

INTERNATIONAL UNION OF AMERICAN REPUBLICS

BULLETIN
OF THE INTERNATIONAL UNION OF THE
AMERICAN
REPUBLICS

VOL. XXIX

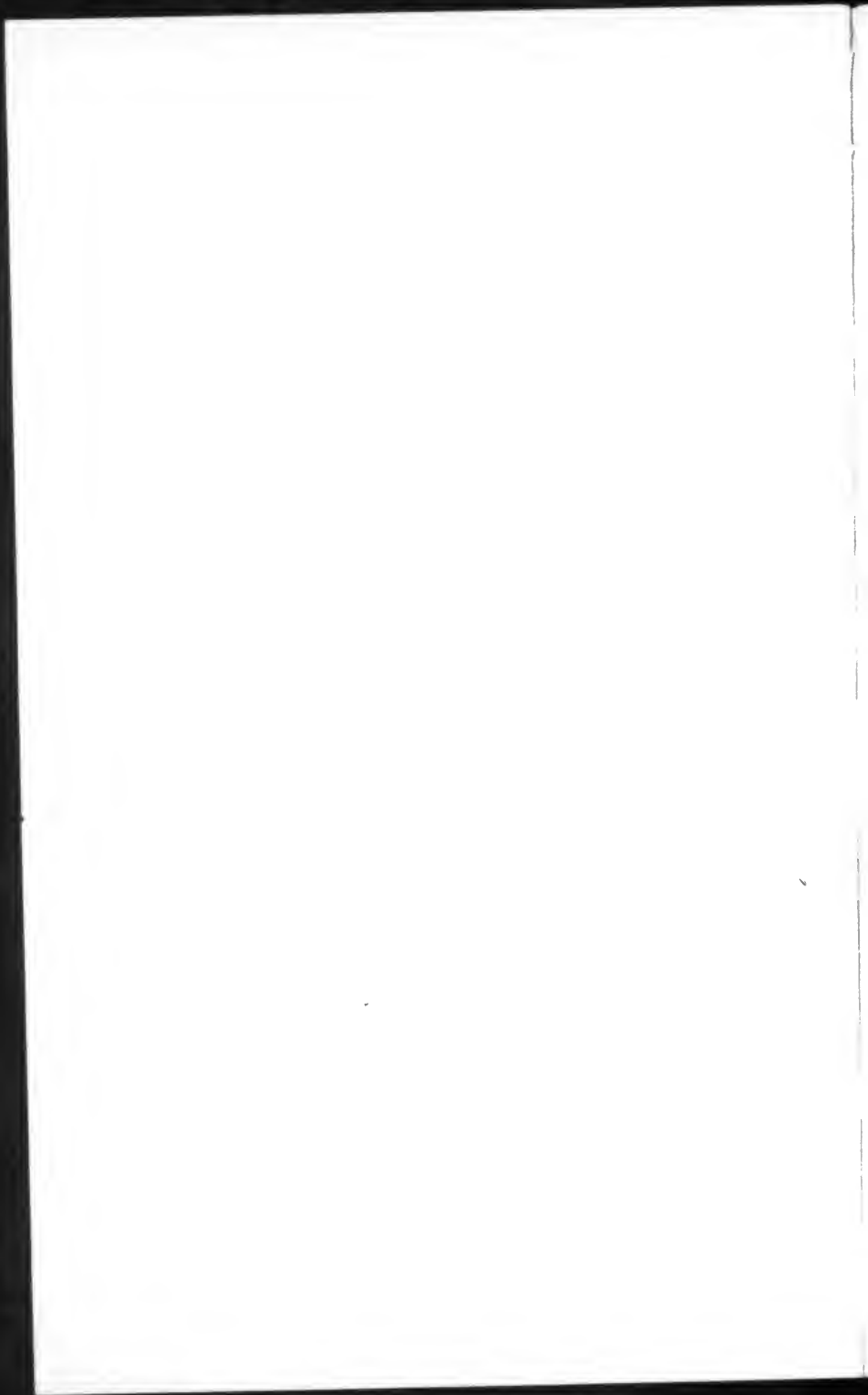
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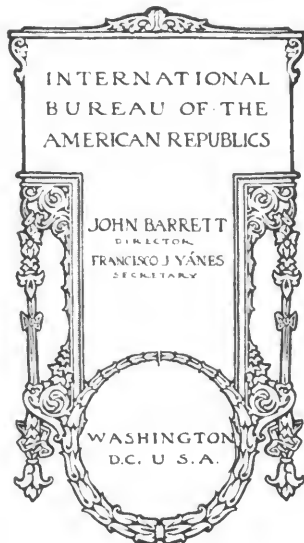
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METRIC WEIGHTS AND MEASURES.

METRIC WEIGHTS.

- Milligram ($\frac{1}{1000}$ gram) equals 0.0154 grain.
Centigram ($\frac{1}{100}$ gram) equals 0.1513 grain.
Decigram ($\frac{1}{10}$ gram) equals 1.5432 grains.
Gram equals 15.432 grains.
Decagram (10 grams) equals 0.3527 ounce.
Hectogram (100 grams) equals 3.5274 ounces.
Kilogram (1,000 grams) equals 2.2046 pounds.
Myriagram (10,000 grams) equals 22.046 pounds.
Quintal (100,000 grams) equals 220.46 pounds.
Millier or tonneau—ton (1,000,000 grams) equals 2,204.6 pounds.

METRIC DRY MEASURE.

- Milliliter ($\frac{1}{1000}$ liter) equals 0.061 cubic inch.
Centiliter ($\frac{1}{100}$ liter) equals 0.6102 cubic inch.
Deciliter ($\frac{1}{10}$ liter) equals 6.1022 cubic inches.
Liter equals 0.908 quart.
Decaliter (10 liters) equals 9.08 quarts.
Hectoliter (100 liters) equals 2.838 bushels.
Kiloliter (1,000 liters) equals 1.308 cubic yards.

METRIC LIQUID MEASURE.

- Millimeter ($\frac{1}{1000}$ liter) equals 0.27 fluid dram.
Centiliter ($\frac{1}{100}$ liter) equals 0.338 fluid ounce.
Deciliter ($\frac{1}{10}$ liter) equals 0.845 gill.
Liter equals 1.0567 quarts.
Decaliter (10 liters) equals 2.6417 gallons.
Hectoliter (100 liters) equals 26.417 gallons.
Kiloliter (1,000 liters) equals 264.17 gallons.

METRIC MEASURES OF LENGTH.

- Millimeter ($\frac{1}{1000}$ meter) equals 0.0394 inch.
Centimeter ($\frac{1}{100}$ meter) equals 0.3937 inch.
Decimeter ($\frac{1}{10}$ meter) equals 3.937 inches.
Meter equals 39.37 inches.
Decameter (10 meters) equals 393.7 inches.
Hectometer (100 meters) equals 328 feet 1 inch.
Kilometer (1,000 meters) equals 0.62137 mile (3,280 feet 10 inches).
Myriameter (10,000 meters) equals 6.2137 miles.)

METRIC SURFACE MEASURE.

- Centare (1 square meter) equals 1,550 square inches.
Are (100 square meters) equals 119.6 square yards.
Hectare (10,000 square meters) equals 2.474 acres.

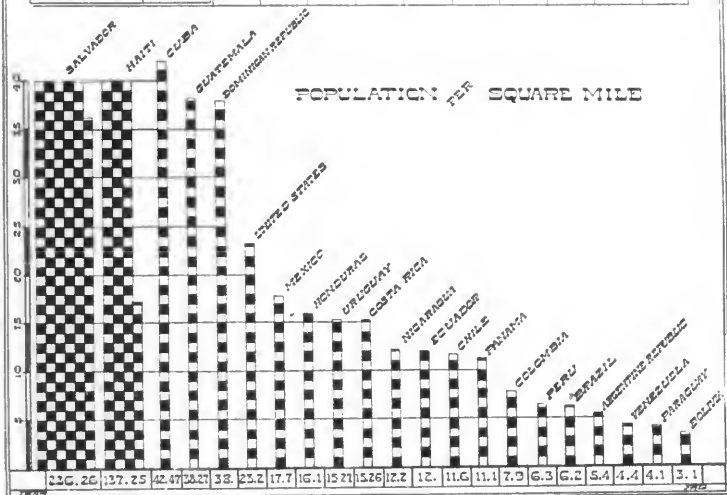
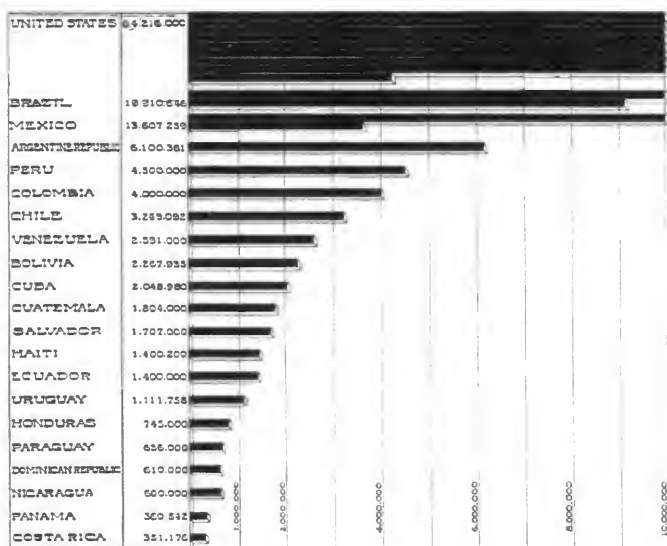
The metric system has been adopted by all of the twenty-one republics constituting the International Union of the American Republics.

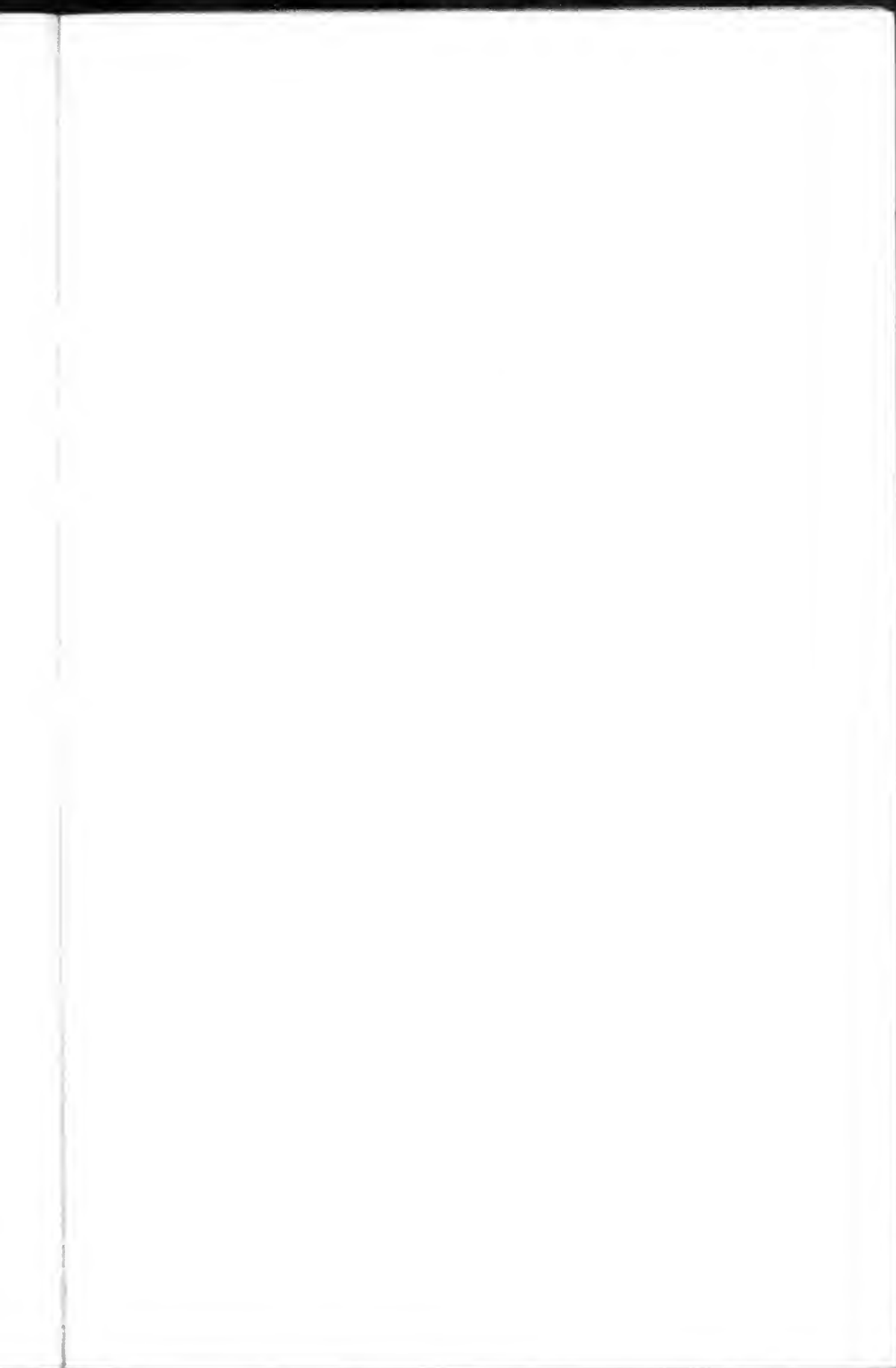
WEIGHTS AND MEASURES.

The following table gives the chief weights and measures in commercial use in Mexico and the republics of Central and South America, and their equivalents in the United States:

Denomination.	Where used.	United States equivalents.
Aro.....	Metric.....	0.02471 acre.
Arobo.....	Paraguay.....	25 pounds.
Arroba (dry).....	Argentine Republic.....	25.3171 pounds.
Do.....	Brazil.....	32.38 pounds.
Do.....	Cuba.....	25.3664 pounds.
Do.....	Venezuela.....	25.4024 pounds.
Arroba (liquid).....	Cuba and Venezuela.....	4.263 gallons.
Barril.....	Argentine Republic and Mexico.....	20.0787 gallons.
Carga.....	Mexico and Salvador.....	300 pounds.
Centaro.....	Central America.....	4.2631 gallons.
Cuadra.....	Argentine Republic.....	4.2 acres.
Do.....	Paraguay.....	78.9 yards.
Do.....	Paraguay (square).....	8.077 square feet.
Do.....	Uruguay.....	2 acres (nearly).
Cubic meter.....	Metric.....	35.3 cubic feet.
Fanega (dry).....	Central America.....	1.5745 bushels.
Do.....	Chile.....	2.575 bushels.
Do.....	Cuba.....	1.599 bushels.
Do.....	Mexico.....	1.5478 bushels.
Do.....	Uruguay (double).....	7.776 bushels.
Do.....	Uruguay (single).....	3.888 bushels.
Do.....	Venezuela.....	1.599 bushels.
Frasco.....	Argentine Republic.....	2.5096 quarts.
Do.....	Mexico.....	2.5 quarts.
Gram.....	Metric.....	15.432 grains.
Hectare.....	do.....	2.471 acres.
Hectoliter (dry).....	do.....	2.838 bushels.
Hectoliter (liquid).....	do.....	26.417 gallons.
Kilogram (kilo).....	do.....	2.2046 pounds.
Kilometer.....	do.....	0.621376 mile.
League (land).....	Paraguay.....	4.633 acres.
Libra.....	Argentine Republic.....	1.0127 pounds.
Do.....	Central America.....	1.043 pounds.
Do.....	Chile.....	1.014 pounds.
Do.....	Cuba.....	1.0161 pounds.
Do.....	Mexico.....	1.01465 pounds.
Do.....	Peru.....	1.0143 pounds.
Do.....	Uruguay.....	1.0143 pounds.
Do.....	Venezuela.....	1.0161 pounds.
Liter.....	Metric.....	1.0567 quarts.
Manzana.....	Costa Rica.....	1½ acres.
Marc.....	Bolivia.....	0.507 pound.
Meter.....	Metric.....	39.37 inches.
Pie.....	Argentine Republic.....	0.9478 foot.
Quintal.....	do.....	101.42 pounds.
Do.....	Brazil.....	130.06 pounds.
Do.....	Chile, Mexico, and Peru.....	101.61 pounds.
Do.....	Paraguay.....	100 pounds.
Do.....	Metric.....	220.46 pounds.
Suerte.....	Uruguay.....	2,700 cuadras. (See Cuadra.)
Vara.....	Argentine Republic.....	34.1208 inches.
Do.....	Central America.....	33.874 inches.
Do.....	Chile and Peru.....	33.367 inches.
Do.....	Cuba.....	33.384 inches.
Do.....	Mexico.....	33 inches.
Do.....	Paraguay.....	34 inches.
Do.....	Venezuela.....	33.384 inches.

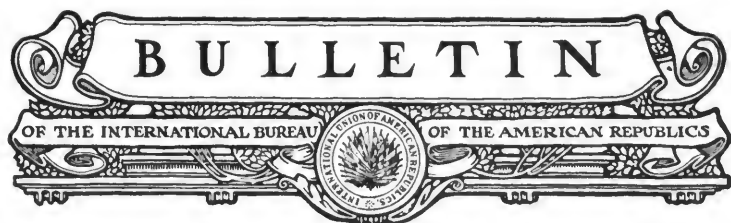
POPULATION OF THE AMERICAN REPUBLICS







GENERAL JUAN VICENTE GOMEZ,
PRESIDENT OF VENEZUELA.



BULLETIN

OF THE INTERNATIONAL BUREAU OF THE AMERICAN REPUBLICS

VOL. XXIX.

JULY, 1909.

NO. 1.

THIS issue, the July number of the MONTHLY BULLETIN, is devoted exclusively to the carefully compiled annual review data, for the year 1908, covering the twenty Latin-American Republics of the International Union. The usual editorial comment, booknotes, magazine references, Latin-American notes, historical dates, and special articles are omitted to give space for this review. There was such a large demand last year for the corresponding résumé for 1907 that an extra effort has been put forth by the International Bureau to make the report for 1908 complete, succinct, and accurate. To review the material conditions of twenty nations is no small task, and the compilation must necessarily omit much of interest and value or exceed the inexorable limitations of space, but sufficient facts are included to answer the great majority of questions concerning Latin America which are continually sent to the Bureau from all parts of the world.

Some mistakes or errors may have been accidentally or unintentionally incorporated in the text, but these will be corrected in a subsequent issue if pointed out. The data, moreover, of some countries are much more comprehensive than of others, but this is no fault of the Bureau, for a special effort has been exerted to get the latest and fullest information from every country. Unfortunately, however, it has been so difficult to secure up-to-date reports from a few governments that the résumés thereof are not as timely and complete as might be wished.

Viewed as a whole, it is the best general survey of its kind of the Latin-American Republics which has yet been prepared by the Bureau, and the reader who wishes to be informed about the progress and material development of Pan-America will find in these pages much of real educational and practical value.

It is a source of regret that this review can not contain also a statement of the work of the International Bureau during 1908, as compared with that of 1907 and 1906. Notable facts in this connection are the remarkable growth of interest throughout the United States in Latin America; the great increase in the correspondence of the Bureau and in the demand for its publications; the marked improvement and popularity of the BULLETIN; and the large number of manufacturers, students, writers, statesmen, travelers, and men of all callings who are seeking an endless variety of information concerning these wonderful lands.

LATIN AMERICA IN 1908 -- A REVIEW :: :: :: ::

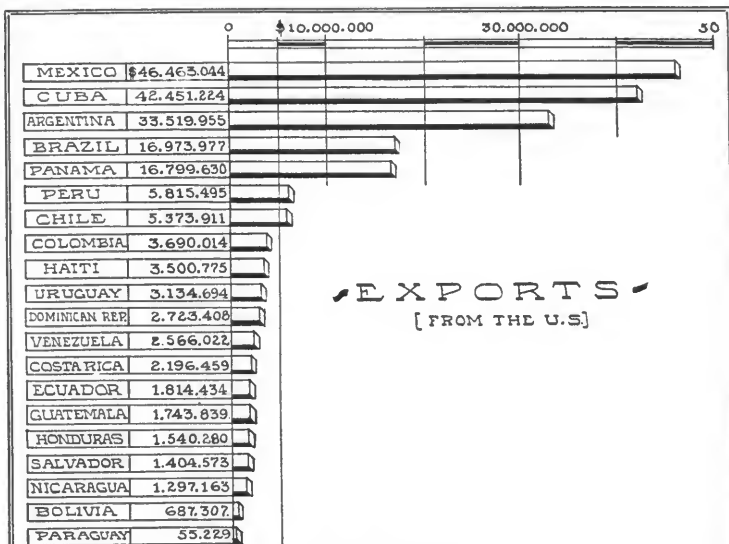
THE spirit of internationalism in its broadest application was the pervading characteristic of relations between the various countries of America during 1908.

The year was marked by numerous gatherings of the representative elements of national life both in Latin America and the United States, and on all occasions indications of a unanimity of sentiment and community of interest were markedly displayed.

Of paramount importance was the carrying into effect of the various conventions of the Washington Peace Conference of 1907 entered into by the Republics of Central America. In accordance with these conventions, the Central American Court of Justice held its first session in May, 1908, at Cartago, Costa Rica, the first judicial decision being rendered in December. On September 15 the Central American Bureau was inaugurated in the capital of Guatemala for the furtherance of reciprocal interests among the nations of Central America, and with the assembling of the First Central American Conference at Tegucigalpa, Honduras, in the first month of 1909, additional emphasis is given to the intention of the nations interested to embrace all feasible means for the development of their material possibilities.

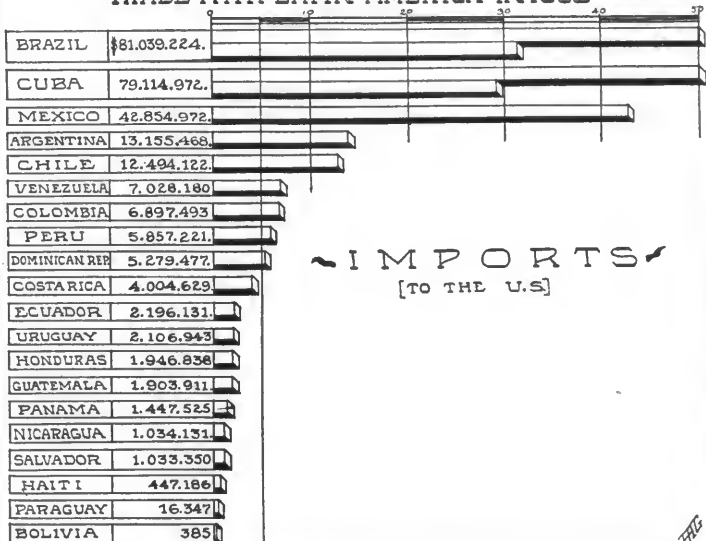
The participation of Pan-America was a feature of the Lake Mohonk Conferences of 1908 and 1909, and active interest was indicated in such industrial assemblies as the International Fisheries Congress, the Irrigation Congress, the Trans-Mississippi Commercial Congress, the Rivers and Harbors Congress, and the Conservation Congress, all of which were held in the United States and attended by delegates from the Republics to the south.

In the field of science, the Fifth Pan-American Medical Congress meeting in Guatemala City during August was an event of note, and the gathering of savants of the Western Hemisphere in Santiago de Chile in December, for the purpose of holding the First Pan-American Scientific Congress, marked the entry of the United States into the realm of intellectual activity covered by the four Latin-American Scientific Congresses previously held. As a compliment to this cooperative action, Washington was selected for the next meeting place of the Congress, in 1912.



EXPORTS
[FROM THE U.S.]

**UNITED STATES -
TRADE WITH LATIN AMERICA IN 1908**



IMPORTS
[TO THE U.S.]

Intellectual stimulus has been aroused through the holding of students' congresses, and the year 1908 was marked by an increased number of Latin-American students in United States' universities as well as by a vastly augmented interest on the part of the United States in the applied educational methods of Latin-American countries.

Not the least contributing factor in this interest is the better knowledge being daily acquired through the tide of travel which is setting toward Latin America and for which improved communication facilities are largely responsible.

With the assembling of the Fourth International Conference of American States in Buenos Aires in 1910, the common interests of the American nations will be still further accentuated, and the results of the previous meetings at Washington, Mexico, and Rio de Janeiro reported on in the light of recent events demonstrating the status of America as a whole in world affairs.

TRADE OF AMERICA IN 1908.

	Imports.	Exports.	Total.
Argentine Republic.....	\$272,972,736	\$366,065,341	\$638,978,077
Bolivia.....	16,323,000	17,514,000	33,837,000
Brazil.....	177,450,000	220,475,000	397,925,000
Chile.....	97,551,421	116,489,411	214,040,832
Colombia.....	13,513,892	14,998,744	28,512,636
Costa Rica.....	5,629,405	7,757,525	13,386,930
Cuba.....	85,218,391	94,603,324	179,821,715
Dominican Republic.....	5,127,463	9,486,344	14,613,807
Ecuador.....	6,950,256	8,346,371	15,296,627
Guatemala.....	5,811,586	6,756,143	12,567,729
Haiti.....	4,701,160	3,478,848	8,180,008
Honduras.....	2,829,979	1,834,060	4,664,039
Mexico.....	110,800,000	121,370,000	232,170,000
Nicaragua.....	3,000,000	4,500,000	7,500,000
Panama.....	7,806,811	1,757,135	9,563,946
Paraguay.....	3,939,724	3,791,745	7,651,724
Peru (estimated).....	25,000,000	27,750,000	52,750,000
Salvador.....	4,240,560	5,787,677	10,028,237
United States.....	1,116,449,681	1,752,833,247	2,869,282,928
Uruguay.....	34,618,804	37,280,523	71,899,327
Venezuela.....	9,778,810	14,560,830	24,339,640
	2,009,703,679	2,837,316,268	4,847,019,947

The aggregate of trade for the various countries composing the International Union of American Republics during 1908 was \$4,847,019,947, against \$5,415,798,197 in the preceding year. This loss of over \$550,000,000 is attributable to well-known economic causes which affected commercial centers throughout the world.

