.

LONDON, Feb. 11.—Joseph Chamberlain and Mrs. Chamberlain started for Cairo, Egypt, today on a prolonged holiday. Lady Curzon of Keddleston, wife of the viceroy of India, and their children arrived in London today.

Cape Colony Premier Defeated.

CAPETOWN, Cape Colony, Feb. 11.—Sir John Gordon Sprigg, the premier, has been defeated in the parliamentary election held at East London, which he had represented for nearly thirty years.

Chilean Miners Strike.

NEW YORK, Feb. 11.—Five thousand laborers and coal miners have gone on a strike, says a Valparaiso dispatch to the Herald. So far no disorder has been reported.

Australia Has Surplus Wheat.

ADELAIDE, Australia, Feb. 11.—The surplus wheat of South Australia available for export is estimated at 9,500,000 bushels.

CHINA APPEALS FOR HELP

Asks United States to Secure Pledges for the Integrity of the Country.

FEAR BEING BROUGHT INTO CONTEST

Sweden Also Sees a Chance to Become Involved Should England Decide to Take Part in the Affray.

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WASHINGTON, Feb. 11.—(New York Herald Telegram—Special Telegram.)—I learn from a trustworthy source that China has asked the United States to obtain an international pledge as to the integrity of China. According to information furnished at the Chinese legation here this is because China itself was unable to guarantee the permanence of its neutrality during the war. My authority at the legation says the position of the Chinese government is this:

"China is prepared to maintain strict neutrality for the time being, but how long such an attitude is possible will depend on events. It must be remembered that not only is the war being fought about Manchuria, Chinese territory, but fighting is certain on Chinese soil. If the Chinese population becomes excited an uprising may be unavoidable.

"Further, it may be neither possible nor desirable for China to remain passive. It has 30,000 well equipped troops at Pe Chi Li, close to the Manchurian frontier, ready for any emergency."

Count Tombe, the Swedish minister here, had several conferences with Baron von Richthofen. I understand the Swedes fear Anglo-Russian complications, and foresee the possibility of England's seizing the Baltic island of Gosland as a coaling base, which the Swedes would surrender after a show of resistance. Then Russia would declare that Sweden had violated neutrality.

King Oscar may postpone his projected trip to Abbasia and a mobilization of the Swedish army is not impossible.

Washington Center of Interest.

Washington continued today to be the center of the world's diplomacy regarding the great war in progress on the other side of the globe, and the neutrality of China and the neutrality of the United States were subjects which vied with each other in interest.

There was great activity all day long at the State department and this was due to the prominent position this government has taken in the efforts to provide for the neutrality of China. This continued to be the all absorbing question among the diplomats.

A rather remarkable state of affairs regarding recent old world friendship was disclosed. While Russian professed to stand confused at the suggestion and Berlin newspapers were voicing their friendship for Russia and denouncing the United States for interfering in this matter, the State department had in its possession information transmitted by the United States ambassador at Berlin that the German imperial government welcomed its suggestion regarding the restricting of hostilities and the neutrality of China. The negative attitude of France, which lately was regarded as an ally of Russia, even to the point of participating in hostilities, added to the confusion of the situation and a high official expressed the opinion that although France was holding aloof it would be found that the French republic had accepted the suggestions of the American State department.

It developed today that Mr. Hay's mode of procedure has thus far been included in three diplomatic steps. He first addressed notes to France, Germany and Great Britain on the subject. These replies being deemed by his encouraging, he next framed an identical note to Japan and Russia. This he followed with another identical note to Italy, Austria-Hungary, Spain, Bulgaria and The Netherlands. The cable today brought from Paris what has been reported to be the exact phraseology of the note of Mr. Hay, presented by our ambassador there to the French foreign office. In this note the word neutralization is used. It is understood here that Mr. Hay is not aiming at the neutralization of China, which would mean something to be accomplished by the other powers, but the "neutrality" of China, which means less, but accomplishes the same thing.

Many Diplomats Call.

Mr. Hay today saw representatives of nearly every European power. Sir Mortimer Durand, Count Cassini, the Russian ambassador; M. Takahira, the Japanese minister; Baron Kiskra, the Austro-Hungarian charge d'affaires; Count Cellero, the Italian charge d'affaires, and the retiring Corean minister and his secretary were among the callers.