In the total for the year the share of the United States is represented by \$2,869,282,928, composed of imports, \$1,116,449,681, and exports, \$1,752,833,247, as compared with \$3,346,596,025, composed of \$1,423,169,820 and \$1,923,426,205 for imports and exports, respectively, in 1907, a decrease of \$477,313,097 being indicated.

Latin America figured in the grand total for \$1,977,737,019, showing a decline of \$89,647,589 in the trade volume as compared with the previous year.

NOTE:-

* ESTIMATED

ARGENTINA 366,005,341.

BRAZIL 220,475,000.

MEXICO 121,370,000.

CHILE 116,489,411.

CUBA 94,603,324.

URUGUAY 37,280,523.

PERU * 27,750,000

BOLIVIA 17,514,000

COLOMBIA 14,998,744

VENEZUELA 14,560,830

DOMINICAN REP 9,486,344

COSTA RICA 7,757,526

GUATEMALA 6,756,143

ECUADOR 6,346,371.

SALVADOR 5,787,677

NICARAGUA 4,500,000

PARAGUAY 3,731,745

HAITI 3,478,848

HONDURAS 1,834,060

PANAMA 1,757,135

HONDURAS 2,829,879

NICARAGUA 3,000,000

PARAGUAY 3,929,724

SALVADOR 4,240,560

HAITI 4,701,160

DOMINICAN REP 5,127,463

COSTA RICA 5,629,405

GUATEMALA 5,811,586

ECUADOR 6,950,256

PANAMA 7,806,811

VENEZUELA 9,778,810

COLOMBIA 13,513,892

BOLIVIA 16,323,000

PERU * 25,000,000

URUGUAY 34,619,804

CUBA 85,218,391

CHILE 97,551,421

MEXICO 110,800,000

BRAZIL 177,450,000

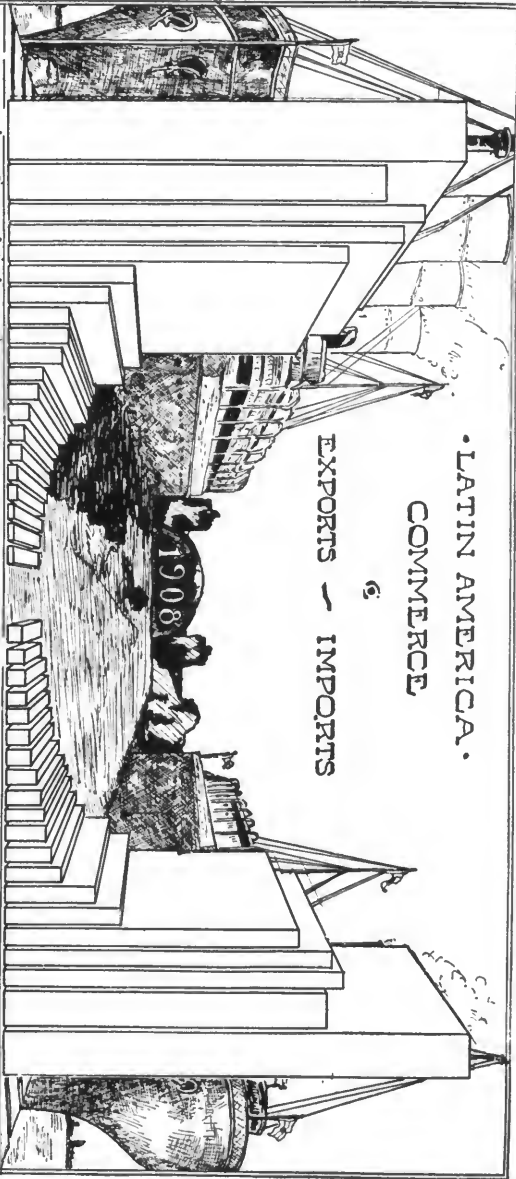
ARGENTINA 272,972,736

1918

1908

LATIN AMERICA.
COMMERCE
EXPORTS — IMPORTS

1918



Imports into all of Latin America during 1908 amounted in value to \$893,253,998, against \$1,000,297,852 in 1907, the indicated decline for this branch of trade being \$107,043,854.

On the other hand exports, with a total valuation of \$1,084,483,021, show a gain of \$15,578,701 over the figures for 1907, when Latin-American merchandise was shipped abroad to the value of \$1,068,904,320.

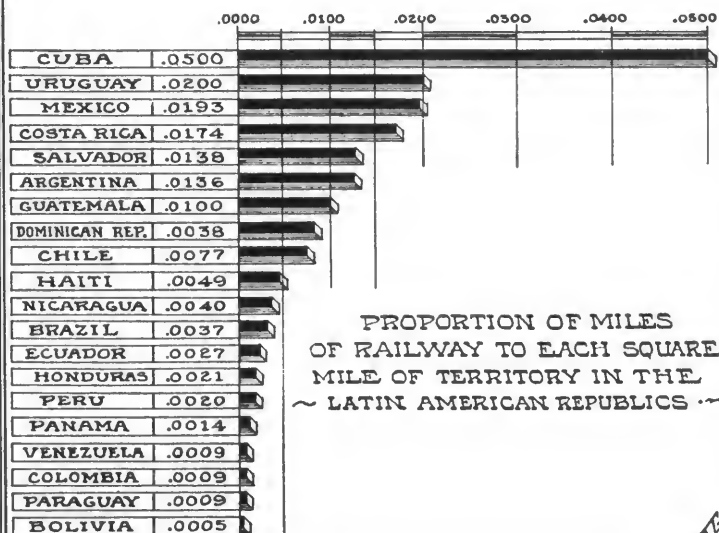
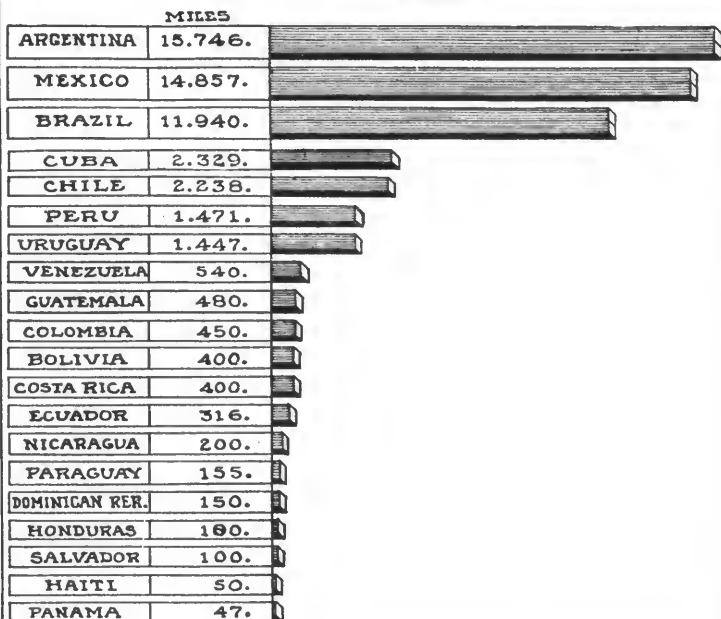
From the foregoing statement it is seen that in spite of certain adverse conditions in the financial world the demand for articles of Latin-American origin created a trade balance in favor of the producing countries to the extent of \$191,229,023, in which sum the exports for the year exceeded the imports.

In the year's trade total for Latin America, the United States share was \$468,216,455, as compared with \$558,279,201 in 1907, receipts of Latin-American merchandise figuring on the trade lists of the country for \$271,498,425 and shipments of United States goods to those countries being represented by \$196,718,030, as compared with imports worth \$317,726,133 and exports \$240,553,068 in 1907.

With Central America, trade values in 1908 aggregated \$36,352,328, against \$45,087,355 in the year previous; with Mexico a total of \$89,318,016 is recorded, as compared with \$124,698,413; with South America, \$209,029,069, a decline from \$233,293,351 in 1907; with Cuba, \$121,566,196, against \$144,973,116; with Haiti, \$3,947,961, compared with \$4,366,273; and with the Dominican Republic, \$8,002,885 in 1908 and \$5,860,693 in 1907.

In considering the figures given above, adverse conclusions must not be drawn as to the value of the Latin-American field of trade. The falling off in the exchange of commodities for the year 1908 with the United States, as already suggested, was due almost entirely to unfavorable and unusual economic conditions. The reliable measure of such value is determined by comparing the statistics of the present with those of ten years ago, and here a great increase is shown. The outlook, moreover, for the coming year is good, and there is an awakening, largely due to the efforts of the International Bureau, among business men in both North and South America to the possibilities of trade exchange heretofore undeveloped which must have a beneficial effect on Pan-American commerce.

RAILWAY MILEAGE OF - LATIN AMERICA -



PROPORTION OF MILES
OF RAILWAY TO EACH SQUARE
MILE OF TERRITORY IN THE
~ LATIN AMERICAN REPUBLICS ~

ARGENTINE REPUBLIC

The Argentine Republic, the third largest of the American Republics, is situated between latitude 22° and 56° south and longitude west of Greenwich 53° and 57° , being bounded by the Republics of Chile, Bolivia, Paraguay, Brazil, Uruguay, and the Atlantic Ocean. It has an area of 1,135,840 square miles, equal to about one-half the total area of the United States of America, and a population of 6,100,361, or 5.4 per square mile, as against 23.2 in the United States of America.

Stretching over 34° of latitude, the country presents a variety of climate and products, ranging from tropical in the north to arctic in the south, but the larger part of its territory lies within the temperate zone. The broad, fertile plains extending from the Atlantic to the foot of the Andes, occasionally broken by a series of low mountains, afford excellent pasturage for thousands of cattle, and nearly all cereals, especially wheat, corn, and oats, are successfully cultivated. Other industrial articles produced in export quantities are hides and skins of all kinds, and the valuable quebracho wood and its extract. Sugar, cotton, tobacco, and grapes are largely grown, but mostly for home consumption. The mountains contain rich deposits of silver, copper, and gold, which are as yet exploited to a limited extent only.

HISTORICAL SKETCH.

The Spanish navigator, JUAN DE SOLIS, in search of a passage to the Pacific Ocean, was the first European to explore the Rio de la Plata, in the year 1508 and again in 1515. SEBASTIAN CABOT subsequently explored the country, sailing up the Parana and Paraguay rivers in 1526.

PEDRO DE MENDOZA was appointed Governor of the country by the Spanish Crown in 1536, and founded what is now the city of Buenos Aires. The settlement was, however, destroyed by the Indians, and it was not until the year 1576, when JUAN DE GARAY became Governor, that any serious attempt was again made to colonize the country. The Province of Uruguay, as the entire territory was then called, was placed under the jurisdiction of the Viceroy of Peru, but in 1776 the La Plata country had become of sufficient importance to warrant the establishment of a separate viceroyalty, and DON PEDRO DE CEVALLOS was appointed Viceroy of the Rio de la Plata Provinces.

In the year 1805 Great Britain, then at war with Spain, attempted to seize the city of Buenos Aires, which had become an important

trade center, but the British troops were unsuccessful, and in the following year they temporarily abandoned the contest. Within less than a year, however, the attempt was again made to capture the city, the British being again and finally defeated on July 6, 1807.

The war for independence from Spanish rule began on May 25, 1810, DON MANUEL BELGRANO, General SAN MARTIN, and Admiral GUILLERMO BROWN being among the distinguished patriots engaged in the struggle. The Spanish troops were defeated both by water and by land on June 22, 1814, and were obliged to abandon the fort of Montevideo, their last stronghold in the La Plata Provinces.

A constitutional Assembly, which convened at Tucuman, formally declared the independence of the "Provincias Unidas del Rio de la Plata" (United Provinces of the La Plata River), on July 9, 1816, and vested the executive authority in a Supreme Director; DON JUAN MARTIN DE PUEYRRE'N being elected to that position. The title of Republic was subsequently changed to that of Argentine Republic and later to Argentine Confederation and finally, in the year 1860, to Argentine Nation, which is now its official designation. In the year 1824 the executive power was vested in a President of the Republic, and DON BERNARDO RIVADAVIA was inaugurated as the first executive of this office on February 7, 1825.

The incorporation of the territory now constituting the Republic of Uruguay into the Argentine Confederation resulted in war with Brazil. This war began on December 10, 1825, and lasted until 1827, when a treaty of peace was concluded, on February 20, whereby the independence of Uruguay was guaranteed.

Among the great men of the Argentine Nation may be mentioned DON BAROLOMÉ MITRE, author, statesman, soldier, and patriot, who commanded the allied forces in the war with Paraguay; DON DOMINGO FAUSTINO SARMIENTO, the great educator, who organized the school system of the Republic; DON NICOLAS AVELLANEDA, who stimulated commerce and industries; and DON JULIO ROCA, who subdued the troublesome Indians of the Chaco and successfully averted a war with Chile which threatened to eventuate as the result of a boundary dispute.

DON MANUEL QUINTANA was inaugurated President of the Republic on October 12, 1904, but died on March 12, 1906, before the expiration of his term of office. He was succeeded by the then Vice-President, Dr. JOSÉ FIGUEROA ALCORTA, whose term of office will expire on October 11, 1910.



DR. DON JOSÉ FIGUEROA ALCORTA, PRESIDENT OF THE ARGENTINE REPUBLIC.

CONSTITUTION AND GOVERNMENT.

The Argentine Republic is one of the five American Republics which have adopted the Federal Union of States as its form of government, the others being the United States of America, the United States of Brazil, the United Mexican States, and the United States of Venezuela. All the other American Republics have a unitary or centralized form of government.

The constitution adopted May 1, 1853, modeled closely after that of the United States of America, provides for the usual three branches of government—the legislative, executive, and judicial.

The legislative power is vested in the National Congress, consisting of the Senate and the Chamber of Deputies, the former with 30 members and the latter with 120. Senators are elected by the legislatures of the States, usually called "provinces," and in the federal district by a special body of electors, for a term of nine years, two senators being named for each province and two for the federal district. The Senate is, however, renewed by thirds every three years. Deputies are elected by direct popular vote, for a term of four years, in the proportion of one for every 33,000 inhabitants. The Chamber of Deputies is renewed by halves every two years.

The President of the Republic, assisted by a cabinet of eight ministers or secretaries of state, exercises the executive authority. The President and Vice-President are elected indirectly, as in the United States, by electors chosen by the people for that purpose, and for a term of six years. Neither the President nor the Vice-President may be elected for a second term immediately following their incumbency of the office. The Vice-President is the President of the Senate.

The judiciary is composed of a national supreme court for courts of appeals and courts of first instance. Each province has its own judiciary. The supreme court is composed of five judges and the courts of appeals of three judges each, appointed by the President of the Republic.

President.....	Dr. JOSÉ FIGUEROA ALCORTA.
Minister of the Interior.....	Dr. MARCO AVELLANEDA.
Minister of Foreign Affairs.....	Dr. VICTORINO DE LA PLAZA.
Minister of the Treasury.....	Dr. MANUEL DE IRIONDO.
Minister of Justice and Public Instruction.....	Dr. S. S. NAÓN.
Minister of Public Works.....	Dr. EZEQUIEL RAMOS MEXÍA.
Minister of Agriculture.....	Sr. PEDRO EZCURRA.
Minister of War.....	Sr. General RAFAEL M. AGUIRRE.
Minister of Marine.....	Rear-Admiral ONOFRE BETBEDER.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The salary of the President is ₧72,000 (\$36,000) per annum.

INTERIOR GOVERNMENT.

The Argentine Republic is divided into 14 provinces, 10 territories, and 1 federal district, the provinces being autonomous in their in-

terior government, while the executive authority in the territories is vested in a Governor appointed by the President of the Republic. The federal district is administered by an intendente, or mayor, who is likewise appointed by the President, and assisted by a municipal council elected by the people.

The following are the political divisions of the Argentine Republic:

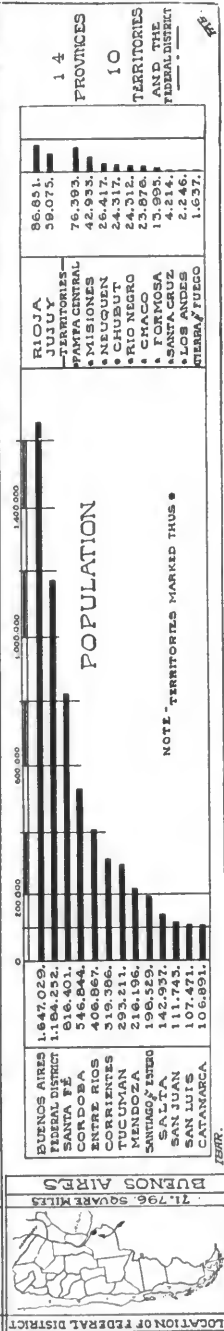
Federal district of Buenos Aires, capital of the Republic.	
Province of—	Capital.
Buenos Aires.....	La Plata.
Catamarca.....	Catamarca.
Cordoba.....	Cordoba.
Corrientes.....	Corrientes.
Entre Rios.....	Parana.
Jujuy.....	Jujuy.
Mendoza.....	Mendoza.
Rioja.....	La Rioja.
Salta.....	Salta.
San Juan.....	San Juan.
Santa Fe.....	Santa Fe.
Santiago del Estero.....	Santiago del Estero.
San Luis.....	San Luis.
Tucuman.....	Tucuman.
Territory of—	
Chaco.....	Resistencia.
Chubut.....	Rawson.
Formosa.....	Formosa.
Los Andes.....	San Antonio de los Cobres.
Misiones.....	Posadas.
Neuquen.....	Chos-Malal.
Pampa Central.....	General Acha.
Rio Negro.....	Viedma.
Santa Cruz.....	Puerto Gallegos.
Tierra del Fuego.....	Ushuaia.

ARMY AND NAVY.

Under a law enacted in 1901, military service in the Argentine Republic is compulsory. All able-bodied citizens must serve from their twentieth to their forty-fifth year, nominally for a period of twenty-five years, although the actual service rarely extends beyond one year. There are two reserve corps—the National Guard, comprising all citizens between the ages of 28 and 40 years, and the Territorial Guard, composed of citizens over 40 years of age. Those under 28 and over 20 serve for one year with the colors. Naturalized citizens are exempt from military duty for a term of ten years after their naturalization.

The Republic is divided into five military districts, each with a district commander. In case of mobilization each district must provide two divisions, making a total of ten divisions of 12,000 men each. This does not include the National or Territorial Guards.

LOCATION OF PROVINCES AND TERRITORIES											
BUENOS AIRES 117,776 sq. M. 109,141 sq. M.	SANTA CRUZ 93,427 sq. M.	CHUBUT 75,924 sq. M.	RIO NEGRO 62,124 sq. M.	SALTA 62,153 sq. M.	CORDOBA 56,502 sq. M.	MENDOZA 56,370 sq. M.	FAMIR CENTRAL 52,741 sq. M.	CHACO 50,915 sq. M.	SANTA FE 47,551 sq. M.	CATAMARCA 42,243 sq. M.	NEUQUEN*
41,401 sq. M.	39,764 sq. M.	34,546 sq. M.	33,713 sq. M.	32,579 sq. M.	26,784 sq. M.	26,502 sq. M.	25,051 sq. M.	19,976 sq. M.	11,262 sq. M.	6,325 sq. M.	0,259 sq. M.
FORMOSA	SANTIAGO DEL ESTERO	RIOJA	SAN JUAN	CORRIENTES	ENTRE RIOS	SAN LUIS	LOS ANDES	JUJUY	MISIONES	TUCUMAN	TERRA Y FUEGO



AREA AND POPULATION OF THE PROVINCES AND TERRITORIES OF THE ARGENTINE REPUBLIC.

288

On a peace footing the Argentine army consists of 1,560 officers and 16,000 men.

Education of army officers is provided for at the Military College at San Martin, a short distance from Buenos Aires, where ample opportunities for a thorough training are afforded, while the Naval



CAVALRYMAN, ARGENTINE REPUBLIC.

The cavalry branch of Argentina's standing army consists of eleven regiments. The men are expert horsemen, and this branch of the national service appeals to them. The mounts are of small stature, strong, hardy, and high spirited, but very tractable.

Academy, located in a beautiful park, in the suburb of Flores, provides education for officers of the naval service.

The Argentine navy consists of 4 armored cruisers of the first class, of 6,840 tons each, the *San Martin*, *General Belgrano*, *Pueyrre-*

don, and *Garibaldi*; 3 ironclads, the *Almirante Brown*, of 4,200 tons, the *Libertad*, and *Independencia*, of 2,300 tons each; 2 monitors, *El Plata* and *Los Andes*, of 1,535 tons each; 4 cruisers of the second class, the *Buenos Aires*, *9 de Julio*, *25 de Mayo*, and *Patagonia*, of 4,700, 3,560, 3,200, and 1,530 tons, respectively; also 3 destroyers, 2 torpedo cruisers, 24 torpedo boats, 1 school-ship, 5 transports, and a number of auxiliary vessels.

The officers of the navy number 493, including engineers, while the number of enlisted men varies from 5,000 to 6,000, according to the number of conscripts recruited annually.

THE ARGENTINE REPUBLIC IN 1908.

The year 1908 was one of steady progress and prosperity in the history of the Argentine Republic. Agriculture, which forms the basis of the nation's wealth, made signally prosperous returns; the wheat crop was the largest ever harvested; linseed exports made a new record; and though maize suffered somewhat from the effects of drought, large shipments were reported, and in the status of oats on the export returns, a gain of 150 per cent was reported. The pastoral industries also made satisfactory returns, exports of frozen meats showing considerable advance over the preceding year, though shipments of live cattle still remain in an unsatisfactory condition.

The producing capacity of the country is steadily increasing, and in cereal production its status is evidenced by the fact that as a corn exporter the Argentine Republic took first rank in 1908, occupying the place formerly held by the United States. In the production of this foodstuff the country ranks third, and as a wheat grower fifth. It is first as an exporter of frozen meat and second as a shipper of wool.

In the number of its cattle the Republic holds third place among the nations, being ranked by India and the United States. Russia and the United States exceed it in number of horses, and Australia alone has a greater number of sheep.

The large trade balance of the country is ample indication of the year's prosperity, exports showing a great advance over the preceding year and an excess, as compared with imports, of nearly \$100,000,000. The decline in imports, as compared with 1907, is due largely to decreased receipts of railway material, of which the companies laid in large quantities prior to the operations of the Mitre law, which unified the privileges accorded to the corporations.

Industrial advancement is indicated by the increased number of mills and factories in operation; immigration figures surpassed all previous records; railroad connections were extended; and financial conditions generally were satisfactory.

FOREIGN AFFAIRS.

Among the affairs of importance in the administration of the foreign policies of the Government no event of the year takes rank over the general arbitration treaty with Brazil, which was promulgated in November. The Republic also participated in the Refrigeration Congress held in Paris in October, and the recommendations and reports of the Argentine delegates on pasteurization, shipment, and distribution of milk were well received. The dairy industry is attracting attention throughout the country, and Argentine butter is taking its place on the export lists of the country.

Buenos Aires has been selected as the place of meeting for the next Congress of Americanists, adjourned in Vienna in September, 1908. The conference will be held in 1910, the year of the centennial celebration of the country's independence.

The exposition of national industries, scheduled in connection with the centennial festivities, is to make a feature of transportation methods, all nations being invited to participate in a display of railway equipment and land transport generally.

The same year and place has been selected for the Fourth International Conference of the American Republics, for which active preparations are going forward throughout the republics interested.

The work of the Carnegie Institute is to be continued in the Argentine Republic under the direction of Prof. Lewis Boss. The assistance rendered by the Argentine Government has greatly aided in the advancement of this work.

Progress in matters of public utility during the year was very satisfactory. Numerous concessions granted were to increase existing railway lines, to supply new harbor accommodations at Buenos Aires, and for water and drainage works.

FINANCE.

The financial situation remains satisfactory, the national revenues being ample for the ordinary requirements, and the public debt service was promptly met without recourse to the credit available at the Argentine National Bank. At the close of the year the total liabilities of the Government were \$378,500,000. The Province of Buenos Aires successfully floated a loan for the completion of a reclamation project by which a large area of arable land will become available.

The report of the Minister of Finance showed treasury receipts for the year amounting to \$112,000,000 derived from customs receipts and internal-revenue taxes. Import duties figured in the receipts to the extent of nearly \$57,000,000, divided among Buenos Aires, Rosario, La Plata, and Bahía Blanca in the order named. All of these ports,

with the exception of Rosario, showed an increase in imports over 1907. The expenditures reached a total of \$103,000,000, leaving a surplus of \$9,000,000.

The budget for 1909 as approved by the National Congress provides for expenditures of \$25,907,777 gold and ₧198,344,400, with estimated revenues of \$67,820,433 and ₧100,639,516. Bank deposits in the Republic on January 31, 1908, aggregated \$23,538,215 and ₧811,026,530, while the cash on hand on the same date amounted to \$47,570,137 and ₧230,161,400. The Government gold reserve for the conversion of national currency amounted to \$126,482,515.76, an increase of \$21,368,644.26 over 1907.

The capital of the Bank of the Argentine Nation was increased by a law authorizing the issue of bonds to the amount of \$17,177,000 gold, secured by the general revenues of the Republic.

British capital continued to figure prominently in various enterprises to the extent of £243,000,000, railways proving the principal attraction for investors, with government bonds in second place.

COMMERCE.

The Argentine Republic was one of the few countries of the world reporting advanced trade values for the year 1908, a gain of over \$56,000,000 being reported. The immense grain crops of the year, which swelled the exports of the country, accounted for this gratifying result. The total valuation of the foreign commerce of the Republic for 1908 was \$638,978,077, as compared with \$582,065,052 in 1907. This increase is to be credited entirely to the side of exports, amounting to \$366,005,341, as compared with \$296,204,469 in 1907, a gain of \$69,800,972; while imports worth \$272,972,736 declined by \$12,887,947, the figures for the previous year having been \$285,860,683. Only for one year has the reported trade balance of \$93,022,605 been exceeded, when in 1905 the exports were greater than imports by over \$117,000,000.

The countries of origin for imports during the year under review, with the respective valuations furnished by each in comparison with the preceding year, were as follows: Great Britain, \$93,371,396, a decline of \$4,564,347; Germany, \$37,847,076, a decline of \$7,964,094; United States, \$35,597,004, a decline of \$3,245,273; France, \$26,476,917, an advance of \$1,008,891; Italy \$24,913,248, an advance of \$910,007; and Belgium, \$12,753,373, a loss of \$3,143,477. From the above figures it will be noted that the three ranking countries decreased their sales, while the two next in order increased their shipments. Great Britain holds first place, with 34.2 per cent, while Germany and the United States follow, with 13.9 and 13.2 per cent, respectively.

GREAT-BRITAIN \$213,750,519.

BELGIUM \$35,778,188.

GERMANY \$34,751,994.

FRANCE \$28,913,730.

BRAZIL \$15,095,578.

UNITED STATES \$15,023,238.

ITALY

NETHERLANDS

SPAIN

CANADA

CHILE

AUSTRIA-HUNGARY

URUGUAY

BOLIVIA

PARAGUAY

OTHERS

OTHERS \$16,131,218.

BOLIVIA

CHILE

PARAGUAY

NETHERLANDS

URUGUAY

AUSTRIA-HUNGARY

BRAZIL

SPAIN

BELGIUM

ITALY

FRANCE

UNITED STATES

GERMANY

GREAT BRITAIN \$93,371,396.

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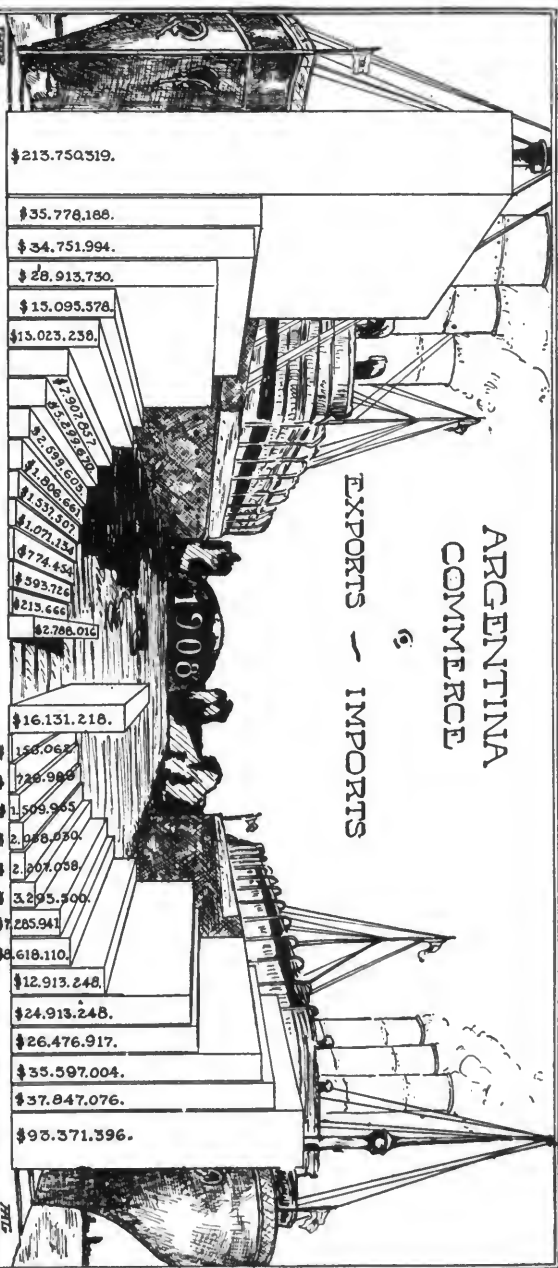
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ARGENTINA
COMMERCE

EXPORTS — IMPORTS

1908



A classification of the imports for the year gives textiles and manufactured goods the first place with a total of \$49,911,338, followed by transport appliances and vehicles, \$30,700,337; iron and manufactures of, \$30,075,484; pottery, ceramics, etc., \$24,897,435; foodstuffs, \$23,549,097; building materials, \$21,182,426; agricultural implements, \$15,839,838; wines and liquors, \$13,279,781; and mineral and vegetable oils, \$11,051,723. A comparison of these figures with those for the previous year shows the following gains: Pottery and ceramics, \$4,264,645; oils, \$2,966,952; foodstuffs, \$2,615,908; textiles, \$2,563,830; metals (other than iron), \$1,064,495; chemical and pharmaceutical products, \$1,000,658; and wines and liquors, \$646,042. On the other hand, a decline was noted in the following: Vehicles, \$21,620,413; iron, etc., \$3,085,655; agricultural implements, \$2,701,731; and building materials, \$1,837,967.

A review of the export values, as compared with 1907, shows Great Britain to have received \$78,324,723, a decline of \$24,608,571; Belgium, \$35,778,188, an advance of \$6,186,055; Germany, \$34,751,994, a decline of \$1,671,062; France, \$28,913,730, a decline of \$8,848,316; Brazil, \$15,095,578, an advance of \$1,077,147; United States, \$13,023,238, an advance of \$2,082,802. While Great Britain is credited with 21.4 per cent of the export values, it must also be borne in mind that 37 per cent of these figures represent grain shipments subject to distribution in accordance with subsequent orders, most of which finds a sale in British markets. Belgium follows with 9.8 per cent; Germany, 9.5; France, 7.9; Brazil, 4.1, and the United States, 3.6.

A classification of the exports into six general divisions show agricultural products worth \$241,677,164, a gain of \$77,585,543 over 1907; live-stock products \$115,118,457, a decline of \$8,701,748; forest products \$6,347,234, an increase of \$1,004,877; fish and game \$498,612, an increase of \$330,947.

Exports of cereals showed a gain over 1907, wheat taking the lead with 3,636,294 tons, an increase of 955,492 tons; corn coming second with 1,711,804 tons, an advance of 455,492 tons; linseed third with 1,055,650 tons, or 291,914 tons more than the previous year, while oats, although fourth with 440,041 tons, showed a gain of 296,475 tons over 1907. This is accounted for by the fact that the United States, owing to a short crop, was a large importer of Argentine oats, receipts being reported of 4,000,000 bushels in twelve months. Argentine corn also figured in the country's trade lists for 200,000 bushels. Wool exports showed an increase of 20,728 tons over 1907, the total shipments for the year amounting to 175,538 tons; frozen beef reached a total of 180,915 tons, an increase of 42,593 tons; while in jerked beef there was a decline of 3,999 tons, amounting to only

6,650 tons in 1908. Hay showed a decrease of 14,799 tons, the exports of this article reaching only 32,078 tons, while quebracho wood and quebracho extract amounted to 254,571 tons and 48,162 tons, respectively, an advance over the previous year of 8,057 and 19,967 tons. In shipments of hides there was a healthy increase, and of those exported in 1908, the United States took 1,466,143, Germany 1,200,696, and Italy 654,716. Exports of sheepskins showed a gratifying increase, 76,371 bales being exported as against 59,260 in 1907. France was the principal consumer, taking 55,262 bales, and the United States 7,669.

In pastoral products the following articles showed the increased valuations recorded: Frozen and chilled meats, \$5,275,000; tanned sheepskins, \$281,600; butter, \$206,000; tallow and melted fat, \$1,224,000; margarine, \$205,000; goatskins, \$300,000; bones, \$296,000; while the following articles decreased in the amounts stated: Live animals, \$314,000; hair, \$136,500; hides, \$900,000; sheepskins, \$2,600,000; wool, \$12,000,000; jerked beef, \$405,000; meat extract, \$411,000.

The increased valuations noted for agricultural products were: Oats, \$6,104,000; barley, \$436,000; linseed, \$12,923,483; maize, \$11,902,886; wheat, \$46,114,863; flour, \$436,400; bran, \$146,500; and various seeds, \$410,000. The only considerable decrease was \$170,000 in hay and \$808,000 in canary seed.

From investigation of the trade lists of other countries, it is found that five countries—Great Britain, Germany, Belgium, the Netherlands, and Brazil—take more than 90 per cent of the Argentine shipments of wheat, flax, maize, and quebracho, other countries merely supplementing short crops or supplying temporary necessities.

Shipments of live stock during the year comprised 4,032 steers, 37,951 wethers, 3,487 horses, and 1,042 mules. Steers and wethers showed an increase of nearly 2,000 each, Brazil taking over one-half of the steers and Belgium practically all of the wethers. Horses decreased by nearly 1,000 and mules by 14,500. South Africa and Brazil still lead in the import of Argentine horses, 1,255 and 1,228, respectively, being credited to the two countries.

The Republic has done much to cement firmer trade relations with countries heretofore occupying unimportant positions on its trade list, as is shown by increased imports from Italy, Spain, Austro-Hungary, France, the Netherlands, and Chile.

INDUSTRIES.

The paramount importance of agriculture among the industries of the Republic is demonstrated by the trade returns for the year 1908. The production of cereals for the year was estimated at about 5,250,000 tons. The crops for the year were: Wheat, 5,263,705 tons; lin-

seed, 1,100,700 tons; and oats, 492,770 tons. Corn exports represent practically the entire crop of 1,711,804 tons.

The general area of cereals under cultivation in 1908 was 39,500,000 acres, the area under wheat, linseed, and maize and oats being 15,000,000, 3,835,000, 7,434,000, 1,393,000 acres, respectively.

The agricultural area under cultivation in 1908, as compared with 1895, has increased 216 per cent. A large portion of this increase is due to the increase in the cultivation of wheat, the area of which shows an increase of 195 per cent as compared with 1895. During the same period the linseed area increased 295 per cent, and the maize area 138 per cent. A phenomenal increase is noted in the cultivation of oats. The cultivation of alfalfa has also largely increased during the past decade, and it is estimated that the 1,782,000 acres of alfalfa under cultivation in 1895 increased to over 10,000,000 in 1908. Viticulture has also largely increased, and the area now under this cultivation is estimated at 140,000 acres.

Under careful government regulation and the application of the latest and most approved scientific methods the Republic maintained its place among the countries of the world engaged in stock raising. This is especially true with regard to cattle, as the last returns from seven provinces showed \$536,800,000 invested in this industry. A recent agricultural and pastoral census of the Republic showed live stock in the following quantities: Cattle, 29,116,625; horses, 7,531,376; mules, 465,037; donkeys, 285,088; sheep, 67,211,754; goats, 3,245,086; and hogs, 1,403,591, representing a total valuation of \$645,000,000. Annual expositions of live stock held at Palermo, in the vicinity of the capital, show a constant improvement in breeding and selection of stock, and the promulgation of the executive decree of May 8, 1908, enforcing rigid quarantine regulations in regard to imported live stock, clearly indicates the attitude of the Government in the protection of one of the country's principal industries.

The Republic now occupies first place among the countries of the world as a purveyor of frozen meat, though the industry is as yet practically in its infancy, and with the cheapest and most excellent raw material in the world at hand in inexhaustible quantities it will undoubtedly reach proportions greatly in excess of the present. This industry in 1907 represented over \$35,000,000 and gave employment in various establishments to nearly 5,000 workmen. In the beef-salting factories of the River Plate region the cattle slaughtered numbered 1,426,800 in 1908. Uruguay furnished 754,300; Brazil, 425,000; and the Argentine Republic, 247,500. This field has attracted the attention of United States capitalists, and the packing interests are said to be investing large sums in Argentine establishments.

The sugar output, of which the Province of Tucuman is the producing center, amounted to nearly 120,000 tons which, although

not entirely satisfactory, showed a considerable increase over previous years. Domestic consumption is 140,000 tons necessitating importations to the extent of some 20,000 tons to meet the demands of the home market. The wine industry, at the beginning of 1908, represented capital aggregating \$59,000,000 with an average annual output of 1,890,000 hectoliters valued at \$12,500,000. This industry also is as yet in its infancy. In the Provinces of Mendoza and San Juan the vintage for the past year was placed at 1,200,000 barrels.

The recent industrial census taken in the Republic showed tobacco manufacturing to be one of the most prosperous and flourishing industries of the country, occupying third place. The bulk of the imported leaf is used in the manufacture of fine cigars and cigarettes, the tobacco grown in the country being employed largely for smoking tobacco. During the five years, from 1903 to 1907, inclusive, imports of tobacco aggregated 10,468 tons, of which 2,925 tons were imported in 1907. There are 77 tobacco factories in the country, of which 46 belong to foreigners. These represent an investment of \$3,440,272 and a yearly output valued at \$12,783,158.

Nearly \$7,000,000 were spent during the year in importations of textile goods, the twine and sacking used in harvesting figuring largely in the total. Much of the material heretofore imported can be produced to advantage in the country where the large areas of easily accessible and fertile lands should attract capitalists and stimulate the cultivation of fibrous plants, thus giving an impetus to an industry of great profit to the country. This matter has already been taken up in a small way in the town of Brugo, Province of Entre Rios, where the manufacture of twine, cord, and sacking has been commenced. The article produced competes advantageously with the products of foreign looms.

Progress in silk culture, another of the infant industries of the Republic, for the year 1908, while not entirely satisfactory, is full of hope for the future. The raw material produced has been pronounced by European experts to be of excellent quality, and the Government assists in spreading a knowledge of the possibilities of this industry. A total of 11,500,000 mulberry trees is reported in the Republic, of which Santa Fé has 5,200,000, Cordoba 4,500,000, Entre Rios 1,500,000, and other provinces 250,000.

At the beginning of 1908 the wheat milling industry showed a total of 350 establishments of which 47 commenced operation during the previous year. As a result of the modern methods employed in most of the mills the yield of flour increased from 64.5 per cent in 1895 to 68.3 in 1907.

The cultivation of maté is being fostered by the Government, and 50,000 plants have been purchased for distribution to settlers on easy terms with full instructions as to their cultivation.

Many causes contribute to the noticeable lack of interest shown in the exploitation of the mineral resources of the Republic, chief of which are lack of available capital, difficulties of transportation, and the high price of fuel. Official statistics show gold exports from 1903 to 1907 to have reached a total of \$1,910,912, or a yearly average of about \$382,000. Copper figured prominently in the mineral productions and marble showed a steady increase from 1895 to 1901, after which it remained stationary. Salt is mined in quantities insufficient for local consumption and other mineral deposits exploited in a small way. The future of this branch of industry is bright, however,



WHEAT AWAITING TRANSPORTATION, ARGENTINE REPUBLIC.

The production of wheat in the Republic is about five and a half million tons a year, of which over four million tons are exported, mostly to Europe.

as many of the precious metals abound in the Republic, requiring only the necessary capital to develop them and add to the resources of the nation.

Industrial companies and public-utility corporations reported a prosperous year; capital so employed represented an aggregate investment of \$133,199,631, with a total yearly output of \$267,322,462 and a working force of 118,315 workmen.

The most important industrial enterprises, other than agricultural and pastoral, from the point of view of capital, are meat packing and refrigerating plants, \$31,136,973; breweries, \$16,950,000; flour mills, \$11,357,022; paper mills, \$6,489,000.

Of the public-utility corporations in the capital, the seven street-railway companies represented a total mileage of 608 kilometers, with

5,778 operatives and 1,665 cars. The city lighting represented an output of 28,105,103 kilowatts of current, and for private consumption three gas companies furnished 37,000,000 cubic meters of gas. The royalties accruing to the municipality of Buenos Aires for the last quarter of 1908 from the German electric company amounted to \$181,245 on a basis of 6 per cent for the period indicated. Other public utilities in contemplation are an underground railroad, the enlargement of the port of Buenos Aires by the construction of a deep-water canal to connect with the Parana de las Palmas River, to cost \$47,000,000, and a custom-house at Buenos Aires to be erected at an expense of \$1,650,000.

Real-estate transfers recorded during the year amounted to \$98,811,621, as compared with \$88,627,961 in 1907, while mortgage transactions covered 6,577 properties, representing 3,844,059 square meters, held as security for loans aggregating \$42,246,289.

Land companies in the Republic had a prosperous year, as is shown by their yearly reports.

The public domain of the Republic in March, 1907, was 203,798,650 acres available for settlement and which the Government holds at \$1 per hectare.

RAILWAYS.

The Argentine Republic is practically covered with a network of railways, which extend in every direction and connect the capital with all points north and south, and the ports of Bahia Blanca, Rosario, Parana, Santa Fe, and San Nicolas with the interior. The railway extending north from Buenos Aires via Rosario, Santa Fe, Tucuman, Salta, and Jujuy connects with the Bolivian Railway, and will, when completed, establish direct communication with the capital of Bolivia. The Buenos Aires and Pacific Railway, between Buenos Aires and Mendoza, makes connection with the Transandinian Railway at the latter point, which railway, when completed, will establish the much-needed railway connection between Chile and Argentina.

At present there are in operation in the country 15,476 miles of railways, representing a capitalization of over \$788,964,416. Nearly 1,000 miles were added in 1908. Receipts from operating roads during the year are estimated at \$101,391,000 and expenses at \$61,368,000, leaving a profit to the companies interested of \$40,023,000. The number of passengers carried was 48,593,600, and freight transported amounted to 31,930,600 tons.

The majority of these lines are owned and operated by private companies, although three of the lines, viz, the Central Norte, Argentino del Norte, and the Andine railways, are owned and operated by the Argentine Government. These last have a total mileage of 1,838 miles.

Buenos Aires, the capital, is the center of the Argentine railway system, and from this city, trunk lines extend to the city of Rosario, 186 miles; to the city of San Juan, capital of the Province of San Juan, 745 miles, which line also connects with the city of Mendoza, tapping the fertile wine district, as well as with the Transandine Railway; to the city of Cordoba, the capital of the province of the same name, known as the city of churches and universities, a distance of 433 miles. Another trunk line extends from Buenos Aires in a southwesterly direction, connecting all the more important points in the Province of Buenos Aires with the capital, and extending into the Territories of Neuquen and Pampa, 785 miles long.

From Rosario a trunk line extends to the cities of Salta and Jujuy, in the extreme north, connecting at Tucuman, the center of the sugar industry, with a total length of 810 miles. This line runs through the grain belt of the Argentine Republic, of which Rosario may be called the center, handling the largest percentage of the grain exports, and second only to Buenos Aires in its total foreign trade. From Corrientes, the capital of the province of the same name, a railway, 330 miles in length, extends in a southeasterly direction through the Province of Corrientes and the fertile region of the Province of Entre Rios, as far as the cities of Concordia and Galeguaychu, a branch line connecting with the city of Parana, on the Parana River.

The progressive spirit of the nation is shown by the fact that during the past year Congress granted concessions for the construction of new railway lines representing nearly 3,125 miles of railway, the building of which will involve an expenditure of nearly \$25,000,000, and for which the President has been authorized to issue bonds. Existing lines were extended and connections established via Rosario with the northern limits of the Province of Santa Fe, and a French company has begun work on a line to connect with the railroad between Rosario and Point Belgrano, which will tap a rich section of land suitable for agriculture and stock raising. To the south also the work of extending existing mileage showed progress, and the appointment of two committees for the survey of new railroad lines in that direction gave ample assurance that the Government was fully alive to the immense possibilities of Patagonia. Improvement of fluvial navigation also figured in the government project for the betterment of the national transport, an appropriation of \$3,850,000 having been made for that purpose.

STEAMSHIPS.

The principal port in the Argentine Republic, at which most of the foreign vessels enter and clear, is the port of Buenos Aires, while Rosario de Santa Fé is the second in size. Bahia Blanca and La

Plata, in the Province of Buenos Aires, are also accessible for ocean-going vessels and have considerable import and export trade.

Five steamship lines ply between ports of the United States and Buenos Aires, viz, the Lamport & Holt Steamship Company, the Prince Line, the Norton Line, the Houston Line, and the United States and River Plate Steamship Company. Of these only the first-named company has a regular passenger service between New York and Buenos Aires, steamers leaving New York once a month, making the run in twenty-four to twenty-six days. The other four lines have only foreign boats, with limited passenger accommodation in this service, leaving New York or New Orleans at irregular intervals, and occupying from twenty-eight to forty days in the voyage. First-class passage on the Lamport and Holt steamers ranges from \$190 to \$250 one way, while the rates on the other four steamship lines vary from \$125 to \$160.

An excellent service, for both passengers and freight, is, however, maintained with all European ports, there being three Italian, two French, two English, two German, one Spanish, and Danish line with regular weekly or biweekly service between the ports of Genoa, Bordeaux, Marseilles, Liverpool, Hamburg, Bremen, Barcelona, etc., and Buenos Aires. These steamers take from fifteen to twenty-five days for the trip, the passenger rates varying from \$135 to \$250 one way. The Royal Mail Steamship Company and the Hamburg South American Steamship Company have the fastest and most elegantly equipped steamers in this service, and usually take from sixteen to eighteen days between Southampton and Buenos Aires, while the Italian liners make the run from Genoa to Buenos Aires in about the same time.

The Pacific Steam Navigation Company's passengers are transhipped at Montevideo (whence these steamers proceed directly to the West Coast), at which port the White Star Line's steamers also touch, establishing communication with Australia and New Zealand.

With Rio de Janeiro and all Brazilian ports connection is made by the Lloyd Brasileiro steamers, while the Hamburg South American Company has established a regular line of steamers, flying the Argentine flag, between Buenos Aires and all points south as far as Puerto Gallegos.

Three lines of steamers ply between Buenos Aires and Montevideo, making the run in one night, and regular service is maintained by the Mihanovich line, recently acquired by an English syndicate, between Buenos Aires and points on the Parana, Uruguay, and Paraguay River as far as Asuncion, the capital of Paraguay, five days being required for the entire trip.

The shipping for the year showed arrivals of vessels numbering 2,232, representing a total tonnage of 4,888,741 tons, which as compared with 1907 is an increase in steam tonnage of 998,978 tons, and of sailing vessels 10,931 tons. Of this total tonnage the United States was credited with 4,074 tons, represented by four small sailing vessels.

WATERWAYS.

The Argentine Republic has been endowed by nature with a number of excellent waterways, some of which form the means of transportation and communication for several provinces, and connection with Paraguay and Bolivia, as well as with Uruguay and the interior of Brazil.

There are a number of interior ports, such as Concordia, Concepcion del Uruguay, Corrientes, La Paz, San Nicholas, Parana, Santa Fe, and Campana, all of which afford good anchorage for ocean-going vessels.

Among the rivers are the Uruguay, navigable up to the city of Concordia for large steamers; the Parana, navigable for ships of 12 feet draft as far as the city of Corrientes; the Paraguay, navigable for vessels of 12 feet draft as far as the city of Asuncion, in Paraguay, and for light-draft vessels almost in its entire length of 1,800 miles; while the Pilcomayo and the Bermejo are both navigable for short distances.

The Rio Negro is likewise navigable for vessels of light draft for a considerable length, as are the Chubut, Senguer, Deseado, Rio Chico, Santa Cruz, and Gallegos rivers. These afford the means of transportation for the southern provinces and territories.

Five companies operating river steamers establish communication between the different ports and cities on the Paraguay, Uruguay, and Parana River, as well as on the estuary of the mighty La Plata, or River Plate, formed by the confluence of these three rivers, which is 150 miles wide at its mouth in the Atlantic Ocean near Montevideo, and extends for some 200 miles inland, narrowing down to only 35 miles wide, where the Parana and Uruguay empty into it.

A number of picturesque lakes are to be found in the southern part of the country, among which Lake Nahuel Huapi, which has a total area of 309 square miles and on which there are 26 little islands. Other lakes of importance are San Martin, Viedma, and Argentino, all of which are notable for their scenic beauty, and are navigable for small craft.

Among the port improvements in contemplation by the Government are included the widening of the channel at Rosario, the construction of a ship canal at Buenos Aires, irrigation works on the Tercero River, and the construction of a port at the mouth of the

Quequen Grande River. In addition to the foregoing, Congress has authorized a special loan of \$420,000 for dredging the Gualegnaychu River and \$175,000 for the construction of a road bridge over the Tunuyan River.

POSTS AND TELEGRAPHS.

The postal service of the country at the close of 1908 included 2,377 offices, handling mail matter aggregating 705,000,000 pieces and parcels to the number of 2,020,000, and showed receipts amounting to \$8,328,988.67, an increase of 7 per cent over 1907. The telegraph system at the end of the same year showed a mileage of 15,900 miles, transmitted 10,840,000 messages over 30,500 miles of wire, gave employment to 9,457 persons, and showed receipts amounting to \$2,476,140.11. New lines covered 240 miles, and the Government is at present considering the laying of a direct cable line with Europe. The erection of new buildings for the use of the postal and telegraph systems as contemplated by the Government in the Province of San Juan involved an expenditure of ₧250,000 and ₧50,000 is to be spent for the extension of existing telegraph lines in that district.

The Argentine Government has established a number of wireless stations along the coast, which have been operated with flattering success.

The tide of immigration still flows toward the Republic. The figures for 1908 showed 303,112 arrivals, an increase of 46,607 over the preceding twelve months. Five pastoral colonies are to be laid out by the Government, under agreement with a German syndicate, in the territory of Santa Cruz, of which a proportion will be reserved for immigrant families to be introduced directly from Germany by the company.

EDUCATION.

Public instruction in the Argentine Republic is divided into three classes—primary, secondary, and higher education. Primary education is compulsory and free for children between 6 and 14 years of age. There are 5,250 public schools for primary instruction in the Argentine Republic maintained by the Federal Government, aside from the numerous schools supported by the provinces. The schools in the capital and in the territories are under the supervision of a National Council of Education, which occupies a handsome building in the city of Buenos Aires.

Secondary education is not compulsory, but it is practically free, there being only a small fee charged for registration, etc. Sixteen lyceums and 35 normal schools, situated in all the larger cities of the Republic, provide for secondary or preparatory education.

The national universities at Cordoba and Buenos Aires and the provincial universities at La Plata, Santa Fe, and Parana provide

higher education, with faculties for law and social sciences, medicine, exact, physical, and natural sciences, and philosophy and literature.

A National School of Commerce, situated in the city of Buenos Aires, instructs expert accountants and translators, while a School of Mines (in the city of San Juan), the Agrarian and Veterinary School at Santa Catalina (Province of Buenos Aires), the Viticultural School at Mendoza, the National School of Pilots, and the commercial schools at Cordoba and Bahia Blanca are either maintained or subsidized by the National Government.