The momentous question aroused by Mr. Hay's note of the limiting of hostilities and the neutralization of China were, of course, discussed, but in a very general way.

This question at the present moment is regarded by the diplomats stationed in Washington as one of the most delicate and difficult they have ever been called upon to handle, inasmuch as war had actually broken out before it could be discussed, except in a very general way, and because it is an entirely new proposition in modern warfare and diplomacy. The attitude of Russia in this matter is all important, in view of the fact that Japan, Russia's antagonist, is already willing to subscribe to the suggestions of the powers concurring with Mr. Hay.

No information whatever has come from the Russian Foreign office to Count Cassini and the only intimation as to Russia's position attainable was the cable in the Herald today that Russia would regard with pleasure any suggestion that would limit the hostilities within a certain sphere, but was noncommittal on and inclined to object to the neutralization of China. Until Russia's answer is received the negotiations will be at a standstill.

What Russia Might Propose.

The suggestion is made that Russia might conditionally accede to the proposition to confine hostilities wherever practicable, but might suggest, since it is obviously the intention of Mr. Hay to keep China aloof from the fighting, to also include Corea within the zone to be free from violence and bloodshed. Whether such a suggestion would be embarrassing, is a matter of mere conjecture at this time. The United States is bound by treaty to use its good offices in behalf of Corea, should it be invaded or oppressed by any other nation. Japan has already invaded Corea and it is recalled that its former invasion during the Chinese-Japanese war was one of the cruelest episodes in th eannals of modern warfare. Corea has made no appeal to the United States for the use of its good offices in consequence o fthe Japanese invasion, and the Corean minister, when he called today, made no reference whatever to that.

NEUTRALITY AT WASHINGTON

Russian and Japanese Diplomats Meet in State Department and Bow Solemnity.

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NEW YORK, Feb. 11.—(New York Herald Telegram—Special Telegram)—The Herald's Washington correspondent says: Painfully punctilious politeness marked a meeting of the Russian ambassador and the Japanese minister at the State department this morning. Their first encounter since war began was observed by Baron Giskra of the Austrian embassy, one of the fourteen foreign representatives who conferred with Secretary Hay this morning, which was "diplomatic day." Mr. Takahira, the Japanese minister, was with Secretary Hay when Count Cassini, the Russian ambassador, who is also dean of the diplomatic corps, was ushered into the diplomatic ante-room. He and Baron Giskra were soon pacing the floor side by side engaged in an earnest discussion of the far eastern situation. The State department messenger swung back the door of the diplomatic room. Mr. Takahira came to a pause on the threshold of the ante-room as he saw before him the distinguished figure of the Russian ambassador.

Mr. Takahira immediately bowed so profoundly that his head sank lower than his waist. The ambassador, whose eyesight is not the best, did not observe the Japanese minister until in response to a requesting messenger he started toward the door where stood Mr. Takahira. The latter repeated his bow more profoundly than before and the Russian ambassador gave a most courtly and distinguished bow as he passed.

The Japanese minister, however, was not to be outdone in politeness, and when Count Cassini was half way across the hall he bowed again. Count Cassini turned once more and returned the salutation and then passed into the diplomatic room and greeted Mr. Hay.

The Japanese minister, who was much vexed at the publicity given an incident at the diplomatic reception at the White House, when Count Cassini taxed him with discourtesy to the dean of the diplomatic corps, and walked straight at Baron Giskra and bowing, less profoundly, however, than he did to Count Cassini, said: "I have just saluted the doyen of the diplomatic corps," and especial emphasis was laid upon "doyen," and Mr. Takahira evidently intended to convey the impression that he had saluted Count Cassini as the ranking diplomat in Washington and not as the Russian ambassador.

RUSSIAN SQUADRON ENROUTE

War Fleet Encounters Fierce Storms in North Sea and Has to Change Course.

LONDON, Feb. 11.—In a dispatch from Copenhagen a correspondent of the Daily Mail says:

The Russian Baltic squadron of fifteen warships passed through Danish waters today enroute for the far east around Cape Skagen, but as a fierce storm was raging in the North sea the Russian admiral ordered the squadron through the Kaiser Wilhelm canal.

The question of the passage of the Dardanelles by the Russian Black sea fleet has not been raised at the Foreign office here, where the following statement was made to the Associated Press tonight:

Russia has not asked permission for the passage of warships through the Dardanelles. If Russia should attempt any such thing without asking permission it would constitute a grave breach of the treaty on the subject.