PRESIDENT MITRE SCHOOL, BUENOS AIRES, ARGENTINE REPUBLIC.

This commodious and well-equipped edifice was specially constructed by the Federal Government for use of the primary and grammar grades. The public school system of Buenos Aires is under the control of a school board, and primary instruction is obligatory.

A number of scholars from each province are annually sent abroad at the expense of the Government to complete their studies at the various colleges and universities of the United States, England, Germany, France, and Italy, there being at the present time 30 of these students in the various universities and colleges of the United States.

Numerous private schools established in every section of the country also provide educational advantages.

The Industrial School of Buenos Aires, which has recently removed to new and extensive quarters, is also maintained by the National Government. It has elaborate workshops, and provides

for the teaching of all trades and crafts, being equipped with all the necessary machinery and appliances.

The National Conservatory of Music and the School of Drawing, as well as the School of Art, are other institutions enjoying the official support of the Argentine Government, while a number of libraries are open to the public. The National Museum of History, the Museum of Fine Arts, and the Museum of Natural History at Buenos Aires and the famous Museum of La Plata are other interesting institutions.

The Government maintains agricultural stations at Tucuman, Bella Vista, San Juan, and Terna. A well-kept botanical garden, situated in the Park of Palermo, Buenos Aires, affords opportunity for the study of horticulture, and the Zoological Garden, in which can be found representatives of all species of animals from all parts of the globe, is one of the most popular resorts of the people of Buenos Aires.

Numerous literary, scientific, industrial, commercial, and agricultural societies exist throughout the country, some of which publish bulletins containing valuable information and arrange lectures and debates, while others, such as the *Sociedad Rurale*, hold annual expositions, attended by all the well-to-do Argentinians, and forming a social event of the year.

The press is well represented in the Republic, there being several newspapers printed in even the smallest towns, while in the city of Buenos Aires there are 472 publications of all kinds, 66 of which are dailies, 16 triweeklies, 44 biweeklies, 191 weeklies, and 64 monthlies, others being irregularly issued. The press of the city of Buenos Aires is the most polyglot of any city in the world, there being 412 publications in the language of the country (Spanish), 22 in Italian, 8 in French, 8 in English, 8 in German, and 1 in Arabic. The Danish, Norwegian, Swedish, Basque, Russian, Dutch, etc., colonies all have their respective organs.

"*La Prensa*," a Buenos Aires daily, holds high rank among the world's publications. Next in importance is "*La Nación*," founded in the year 1870 by the famous Argentine statesman, Don BAROLOMÉ MITRE, while "*El Diario*" is the principal evening paper. Other Spanish papers of importance are "*El País*," "*La Razón*," "*La Argentina*," "*Tribuna*," "*El Tiempo*," "*El Pueblo*," etc. The largest English dailies are "The Standard," "The Buenos Aires Herald," and "The Southern Cross." Among the English weeklies "The Review of the River Plate" and "The Times of Argentina" are the more important, both of these being devoted to the shipping and financial interests of the country. Among the weeklies printed in Spanish, "*Caras y Caretas*" deserves especial mention, being, as it is, an entirely unique production, which is extremely popular in Argentina, with a circulation of about 80,000. "*La Ilustración Sud-Americana*," a handsomely illustrated monthly, is one of the best produc-

tions of its kind, while "*La Revista de Derecho, Historia y Letras*" is a literary production of the highest order.



A PRIVATE RESIDENCE OF BUENOS AIRES.

Buenos Aires is noted for the beauty of private residences. Wealthy landowners and ranchers of the interior spend a large portion of the year in the capital, and to a large extent business management of the country is concentrated in this city, which is embellished, in consequence, with magnificent and costly private homes.

The Centennial Exposition to be held in Buenos Aires in 1910 will give the world an opportunity to observe at close range the vast possibilities of the country as well as its purchasing power.



GRAND STAND, RACE COURSE, BUENOS AIRES.



BOLIVIA

The Republic of Bolivia, the third largest of the South American Republics, is one of the two countries on the American continent which possess no seacoast. Completely surrounded by the Republics of Peru, Chile, Argentina, Paraguay, and Brazil it extends over 709,000 square miles, equal to the combined area of Washington, Oregon, California, Nevada, Utah, Idaho, and Arizona. It has a population of 2,267,935, or 3.2 per square mile, as against 23.2 per square mile in the United States of America, and is the most sparsely populated of any of the American Republics. The vast plateau which extends in length over 500 miles, at an average altitude of 12,000 feet above sea level, and on which are situated most of the larger cities of the Republic, is the most noted topographical feature of the country.

The mountains of Bolivia abound in mineral wealth, tin, silver, gold, copper, etc., and these form the principal products of export. Coffee, cacao, tobacco, sugar cane, and other crops are successfully cultivated. The forests contain numerous species of valuable woods, best known of which are the *hevea brasiliensis* and the *castilloa elastica*, from which india rubber is gathered; the *erythroxylon coca*, the leaves of which are used for medicinal purposes; and the well-known cinchona tree, the bark of which is used for the manufacture of quinine.

HISTORICAL SKETCH.

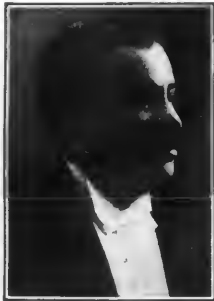
PIZARRO having conquered the Inca Empire, invaded the territory of what is now Bolivia in 1532, finding there a race of peaceable Indians, whom he subdued with comparative ease. He divided the country between his brothers, HERNANDO and GONZALO PIZARRO, who soon enforced the customary system of "encomiendas," whereby a certain number of Indian slaves was granted to each settler, and these unfortunates made to labor for the benefit of their oppressor. When the rich silver mines were discovered the country was rapidly settled by numerous adventurers, but so cruel and exacting became the settlers in their greed for gold and silver that the Indians revolted, and in the year 1870, led by TUPAC AMARU, the last descendant of the Incas, killed the Spanish authorities and drove some of the settlers out of the country. They were, however, ultimately overcome, and TUPAC AMARU and all of his family executed in the most barbarous manner.

The first and the last blood spent in the struggle of the Spanish colonies against Spain for independence was shed on Bolivian soil.

This contest began on March 25, 1809, when the inhabitants of La Paz deposed the Spanish authorities, and ended when independence was finally achieved in the year 1825 through the combined efforts of BOLIVAR, SAN MARTIN, and SUCRE.

The battle of Ayacucho, December 9, 1824, in which the Spanish forces were almost annihilated, practically decided the fate of Bolivia, and on April 1, 1825, General SUCRE completely routed the last Spanish forces in Upper Peru (Bolivia), compelling them to abandon the country.

A constitutional congress met at Chuquisaca on August 6, 1825, and, declaring that upper Peru should thereafter be free and independent, adopted the name of Bolivia, in honor of Gen. SIMÓN BOLIVAR, the liberator. The constitution, which had been drafted by BOLIVAR, was adopted with some amendments and formally proclaimed on November



SR. DON ELIODORO VILLAZÓN,
PRESIDENT OF BOLIVIA.

19, 1826, General SUCRE being elected President for a term of two years. He was succeeded by General SANTA CRUZ, who, in the year 1835, involved Bolivia in the first war with Chile, which ended in 1838. Bolivia was not, however, to enjoy peace for any length of time, for under the Presidency of General DAZA, in the year 1879, war again broke out with the Republic of Chile, being formally declared by Bolivia on April 5, 1879. A treaty of peace was signed between the two countries on November 24, 1884, whereby Bolivia ceded to Chile the Province of Anto-

fogasta. On March 21, 1905, a further treaty was negotiated between the two countries, whereby Chile agreed to build a railway from the port of Arica to the city of La Paz, the capital of Bolivia, which will become an important outlet for the products of Bolivia.

On November 17, 1903, Bolivia ceded to Brazil the territory of the Acre for a consideration of \$10,000,000. This sum is now being invested by Bolivia in railways and other public works.

DR. FERNANDO E. GUACHALLA was elected President for the term beginning August 6, 1904, but died before he could assume the duties of the office, and JOSÉ ISMAEL MONTOS was designated by Congress to retain the position pending a new election. DR. ELIODORO VILLAZÓN was elected to assume the office on August 6, 1909.

CONSTITUTION AND GOVERNMENT.

Under the constitution, which was promulgated on October 17, 1880, the Republic of Bolivia adopted the democratic representative form of government, the people delegating their power to three dis-

inct and coordinate branches of government—legislative, executive, and judicial.

The Legislature consists of two houses, the Senate and the Chamber of Deputies, the former consisting of 16 and the latter of 72 members. Senators are elected for six years and deputies for four years, but both houses are renewed every two years, the Senate by thirds and the Chamber of Deputies by halves. Both senators and deputies are elected by direct vote of the people.

The President and two Vice-Presidents are elected for a term of four years and may not be reelected for the term immediately following the incumbency of their respective offices.

The judiciary consists of one national supreme court composed of seven judges, the superior district courts (one in each department), the provincial courts, and parochial courts.

President.....	DR. ELIODORO VILLAZÓN.
First Vice-President, President of the Senate.....	DR. MACARIO PINILLA.
Second Vice-President.....	DR. J. MISAEL SARACHIO.
Minister of Foreign Affairs.....	Sr. BENEDICTO GOYTÍA.
Minister of Development and Promotion.....	DR. JOSÉ CARRASCO.
Minister of Treasury and Industry.....	DR. A. DIEZ DE MEDINA.
Minister of Justice and Public Instruction.....	DR. D. SANCHEZ BUSTAMANTE.
Minister of Colonization and Agriculture.....	DR. ISAAC ARANIBAR.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The salary of the president is Bs 18,000 per annum (\$7,200).

INTERIOR GOVERNMENT.

For administrative purposes the country is divided into eight Departments, which are again divided into provinces, the latter into cantones or districts, and these again into municipalities.

The Departments are governed by a prefect, appointed by the President of the Republic for a term of four years, while the provinces are governed by a subprefect, also appointed by the President for a term of four years, as are the other authorities. A *consejo municipal* or municipal board is elected by the people for each municipal district or town, to assist the authorities appointed by the President.

The following are the Departments of Bolivia and their respective capitals:

Department of—	Capital.
Beni.....	Trinidad.
Chuquisaca.....	Sucre.
Cochabamba.....	Cochabamba.
La Paz.....	La Paz.
Potosí.....	Potosí.
Oruro.....	Oruro.
Santa Cruz.....	Santa Cruz.
Tarija.....	Tarija.

The largest city and commercial center of Bolivia is the city of La Paz, with a population of 80,000. Other cities with a population of over 20,000 are Sucre, Cochabamba, Santa Cruz, and Oruro.

BOLIVIA IN 1908.

Bolivia's economic advance under President MONTES, whose term of office expired in 1908, was noteworthy and the continuance of his enlightened policies seems secured under the administration of President VILLAZÓN. Cordial relations were maintained with the nations of the Old and New World, and satisfactory conditions characterized the commercial and industrial position of the country.

FOREIGN AFFAIRS.

In July, a commercial treaty with Germany was arranged providing for reciprocal favored nation treatment in all matters relating to import, export, and transit conditions. The treaty is to remain in effect for ten years unless denounced within a specified period. Other international pacts entered into are a commercial treaty with Great Britain, an extradition treaty with Belgium, and adherence by the Government to the International Telegraphic Convention of St. Petersburg, through all of which important advantages were obtained.

The evidence in the boundary question with Peru has been submitted, and the arbitral award in the case made by the Argentine President. The convention of January 30, 1908, regulating trade in transit through Peru is now in force, a custom-house at the Peruvian port of Mollendo having been constructed solely for the use of Bolivian trade.

The work of delimiting the frontier with Brazil made satisfactory progress, and the development of closer relations with that republic is to be fostered through the conclusion of a commercial treaty.

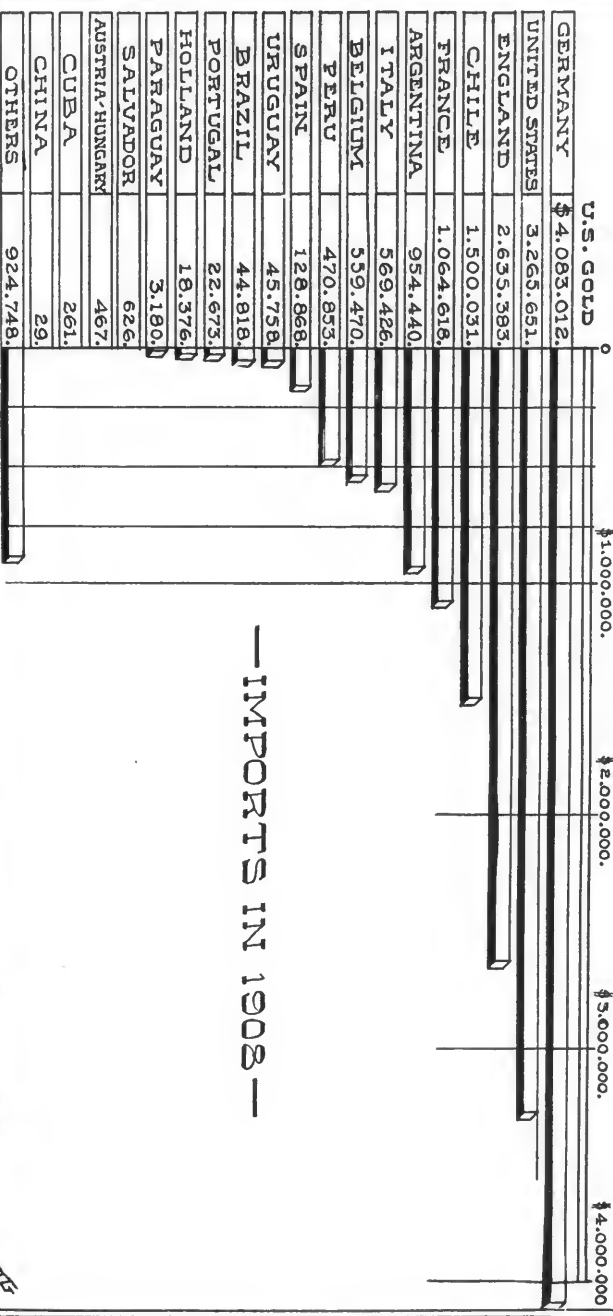
New regulations to the great advantage of Bolivian traffic have been made for the transit trade through Argentine territory. A consequent stimulus to business between the two countries will result.

In recapitulating the results of the last presidential period no fact is more noteworthy than the provision made for the outlet of Bolivian products both on the Pacific and Atlantic through treaties and conventions made and projected with the neighboring Republics of Chile, Peru, Brazil, and the Argentine.

FINANCE.

The budget for the year 1908 showed revenues of \$8,000,000 and expenses of \$9,000,000, leaving a deficit of \$1,000,000. The revenues for 1909 are estimated at \$6,283,000.

- BOLIVIA -



- IMPORTS IN 1908 -

1897

1898

Prepared by the Bolivian Bureau of Statistics.

Bolivia has in effect adopted the pound sterling as the monetary basis, the *boliviano* being valued at 19 $\frac{1}{2}$ d. Since the year 1905 the pound sterling has been current at this rate, now fixed by law. Monetary reform made further progress in 1908 through another act of Congress which declared silver currency simply an adjunct of gold, reserved to the Government the right to coin silver for circulation to the extent of 4,000,000 *bolivianos*. The Government secured a loan of \$2,500,000, the proceeds of which were used in the payment of the internal debt, the installation of machinery in the mint, and the erection of public buildings. A special sinking fund amounting to 603,300 *bolivianos* annually was created to meet the interest and amortization of the bonds. Under decree of the Government the exportation of gold coins free of duty was permitted and a further decree fixed the proportion of customs duties payable in gold, assessing the value of the Peruvian pound when tendered in settlement of these duties at 12.50 *bolivianos*.

On December 31, 1908, the five principal banks of Bolivia had silver coin on hand to the value of \$516,600.

COMMERCE.

For the past four years Bolivia has enjoyed a period of steadily increasing commercial activity. While the aggregate of transactions for 1908 did not reach the proportions of the previous year, the trade balance remained still in favor of the Republic. The trade volume totaled \$33,837,000, exports amounting to \$17,514,000 and imports to \$16,323,000. Although these figures as compared with 1907 showed a decline of \$1,454,600, the gain in imports was a notable feature of the year's transactions. The fact that, despite the decrease in value of its own products in foreign markets and resultant falling off in its exports, Bolivia was able to increase its purchasing power by over \$1,000,000 may be taken as ample evidence of its economic development.

Tin, the most important item on the list, was shipped abroad to the value of \$13,800,000, a decline of \$156,400 as compared with the previous year. Silver shipments showed an increase of \$209,400, reaching a total of \$2,802,000. Rubber shipments showed a decline amounting to nearly 50 per cent, the valuation for 1908 being given as \$1,962,000, an indicated loss of \$1,574,000. The amount shipped in 1908 was 1,640 tons, approximately 830 tons going to Great Britain, 485 to Germany, 165 to Belgium, 120 to France, and 25 to the United States. Exports of copper showed a decrease of \$531,700; bismuth, \$123,200; while gold showed a gain of \$20,600.

Bolivia's imports from the United States showed a total of \$687,307 as compared with \$1,502,622 for the previous year. This decline,

however, may be attributed to a natural result of world-wide economic conditions, from which conditions the figures for imports in January, 1909 (\$98,000), indicated a speedy recovery. Trade with Germany shows a satisfactory increase during recent years, Bolivian exports to that country, entering through the port of Hamburg, having advanced from \$1,781,000 in 1905 to \$3,404,000 in 1907.

Of the importations for 1907, Germany furnished 16 per cent, the United States 14 per cent, Great Britain 10 per cent, Chile 7 per cent, France 5 per cent, Peru 4 per cent, and Belgium and Italy 3 per cent each, with other countries in a diminishing ratio.

PRODUCTION AND INDUSTRIES.

It is upon her mineral wealth that the Republic mainly depends, and present conditions all point to increased activity in the exploitation of these resources through the constantly increasing foreign demand for the mine products of the country.

The mineral wealth of Bolivia, including nearly all known metals, is widely distributed and very rich and abundant. Great veins of ore containing the precious metals are found in the mountains of the Republic, and while their exploitation is carried on on a considerable scale, yet, due to the lack of labor and capital and adequate transportation facilities, they are not fully developed and in many instances remain entirely virgin. The copper mines of Corocoro and the tin and bismuth mines of the Republic are among the richest in the world.

Bolivian tin, assaying 60 per cent pure, is regulated in price by the Straits product, and the first decline in the price of the latter, reported early in 1908, resulted in a consequent reduction in the value of the country's output. The yield for the year was given as 30,000 tons, worth \$10,756,800, as compared with 28,000 tons, worth \$11,956,800, in 1907, the decreased valuation being caused by a 25 per cent decline in price.

The chief tin-mining center is Huanuni and the leader in production in 1908 was the San Salvadora mine, a small property adjoining the Llalagua. The latter has a monthly output of 400 tons. Much of the ore produced carried silver in small quantities. The Government has imposed an export duty on copper and bismuth, payable fortnightly, under the direction of the Secretary of the Treasury.

The principal mineral zones now being exploited on a large scale are: First, the extensive region which, commencing in the basin of the Inambari river, extends from the western confines of the country to Upper Paraguay, and contains within its boundaries the famous placers of San Juan del Oro, Suches, Tipuani, and a number of others equally important. The second district commences in Lipez

and continues southward through Chayanta, Sur Chichas, Mendez, Cinti, and Acero and terminates in the plains of Santa Cruz. The third zone, which is the richest and most important, extends to Carabaya Peru, and to the sources of the Madre de Dios, Acre, and Purus rivers.

From 1540 to 1750, a period of two hundred and ten years, the gold mines of Bolivia produced \$2,100,000,000. From 1750 to the beginning of the nineteenth century, the mines and placers situated in the provinces of Larecaja and Caupolican produced \$14,000,000, gold, and from 1818 to 1868 the output was 150,770 ounces of gold. The product of the other mines and placers of the nation, from the middle of the eighteenth to the latter part of the nineteenth century, is estimated at \$125,000,000. The annual gold production of Bolivia may be calculated at 17,460 troy ounces, which, at \$20 an ounce, gives a value of \$349,200. The 1907 shipments of bismuth aggregated 153 tons; of copper ingots and ore 3,469 tons; and of silver 149 tons.

Although the production of India rubber showed a very marked decline from the previous year, this industry must still be counted as one of the most important and certain sources of national wealth. The largest rubber-producing districts are located in the national territory of Colonias, the Departments of Beni and Santa Cruz and portions of La Paz and Cochabamba. The two last-named districts also cultivate cacao and coffee while the two former contribute other valuable vegetable products. Upland rice is grown to some extent in the provinces of Azero and Cordillera. A large area of the Republic is well suited to the cultivation of wheat which might be grown in quantities sufficient to meet the needs of the home market, but as yet this branch of agricultural development has been little exploited. This cereal was formerly grown to a considerable extent in the District of Cochabamba, but of late years, due to drought and other causes, cultivation has practically ceased. The present Government, impressed with the importance of stimulating agriculture in the Republic, has imported wheat of superior quality from the United States and Argentine Republic for the purpose of supplying a high grade of seed to home growers.

Cattle, sheep, and llamas are abundant, and to foment the livestock industry of the country, on February 1, 1909, the Secretary of Colonization and Agriculture inaugurated the National Veterinary Institute.

RAILWAYS.

The present extent of railway in the Republic is about 400 miles of trunk lines, permitting direct travel from Lake Titicaca to Antofagasta, via Oruro, on the coast of Chile. Branch lines are being constructed from Oruro to Cochabamba and Potosi, and new lines have

been located from Potosi to Tupiza and from La Paz to Puerto Pando. Preliminary work on the railway from Brazil to the Beni region, in the northern part of the Republic, has been commenced. The road as projected will be about 308 miles in length and penetrate a country rich in rubber, cabinet woods, and other forms of natural wealth. The road from Arica, Chile, to La Paz is now under construction, work being carried on in five sections of the line, of which 335 kilometers are in Chilean territory. A joint commission was appointed to inspect the completed section of the line and to examine the construction of the remainder.

On December 1, 1908, President MONTES signed the law recently passed by the Bolivian Congress embodying the changes in the Bolivian Railway Company's concession asked for by the syndicate of capitalists interested in this enterprise. This law will permit the consummation of an agreement between the syndicate and the Antofagasta Railway of Chile and Bolivia.

Communication is carried on between Mollendo, on the Pacific, and La Paz by means of a railroad running from Mollendo to Puno, Peru, on Lake Titicaca, and from thence by boat to Guaqui, Bolivia, and by rail and tramway from the latter point to La Paz.

There is river communication from Villa Bella, Bolivia, to Para, Brazil, on the Amazon River, near the Atlantic Ocean, a distance 2,516 miles, the trip being made in three hundred and fourteen hours. From Para to Lisbon, which is distant 3,263 maritime miles, the journey is made in twelve days.

Communication is had with Montevideo and Buenos Aires by means of the Plate, the Parana, and Paraguay rivers to the Bolivian Port of Suarez; a distance of 1,740 miles, eight days being required for the journey. From Puerto Suarez to Santa Cruz, a distance of 391 miles, there is a wagon road, and from the latter place to Sucre, the capital of the Republic, a distance of 342 miles, the trip can be made on horseback in seven days.

There is rail communication from Buenos Aires to Quiaca on the Bolivian frontier, and from thence a journey of three days can be made in wagons to Tupiza, Bolivia.

The different industrial centers of the Republic are at the present time connected with each other by 1,807 miles of wagon roads.

Bolivia, being entirely landlocked, is naturally dependent on her neighbors for external means of communication. The country may be reached either by way of the west coast, with one of the many steamers calling at the ports of Mollendo, in Peru, or Arica and Antofagasta, in Chile, or via the east coast, by means of one of the numerous steamers calling at the ports of Para, in Brazil, or at Buenos Aires, in the Argentine Republic.

The principal routes to the interior of the country are as follows:

Mollendo route.—From Mollendo to Puno, by rail, 324 miles, twenty-two hours; from Puno to Guaqui, by steamer, crossing Lake Titicaca, 180 miles, sixteen hours; from Guaqui to La Paz, 59 miles, by rail, three hours; or a total distance of 563 miles covered in three and one-half days.

Arica route.—From Arica to La Paz the distance is 337 miles, which is made in seven days, as follows: Arica to Tacna, by rail, 39 miles; Tacna to Viacha, 280 miles, by mule, donkey, or llama; Viacha to La Paz, 18 miles, by rail.

Antofagasta route.—The total distance from the port of Antofagasta to Oruro is 573 miles, which can be covered in three days, by rail. The railway is divided into two sections—the Chilean section, from Antofagasta to Ollague, and the Bolivian section, from Ollague to Oruro, via Uyuni.

Amazon route.—From the port of Para, in Brazil, to Villa Bella and Puerto Acre, a distance of 2,152 miles from the former and 2,533 miles from the latter point, covered in two hundred and sixteen and two hundred and forty-four hours, respectively. The entire trip is made in vessels along the navigable rivers of Brazil and Bolivia.

Argentine route.—From Buenos Aires, by rail, to the Bolivian frontier town of La Quiaca, and thence by mule train to Tupiza and Tarija, a total distance of 1,850 miles. From Buenos Aires the trip can also be made by water, steamers sailing up the Paraguay River to Puerto Pacheco, Puerto Suarez, and La Gaiba, in Bolivia, being 1,553, 1,741, and 1,908 miles, respectively, distant from Buenos Aires. From Puerto Pacheco to La Paz the distance is 1,169 miles, from Puerto Suarez, 1,125, and from La Gaiba, 1,158 miles, respectively, to the city of La Paz, roads and bridle paths leading from these ports to the said city.

The time required to make the trip from New York to La Paz, via Mollendo or Antofagasta, is fifty-six days by direct steamer, or thirty-seven days with transshipment at Panama. From San Francisco to La Paz the trip can be made in forty-three days by direct steamer.

Bolivia has a net of rivers, which afford excellent means of transportation and communication, the entire length of her navigable rivers being about 12,000 miles. Of these, the Paraguay River is navigable for some 1,100 miles for steamers of 8 to 10 feet draft, the Itenes for 1,000 miles, the Beni likewise, but for steamers of 6 feet draft only, while the Pilcomayo, Mamore, Madre de Dios, Itonama, Sara, Orton, Baures, Inambary, Paragua, Pirai, Chapare, Abuna, Yacuma, and Rio Desaguadero are all navigable for light-draft vessels for distances varying from 200 to 1,000 miles.

A regular line of steamers is maintained on Lake Titicaca, situated at an altitude of 12,900 feet and having an area of 4,000 square miles, being thus not only the highest, but also one of the largest lakes on the American continent. Lake Aullagas is connected with Lake Titicaca by means of the Rio Desaguadero. The principal open ports on Lake Titicaca are Escoma, Ancoraimas, Huata, Puerto Perez, Carabuco, and Guaqui or Huaqui.

A number of steamers, launches, and other river craft afford transport on nearly all of the navigable rivers, especially on the Madre de Dios, Beni, Mamore, and their respective tributaries, while on the Bermejo River a regular line of steamers plies between the cities of Esquina Grande and Rivadavia, thus establishing connection with the Argentine Republic.

A decree dated November 13, 1908, authorizes the establishing and maintenance, for a period of ten years, of an automobile service for the carriage of goods between the points at present reached by the Central Northern Argentine Railway in La Quiaca and the towns of Uyuni, Tupiza, Potosí, and Sucre. No import duties will be levied on the importation of any material necessary for the service during the term of the concession.

POSTS AND TELEGRAPHS.

The postal and telegraph services showed satisfactory progress during 1908 and various improvements were marked by increased efficiency in both departments. In the postal service new offices were created in different parts of the Republic, and in the telegraphic service the reconstruction and repair of existing lines, the construction of numerous additions to existing mileage, and the opening of 5 wireless telegraph stations marked the progressive spirit of the Government.

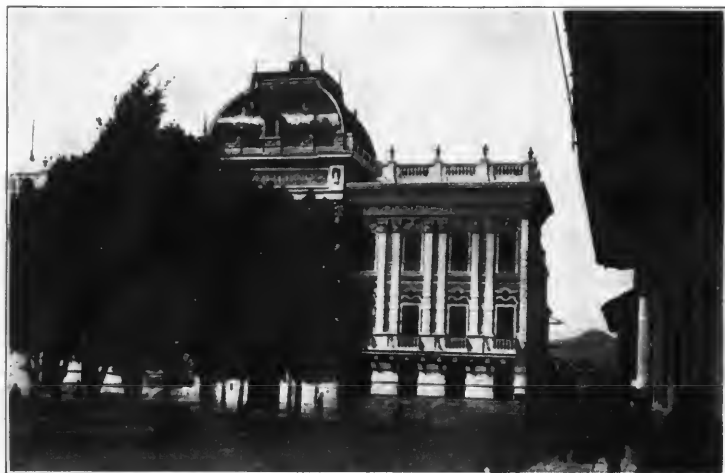
Bolivia is a member of the Universal Postal Union, and correspondence is dispatched to all countries belonging to that Union. There are 277 postal employees and 192 post-offices in the Republic, the main post-office being at La Paz. In 1908 the number of pieces of foreign mail matter received was 988,923, and the number of pieces sent abroad during the same period aggregated 375,318.

The telegraph system of the Republic comprises 2,986 miles, 2,088 miles of which are the property of the State, operating 113 offices. Telegraph lines run to all the capitals of the Departments, and the Government has under consideration the equipment of several high-power wireless stations.

Bolivia does not belong to the Universal Telegraphic Union. Telegraphic communication is had with Peru, Chile, and the Argentine Republic, and cable communication over the lines of the Central

and South American Telegraph Company, via Iquique, the West Coast American Telegraph Company (Limited), via Mollendo, and the overland route via Tupiza and Buenos Aires.

Immigration of a desirable class is being encouraged. A pamphlet concerning the immigration laws of the Republic has been translated into German and widely distributed throughout the Empire with a view of attracting German immigrants, and a decree, under date of January 29, 1909, provided for the founding of the "Colonia Warnes" for foreign immigrants in the neighborhood of Puerto Suarez, Chiquitos Province, Department of Santa Cruz. A town covering an area of 19 hectares has been laid out in lots which, after reservation has been made of land for public purposes, will be awarded to colonists. Provision has been made for 64 families by the Department of Agriculture on the basis of an allotment of 100 hectares to each family.



GOVERNMENT BUILDING IN SUCRE, ONE OF THE PRINCIPAL CITIES OF BOLIVIA.



BRAZIL

The Republic of the United States of Brazil is the largest of the South American countries and the second largest of the American Republics, extending over an area of 3,218,130 square miles, or about 380,000 square miles less than the United States of America with Alaska. Not including Alaska the area of the United States is about 200,000 square miles less than Brazil, which thus becomes the largest of the American countries. It is situated between latitude $4^{\circ} 22'$ north and $33^{\circ} 45'$ south and longitude $34^{\circ} 40'$ and $73^{\circ} 15'$ west, being bounded by British, French, and Dutch Guiana, the Republics of Venezuela, Colombia, Ecuador, Peru, Bolivia, Paraguay, Uruguay, the Argentine Republic, and the Atlantic Ocean. Brazil has a population of 19,910,646, equal to 6.2 per square mile, or something more than one-fourth the population per square mile of the United States of America.

Lying almost entirely within the torrid or tropical zone, the climate of Brazil is nevertheless considerably modified by the numerous high table-lands and mountain chains, as well as by its vast and extensive hydrographic system. These extensive, fertile plains produce all of the fruits of the Tropics and contain luxuriant and almost impenetrable forests. Coffee, rubber, cacao, and the excellent red dyewood known as "Brazil wood" are the principal articles of export, while cotton, sugar cane, tobacco, yerba maté, oranges, and other fruits are also extensively shipped. The forest wealth of Brazil has as yet hardly been tapped, and it is said that no other region in the world contains such a variety of useful and ornamental timber and medicinal plants. A number of precious metals and minerals are found, and it is one of the few countries possessing diamond mines.

HISTORICAL SKETCH.

PEDRO ALVAREZ CABRAL, a Portuguese navigator, is usually given the credit of having discovered Brazil. when, on April 22, 1500, he landed not far from the present site of the city of Bahia, although several other navigators are said to have touched the Brazilian coast some years before. CABRAL named the country "Terra da Santa Cruz," or "Land of the Holy Cross," and taking possession of it in the name of the King of Portugal proceeded to explore it, but no attempt was made to settle the country until the year 1549, when THOMAS DE SOUZA was appointed governor-general. The country had then become known as Brazil from the red dyewood found in its forests, which, at that time was brought from the East and was

commercially known as "Brazil wood," which name it has retained ever since.

The Portuguese Crown divided the country, making grants of land to Portuguese nobles, who were to settle and colonize and who received a number of Indian slaves in addition to the land. With THOMAS DE SOUZA came the first Jesuits, who soon became important factors in the history of Brazil, and who succeeded in obtaining complete control over the aborigines, gathering them in their missions and colonies. To prevent the Indians being enslaved by the colonists, the Jesuits recommended and fostered the importation of African slaves, thousands of whom were imported from the African coast during the sixteenth and seventeenth centuries.

Between the years 1555 and 1640, the country suffered numerous invasions from the French, Dutch, and British, who sought to gain a foothold on Brazilian soil. In the former year Admiral VILLEGaignon established a colony of French Huguenots on an island in the Bay of Rio de Janeiro, which island now bears his name. He maintained himself here until the year 1560. The most important of these invasions, however, was that of the Dutch, who, in the year 1631, took possession of Pernambuco, also called Recife, and gradually extended their power over a considerable portion of Brazil. Prince MAURICE of Nassau was appointed governor of the Dutch possessions in Brazil in 1636, and it was not until the year 1648 that the Dutch were finally forced to evacuate Pernambuco and abandon the country.

In 1640 Brazil became a viceroyalty, with the Marquis DE MONTALVO viceroy and Rio de Janeiro the capital. When, early in the nineteenth century, NAPOLEON invaded Spain and Portugal, the ruler of the latter country, King JOHN, preferred to retire to his American kingdom. He arrived at Rio de Janeiro on March 8, 1808, with all of his family and court and opened the ports of the country to the commerce of the world. The centennial of this opening has recently been celebrated in Rio de Janeiro by an exhibition of Brazilian products. King JOHN established schools and in general promoted the interests of his colony. When, in the year 1821, he returned to Portugal, he appointed his eldest son, Dom PEDRO, regent of Brazil. Dom PEDRO was in sympathy with the movement for independence from Portugal, which he encouraged and fostered. On September 7, 1822, he formally proclaimed Brazil to be free and independent, and was, on October 12, 1822, solemnly crowned as Emperor. Under his wise rule and that of his able prime minister, JOSÉ BONIFACIO D'ANDRADE, Brazil prospered and developed her vast natural resources. Dom PEDRO I reigned for nine years, and on April 7, 1831, abdicated the throne in favor of his infant son, Dom PEDRO II. A regency was appointed, which continued until the year 1840, when the young Emperor became of age and was crowned.



STATUE OF DOM PEDRO I, RIO DE JANEIRO, BRAZIL.
Dom Pedro, the son of King John, of Portugal, espoused the cause of Brazil in the struggle for independence, and became its first emperor under the Constitution. In 1831 he abdicated the throne in favor of his son, Dom Pedro II, who reigned until the establishment of a Republic in 1889.

Dom PEDRO II reigned until the year 1889, when the people of Brazil resolved to change their form of government from a monarchy to a republic. This was accomplished without bloodshed on November 15, 1889, when the Emperor abdicated and the Republic was proclaimed.



DR. NILO PEÇANHA,
PRESIDENT OF BRAZIL.

Marshal DEODORO DA FONSECA was placed at the head of the provisional government. This government remained in control until a constitutional congress which met at Rio de Janeiro proclaimed the constitution of the United States of Brazil on the 24th of February, 1891, and elected Marshal DA FONSECA President of the Republic. FONSECA resigned his office on November 23 of the same year in favor of the Vice-President, Don FLORIANO PEIXOTO, who was succeeded in 1894 by Dr. PRUDENTE DE MORAES BARROS, in 1896 by Dr. CAMPOS SALLES, and in 1902 by Dr. RODRIGUEZ ALVES. The present incumbent, Dr. NILO PEÇANHA, succeeded to office on the death of President AFFONSO PENNA, in June, 1909.

CONSTITUTION AND GOVERNMENT.

Under the constitution of the Republic of the United States of Brazil the Government is a federal union of states, republican, and representative. Brazil is thus one of the five federated republics of the American Continent, the other four being the United States, Mexico, Venezuela, and the Argentine Republic.

The Federal Government is divided into the legislative, executive, and judicial branches, the former consisting of two houses, the Senate and the Chamber of Deputies. The Senate has 63 members, 3 for each State and 3 for the federal district, elected by direct vote of the people for a term of nine years, but the Senate is renewed by thirds every three years. The Chamber of Deputies has 212 members, elected in the same manner as are the senators and in the proportion of one for every 70,000 inhabitants, for a term of three years.

The executive power is vested in a President, assisted by a Cabinet of six secretaries of state. The President and Vice-President are elected for a term of four years, by direct vote, and may not be reelected for the term immediately following their own. All male citizens over 21 years of age are entitled to vote.

The judicial power is vested in the national supreme court and the superior courts, one of which latter is located in the capital of each State. The former court is composed of 15 justices, appointed by the President of the Republic with the advice and consent of the

Senate, while the members of the latter courts are appointed upon recommendation of the supreme court. All federal judges hold office for life.

The union is composed of 20 States, 1 national territory, and the federal district. The States are entirely autonomous in their interior administration, even to the extent of levying their own export duties. The Federal Government is entitled to collect import duties, and also stamp taxes, postal rates, etc. The federal district, which includes the city of Rio de Janeiro, is governed by a prefect, appointed by the President of the Republic for a term of four years. The prefect is assisted by a municipal council, elected by the people.

Following are the States with their respective capitals:

State of—	Capital.
Alagoas.....	Maceió.
Amazonas.....	Manáos.
Bahia.....	Bahia or São Salvador.
Ceara.....	Fortaleza.
Espirito Santo.....	Victoria.
Goyaz.....	Goyaz.
Maranhao.....	Maranhao.
Matto Grosso.....	Cuyabá.
Minas Geraes.....	Belle Horizonte.
Para.....	Belem or Para.
Parahyba do Norte.....	Parahyba.
Parana.....	Curitiba.
Pernambuco.....	Pernambuco or Recife.
Piauhy.....	Therézina.
Rio Grande do Norte.....	Natal.
Rio Grande do Sul.....	Porto Alegre.
Rio de Janeiro.....	Nitheroy.
Santa Catharina.....	Florianopolis or Desterro.
São Paulo.....	São Paulo.
Sergipe.....	Aracajú.
Federal district.....	Rio de Janeiro.

The national territory, ordinarily known as the Acre country, was acquired from Bolivia by the treaty of November 17, 1903, and in consideration of the sum of \$10,000,000.

President.....	Dr. NILO PEÇANHO.
Minister of Foreign Affairs.....	BARON DO RIO BRANCO.
Minister of War.....	Gen. CARLOS EUGENIO DE A. GUIMARÃES.
Minister of Marine.....	Admiral ALEXANDRINO FARIA DE ALENCAR.
Minister of Finance.....	Dr. LEOPOLDO BULHOES.
Minister of Justice and the Interior.....	Dr. ESMERALDINO BANDEIRA.
Minister of Industry and Public Works.....	Dr. FRANCISCO SA.
Minister of Agriculture.....	Dr. CANDIDO RODRIGUES.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The salary of the President is 120,000 milreis, equivalent to \$40,000 gold per annum.

BRAZIL IN 1908.

For Brazil the year 1908 was both pacific and prosperous, and in the most important elements of national strength this important South American Republic made decided progress under the able and careful administration of Dr. AFFONSO PENNA, whose death in June, 1909, was a distinct loss to the nation. His successor in office, Dr. NILO PEÇANHA, had previously filled the office of Vice-President. Brazil is admittedly one of the most munificently endowed countries on the globe, and during the twelve months much was done in the way of development of natural resources, particularly through the construction of railroads and harbor improvements. The ratification of the general arbitration treaty with the Argentine Republic and the adjustment of the boundary question with Dutch Guiana marked the satisfactory arrangement of two matters of political significance, while the floating of the São Paulo coffee loan indicated clearly the policy of the Government in maintaining in the world's markets the position occupied by the country's greatest product. The merits of the project have naturally given rise to considerable discussion, and it is yet to be seen whether the results will be beneficial to the Brazilian planters, and to those of São Paulo in particular. The actual receipts from the project, including loans and taxes, amounted to upward of \$100,100,000. The State of São Paulo is also the owner of 8,400,000 bags of coffee stored principally in foreign ports. The crop for the season of 1907-8 was slightly in excess of 10,000,000 bags, as compared with 20,000,000 the previous year. The estimate for 1908-9 fixes the production at from 10,000,000 to 13,000,000 bags. While officially claiming that valorization has maintained the price of coffee, the financial situation engendered by the project is frankly faced by the São Paulo government and the necessity of the loan and the new tax fully realized.

One of the events of historical and commercial significance of the year was the National Exposition held at Rio de Janeiro in commemoration of the centenary of the opening of the ports of Brazil to international commerce. The exposition was a valuable demonstration of the growing activities of Brazilian production and led to a discussion of the advisability of celebrating, in 1922, the centenary of the independence of the country by an international exposition, in which the nations of the world will be invited to participate.

Consideration of the unprotected situation of the extensive seaboard of the Republic has resulted in steps being taken by the Government to materially increase the naval strength of the country by the construction of new war ships of the most advanced type. Orders have been placed in England for 30 new vessels, including 4 battle

ships of the "Dreadnought" type, 26 cruisers, gunboats, and torpedo boats.

Apart from the measures for the protection of the great coffee output of the Republic, other projects of public utility were carried to a successful termination. Not the least in importance was the granting of a concession for the establishment of a trans-Atlantic cable service with Europe and South Africa, with the stipulation that the service must be in operation within three years.

The continuation of the tariff reduction on certain articles imported from the United States in accordance with the preferential tariff law of December, 1905, was announced by the Government, thus providing for the maintenance of the present trade current between the two countries.

FOREIGN RELATIONS.

The ratifications of the arbitration treaty between Brazil and the Argentine Republic, signed at Rio de Janeiro, September 7, 1905, were exchanged at Buenos Aires December 5, 1908, and during the year arbitration agreements were signed with the United States, Portugal, France, Spain, Mexico, Honduras, Venezuela, and Panama. Other conventions will shortly be concluded with Great Britain, Switzerland, and other European countries. The exchange of the ratifications of the boundary treaty, signed at Rio de Janeiro May 5, 1906, between Brazil and Holland, took place at The Hague on September 15, 1908. The Mixed Commission appointed to mark the boundary between Brazil and Bolivia, in accordance with the treaty of Petropolis of November 17, 1903, has completed its labors, subject to the approval of the two Governments, while the French Government has manifested its willingness to proceed with the demarcation of the frontier along the Oyapock, in accordance with the arbitral decision of the Swiss Federal Council of December 1, 1900. Negotiations are in progress for a boundary treaty with Peru. Navigation and commercial treaties with Ecuador, Peru, and Colombia were concluded during the year, subject to the approval of their respective Governments, and similar treaties are in negotiation with Bolivia, Chile, and Peru. The conventions providing for an International Bureau of Public Health at Paris and an International Institute of Agriculture at Rome were approved by the Brazilian Government, as well as the Convention on Wireless Telegraphy, together with the protocol and respective regulations, signed at Berlin November 3, 1905.

Brazil was represented at the following congresses held during 1908: At the Ninth International Geographic Congress, held at Geneva in August; the Pan-American Medical Congress, held at Guatemala in August; the International Congress of Historical

Science, held at Berlin in August; the Fourteenth Congress of Americanists, held at Vienna in September; the Fourth International Fisheries Congress, held at Washington in September; the Sixteenth International Irrigation Congress, held at Albuquerque, N. Mex., in September; the First International Congress of the Cold Storage Industry, held at Paris in October; the First International Congress on Electric Standards, held at London in October; the First Pan-American Scientific Congress at Santiago de Chile in December; and at the International Telegraphic Conference, held at Lisbon in May. The Government will send delegates to the Conference on International Maritime Law in Brussels, also to the conference to be held at The Hague to establish uniformity of rates on international bills of exchange.

FINANCE.

Governmental receipts for the fiscal year 1908 amounted to \$144,300,664 and expenditures to \$143,632,368, thus showing a balance of \$668,296.

The foreign debt on December 31, 1908, was \$369,087,633.38.

The gold deposits existing in the Caixa de Conversão on December 31, 1908, amounted to \$27,154,141.92, which shows a decrease of \$3,233,542.68 over the deposits on the same date of last year.

The imports of gold coins amounted to \$688,537, while gold exports were only \$100,602.

Exchange was maintained throughout the year at an average of 15 5/32 per cent.

In the annual budget of expenditures for 1909, amounting to \$140,268,923, the appropriations of the previous year were increased by \$5,600,000. The bulk of this sum represented increased expenditures in the Departments of the Treasury, Navy, War, and Industry. The allotment for the latter department provides bounties for the encouragement of native industries, while the state legislatures have also taken measures to promote local enterprises in new directions. The progress of the republic justifies the increased federal expenditures, a large part of which is being spent on railways, the telegraph service, water supply, fortifications, ports, reduction of debt service, retirement of currency, public buildings, and strengthening the army and navy.

The estimated receipts are placed at \$125,782,952 from ordinary sources and miscellaneous receipts at \$13,631,880, a total of \$139,414,832, leaving an indicated deficit of \$854,091. These may be classified as follows: Import duties, \$79,659,000; wharf and light dues, \$246,000; 20 per cent of the export duties on Acre rubber, \$3,900,000; internal revenue, \$23,577,900; excise taxes, \$10,486,500; miscellaneous revenue, \$4,330,366. Of the total receipts, the estimated apportion-

ment for the retirement of paper money is placed at \$6,773,186; sinking fund for the redemption of railway bonds, \$836,400; fund for amortization of internal loans, \$924,000. The proceeds from the tax destined to the port improvement fund are estimated at \$5,004,000.

The movement throughout Brazil in favor of a revision of the tariff system, which has been under consideration by the Government, has taken definite form in the appointment of a commission to formulate a report on the subject to be presented to the Brazilian Congress at its May session. The tariff system of Brazil of the present day rests upon an act of the Congress of Brazil passed in 1900, but is, as a matter of fact, a system entirely different from the original act as a result of changes made from year to year in the annual budget or appropriation laws passed by the successive congresses. In the law of 1900 a tariff schedule was established which contemplated the collection of duties as therein set forth on an ad valorem basis as to certain goods and a specific duty as to others. The act was drawn much after the order of the Dingley tariff act of the United States except that the fact that Brazil's currency was at that time fluctuating in value between wide extremes led to a number of changes which were of vast and controlling importance.

The securities of the Republic continue to be regarded favorably by investors, and the national credit has been firmly established by an uninterrupted and punctual satisfaction of financial obligations. The successful floating of the coffee loan for \$60,000,000 and the subscription of \$20,000,000 for the Brazilian loan authorized by the decree of July 1, 1908, within twenty-four hours showed conclusively that the country has excellent credit for its requirements.

Conspicuous success has attended the efforts of the Government to raise the credit of the country to its present high standard and to appreciate the current value of its paper currency; in the first place through gradual withdrawal from circulation and incineration, and later, in December, 1906, through a fixed conversion by the creation of the Caixa de Conversão, which has now been in operation for a sufficient length of time to permit of conclusions being formed as to its influence upon the general prosperity of the Republic.

British capital invested in Brazil has proved of great benefit in developing the railroads, mines, and other industries of the country. English banks occupy the first place in Rio and in other great commercial centers of the Republic.

COMMERCE.

Published figures of Brazilian trade for the year 1908 show a total valuation of \$397,925,000, exclusive of specie, as compared with \$427,000,000 of the preceding year. Specie imports for the two periods are reported as \$708,000 and \$22,000,000, respectively.

Import values were \$177,450,000, against \$202,000,000 in 1907, and exports figured for \$220,475,000, as compared with \$270,000,000 in the year previous. The trade balance for the year, in spite of the general lowering of commercial values throughout the world's markets, showed the gratifying total of \$43,000,000.

The staple export items showed the following valuations: Coffee, \$115,000,000; rubber, \$56,000,000; cacao, \$9,000,000; maté, \$8,000,000; tobacco, \$4,000,000; sugar, \$1,400,000; and cotton, \$1,000,000. As compared with the record of 1907, coffee declined 9.3 per cent, rubber 12, tobacco 34.4, cacao 7.7, cotton 88.1, while exports of maté



PICKING COFFEE IN BRAZIL.

The coffee harvest begins, as a rule, in May, and the largest crops are harvested by September. To preserve the health of the pickers, the work is done in dry weather as far as possible. The picking is by hand, the berries being deposited in wicker baskets, which, when filled, are conveyed to the mill. In modern plantations the berries are conveyed to the curing house by running water through galvanized-iron spouting.

advanced 1.1 per cent and those of sugar 113.6. During the closing months of the year commercial prospects greatly improved, and the outlook for 1909 justifies the anticipation of a general recovery of values and trade returns.

The results, during 1908, of the special preferential rates accorded by Brazil to certain specified imports from the United States form the one encouraging feature of the year's commerce between the two countries. In spite of the fact that the total imports of Brazil for 1908 were about 12 per cent less than those of 1907 and that the imports of Brazil from the United States showed a loss of \$4,081,785, or about 16.5 per cent, as compared with 1907, the goods imported

subject to preferential treatment in 1908 amounted to \$2,387,593, as compared with \$2,351,326 in the preceding year, thus showing an actual gain of \$36,267, or 1.5 per cent. This gain was made in face of the fact that the imports of similar goods from all countries showed a decrease of about 5 per cent in 1908. The past two years are the only successive years in which the preferential rates have been accorded throughout the entire twelve months.

The shipments of coffee from Brazil during the crop year ending June 30, 1908, in bags, were as follows: Rio de Janeiro and Minas,



LOADING COFFEE AT SANTOS, BRAZIL.

Santos is the seaport of the State of São Paulo, Brazil, and the largest coffee-exporting center in the world. For the year ending June 30, 1908, the shipments of this article reached the enormous total of 8,456,000 bags of 132 pounds each, or a total of 1,116,192,000 pounds. The illustration shows the method of transferring the coffee from the warehouse to the wharf, each being stamped with the name of the shipper as the stevedore files past the entrance.

3,761,296; Santos, 8,456,017; Victoria, 482,553; Bahia, 230,051; other ports, 23,655; a total of 12,953,572 bags, 1,670,652,324 pounds. The total number of bags compared with 12,782,783 as the average shipments from Brazil for the last eight crop years.

Of the shipments during the season, 57 per cent went to Europe and 43 per cent to the United States. Much of the coffee sent to Europe was for deliveries in other parts of the world, while of the shipments to the United States two-thirds, as usual, went to New

York. The deliveries of coffee of all sorts in the United States during the year aggregated 7,043,595 bags, or 938,559,889 pounds, worth \$71,807,994, of which 5,710,194 bags, or 732,181,131 pounds, worth \$51,356,841, and representing a little over 81 per cent of the total, were from Brazil. These figures were practically the same as those reported for 1906-7. The deliveries in Europe for the past two years have been practically the same, in round numbers 10,500,000 bags, so that 17,500,000 bags represents the average annual consumption of this product in these two importing sections.

The Brazilian crop for the season of 1907-8 is reported as slightly in excess of 10,000,000 bags, against nearly 20,000,000 in the preceding year, the influence of this smaller crop being shown by the decline in the visible supply in contrast to the reported increase of 6,500,000 bags in the season of 1906-7.

The total quantity of rubber shipped from the Amazonas region in 1908, including the Bolivian and Peruvian districts, was 38,160 tons, of which 20,630 tons were sent to Europe and 17,530 to the United States. The world's production for the year was 65,000 tons, against 69,000 tons in 1907, consumption being estimated at 67,500 tons.