KIEL, Feb. 11.—Nothing is known here of the report that notice has been given of the intended passage of a Russian squadron through the Kiel canal. The Nord Deutscherzeitung publishes under reserve a statement that a Russian squadron is proceeding westward around Cape Skagen.

CRUISER FOR SEAT OF WAR

Warships Will Substitute Japanese for Italians and Enter Hostile Waters on Sunday.

ROME, Feb. 11.—A cypher cablegram received here contains the information that the Japanese cruisers Nishin and Kasuga are expected to reach the scene of war on Sunday, and that they will disembark their Anglo-Italian crews and substitute Japanese. The Official Gazette today publishes the Italian statement of neutrality regarding the Russo-Japanese war.

GOVERNOR REFUSES TO SIGN

Believes General Riggs Ought to Receive Praise Instead of Censure for His Action.

BALTIMORE, Feb. 11.—Governor Warfield refused to sign the resolution which was passed by the house of delegates yesterday censuring Brigadier General Riggs of the state militia and summoning him to appear before the bar of the house to answer a charge of exceeding his authority and the house rescinded its action of yesterday after hearing a statement by General Riggs. The specific complaint against General Riggs was that he had refused to recognize passes signed by Governor Warfield to the members of the legislature admitting them within the fire lines, but Governor Warfield said General Riggs' refusal was to be commended instead of condemned.

SAYS PRINCESS KILLED SELF

Rumor that Woman Who Was Said to Have Shot Actress is Dead.

NEW YORK, Feb. 11.—Princess Elizabeth of Windisch-Graetz, granddaughter of Emperor Francis Joseph, who was reported on December 6 to have shot an actress, but which report was officially denied, is now rumored, says a World dispatch from Vienna, to have committed suicide in the castle at Prague.

The dispatch asserts that she was soon to become a mother and had suffered frequently from attacks of temporary mental aberration. There is, so far, absolutely no confirmation of these rumors.

BILL IS HELD DEFECTIVE

Amended Petition Will Be Prepared in Connection with the Suit Against the Union Pressmen.

BOSTON, Feb. 11.—The local members of the Typothetae of America today were given leave to withdraw by Judge Loring of the supreme court in connection with the petition to have the union pressmen of the city restrained from striking in sympathy with the job and book compositors in their contest for a new scale of wages. The court held that the bill was defective and an amended petition will be prepared.

RUSSIANS SINK JAPANESE TORPEDO BOATS

Three of the Four Which Torpedo the Fleet at Port Arthur Are Lost.

SUPPOSED CREWS WENT DOWN WITH THEM

Come Into the Harbor Flashing Russian Signals as They Advance.

WATCH OFFICER DETECTS NATIONALITY

Reports to Superior, Who Overrules Him and Disaster Follows.

JAPS MAKE A FUTILE EFFORT TO LAND

Bridge on Manchurian Railway is Blown Up by Japanese.

BREAKS THE LINE OF COMMUNICATION

Russia Calling Out the Reserves and Sending More Warships to the Scene of War in the Far East.

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CHE FOO, Feb. 11.—(New York Herald Cablegram—Special Telegram.)—Out of the four Japanese torpedo boats which made the first attack on Monday night at Port Arthur, three were sunk with great loss of life. The fourth was a twenty-six-knot boat and escaped. The Japanese torpedo boats effected an entrance into the outer harbor by using the Russian signal flashlights. Consequently the Russians did not fire on them.

I have heard the following of the first surprise from a Russian naval officer:

"The battleship Pallada was on the outside edge of the Russian fleet and on watch duty that night. The chief artillery officer noticed four torpedo boats approaching, with full lights and in all respects like Russian torpedo boats.

"The officer informed his captain that the approaching boats were Japanese. The captain denied this and said they were built in Port Arthur. The artillery officer insisted that they were Japanese and the captain became angry, saying:

"'I am in command of the ship, sir.'

"Despite this the artillery officer gave orders to prepare for action."

It is reported now that the Japanese attempted a landing near Bedzero, eighty miles north of Port Arthur, but were repulsed with heavy loss. They again tried to effect a landing at Talienwan, under the shelter of the fleet, but owing to the strong fort firing, they were unable to succeed.

It is said that one Japanese ship has been torpedoed.

The British merchant ships in Port Arthur have repeatedly applied for permission to leave port, but this has been refused.

Repairing Battleship.

The Tsaravitch was towed into the harbor here at 3 o'clock on Tuesday afternoon. It is said only its outer bottom was penetrated by the Japanese torpedo and the Russians are now busy repairing it. It can be repaired in two or three days.

The Pallada is still outside and beached. It must be seriously injured, but it is now also being repaired. It is the only one of the torpedoed vessels now outside.

A shell struck a hospital ship outside the basin during the bombardment. The captain's cabin and the chart room were blown off, but there was no loss of life, as the ship was only recently purchased and was unmanned.

The foreigners in Port Arthur were notified at 7 o'clock on Monday night that they had twenty-four hours in which to clear out, but the British steamers there have been forbidden to leave. One German steamer arrived at Che Foo today, the first to get here from Port Arthur since the Columbia reported here after the battle that the reserves had been called out.

On Wednesday the Japanese tried to land at Pigeon's bay, near Port Arthur. Thirty-six Japanese vessels were then there. It is not known if the attempt succeeded.

Thousands of persons are leaving Port Arthur daily by train. There is not even standing room in the cars. At 4 o'clock this afternoon the Russian transport Smolensk and torpedo boat No. 211 entered the canal. Torpedo boat No. 122 has broken down and is repairing here.

The Russian rouble has gone down 24 per cent at Che Foo among the Chinese merchants.

Disables Manchurian Railroad.

LONDON, Feb. 11.—A special dispatch from Tien Tsin confirms the report that the Manchurian railroad has been blocked by the blowing up of a bridge and that thirty Russians were killed. It is said, the dispatch adds, that the Russian steamers, Nonsi and Mukden, belonging to the Chinese eastern squadron, have been captured by the Japanese.

A special dispatch from Port Arthur says the Japanese fleet attempted yesterday to land men in several bays in the neighborhood of Port Arthur under the protection of the guns of the cruisers. It is asserted, however, that all the attempts were unsuccessful.

Lloyds agency at Shanghai, cabling under date of February 10, says it is reported and generally believed that a Japanese warship has destroyed the Russian mail steamer Mongolia, bound from Shanghai for Dalny. The cablegram adds that the three Russian warships damaged by torpedoes at Port Arthur sank.

England Declares Neutrality.

King Edward, at a council held at Buckingham palace this afternoon, signed a proclamation declaring Great Britain's neutrality during the war between Russia and Japan.

The British proclamation of neutrality is on the usual lines and covers all the British dominions.

The report that Russia is attempting to arrange with Turkey to permit the Black sea fleet to pass through the Dardanelles is revived, and it is added that Russia is trying to secure Great Britain's consent. There is no confirmation of the report in authoritative quarters.

The Reuter Telegram company's correspondent at Tokio, in a dispatch timed 9:15 p. m. yesterday, says that details of the Chemulpo engagement received here say the captain of the Variag remained on board his ship and blew it up after the crew escaped. Part of the crew swam to a French schooner and others got ashore.

One report says that the French warship notified the Russians of the Japanese approach. The Korietz engaged the Japanese cruisers first, while the Variag protected the transports. The Korietz was soon destroyed.

The St. James Gazette correspondent at

RUMOR OF ANOTHER FIGHT

London Has Report that Japs Have Entered Port Arthur.

ENTIRE RUSSIAN FLEET SAID TO HAVE SUNK

Unconfirmed Story of Sweeping Victory for the Little Men Comes by Way of Chinese Cable to English Paper.

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NAGASAKI, Feb. 11.—(New York Herald Cablegram—Special Telegram.)—There is more good news for Japan which the people receive with absolute tranquillity. Continuing the attack upon Port Arthur the Japanese have captured seven Russian ships and are chasing others, which they are likely to capture.

No Japanese were killed or wounded in the Chemulpo affair.

The Japanese reserves have been called out.

There have been disturbances at Port Arthur, a number of Japanese civilians having been killed and others imprisoned.

A Chinese mob has destroyed telegraph and telephone wires around New Chwang, severing land communications with Taku.

The captured Russian cruiser Variag has arrived at Saseho.