Rubber values suffered somewhat from the financial depression of the year, the first three months of 1908 showing a difference in the valuation of shipments amounting to \$9,500,000. The exports of the 1907-8 crop shipped from the ports of Iquitos, Manaos, and Para aggregated about 37,500 tons, of which approximately 16,852 tons went to Liverpool, 14,658 to New York, 3,376 to Havre, 1,519 to Hamburg, the remainder to Antwerp and Bremen. While these figures showed a slight increase in quantity over the previous year, market conditions showed a decline in values.

In cacao the country took first rank as a producer, the output for 1908 being nearly 70,000,000 pounds, as compared with 54,000,000 in 1907; the estimated crop for 1909 is 72,000,000 pounds. This industry in Brazil at the present time is little more than the gathering of cacao beans from semiwild trees, there being little or no cultivation in most places and not even regular employment of workmen in some. Of the 613,316 bags of cacao received at New York in 1908, Bahia supplied 107,447 bags and Para 12,113, Brazil as a whole supplying substantially 20 per cent of the total receipts.

Shipments of Brazil nuts amounted to 480,602 bushels, valued at \$1,121,278, in 1908, as compared with 512,237 bushels, worth \$1,219,778, in the preceding year. Of this output, the United States received 255,310 bushels, England 195,332, and continental Europe the remainder. The principal ports of distribution of this product are Manaos, Itacoatiara, and Para, the last-named being the most important port of shipment, and the whole trade being confined practically to the Amazon district.

The exports of hides, the chief item in the trade of Rio Grande do Sul, were about $2\frac{1}{2}$ per cent larger than the year before, and other animal products were exported in proportion. Shipments of salted hides to Europe for 1908 numbered 470,719, as compared with 500,543 the previous year; of dry hides, Europe received 235,465 in 1907 and 275,674 in 1908, while imports into the United States amounted only to 10,000 in 1907 and 20,100 in 1908. About half of the total increase in the shipments of hides of 1908 over 1907 went to the United States, the increased shipments being of dried hides only.

Of special note on the import list of the country are wheat and flour, both of which are supplied largely by the Argentine Republic. The Government of Brazil has encouraged the erection of flour mills, and Argentine wheat is imported in ever-increasing quantities for local milling.

Imports of jerked beef show a marked decline through the imposition of duties designed to protect that industry in Rio Grande do Sul.

PRODUCTION AND INDUSTRIES.

Agriculture still holds first place among the industries of the country. Coffee, the principal crop, is grown in the southern States of Minas Geraes and São Paulo, which furnish more than four-fifths of the world's production. Other crops include cacao, sugar cane, tobacco, hay, cereals, beans, roots, and tubers of all kinds, cotton of the best quality, maté, tea, fruits, and vegetables. Rice culture is now reaching an extraordinary stage of development, the importation of this article, which a few years ago amounted to more than 2,000,000 bags, having now stopped almost entirely. Market vegetables and fruits of unsurpassed flavor in great abundance may be counted among the exports of the future. Cabinet and dyewoods abound in the Amazon forests, while large areas of rubber trees furnish a product that is shipped in enormous quantities to all parts of the world.

Since 1902 no coffee trees have been planted in São Paulo, and as it takes from four to six years for coffee to bear, the only elements of production are the trees in existence, almost all of which are in bearing at present. The last trees planted will be at their best and full bearing in the course of the current quadrennium, while the influence of replanting exhausted areas, as well as of the intensive cultivation lately followed, will also reach its climax during this period. Under such circumstances it seems reasonable to suppose that the average production during the years 1909-1912 will be the same as for the previous quadrennium, plus 5 per cent increase from freshly bearing trees, or in all about 10,000,000 bags per annum.

Twenty years ago consumption was between 9,000,000 and 10,000,000 bags, ten years later it had risen to 13,000,000, and for 1908 it is estimated at 17,500,000 bags. At this rate, at the close of 1912 current consumption should reach 19,000,000, especially if the official propaganda should be as effective as is expected.

The visible supply of the world on June 30, 1908, was over 14,000,000 bags and the production of the ensuing year estimated as follows: Brazil, by ports—Santos, 8,250,000; Rio, 2,750,000; Victoria, 300,000; Bahia, 200,000; a total for the Republic of 11,500,000 bags. Other countries, Central America, 1,500,000; Colombia and Venezuela, 950,000; Haiti, 350,000; other West Indies, 50,000; East Indies and Java, 697,000; total of other countries than Brazil, 3,967,000; grand total, 15,197,000 bags.

Recognizing the preeminence of the rubber industry the Government has decided to inaugurate local industrial application of the raw material, and in support of this purpose a bill was introduced into the National Congress exempting from import duties for a term of three years all material and machinery required for the establishment of rubber factories.

Sugar growing is one of the oldest industries of the country. It is carried on in three distinct zones, of which the northern, with the State of Pernambuco as its center, is the most important. This State produces about half of the total yield and has 47 central sugar mills, with 1,500 plantations, and a total production of 156,000 tons. The total production for the season 1907-8 was 130,000 tons, while the estimated output for 1908-9 is placed at 210,000 tons. By a decree of March 27, 1908, the duty on sugar of all kinds originating in countries which do not pay any bounty on that article was increased by the Government from \$0.077 to \$0.154 per 2.2 pounds.

In connection with the advance of 113.6 per cent noted for Brazilian sugar exports for the year 1908 as compared with the preceding year, it is stated that a movement is in progress throughout the Republic to increase the price of cane sugar, whose production has suffered in competition with beet sugar.

The Brussels Sugar Convention has added the Republic to the list of countries considered as according bounties on production or exportation of sugar.

Tobacco production in Brazil is confined principally to Bahia, while the cigar-making industry includes Rio Grande do Sul, these two districts furnishing the best known of the local brands, others coming from Rio de Janeiro and São Paulo. The tobacco used in the better grade of cigars is largely imported, mainly from the Dutch colonies, Sumatra and Dutch Guiana, and the finer grades from Cuba, either directly or through the United States and Germany.

The possibilities of growing fine tobacco in Para and certain other portions of the Republic have been discussed by local agriculturists for years and at different times have attracted the attention of foreign interests. Of late some of the leading men of Para, including the present governor, have made special trips of investigation through the tobacco districts of Cuba with a view of comparing the best tobacco country of that island with sections of Para known to be suitable for the growing of the best tobacco leaf. The exports of leaf tobacco from Brazil form one of the chief items of the country's trade, of which Bahia furnishes 92½ per cent and Germany takes 96 per cent.

A legislative decree dated December 31, 1908, authorized the President to grant an annual bounty of 15 contos (\$4,500) to agricultural syndicates which shall engage in the cultivation of wheat in the Republic. This bounty is offered for a period of five years, and will be paid in quarterly installments. To enjoy the advantages of this law, the company must be organized under the laws of Brazil, and must cultivate an area of over 200 hectares under the direction of an expert of proved ability. A bounty of equal amount is offered for the erection of flour mills having a capacity of not less than 11,356 bushels of wheat. To five or more companies which shall jointly establish experiment stations and laboratories for the study of entomology and agricultural chemistry a bounty of 20 contos (\$6,000) is to be granted.

Agricultural machinery and implements, fertilizers, insect destroyers, etc., imported for the exclusive use of the companies, are exempted from the payment of customs duties. The Government will endeavor to obtain from railway and steamship lines a reduction on the freight rates for wheat.

The status of flour milling as a national industry is shown by the fact that in 1906 importation furnished 48.7 per cent of the total consumption and the local mills 51.3 per cent, while in the ensuing year the percentage of importation reached 49.6, with a resultant decline in national production to 50.4 per cent. Of the flour imports, the Argentine Republic furnishes nearly 75 per cent, and of wheat used in the mills nearly the entire amount. In competing for this trade the United States is at the disadvantage of being remote from the populous portions of the country, which are to the south, although a gain has been made and held in the northern sections. The prosperity of the Brazilian national mills grinding Argentine wheat continues, and to stimulate the trade in mandioca flour a state government is offering prizes of \$300, \$180, and \$120 for the best 5 tons or more of this article delivered in the European market within a specified time.

The production of rice in the Republic, which, more or less, has been taking the place of the large imports during the last half decade,

has been made possible by a protective tariff. The record of decreased imports is measured almost exactly by the record of the increased customs duties on the grain. While importations of rice in 1907 were about one-fifth of those six years ago, the importations of 1908 amounted to only one-ninth of the average for the six previous years.





















In a general way, so far as distribution is concerned, this change represents the development of rice production in Brazil. Practically the whole of the recent revival of rice growing in the country has been in the States of Rio Janeiro, Minas Geraes, São Paulo, Santa Catharina, Parana, and Rio Grande do Sul, the imports of rice in the northern ports, except where they are affected by the very high price of the food to consumers, continuing at about the old figures.

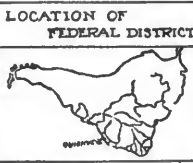
There are two distinct lines of rice production in the country at the present time. One is that of the modern culture of the grain at two points in São Paulo and at one or two places in Rio de Janeiro and Minas, more or less under the direction of the expert from the United States; and the other is the old-time native system of production, which embraces practically all of the real rice production of the country. The methods of the former are simply those of the best type in the United States, in Louisiana and Texas.

The production of maté in Brazil during the last five years has increased progressively, the leading centers being Paranagua, Antonina, São Francisco, Porto Murinho, and Porto Alegre. The principal consumers are, in order of importance, the Argentine Republic, Uruguay, and Chile, in South America, followed by Italy, France, Portugal, Germany, and Belgium, in Europe.

An earnest effort is being made by the Government to stimulate the production of silk, and the national budget contains provisions for bounties, not only to producers of cocoons, but to persons establishing silk factories under prescribed conditions. The irregular cultivation of the silkworm, which has continued in Brazil for many years, has given promise that under favorable conditions the industry in the country might be profitable. Several of the state governments, especially those of Minas Geraes and São Paulo, have given notable support to the movement. The Government pays 1 milreis (about 30 cents) per kilogram (2.2 pounds) to the producers of cocoons who present their claims therefor, also premiums of \$600, \$300, and \$150 for fields of not less than 2,000 trees of mulberry which best meet requirements. A premium of \$15,000 was also offered to the first silk weaving factories of certain grade using Brazilian silk exclusively in their manufacture.

Manufacturing establishments of all kinds in the Republic, with 123,391 employees, number 2,292, capitalized at \$162,000,000, with an annual production averaging \$190,000,000. The total number of tex-

STATE	POPULATION	LOCATION OF STATE.	STATE	POPULATION	LOCATION OF STATE.
AMAZONAS	732,439		PARANÁ	854,551	
MATTO GROSSO	332,683		PERNAMBUCO	49,573	
PARÁ	443,903		CEARÁ	40,247	
GOYAZ	288,336		PARAÍBYBA	28,854	
MINAS GERAES	2,119,851		SANTA CECILIA	28,632	
MARANHÃO	177,581		RIO DE JANEIRO	2,6,634	
BAHIA	1,64,643		ALAGOAS	22,583	
PIAUIHY	116,523		RIO GRANDE DO NORTE	22,195	
SÃO PAULO	1,12,307		ESPIRITO SANTO	17,312	
RIO GRANDE DO SUL	91,333		SERGIPE	15,083	

LOCATION OF FEDERAL DISTRICT	POPULATION
	538
1 MINAS GERAES	4,000,000
2 SÃO PAULO	5,000,000
3 BAHIA	2,300,000
4 PERNAMBUCO	1,800,000
5 RIO GRANDE DO SUL	1,200,000
6 RIO DE JANEIRO	1,000,000
7 CEARÁ	900,000
8 FEDERAL DISTRICT	890,648
9 ALAGOAS	700,000
10 MARANHÃO	560,000
11 PARÁ	540,000
12 PARAÍBYBA	300,000
13 PARANÁ	400,000
14 SERGIPE	356,000
15 RIO GRANDE	351,000
16 AMAZONAS	348,000
17 PIAUIHY	334,000
18 SANTA CATARINA	320,000
19 GOYAZ	300,000
20 ESPRITO SANTO	250,000
21 MATTO GROSSO	160,000
TOTAL	38,910,646

POPULATION.

AREA AND POPULATION OF THE UNITED STATES OF BRAZIL.

tile mills is 137, capitalized for \$60,000,000 and employing 41,108 operatives, the manufacture of cotton goods representing one-third of the total capital invested in mechanical industries. The proportion of these enterprises to the whole industry of the country is comparatively small.

Noteworthy development is, however, in progress, many factories for the production of articles formerly imported having been established in consequence of the wider application of electricity to manufacturing. A large number of miscellaneous establishments, such as furniture factories, manufactories of candles, soap, beer, chocolate, paints, shoes, hats, and clothing are in successful operation. The list includes saw and planing mills and a similar class of concerns not ordinarily counted as industrial establishments, embracing millinery shops, printing offices, artificial flower factories, and the like. São Paulo and Rio Grande contain meat and fruit packing establishments, Rio Janeiro and São Paulo flour mills, while a number of the states contain plants for the elaboration of sugar.

An industry of national importance is that of cotton manufacturing. The native fiber is of fine quality and grows in many sections. The consumption of raw cotton by the Brazilian mills reaches 143,000 bales per annum, while the total consumption in the Republic is about 285,000 bales. The entire business of cotton manufacture rests upon the exceedingly high tariff rates on cotton imports. Textile manufacturers in Brazil are subject to a so-called "consumption tax" collected by affixing a revenue stamp to each bundle of cloth as it is manufactured and prepared for market. The city of Rio Janeiro alone during the year 1908 yielded over \$500,000 from this source collected upon a total output from the mills of the Federal District of 91,802,037 yards. Cotton factories in the Republic, as a rule, have all of the machinery on the ground floor, combining spinning, weaving, and dyeing in one building, the spindles keeping the looms busy and the latter the dyehouse. The raw product is stored at one end of the building and the finished product delivered and warehoused at the other. Not only is immense advance shown in the textile industries along established lines, such as the weaving of cottons and silks, but the valuable perini fiber, or linen plant, is gradually being placed on a commercial footing.

In accordance with the regulations prescribed by the Brazilian budget for 1909, the Executive is authorized to grant exemption from duty on many classes of machinery and articles to be used in the establishment of new industries and the upbuilding of those already in operation.

The national and state governments are also devoting more attention to the pastoral pursuits of the country, particularly to the intro-

duction of live stock into the Republic and to the improvement of the native breeds. Several of the state governments have experiment stations for breeding purposes, notably in Minas Geraes, much of the stock being received from the United States. A registration system for imported and improved stock has been established, and not only are such cattle admitted free of duty, but the expenses incident to their introduction are defrayed. In the State of Matto Grosso the number of cattle is estimated at not less than 3,000,000 head, and in the State of Goyaz at a slightly lower figure. In both of these States cattle grazing is carried on upon an extensive scale, many of the ranches being hundreds of miles in extent, with herds of cattle numbering from 120,000 to 200,000 head. The States of Rio Grande do Sul, Santa Catharina, São Paulo, Matto Grosso, Goyaz, Minas Geraes, and Bahia have the advantage in natural resources for the proper development of the pastoral industries.

An enterprise in the State of Piauly capitalized at \$6,000,000 has for its object the extensive breeding of cattle and the crossing of the foreign with the domestic stock. It is also proposed to acquire 100 kilometers of fallow lands for pasture and to engage in rubber planting as well as the preparation of jerked beef and the export of fresh meat.

Sheep raising has proven profitable in the States of Rio Grande do Sul, Parana, Santa Catharina, São Paulo, and elsewhere in the southern half of the Republic. The plains of Goyaz and Matto Grosso offer splendid opportunities for the development of the wool-growing industry, and with the protection afforded by the Brazilian tariff for the manufacture of woolen goods this industry should be greatly developed.

Pork packing is gradually being placed upon a practical and modern basis in the States of Rio Grande do Sul and São Paulo, and as a natural sequence more hogs are being grown each year. The State of Minas Geraes affords unusually good advantages in this particular, and there is on foot at the present time a movement for the establishment of a large packing plant in the capital of that State.

Until recent years Brazil, with its vast plains suitable for the grazing of cattle where they might graze the year round with but little attention from their owners, has been a large importer of dairy products, and particularly butter and cheese. This is still true of the northern parts of the Republic, but in the States of Minas Geraes, São Paulo, and Rio de Janeiro well established dairies have been in successful operation for years with a constantly increasing output. The first mentioned State leads in production, particularly of cheese, which has long been its important product, while the State of Rio Janeiro is now furnishing the cities within its own boundaries and

those of the neighboring State of São Paulo an almost equal amount of milk and butter.

A government zootechnical and agronomical institute, dedicated to the study of stock raising and agricultural experiments, is to be established at Rio de Janeiro.

MINE AND MINERALS.

The State of Bahia, the richest of the Brazilian States in mineral deposits, is desirous of stimulating the promotion of this important branch of national industry. In the promulgation of mining regulations the state government makes liberal provisions for the rights of landowners, but at the same time provides the necessary impetus for the exploitation of the mineral resources of the property either by the holders or possible lessees.

Old Portuguese records fixed the annual gold product of the country at over \$5,000,000 annually, a large proportion of which was obtained from Bahia, while the 1,700 tons of monazite sand and the 16,000 tons of manganese ore shipped from the State in 1907 demonstrate its possibilities along these lines.

The official value of diamonds and carbons exported from Bahia in 1907 was given as equivalent to \$50,000, but it is more than probable that this amount represented but a very small portion of the total value of these articles mined and exported.

Brazil also furnishes the greater part of the world's supply of monazite. The deposits lie along the coast of the States of Bahia and Espirito Santo in the sand banks and dunes on the beaches. Gravel deposits along certain of the rivers in the interior are being worked for monazite. The latest statistics in regard to exports of this product report shipments in 1907 of 4,437 tons, as compared with 4,352 tons in 1906.

The coal formations of the country, the existence of which has been known for over half a century, have been thoroughly studied by geologists of repute from the United States, and it has been proved that a carboniferous vein extends from the south of the State of São Paulo to Rio Grande do Sul. The beds dip to the south and the coal seams increase in thickness in that direction. Tried on the railroads, Brazilian coal has proved to be of good quality, an analysis made in the United States giving the following results: Moisture, 2.62; volatile matter, 29.54; ash, 29.22; sulphur, 11.08; phosphorus, 0.912; fixed carbon, 38.62. The analysis made in 1906 in the Escola de Minas gave, hygrometric moisture, 7.7; volatile matter, 32; ash, 8.5; equivalent carbon, 51.8; and calorific power, 5,400 calories.

A very rich deposit of surface gold was recently discovered at a point called Olho de Agua, 8 kilometers from the city of Montes Claros, in the northern part of the State of Minas, Brazil, and pros-

pectors to the number of 3,000 are in the field. Gold to the value of about \$150,000 has been secured in flakes varying from 100 to 720 grams each. One of the latter, owing to its unusual weight, was exhibited in the National Exposition in Rio Janeiro. Discoveries were also reported of bismuth in Campo Alegre and diamonds in Abbadia dos Dourados. A clear white stone weighing $4\frac{1}{2}$ carats was found, as well as a ruby weighing one-half carat.

The most important placer is the basin of gold-bearing gravel below Guanay, reached by descending the Beni or Kaka River. This placer has been exploited to a considerable extent. The Incahuara basin, on the Beni River, and the gold-bearing gravel found on the banks of the Inambari River are also rich deposits, the gold being obtained from a black sand. Samples assayed ran over 80 ounces to the ton.

Work has commenced on the mercury mine recently discovered in the State of Minas Geraes. Brazil is one of the few countries possessing mines of this useful metal.

COMMUNICATION.

The total length of railways in operation in Brazil at the close of 1908 was 11,940 miles; there having been added during the year 633 miles, which exceeds the amount added in any previous year. Of the total increase in new mileage the federal government is credited with 487 miles and state governments with 146 miles.

The construction of the Madeira-Mamore Railway, the line which will connect the Mamore River with the Madeira River, passing around the falls which have heretofore made a direct commercial route from Bolivia to the Atlantic Ocean an impracticable matter, is being pushed with all the rapidity possible. Between 3,000 and 4,000 men are now working on a section 25 miles long, a large part being ready for the laying of the rails, of which about 12,000 tons have been received. This railway is being constructed by the Brazilian Government under the treaty of Petropolis, in which Bolivia ceded, for a consideration, all its rights in the Acre territory to Brazil, and the latter, among other considerations, agreed to build the railway, of which about 56 miles have been constructed, and the extension of which can be rapidly pushed. The first section which it is planned to deliver runs from Porto San Antonio, on the Madeira River, to Jacy Paran farther up the river. A presidential decree has been issued authorizing a contract of lease for sixty years from January 1, 1912, with the Madeira-Mamore Railway Company, the American construction concessionaire.

An executive decree of February 4, 1909, authorized the Brazilian Minister of the Treasury to issue bonds to the value of \$6,000,000 to meet the payments due the current fiscal year to the companies under

contract to build the Madeira and Mamore Railway, the extension of the Sobral Railway, and other lines connecting the States. The bonds are of the face value of 1,000 milreis each and bear 5 per cent interest.

The railroad lines of Brazil are rapidly being extended as the importance of this branch of national life is thoroughly appreciated as a factor in the general progress of the Republic.

STEAMSHIPS AND WATERWAYS.

The favorable geographical position of Brazil, in the center of South America, places it within easy reach not only of the other countries of South and those of Central America, but also of the United States, of Europe, and even of Africa, it being but a few days by one of the fast liners from the African to the Brazilian coast. With a coast line on the Atlantic Ocean of more than 5,000 miles, Brazil possesses a number of excellent bays and harbors, among which the port of Rio de Janeiro, world renowned for its scenic beauty, is the largest. The other ports on the Atlantic are Santos, Para or Belem, Bahia or São Salvador, Pernambuco or Recife, Rio Grande do Sul, Paranagua, Porto Alegre, Victoria, Maceio, Fortaleza, Maranhão or Maranhão, Parahyba, Antonina, Desterro or Florianopolis, São Francisco, Pelotas, Natal, Aracaju, Parnahyba, Estancia, Aracaty, Itajahy, Penedo, Mossoro or Santa Luzia, São Jorge dos Ilheos, Macau, Laguna, Barra do São Joao, Itapemirim, Cabo Frio, Santa Cruz, Camocim, Santa Victoria do Palmar, Macahe, Ignape, Angra dos Reis, Caravellas, Cannavieras, Alcobaca, Ubatuba, Paraty, São Matheus, and São Christovao. Among the river ports the most important are Manaos, on the Amazon River, 1,000 miles inland; Corumba, on the Paraguay; Uruayana, on the Uruguay; and Cuyaba, on the Cuyaba.

Four steamship companies ply regularly between New York and Brazilian ports, viz, the Lamport and Holt Steamship Company, which has placed five new steamers on the service; the Lloyd Brasileiro; the Atlas service of the Hamburg-American Line; and the Prince Line. The first named makes the run in twenty-three days, and the other three in from twenty-six to twenty-eight days. First-class passage on the Lamport and Holt Line is from \$190 to \$220, while the Lloyd Brasileiro and Prince Line charge \$135 and the Hamburg-American Line \$60. In addition to these four, the Booth Steamship Company plies between New York and the ports of Para, Maranhão, Ceara, Parahyba, and Manaos, the cost to Para for first-class passage being \$60.

Some of the fastest and most elegantly equipped steamers ply between Rio de Janeiro and European ports, making the run from

Southampton to Rio de Janeiro in from fourteen to sixteen days. Through connection can be made with the Royal Mail Steamship Company, leaving New York every alternate Saturday for Southampton, whence one of this company's direct steamers to Rio de Janeiro can be taken, the entire trip being made at a cost of from \$250 to \$300, and the time employed being twenty-four days.

Brazil has been favored by nature with a most wonderful system of fluvial arteries. It has within its territory not only the largest river basin, both in area and in length, in the world, but has also perhaps more navigable rivers than any other country. The mighty Amazon is navigable almost in its entire length, as are most of its affluents, while in the southern part of Brazil the Paraguay, Uruguay, and Parana rivers are all navigable.

Brazil thus has over 10,000 miles of navigable waterways open to river steamers and ocean-going vessels, and 20,000 miles additional navigable for light-draft vessels and flat-bottom boats only.

Several steamship companies maintain a regular service between points on these rivers, viz, the Amazon Steam Navigation Company, plying on the rivers Amazon, Rio Negro, Purus, Madeira, Tapajoz, Para, and Jurua; the Para and Amazon Steamship Company runs steamers on all of these rivers, as well as on the Yavary River. The Maranhão Company operates a line of steamers between Para and Obidos, on the Amazon River, and the Marajo Company on the Araguay River from the city of Belem to inland points. The "Navigation Company of the Guama and Tocantins Rivers" and the *Empresa Viacão* navigate these rivers and the River São Francisco, while the *Compãnia Paraense* maintains a service both on the Amazon River and on the coast. The Lloyd Brasileiro has also steamers plying at regular intervals on the coast. Other companies engaged in the coastal service are the *Compañia Nacional Navegação Costeira*, the *Empresa Esperança Marítima*, the *Companhia Bahiana*, *Companhia Pernambuco de Navegação*, and the *Companhia Maranhão de Costeira*.

The most important of the Brazilian lakes are the Lagoa dos Patos and the Lagoa Merim. These two lakes form part of the boundary line with Uruguay, and together make a considerable body of navigable water.

The Brazilian Congress, at the session which closed December 31, 1908, renewed the contract of the Government with the Lloyd Brasileiro, the company which has enjoyed a subsidy arrangement with Brazil for the past three years. The renewal is to run for six years. In connection with it the Brazilian company agrees to revise and lower its coasting freight rates and to extend its service in a number of lines. At present the company offers the sole means of communication between many parts of Brazil. A better service between Rio

Janeiro and New York has been established through the addition of two new ships to the fleet. They are well-equipped vessels, giving high-class service, and capable of a speed of 14 knots. Under the Brazilian law they will continue to call at ports along the coast, greatly improving the service between these points and New York. The contract between the Government and the steamship company practically vests the ownership of these vessels in the Government. Already the company, in connection with the Government, has two attractive and good-sized ships in the service between Rio de Janeiro and Manaus on the Amazon, a trip almost as long as that from Rio de Janeiro to New York. The vessels for the Rio de Janeiro-New York service are the largest and most modern of the company's fleet, and may be taken as an exemplification of the steady development in the tonnage and speed of the vessels engaged in the South American trade which has been going on for the past two and one-half years. Both the British and Italian companies in the South American trade are increasing their fleets with larger and speedier vessels, while the tonnage and average speed of vessels plying between Europe and Brazil for the second half of 1908 showed an increase of fully 20 per cent in the former and 12 per cent in the latter over the record for the first half of the year, which in itself is beyond all previous records. In 1908 English steamships transported the largest tonnage and the greatest number of passengers in the commerce of Brazil, German, Italian, and French steamers following in the order mentioned.