According to telegrams which have reached here from Che Foo and elsewhere it appears that the Russian ships pursued at Chemulpo, the departing Japanese warship Mijako, but that they in turn were attacked by other Japanese war ships and the Russian vessel Koreitz was sunk, the Variag being captured.

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SHANGHAI, Friday, Feb. 12.—(New York Herald Cablegram—Special Telegram.)—The bombardment of Port Arthur continues steadily. Three Russian cruisers have been sunk and a Russian bank building has been destroyed.

London Hears of Disaster.

LONDON, Feb. 11.—A dispatch to the Reuter Telegram company from Tokio, dated 7:10 p. m. yesterday, says an unofficial report was current there that the Russian fleet was destroyed, four battleships and three cruisers being sunk, and that two Japanese war ships were damaged in an engagement yesterday off Port Arthur, the Japanese getting between the Russians and the entrance of the harbor before the fight commenced.

The St. Petersburg correspondent of Reuter's Telegram company cables that the naval headquarters' staff there announces that in the fight at Port Arthur six Japanese ships were slightly damaged and fifty Japanese were killed and 150 wounded.

A dispatch to the St. James Gazette from Tokio, under today's date, says that "there are great rejoicings here at the successes of the Japanese navy. The public buildings, residences and business houses are decorated with flags. Bunting is to be seen everywhere. Tokio wears the aspect of a city of conquerors. A number of Russian blue jackets who swam ashore after the Japanees attack on the Variag and the Korietz have been made prisoners. Reports from Chemulpo say that both the Variag and Korietz hoisted the white flag at the last moment."

Interest in Hay's Action.

WASHINGTON, Feb. 11.—The move made by Secretary Hay in connection with the proposed neutralization of China has aroused the greatest interest in diplomatic circles here and in consequence, this being the regular weekly diplomatic day, many more than the usual number of ambassadors and ministers called at the State department. That while a small matter of courtesy here, the representatives here of the powers signatory to the Peking treaty were informed by Secretary Hay of the nature of his proposition, yet this was only for their information. The secretary is negotiating directly with the European Foreign offices on this subject through the resident American ambassadors and ministers. It was stated today that some, but not all, of the countries addressed had replied and that these replies were generally favorable and satisfactory, but it is declared to be too early yet to publish the text of Secretary Hay's note and any of the replies. It is intimated, however, that this may be done as soon as the negotiations on this point have been concluded. As some doubt was expressed in certain quarters as to whether Japan would consent to be bound in the fashion proposed, it can be stated that such information as the State department has on the subject is to the effect that Japan would welcome an international agreement neutralizing China.

An intimation has been thrown out that one reason for this apparent sacrifice by Japan of the prospective fruits of victory, if it succeeds in its campaign, is a fear that some of the great neutral powers may grow covetous of more Chinese soil and seize the opportunity when the belligerents are exhausted to extend their Chinese holdings.

One of the incidents of diplomatic day which was witnessed with interest within the diplomatic room of the State department was the meeting of the Russian ambassador and Japanese minister. Count Cassini was chatting with the Austrian charge, Mr. Takahira was alone. The Russian, who is dean of the diplomatic corps, bowed with marked politeness and formality when he perceived the minister, not once, but twice, and the Japanese returned the bow in like manner. Without speaking they parted.

Officially Notified of War.

Secretary Hay has now been officially notified by both Russia and Japan of the existence of war, and from both has had requests that the United States remain neutral.

The Russian notification was made yesterday, while the Japanese was delivered today by Minister Takahira. After referring to the fact that the Japanese government had informed the Russian government of its decision to terminate the negotiations which had been in progress between Japan and Russia on questions relating to Corea and Manchuria, the minister states that he had been instructed to inform the secretary of state that the emperor of Japan had issued on the 10th of this month a rescript declaring war against Russia. He said he also was instructed to express the hope of his government that the necessary measures might be adopted by the United States government in order to make the neutrality effective. This last request is in line with that made by the Russian ambassador. The two requests will serve as a basis of the forthcoming neutrality proclamation. It was intended to issue this today, but as some question arose concerning the application of the neu-

(Continued on Second Page.)

Japanese Also Suffer

It appears from the latest reports that the Japanese success at Port Arthur in the opening scene of the war was bought at considerable expense to themselves. Of the four torpedo boats which entered the harbor and torpedoed the Russian ships, three of them were sunk, and it is supposed their crews perished with them. Latest information is to the effect that they made no effort at concealment, but were seen by the Russian officers, who mistook them for ships of their own, as they were displaying the Russian signals.