A rapid passenger and freight steamship service is to be inaugurated between Montevideo and Corumba, State of Matto Grosso, the service to extend as far as Cuyaba, the capital of that State. The distance in a direct water line from Rio de Janeiro to Cuyaba is about 870 miles.

Under the terms of the contract signed January 28, 1909, between the Minister of Public Works of Brazil and the Bahia Navigation Company, the latter company has inaugurated two new coast services, one to the north between Bahia and Belem, Para, and the other to the south between Bahia and Mucury. The company is also bound to establish within the year a monthly service between Bahia and Belmonte. The Federal Government will pay to the company an annual subsidy of \$90,000 in monthly installments.

A steam navigation service between the ports of Recife and Amarração, Recife and Bahia, and Recife and Fernando de Noronha has been contracted for. Various companies for inland navigation were also formed during the year, many of which were subsidized by the Government and successfully operated. The report of the Amazon Steam Navigation Company, covering a period of eighteen months ending June 30, 1908, showed that after adding to the reserve fund the sum of £20,000 the company had a surplus of £50,086, including

£4,158 brought forward from the preceding fiscal year. The company paid a dividend of 2 per cent.

By the annual budget law the President of the Republic is authorized to supply government aid in the construction of highways, the plan of communication outlined in the law referring particularly to a number of projects in different portions of the country, notably in Rio Grande do Sul and in the north of Minas Geraes. The subsidy amounts to about \$1,200 per mile.

The transfer of freight and passengers in several of the rural districts by automobile is under consideration. Electric transport systems are the rule in the larger cities.

A new suburban line, organized with Brazilian capital to connect Petropolis with the capital, and costing \$1,800,000, has secured a concession from the Government. The line must be completed within four years.

POSTS AND TELEGRAPH.

Many reforms are in contemplation with a view to increasing the efficiency of this branch of the Government. Brazilian post-offices number about 3,000, and the business of the post-office department for the year 1908 exceeded that of any other year, receipts showing an advance of \$261,019 over 1907, mail matter transmitted amounting to 567,817,151 pieces. The conventions concluded with England and Canada for the exchange of international money orders went into effect during the year, and the Government hopes shortly to conclude parcel agreements with France, England, Germany, Italy, and the United States.

At the beginning of the year the total length of the telegraph lines of the Republic was 43,153 miles of wire, with an extent of over 17,000 miles, there having been added during the year 1,315 miles. The number of telegrams transmitted during the year was 2,216,491, as against 1,929,705 in 1907, or an increase of 13 per cent. A reduction was made in the telegraph rates.

A concession to German interests for the laying of a new telegraph cable between Brazil, Europe, and South Africa was granted by the Government. The plans of the company as announced include the laying of a cable from Germany to Teneriffe, thence to Liberia and German West and Southwest Africa, and from Teneriffe to Brazil. The German Government is granting a subsidy which will guarantee the interest and amortization of the debentures issued by the company. Wireless stations have been established by both the Government and private companies at Para, Santarem, Manaus, Rio de Janeiro (2), Ilha Grande, Fort Santa Cruz, Ilha das Cobras, Ilha Mocangue, and Villegagnon, where government and public business is accepted. Ponta Negra, Ilha Raza, Guarabiba, and a number of other stations are to be completed and opened for business shortly.

The Brazilian Government has undertaken the gigantic task of connecting the Amazon territory, telegraphically, with the southern districts; but, owing to the nature of the ground to be traversed and the probable time required to complete the work, slow progress is



PALM AVENUE, PARA, BRAZIL.

This avenue is locally known as "Dezesseis de Novembro" (16th of November), named in honor of a national holiday.

being made, and wireless telegraphy has been suggested as the only system adapted to the situation, and one which could be rapidly installed at reasonable expense. The length of this line, as contemplated, will be about 1,200 miles.

IMMIGRATION AND COLONIZATION.

Up to the present time Germany has predominated in contributing to the immigrant population of the Republic, although efforts are being made to introduce settlers from other countries. Bureaus of immigration and colonization have been established, offering every guaranty and facility to prospective settlers. In 1908, 94,695 immigrants arrived in the country, 45,000 of whom entered through the port of Rio de Janeiro. These figures show an increase of 40 per cent as compared with 1907.

The first lot of Japanese immigrants arriving in Brazil under the arrangement concluded between the Japanese and Brazilian governments was landed at Santos, for the State of São Paulo, on June 18, 1908. The transportation company having the matter in charge projects the formation of a South American association with a very wide field of enterprise, the purpose of which is the promotion of commercial, industrial, and social intercourse between Japan and the States of South America.

PUBLIC WORKS.

The Brazilian budget for the present fiscal year authorizes the expenditure of large sums for educational purposes, for public works and improvements, including appropriations for the advancement of technical and professional education. At the beginning of the year 1908 there were 624,064 matriculated students enrolled at the various public and private institutions of learning in the Republic. The primary schools numbered 11,216, with an enrollment of 569,372; secondary schools numbered 328, with 30,897 pupils; professional schools, 116, with 17,966; schools of superior education, 25, with 5,829; normal and pedagogical schools, 44, with 5,021; industrial schools, 26, with 7,334; agricultural schools, 3, with 166; and 9 commercial schools, with 736 pupils. Among the professional and technical institutions of learning the enrollment was as follows: Law schools, 2,451; medical schools, 2,905; and polytechnic schools, 438.

The Government has authorized the expenditure of \$300,000 in irrigation works in the northern States of Brazil, while another project aims at opening up and improving river navigation, irrigating arid lands, reclamation of swamps, and preventing inundations through the regulation of water courses.

The first section of the great dock system of Rio de Janeiro is nearing completion. Over a mile of finished work has been accepted by the Government and 1,312 feet more have been completed. This section includes modern warehouses and all other needful appliances for the economical operation of the port. About \$57,000,000 have been

expended in the improvements, including the amounts spent on the Avenida Central, while on the dock proper the expenditure reached a total of \$44,660,000. It is the intention of the Government to lease the entire dock system, although formal bids will not be called for until legislation has been secured. The lease of the Santos dock has been a profitable venture for the grantee company, being regarded as the most lucrative enterprise of its kind in South America.

The port works of Santos and Bahia are being vigorously prosecuted, those of Para are begun, and arrangements have been made for inaugurating work at Rio Grande do Sul and Victoria. The Pernambuco port works have been contracted for to be begun in July, 1909, and other similar improvements are under survey.

In the general improvement plans will be included the construction of a great floating dry dock for the Rio harbor to accommodate war and merchant vessels, and especially the new war ships of the *Dreadnought* type now being built in England for the Brazilian Government. Bids for this dock were opened in April, 1909. Two steel floating docks built for the port works now under way at Para have been launched from the British yards having the construction in charge. They are to form part of an extensive ship-repairing depot, including machine fitters, platers, carpenters, smith's shops, and foundry, and are furnished with the latest type of machinery with which the works are to be equipped.

The budget for 1909 under the heading of "light-houses and the buoying of ports" carries an appropriation of \$15,900.

In connection with the Fourth Latin American Medical Congress, to be held in Rio de Janeiro in the summer of 1909, it has been arranged to hold an international exposition of sanitary appliances, medical foods and drugs models of sanitary establishments, and of all articles connected with medicine and hygiene. The date for this exposition has been fixed for the period from August 1 to September 30, 1909.

New waterworks were inaugurated at Rio de Janeiro during the year, thus doubling the water supply of the city which now receives 213,000 cubic meters daily. The length of pipes laid was 284,897.

The new supreme court building at Rio de Janeiro was finished and inaugurated in April. Other public buildings in course of construction at Rio are the new Fine Arts Building, the Electrical and Technical Institute, and the National Library. Other public works comprise a smokeless powder factory at Piquete, in the State of São Paulo; a wagon road connecting Villa União da Victoria and Palmas, in the State of Parana, and another road between Guaraquava and Iguassu colony in the same State, of which 35 kilometers were completed during the year.

The Government has entered upon a plan of extensive public improvements in the Acre Territory, such as the construction of wagon roads, public buildings, professional schools, the establishment of colonial centers, etc.

Plans have been prepared for port improvement works at Itaqui, near the capital of the State of Maranhão, and at Camocim and Fortaleza. Dredging operations were carried on in the channel of the port of Natal, thereby greatly improving this port.





CHILE

The Republic of Chile extends over more than thirty-eight degrees of latitude, from $17^{\circ} 57'$ to $55^{\circ} 59'$ south, stretching from the Samu River to Cape Horn, occupying a long, narrow strip of land between the Andean mountain range and the Pacific Ocean, with a coast line of nearly 3,000 miles and an average width of only 90 miles. The Republic has a total area of 291,500 square miles, with a population of 3,249,279.

By reason of its peculiar shape easy access is afforded to the entire territory, and the exploitation of its vast mineral and other resources is both easy and profitable. As a mineral-producing country Chile is best known for her vast nitrate fields, from which the excellent fertilizer known as nitrate of soda is procured. Copper, gold, silver, and iron are also found. In the central and southern divisions of the Republic, agriculture, viticulture, apiculture, and fisheries thrive, while extensive forests furnish various kinds of cabinet and other woods.

HISTORICAL SKETCH.

FRANCISCO PIZARRO having conquered Peru, DIEGO DE ALMAGRO, one of his lieutenants, was dispatched with an army to the south to explore the country and take possession of it in the name of the King of Spain. He crossed the desert, which is now the great nitrate district, and after considerable difficulty managed to advance as far as the river Maule. There, however, he encountered the warlike Indian tribe of Araucanians and was obliged to retreat. Another expedition was sent by PIZARRO in the year 1540, commanded by his quartermaster, PEDRO DE VALDÍVIA, who was more successful than his predecessor, ALMAGRO, and although continually harassed by the Indians, was able to advance as far south as the present site of Santiago. Here he founded the city which is to-day the capital of the Republic.

Although Spanish colonists in numbers came to Chile, but little progress was made, owing to the continual attacks to which the settlements were subjected from the indomitable Araucanians. These attacks continued until the year 1640 when the Spanish governor concluded a treaty with the Indians. By this treaty the river Bio-Bio was recognized as the boundary line between the whites and the Indians, and the aid of the latter was enlisted in defending the country against the invasions of the English and Dutch buccaneers.

When, in the early part of the nineteenth century, the spirit of independence aroused the South American Continent, Chile in re-

sponse, on September 18, 1810, deposed the Spanish authorities and created a provisional government.

Spain, however, was not willing thus easily to be deprived of its South American colonies and poured troops into Chile from Peru, the royalist stronghold. Finally, through the aid of the Argentine patriot and soldier, General SAN MARTÍN, the Spaniards were defeated at the battle of Maipú on April 5, 1818, thus practically ending the Spanish power in Chile.

General O'HIGGINS, who had distinguished himself in the war for independence, was appointed supreme dictator of the Chilean nation, and on October 23, 1818, a constitution which had been drafted by a committee appointed by O'HIGGINS was formally adopted by the people.

Among the great men who contributed to the final molding of the Republic in its present shape one of the greatest is Don DIEGO PORTALES, who was Minister of State under President PRIETO (1831-1841). PORTALES set the national finances in order and was largely responsible for the present constitution. The present incumbent of the presidency, Señor Don PEDRO MONTT, was inaugurated on September 18, 1906, for a term expiring in 1911.



SR. DON PEDRO MONTT, PRESIDENT OF CHILE.

CONSTITUTION AND GOVERNMENT.

The present Constitution of the Republic of Chile was formally adopted on May 25, 1833. Under it Chile has a single, republican form of government, with the customary division into legislative, executive, and judicial branches.

The President, whose term of office is five years, is chosen by electors, who, in their turn, are elected by direct vote. The President can not serve for two consecutive terms, and he may not leave the country during his term of office or for one year after the expiration of the same, except with the consent of the Congress.

He is assisted by a Council of State, consisting of 11 members, 6 of whom are appointed by Congress and 5 by the President, and who are directly responsible to the Congress. He is further assisted by a Cabinet of 6 ministers or secretaries, who, although appointed by the President, are likewise responsible to Congress, and may at any time be forced to resign, if Congress passes a vote of lack of confidence.

The legislative power is vested in the national Congress, consisting of a Senate and Chamber of Deputies, the former composed of 32 and the latter of 94 members. Senators are elected by direct accumulative

vote, in the proportion of one for every three deputies, for a term of six years, but the Senate is partially renewed every three years. Deputies are elected by direct vote, one for every 30,000 inhabitants or fraction thereof not less than 15,000, for a period of three years.

During the recess of Congress a standing committee consisting of 14 members, of which 7 are Senators and 7 Deputies, acts for the Congress and is consulted by the President upon all matters of importance.

The judiciary of the country consists of a national Supreme Court of 7 members, convening at the city of Santiago, 6 courts of appeals located at Santiago, Valparaiso, Tacna, Serena, Talca, and Concepcion, consisting of 5 members each, with the exception of those at Concepcion and Santiago, which have 8 and 12 members, respectively. There are also a number of minor courts located in the different provinces and districts.

The Republic of Chile is divided into 23 provinces and 1 national territory, which are again divided into departments, districts, and municipalities. The provinces are governed by an intendente appointed by the President of the Republic, while the departments are governed by a governor and the districts by inspectors. The popular element is represented by municipal councils elected by direct vote in each municipality.

Following are the provinces of Chile with their respective capitals:

Province.	Capital.	Province.	Capital.
Antofagasta.....	Antofagasta.	Malleco.....	Angol.
Aconcagua.....	San Felipe.	Maule.....	Cauquenes.
Atacama.....	Copiapó.	Nuble.....	Chillán.
Arauco.....	Lebu.	O'Higgins.....	Rancagua.
Bio-Bio.....	Los Angeles.	santiago.....	Santiago (also capital of the Republic).
Cautín.....	Temuco.	Tacna.....	Tacna.
Chiloe.....	Ancud.	Talca.....	Talca.
Colchagua.....	San Fernando.	Tarapaca.....	Iquique.
Concepcion.....	Concepcion.	Valdivia.....	Valdivia.
Coquimbo.....	La Serena.	Valparaiso.....	Valparaiso.
Curico.....	Curico.	Magallanes (Territory).....	Punta Arenas.
Linares.....	Linares.		
Llanquihue.....	Puerto Montt.		

President.....Señor DON PEDRO MONTT.
 Minister of the Interior and Chairman of the Cabinet.....Señor ENRIQUE RODRIGUEZ.
 Minister of Foreign Affairs.....Señor AGUSTÍN EDWARDS.
 Minister of Justice and Public Instruction.....Señor DOMINGO AMUNÁTEGUI SOLER.
 Minister of War and Marine.....Señor ROBERTO HUÑEEUS.
 Minister of the Treasury.....Señor JOAQUIN FIGUEROA.
 Minister of Industry and Public Works.....Señor PEDRO GARCÍA DE LA HUERTA.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The President is allowed a salary of \$6,750 per annum and an allotment of \$3,500 for expenses.

CHILE IN 1908.

No better evidence characteristic of Chilean energy can be offered than the activity prevailing in the construction of communication facilities during the year 1908. The award of the contract for the completion of the Arica-La Paz Railway, the construction of the Chilean section of the Trans-Andine line to the mouth of the Cumbres tunnel, and the anticipated junction with the Argentine section in the near future, with its possible inauguration in 1910, as well as the activity prevailing in lesser construction work in the Republic, all foreshadow the national purpose to meet the increased opportunities to be offered the western coast of South America through the completion of the Panama Canal. Commercial transactions show a gain of more than \$4,000,000 in 1908 over those of the preceding year, for although importations declined, mineral and vegetable production notably advanced, with corresponding increased exportation. The harvest yield in the wheat-producing sections for 1909 is estimated at from 20 to 25 per cent increase over the preceding year. The crops of the country are being improved both in quantity and quality by the general application of modern methods of culture and irrigation, while greater interest than ever before is being manifested in the development of industrial life, and the manufacture of articles hitherto imported will be a development of the future.

Progress is being made on the port works of Valdivia, Corral, and Valparaiso. The government projects adopted for colonizing the unsettled sections of the Republic are giving satisfactory results.

The nitrate association, a continuation of the combination of producers entered into in 1900 and renewed in 1906, was dissolved on March 31, 1909, and its renewal for a further period was adversely decided upon.

FOREIGN AFFAIRS.

At the opening of the Chilean Congress on June 1, 1909, President MONTT addressed the National Assembly felicitating the Republic on the conditions prevailing throughout the country, stating that the efforts of the Government would be directed toward the maintenance of peaceful relations with other nations.

Pending questions with Peru are tending toward a final adjustment, various conventions having been signed in Lima for the reciprocal benefit of the two countries, while the construction of the Arica-La Paz Railroad, in consequence of an arrangement with the Bolivian Government, is progressing as a national enterprise. With Ecuador the long-standing friendly relations are maintained, and since the settlement of the boundary question with the Argentine Republic the

common interests of both countries are being advanced in a spirit of concord and fraternity. A commercial treaty for the furtherance of these ends is under consideration between the two Republics.

The traditional friendship with Brazil continues unbroken, while intercourse with the other nations of Latin America is proceeding along lines of mutual esteem and fellowship.

With the United States an arbitration treaty has been signed, and relations with that country are maintained on a most cordial basis.

Possibly the most prominent event in the history of the year was the assembling of the Pan-American Scientific Congress at Santiago in December. The cordial welcome tendered the delegates from the countries of South America and the Republic of the North was an indication of the international spirit of comity which will control the relations of the Republic. This spirit is further manifested in the appointment by the Chilean Government of the Pan-American Committee to prepare for participation in the Fourth International Conference of American States, to be held at Buenos Aires in 1910.

FINANCE.

Notwithstanding adverse exchange conditions, the financial position of Chile continued satisfactory during 1908. This was largely due to the fact that duties and revenue are mostly collected on a fixed exchange value, so that the Government does not feel the brunt of the decline in exchange. The recent issue of \$15,000,000 of 5 per cent bonds, underwritten by Messrs. ROTHSCHILD, may be taken as a fair indication of the rapid readjustment of the financial status of the Republic.

The revenues of the Government for 1908 were \$51,108,000 and the ordinary expenditures amounted to \$48,825,000, a margin of receipts over expenditures of \$2,283,000 being shown. The duty on nitrate is the largest single item in the list of revenues.

Extraordinary expenditures comprised in the rebuilding of Valparaiso, railway construction, etc., were met by the loan for \$15,000,000, from which a balance of over \$8,000,000 was reported on hand at the close of the year.

Many notable changes have been made in the rates levied on imports by the Chilean Government. Sugar, boots and shoes, and various articles of textile manufacture are included in this tariff-rate reduction, which began to take effect progressively on July 1, 1908.

Duties collected on exports for the year are given at \$6,888,431.15 Chilean gold (18d.) and \$6,079,581.22 currency; import duties being reckoned as \$19,859 Chilean gold and \$5,895,404.41 currency.

The external debt on June 1, 1909, amounted to \$101,900,000 gold. The internal debt is represented by paper currency issued by the

Chilean Government, which, if redeemed at its face value, would mean \$48,077,308 United States gold in excess of the value of the redemption bonds held to cover a portion of the currency, and would increase the public debt by \$24,038,654. To redeem the paper currency of Chile there is now on deposit in European and American banks about \$25,000,000 United States gold. These deposits are drawing interest and will be available for the purpose specified on and after January 1, 1910. On August 13, 1908, a law was promulgated imposing an export duty of 40 per cent on silver bullion assaying 0.5 or less.

At the beginning of the year, the savings banks of Chile held deposits aggregating \$19,966,774.61, representing 174,791 accounts, while on June 30, 1908, the number of depositors had increased to 198,419, and the deposits to \$22,876,141.65, a gain during a period of six months of 23,628 depositors and \$2,909,367.04 in deposits.

COMMERCE.

The foreign commerce of Chile in 1908 amounted to \$214,040,832 gold, an increase of \$4,617,489 over 1907. Of this amount imports figured to the extent of \$97,551,421, a loss of \$9,642,456, and exports \$116,489,411, a gain of \$14,259,945. The figures for 1907 are: Total trade, \$209,423,343; imports, \$107,193,887; and exports, \$102,229,466.

The principal articles of import that decreased in 1908, as compared with 1907, were, in the order of their importance, textiles, mineral, vegetable, and animal products, arms, ammunition, and explosives, perfumes, pharmaceutical and chemical products. The decrease in textiles was \$4,591,533; in mineral products, \$4,263,341; in vegetable products, \$3,159,535; and in animal products, \$858,470. The principal articles of import that increased in 1908, as compared with 1907, were petroleum, fuel, machinery, paper, and paper products. Oil and fuel increased to the amount of \$2,039,780, and machinery, tools, and apparatus \$1,912,427.

The exports for 1908 comprised mineral products, \$99,082,573; vegetable products, \$8,936,729; animal products, \$6,091,551; sundry products, \$473,664; wines and liquors, \$71,762; and coin, \$53,764.

The only item of export which decreased in 1908, as compared with 1907, was coin, \$548,485. Mineral products increased to the extent of \$10,741,533, and vegetable products to the amount of \$4,077,690.

The largest class of exports was mineral products, the principal items of which were: Nitrates, 20,336,122 quintals valued at \$85,350,882; copper bullion and bars, 29,539,235 kilos, \$6,409,132; copper ore, 64,684,579 kilos, \$2,568,590; borate of lime, 31,740,650 kilos, \$1,621,947; iodine, 330,090 kilos, \$1,433,745; and 1,162,913 kilos of gold and silver ores valued at \$923,353.

The countries of origin of Chilean imports were, in the order of values, Great Britain, Germany, United States, France, Belgium, and the Argentine Republic, and of destination of exports Great Britain, Germany, United States, France, Holland, and Belgium.

Important as the progress of the last few decades has been, Chile is a country with a still greater commercial future. The United States is recognized as England's foremost competitor for Chilean trade, notwithstanding the fact that Germany last year exported to Chile about two and one-half times more than did the United States. American goods are well received, and with the more progressive methods adopted by American exporters the coming decade may see gains as marvelous as those of the past ten years, which showed an increase of American imports into Chile of more than 430 per cent. For 1908, however, United States statistics note receipts of Chilean merchandise to the value of \$12,494,122, and exports to that country valued at \$5,373,911, the decline in both branches of trade being very great.

PRODUCTION AND INDUSTRIES.

Mining, due to the extensive working of the great nitrate of soda deposits, takes first place among the industries of the republic. The association which for many years has controlled the output and export of Chilean nitrate, the ranking product of the country, decided to discontinue operations as a company from April 1, 1909. The year's production was slightly in excess of the 2,000,000 tons fixed as the exploitable quota, being 42,847,267 Spanish quintals of 101 pounds, while exports also exceeded the estimate, figuring for 2,250,000 tons. The Government has appointed a commission for the collection and distribution of information bearing upon this industry so important to the national life, and will carry on an active propaganda in its behalf at home and abroad.

The official board of engineers has reported to the Chilean Government that there are undeniably in sight 4,483,000,000 quintals of nitrate in the deposits of the country. Antofagasta is credited with 4,103,000,000 and Tarapacá with 740,000,000 quintals. With an annual exportation of 35,000,000 quintals, this shows sufficient to supply the entire world's consumption for one hundred and thirty years. A previous estimate had fixed the amount at 1,603,000,000 quintals. The nitrate fields of South America exported in 1830, the first year they were worked, 8,348 tons of crude mineral.

Borate production is placed at 28,000 tons annually, with a valuation of \$4,000,000, and so extensive are the deposits that Chile could easily supply the whole world.

Sulphur production does not meet the necessities of the home market, although large deposits are known to exist in the Provinces of

Tacna and Coquimbo. Extensive deposits of sodium chloride are under development, notably those of Tarapacá, where a bed with a depth of 20 meters extends over a large area.

Guano has been preserved to satisfy national consumption, and the deposits are being worked in accordance with agricultural requirements.

Sulphuric acid is produced in the Guayacan factory, the cataliptic system being employed, and the product being largely used for metallurgical purposes.

Coal mining, with a production of 900,000 tons, does not meet the country's requirement, and there is consequently a yearly importation of about 1,500,000 tons, mainly from Australia and England. A strong effort is being made to open up the very extensive coal fields of the Province of Arauco, south of Coronel. A much better grade of coal is found in the interior of that Province that has hitherto been mined in Chile for commercial purposes. It is said to be very good coking coal and suitable for use in the Chilean navy. The state railways of Chile consume annually from 350,000 to 400,000 tons of coal, of which about one-half is imported.

Gold mining is less actively carried on in late years than was formerly the case, although the exploitation of placer gold is increasing. These deposits have a great future, particularly in Cautin, Valdivia, and Magellan in the southern part of the Republic. Hydraulic and dredge systems have recently been installed, but as the work has been largely experimental the best results have not yet been attained. In 1907 the total output of gold was 1,500,000 grams, amounting in value to nearly \$1,000,000. Near Vallenar a gold deposit has lately been discovered assaying nearly 200 ounces of pure gold per ton. This is the old gold mining region of Chile.