There are rumors of a further naval battle off Port Arthur, in which it is said a number of Russian ships were either captured or destroyed. This rumor, however, lacks confirmation.

The Japanese have made several ineffectual attempts to land in the vicinity of Port Arthur.

The report that the Manchurian railway has been temporarily disabled by the blowing up of a bridge has been confirmed. This is likely to be a serious blow, as even the temporary stoppage of communication at this stage may be costly.

The Russian Baltic fleet, numbering fifteen powerful ships, is said to have left St. Petersburg, enroute for the scene of war in the east.

GALE RAGES OFF PORT ARTHUR

May Capsize the Stranded Warships Within Harbor and Block Entrance.

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CHE FOO, Feb. 11.—(New York Herald Cablegram—Special Telegram.)—A well grounded report reaches here that a Japanese squadron sailed on the 4th with the armored cruiser Asuma, escorting troops to Corea. They arrived off Chemulpo on the evening of the 8th and on the morning of the 9th they met off Round Island the two Russian warships Variag and Korietz. Shots were exchanged and the two Russian boats retired to Chemulpo and immediately sank. They probably were scuttled.

General Tchichikoff has taken supreme command of the Russian troops in Manchuria.

There is a strong northeasterly wind blowing at Che Foo, rendering all communication by ship impossible. Many Chinese boatmen have just been drowned before my eyes. It was impossible to save them owing to the violence of the waves.

The storm may capsize the stranded battleships at Port Arthur, causing them to block completely the harbor entrance, but it will also compel the Japanese fleet to retire.

HAVE NO TIME FOR CALLS

Russian Naval Officers Ordered to Proceed East Without Further Formality or Ceremony.

ST. PETERSBURG, Feb. 11.—Admiral Stairydleff, commander of the Russian Black sea fleet, has quietly left for the far east to take command of the Russian fleet there. Unattached naval officers in St. Petersburg and Kronstadt have been ordered to go east promptly without making farewell calls.

Students in uniform and bareheaded paraded in front of the Kazan cathedral and went to the winter palace. They were followed by several thousands of persons singing the national anthem. The assistant chief of police thanked the students for their evidences of patriotism, but he requested them to no longer disturb the czar. The crowd then returned, singing, to the cathedral.

SAYS PORT ARTHUR IS LOST

Admiral Candiani Believes Russia Cannot Hold Place and that Its Fleet is Doomed.

ROME, Feb. 11.—Admiral Candiani, who commanded the Italian squadron in the far east during the Chino-Japanese war and who is considered here a most competent judge of the present situation, has given an interview to the Giornale di Italia. He said:

It is reported that Port Arthur has provisions for eighteen months and that there are no civilians there, but this is doubtful. I believe Port Arthur to be lost to the Russians and their fleet is destined to be gradually destroyed, excepting the few ships taking refuge at Vladivostok.

I believe Russia can bring together 150,000 men on land, and it would be difficult to increase this number, while Japan can concentrate 300,000 troops in Corea, where it would be supported by local sympathy.

MAY GIVE UP THE FAIR

Russia Thinks Seriously of Contributing Exposition Funds to the Red Cross Society.

ST. PETERSBURG, Feb. 11.—The question of abandoning Russian participation in the St. Louis exposition is under consideration. The merchants of Moscow today notified Commissioner General Alexandrovisky that they devote the money intended for the exposition to the Red Cross society and to assisting the war orphans and widows. They intend contributing $500,000.

If it is decided to abandon the Russian exhibit the government will follow the example of the Moscow merchants and appropriate the St. Louis fund and the remainder of the exposition funds, amounting to $225,000, to the Red Cross society.

RUSSIANS GET CHANCE TO SING

Bringing of Disabled Cruiser Into the Harbor the Occasion for Enthusiasm.

(Copyright, 1904, by James Gordon Bennett.)

CHE FOO, Feb. 11.—(New York Herald Cablegram—Special Telegram.)—The injured Russian cruiser Novik, which was successfully brought into the inner harbor on Tuesday afternoon, was hailed with tremendous cheering by the Russians, owing to the fact that the Novik, it had been reported, had sunk two Japanese torpedo boats.