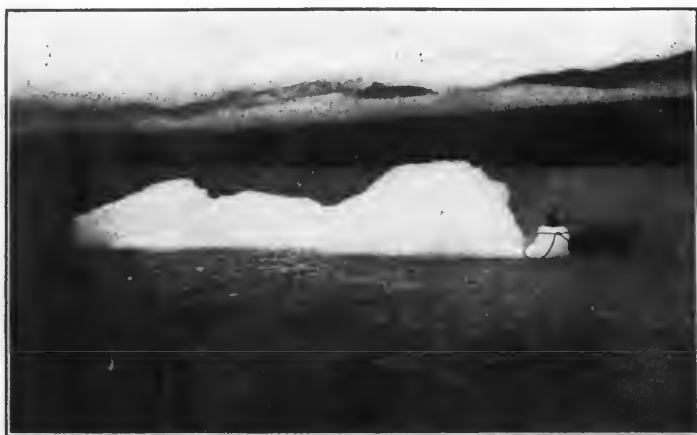
Silver production, although it showed a slight advance in 1907, when the output amounted to 10,433 kilograms, does not receive the attention warranted by the known value of the deposits.

The mining energies of the country have been directed largely to copper, the production of which for 1908 was given as 35,000 tons of refined metal, as compared with 28,854 tons in 1907. The mean copper percentage of ores worked in Chile during 1907 was $9\frac{1}{2}$, a portion of which, with an average percentage of 20 per cent, is sent abroad as ore for treatment. The old mines of Teniente are being successfully worked and the development of workings in Collahuasi, Calama, and Chiquicamata, as well as the exploitation of certain lower-grade deposits, have occasioned a greater activity in copper mining. The greatest depth arrived at in the Republic is about 1,000 meters at the Dulcinea mine in Copiapo, but as a rule the operations are not carried on below 200 to 500 meters. Large copper mines and smelting establishments are located at Cerro Blanco, Carizal Alto, Jarilla, and As-

tilla and other smelting works have recently been established at Chañarcillo in the Department of Copiapo, giving considerable impulse to copper mining in that district. All of these districts have rail connection with the nearest ports, thus affording easy means of transportation and communication.

Petroleum and natural gas have been discovered in the township of Carelmapu, in the Province of Llanquihue, about 500 miles south of Valparaiso. This discovery was made in the vicinity of a fairly rich gold mining district and not very far from the site of the extensive steel works being built near Corral.

The production of nonmetallic substances, such as lime, cement, chalks, marble, clay, etc., is sufficient for national needs, and earthen-



ICEBERG IN MAGELLAN STRAIT.

The route traversed by the trans-Atlantic liners includes the Strait of Magellan proper, Smyth Channel, Victoria, Sarmiento, Los Inocentes, Concepcion channels, Canal Aucho, and Messier Channel, covering in all 365 miles in length, the width varying from 2 to 25 miles, and being one of the most picturesque maritime routes in the world.

ware factories are in operation at Lota, and cement factories are successfully operated at La Calera and El Melon.

In accordance with the law of July 16, 1908, the Chilean mining code establishes three classes of mines, viz, (1) gold, silver, copper, and similar mines, the acquisition of which is free; (2) coal mines and mines containing similar fossils; and (3) mines containing minerals situated on uncultivated state or municipal lands. Gold, silver, copper, and similar mines pay a tax of \$3.50 per hectare, and coal mines and mines containing similar substances which formerly paid a tax of \$1.75 per hectare now pay \$0.07 per hectare.

Stock farming, and agriculture generally, represent important branches of Chilean industry, and though primitive methods are

employed on the average haciendas, modern machinery is coming into very general use in most districts. The United States supplies the greater part of this, the light, ornately finished implements of that country being regarded as exactly suited to Chilean conditions, but when strong and heavy machines, such as mowers, are required, they are generally obtained from Great Britain. During 1907 farm and dairy machinery to the value of \$1,556,884 was imported, of which the United States furnished \$925,912. The lumber industry in the far south of Chile also merits special attention at this time, as it is in an active stage of development.

Recent estimates by reliable authorities place the number of farms in Chile at about 50,000 and an assessed valuation of \$365,000,000 United States gold.

The harvest for 1908 was, in general, quite satisfactory. The north central portion suffered, but farther south the crops were better than usual, owing to the lighter rainfall, for as a usual thing that portion of the country has too much rain to produce the best results.

The wheat yield of over 25,000,000 bushels was about the same as for last year, when there was a surplus of about 5,000,000 bushels, and the quality in the main was superior. The barley crop was a little short of average, 5,500,000, but will be sufficient to meet home demands, while the fruit crop was good and the yield more than sufficient to meet the demand. Wine production was greater than in 1907. The vineyards of the Republic yield more than enough to supply the home needs, and the wines of the country, if properly exploited, have a bright future abroad.

The cultivation of flax is being encouraged by the Government and will, it is anticipated, form a valuable source of wealth for the nation. Some tobacco of very good quality is also grown in the country, but it will be some years before the supply will be equal to the demand for this article.

The future looks promising for the development of agriculture, as the Government is doing much to open up heretofore undeveloped sections of the country by building railways, assisting irrigation enterprises, bettering wagon roads, and encouraging immigration. The soil of Chile is very fertile, but its yield could be increased from 200 to 300 per cent by the application of more modern methods and the use of up-to-date machinery.

The pastoral industry of the country, as a result of better transportation facilities, is being developed. The Territory of Magellan, the southernmost political division of the Republic, is an excellent field for stock raising. This extensive territory, comprising about one-fourth of the total area of Chile, contains approximately 48,000,000 acres of land and owes its present prosperity principally to sheep raising and the working of its placer mines. Some idea

of the fortunes obtained from the former industry may be had when it is remembered that persons engaging in this occupation ten or fifteen years ago with a capital of from \$6,000 to \$10,000 are now the owners of flocks ranging from 60,000 to 90,000 sheep.

It is estimated that there were 1,873,709 head of sheep, 37,804 head of horned cattle, 23,888 horses, and about 1,000 hogs, mules, and goats in the Territory of Magellan in 1907. The wool exported from Punta Arenas in 1906 amounted to 16,500,000 pounds, valued at \$3,009,371. Practically all of the wool and hides shipped from southern Chile in 1906 went to Great Britain, Germany, and Bel-



PENGUINS ON SANTA MARTA ISLAND.

Santa Marta, a small island in the Strait of Magellan, a short distance from Punta Arenas, is one of the islands on which is found the penguin, a bird peculiar to the southern extremity of the American Continent and in the Antarctic regions. Antarctic explorers have frequently subsisted on the flesh of these birds for months, when their supply of food had been exhausted.

gium, the former country receiving about four-fifths of the entire output of these two products.

The raising of horses is also a profitable industry in the Territory of Magellan. The native horse is descended from Andalusian stock and is hardy, docile, intelligent, and vigorous and, it is said, is capable of doing more work with less food and care than the European or American horse. During the last twenty years the native stock has been considerably improved by the introduction of stallions from England, Germany, and France.

More attention is now being given to manufacturing industries in Chile than ever before. During the year 1908 shops and factories to the number of 2,829 were in operation in the 16 leading prov-

inces, aside from that of Valparaiso. Invested capital amounted to \$46,114,424 gold, and employment was given to 51,353 persons, of whom 32,795 were men, 14,114 women, and 4,114 children. The value of raw material consumed by these plants during the year was \$34,464,766.50, of which \$25,682,864.50 was domestic and \$8,781,902 imported. The output of the factories was valued at \$62,500,000, leaving a surplus applicable to labor, other expenses, and profits of \$28,036,233.50.

The motive power employed represented an equivalent of 26,000 horsepower, of which 10,600 horsepower was hydraulic. Water power commands much attention in the country by reason of the high price of coal and other fuel. The import duty on most manufactured articles, with the exception of machinery, ranges from 30 to 60 per cent.

The manufacture of shoes by machinery is increasing rapidly in Chile. A short time ago the first shoe factory employing machinery was opened at Valdivia, and now there are 22 well-equipped factories of various sizes located in different cities of the country. A large percentage of the shoe machinery in use in Chile is from the United States. France comes next, followed by England.

Several industries closely allied with and depending upon stock raising are now being exploited in the Territory of Magellan. In 1906 there were seven tallow factories in the territory, having a capital of \$155,125 and an annual output valued at \$704,405. There are two refrigerating plants, one of which, in 1907, exported 120,000 frozen wethers. The plant at Punta Delgada is the only meat-canning establishment now in operation in the territory. The capital invested is \$225,000. There are also stearin, soap, and salted-meat factories in successful operation.

Salmon is being introduced into the rivers in the southern parts of the country with very good results, but this new industry will not show any results for some years, and at present large quantities are being brought in direct from California and sold at reasonable prices, the customs duties on this article being about half what it is on lobsters. The latter are packed at the island of Juan Fernandez and are sold at very high prices, owing to the prohibitive duties levied to protect this so-called native industry. Fresh fish, of which there is an abundance, is daily offered in the markets, and oysters are plentiful in the southern part of the country, where they are canned for shipment to the northern provinces.

RAILWAY AND STEAMSHIP LINES.

The railways of the Republic in actual operation, under construction, or in contemplation on January 1, 1908, represented a total of 3,646 miles, of which 1,590 were in actual operation, 612 under con-

struction, and 1,444 miles projected. During 1908, 648 miles of government railways were constructed, of which 482 miles were built under government supervision and 165 miles by contractors employed by the Government. The construction of these lines represented an outlay of \$9,837,189.

According to the latest information from the most authentic sources, the entire Trans-Andine Railway system is to be completed and open to through public traffic not later than March, 1911. With reference to other important lines the following developments are reported:

On February 1, 1909, bids for the construction of the section of the longitudinal railway between Cabildo and San Marcos, covering a distance of 127.38 miles, were opened in the capital of the Republic and in the legations of Chile in Europe and the United States. The only bid received in Chile was that of a London company, the amount being £1,900,000 and the time required for the construction three years.

Tenders for the construction of the remainder of the railway from Arica to La Paz, a distance of 350 miles, were opened in the Department of Industry and Public Works, at Santiago, on March 1, 1909, the award being made to a British firm.

Owing to its Pacific coast line of nearly 3,000 miles, every part of Chile can be easily reached by water, there being no less than 59 ports in the country, 14 of which are the so-called major ports, which are ports of entry with custom-houses, and upon which the minor ports are dependent. The major ports are Pisagua, Iquique, Tocopilla, Antofagasta, Taltal, Caldera, Carrizal Bajo, Coquimbo, Valparaiso, Talcahuano, Coronel, Valdivia, Puerto Montt, and Ancud.

Punta Arenas, in the Straits of Magellan, is a free port, where merchandise may be imported and exported free of duty.

There are a number of navigable rivers, among which the Bueno, the Maule, the Cautin, the Bio-bio, and the Valdivia are the most important, being navigable for distances varying from 23 to 150 miles, the total navigable length of the Chilean rivers being 972 miles.

Chile can be reached either directly from New York by one of the three steamship companies maintaining direct lines: via Buenos Aires and the Cordillera, via Panama and the west coast, or via San Francisco and the west coast.

The New York and Pacific Steamship Company, the West Coast Line, and the Barber Line run steamers between New York and Chilean ports, employing from 41 to 55 days to Valparaiso, but having limited accommodations for passengers.

By way of Panama the trip is made with the Panama Railroad Company's vessels, having regular weekly sailings from New York, thence across the Isthmus, and from Panama by one of the lines ply-

ing on the west coast, it being possible to make the trip by this route in 35 days, at a cost of \$204 for first-class passage.

The steamship lines plying regularly along the Pacific coast are: The Pacific Steam Navigation Company, calling at all the major



A MOUNTAIN SCENE ON THE TRANSANDINE RAILWAY.

The scenery along the line of the mountainous sections of this railroad is as fine as can be found anywhere in the world. The higher peaks of the snow-covered cordillera are constantly in view and an ever-changing panorama of mountain, valley, and gorge is presented to the traveler.

ports of Chile; the *Compañía Sud-Americana de Vapores*, calling at all the Chilean ports; the Kosmos Line, plying between San Francisco, California, and Hamburg, Germany, calling at all the more important ports of the west coast, and the *Compañía de Nave-*

gación y Diques Secos Peruanos, which has recently inaugurated a fast service between Panama and Valparaiso, Chile. By a decree of September 25, 1908, the Chilean Steamship Company was authorized to operate in the Republic. This company has a capital of \$625,000, with headquarters at Valparaiso.

Maritime transport increase is indicated by the addition of 35 vessels, with 17,740 tons burden, during the year, the total merchant marine now consisting of 172 ships and 98,722 registered tons.

During the year 1908 steamers to the number of 387 and 18 ships touched at Valparaiso, discharging 715,304 packages and loading 762,900. Packages to the number of 2,500 were reembarked and 1,874 sold to pay storage charges.

The Government has 28 bridges of different types under construction, at a total cost of \$1,017,510 United States gold, with 31 more under consideration at a cost of \$1,390,103 United States gold.

POSTS AND TELEGRAPHS.

The postal movement for 1907 covered 78,016,179 pieces of mail matter which, although less than the estimate made, is greater by nearly 1,000,000 pieces than the year preceding. Parcels post values were \$1,000,750. Of the 323 telegraph offices in the Republic, 10 were added during the year. The telegraph offices transmitted 2,035,291 messages for domestic and 83,547 for foreign service. During the year the line between Iquique and Zapiga was opened and a new communication between Olera and Santiago. Telegraph and telephone lines are respectively about 11,836 and 8,000 miles in extent.

The Government has erected wireless stations on the island of Juan Fernandez, over 400 miles from the coast, and at Valparaiso, which have been most satisfactorily operated. Plans for wireless connection with the Territory of Magellan were completed.

At the beginning of 1909 there were 15 industrial schools, giving instruction to about 3,300 pupils. Of these schools 8 were located in Santiago and the others in the various provinces. Much interest is being taken in these schools and their work is telling for good in the industrial development of the country. They are well equipped with up-to-date appliances, much of which is from the United States.

There are only three foreign life insurance companies doing business in Chile, two from the United States and one from Canada. In 1907 the United States companies did a business of \$293,433 and paid losses amounting to \$127,440, showing a profit of \$165,993.

PUBLIC WORKS.

The Government has under construction buildings valued at \$4,895,273 United States gold, all of which are scheduled for completion before the close of 1909.

In a special message to the Federal Congress the President of the Republic of Chile has recommended that \$800,000 be appropriated for the purpose of celebrating the centennial of Chilean independence in 1910. The committee appointed to draft a programme recommends that the exhibit of arts and crafts be held in the new Palace of Fine Arts; that the agricultural exhibit take place at the Quinta Nacional; and that the exhibit of industry, commerce, and education be held in a building to be constructed for the School of Mines in the Quinta Normal. The committee recommends the erection in Cousiño Park, Santiago, of the Centennial Building, in which the exhibition of the Historical Museum of the Republic will be held.

In honor of the occasion the opening of several new streets and avenues is recommended, as is also the erection of a statue to CAMILO HENRIQUEZ, the founder of Chilean journalism. In addition to the foregoing celebration and erection of buildings, to take place in the capital, the committee recommends construction of public buildings in various sections.





COLOMBIA

The Republic of Colombia, occupying the northwestern corner of South America, extends from latitude $2^{\circ} 40'$ south to $12^{\circ} 25'$ north and from 68° to 79° west longitude, covering an area of 438,436 square miles, equal to that of the States of Louisiana, Texas, Kansas, and Arkansas, with a population of 4,000,000, equal to 9 inhabitants per square mile or less than one-half the population per square mile of the United States of America.

Three chains of mountains which cross the country occasion a variety of climate, ranging from temperate to tropical. Coffee, cacao, sugar cane, tobacco, and bananas are successfully grown and largely exported, and the extensive forests contain a number of valuable cabinet and other useful woods and medicinal plants. Vegetable ivory and india rubber are other products of export, also "Panama" hats, in the manufacture of which the natives have acquired considerable skill. The mineral wealth of the country has been but little exploited, although its emerald mines furnish the world's chief supply of these gems. Gold, silver, and other precious metals are also to be found in the Republic.

HISTORICAL SKETCH.

When COLUMBUS, on his fourth and last voyage, had discovered Cape Gracias a Dios, on September 14, 1502, he sailed along the Colombian coast for a considerable distance, but did not make any attempt to settle the country or conquer the aborigines. It was left for ALONSO DE OJEDA, who in the year 1508 was granted the land lying east of the river Darien, which was termed the Province of Uraba, to attempt the conquest of the country. OJEDA succeeded in establishing himself firmly along the coast, battling continually with the Indians; but all of his attempts to conquer the Chibcha Kingdom, situated on the high plateau, were fruitless. In the year 1536 JIMENEZ DE QUESADA undertook the subjugation of the Chibchas and at the same time two other expeditions, for the same purpose, started from other points, that of FREDERMAN and of PIZARRO's first lieutenant, BENALCAZAR. These three expeditions met on the plateau, and it was due only to the tact and diplomacy of QUESADA that strife was avoided. Having succeeded in this, he established friendly relations with the aborigines, a highly civilized people, similar to the Incas of Peru. He established his capital, the present city of Bogota, on the site of the old Chibcha capital and explored the country in all directions.

A Governor-General was appointed by Spain and the name changed to the Province of New Granada, and in the year 1718 it

was made a vicerealty. The first viceroy was ANTONIO DE LA PEDROSA Y GUERRERO, and New Granada was successively governed by twelve viceroys until in the year 1810, the last, DON ANTONIO AYNAR Y BORBON, was deposed by the citizens of Bogota. Revolutionary movements had previously been initiated in various parts of the country, but the war against Spain took definite form in July of that year.

A long and bitter struggle ensued which lasted for nearly nine years, ending in the year 1819, when, on August 7, the patriots under the able leadership of Gen. SIMON BOLIVAR utterly defeated the royalist forces at Boyaca.

BOLIVAR succeeded in effecting a union between Venezuela and the former vicerealty of New Granada, and on the 17th of December, 1819, the new Republic formally adopted the title of the Republic of Colombia. On July 12, 1821, a constituent congress met at Cucuta and elected SIMON BOLIVAR as the first President of the "Greater Colombia." The "Intendencia de Quito," now the Republic of Ecuador, joined the union in the year 1829, but when, on December 17, 1830, BOLIVAR died, the union was dissolved, and New Granada adopted the title of the Republic of New Granada on November 17, 1831. This title was subsequently changed to that of the Granadine Confederation, later to that of the United States of Colombia, and lastly to the Republic of Colombia. The change of name indicates the various phases of the development of the country, Colombia having finally resolved to adopt the unitary republican form of government, which experience has taught it to be the best fitted for the country.

Gen. RAFAEL REYES, the present President, was inaugurated August 7, 1904, for a term of ten years.



GENERAL RAFAEL REYES, PRESIDENT OF COLOMBIA.

CONSTITUTION AND GOVERNMENT.

By the constitution adopted August 4, 1886, the Republic of Colombia abolished the Federal Union and the sovereignty of the several States and adopted the unitary republican form of Government, with legislative, executive, and judicial branches.

The Senate and the House of Representatives, constituting the National Congress, are intrusted with the legislative power, the former chamber consisting of 27 members, 3 for each department, and the latter of a varying number of members, 1 for every 50,000 inhabitants. Senators are elected indirectly by electors chosen for the purpose for a term of four years, and Representatives are elected by direct vote of the people for the same term.

The President is elected for four years, by indirect vote, in the same manner as the Senators. The term of office of the present incumbent has been extended to ten years, at the expiration of which term, however, it is to be only four years, as heretofore.

The President of the Republic is assisted by six Ministers, or Secretaries of State, one of whom represents the President during his absence or disability, there being no Vice-President.

The Judiciary comprises one supreme court, located at Bogota, a superior tribunal for each Department, and a number of minor courts. The supreme court is composed of seven members, appointed by the President of the Republic for a term of five years, while the justices of the superior courts are appointed for a term of four years.

INTERIOR GOVERNMENT.

The Republic is divided for administrative purposes into nine Departments, which are again divided into provinces, and these into municipal districts. In the Departments executive authority is vested in a Governor, appointed by the President of the Republic, and legislative authority in a departmental assembly elected by popular vote at the rate of one deputy for every 12,000 inhabitants. The provincial and district executive authorities are likewise appointed by the President, but municipal councils are elected by direct vote of the people.

TERRITORIAL DIVISIONS.

Under a decree issued on the 27th of March, 1909, the political divisions of the Republic of Colombia are as follows:

Department of—	Capital.
Barranquilla	Barranquilla.
Bucaramanga	Bucaramanga.
Cartagena.....	Cartagena.
Facatativa.....	Facatativa.
Manizales.....	Manizales.
Medellin.....	Medellin.
Pasto.....	Pasto.
Popayan.....	Popayan.
Tunja.....	Tunja.

The capital of the Republic is Bogota.

President.....	General RAFAEL REYES.
Acting President.....	General JORGE HOLGUIN.
Minister of the Government.....	Señor ENRIQUE ARGAEZ, Assistant Secretary in Charge.
Minister of Foreign Affairs.....	Señor EUCLIDES DE ANGULO.
Minister of the Treasury.....	Señor FIDEL CANO.
Minister of War.....	Señor ROBERTO URDANETA, Assistant Secretary in Charge.
Minister of Public Instruction.....	Señor JOSÉ MARÍA GONZALES VALENCIA.
Minister of Public Works.....	Señor RAFAEL ORTIZ.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The salary of the President is \$18,000 per annum.

COLOMBIA IN 1908.

Colombia is another country of Latin America which, like the Argentine Republic and Chile, showed increased trade returns for 1908, nearly \$3,000,000 excess of commerce being reported for the year over 1907. In national finances, as a consequence of a revised expenditure list, the Government was enabled to report a gold surplus at the close of the fiscal year amounting to over \$2,000,000, and indications of a betterment of financial conditions were found in lower rates for loans, the satisfactory letting of the contract for the exploitation of the famous Muzo emerald mines, and in renewed activity in railroad construction.

Rail connection between Bogota, the capital, and the headwaters of the Magdalena River was initiated in February, 1909, through the extension of the line from Girardot, at the head of navigation, as far as Factativa, at which point union is made with the Sabana road to Bogota, which has been in operation for many years.

Capital is being attracted to the Republic and invested in railway, mining, and other industrial developments. Public works are progressing, notably the construction of roads and railways.

FOREIGN AFFAIRS.

President REYES, in his last message to the Colombian Congress, reported at length concerning the cordial relations existing between Colombia and her sister Republics.

The National Assembly during the year 1908 ratified an industrial property convention with Great Britain and treaties of amity and commerce with Switzerland and Japan. It also formally ratified the convention supplementing the boundary treaty with Ecuador. Other matters which engaged attention were the modification of the supplementary convention to the concordat made between the Minister of Foreign Affairs and the Apostolic Delegate concerning the fulfillment of article 25 of the concordat; the convention on pecuniary claims concluded at the Third International Conference of American States, held at Rio de Janeiro, Brazil, in 1906; the convention of Mexico on the same subject, signed at the Second International Conference of American States in the city of Mexico in 1902; the convention on exchange of official and other publications also signed at Mexico; the Sanitary Convention concluded at the Second Sanitary Congress of the American Republics in Washington October 14, 1905, signed by the delegates of Colombia at the Third Congress, held in Mexico in December, 1907; the convention establishing the status of naturalized citizens who again take up their residence in the country of their origin, concluded August 13, 1906, at the Third International Conference of American States, held in Rio de Janeiro. The con-

ventions of the last Postal Congress, held in Rome, were ratified by the Government and a division established in the Department of Posts to carry out its provisions relating to the exchange of foreign mail. Members of the Pan-American Committee and of the Permanent Court of Arbitration at The Hague were appointed.

FINANCE.

The credit of the Republic abroad continued stable throughout the year. Interest on the foreign debt was paid regularly and the Republic continued the discharge of her obligations to the bondholders. Up to March, 1908, 70 per cent had been paid.

The total issue of the floating internal debt of Colombia up to June 30, 1908, amounted to \$22,419,172.75, of which sum \$19,356,160.60 has been paid, leaving \$3,063,012.15 as the outstanding internal debt of the Republic on the date mentioned.

The promptness with which the Government has met the payment of interest due on its foreign loans has strengthened public confidence in the ability of the Republic to meet its obligations, and resulted in Colombian foreign debt securities being quoted at higher prices in the financial centers of the world.

At a session of the Council of Ministers held March 5, 1908, the Government resolved to introduce important economies in expenditures for the year, as a result of which the original appropriation was reduced from \$16,244,384.20 to \$14,237,997.08, thus effecting a total saving of \$2,006,315.12. The budget in detail, as presented to Congress by the Secretary of Finance and of the Treasury, estimated revenues at \$16,600,000.

Important among the legislative acts of the Government was the passing of a customs tariff amplifying and amending the existing law, with a view to improving commercial and industrial conditions.

COMMERCE.

Figures of the foreign trade of Colombia during 1908 placed the valuation of imports and exports at \$28,512,636, as compared with \$25,880,005 in 1907. Of the reported total, exports amounted to \$14,998,744.47, as compared with \$13,791,442 in 1907, while imports for the two periods were \$13,513,891.65 and \$12,088,563, respectively. While the trade balance, amounting to \$1,484,852.82, was not so great as that noted for the previous year, the generally improved commercial position of the country is manifest.

The United States figures covering trade with Colombia gave the value of goods received from that Republic during 1908 as \$6,897,493, while United States merchandise shipped thither was valued at \$3,690,014, a gain in the two branches of trade of over \$400,000 and \$500,000, respectively, as compared with 1907 being shown.

In consequence of the operations of the Colombian Bureau of Information, established in New York in 1906, an impetus has been given to trade intercourse between the Republics interested. The adequate exposition of the varied possibilities of Colombia has excited the increased interest of business men of the United States, with the result that companies are being formed for the capitalization and working of many hitherto unvalued resources of the country. The information furnished by the New York bureau is supplemented by the valuable reports received from the United States consuls stationed in Colombia.

At the ports of New Orleans and San Francisco, Colombian products are received to the value of about \$2,000,000 annually, the greater part of the banana shipments going to the former place.

The principal items shipped from Cartagena to the United States was coffee, valued at \$1,310,769, which showed a gain of \$170,000, gold ranking next, with a value of \$789,241.33, followed by hides, \$171,860.67; hats, \$121,617.16; rubber, \$82,585.93; cedar and mahogany, \$65,674.89; ivory nuts, \$46,715.21; platinum, \$24,107.10; and ipecac, \$20,516.17. In comparison with 1907, shipments of hats showed a small decline of about \$4,000, cedar and mahogany something over \$7,000, and platinum, ipecac, and rubber decreased export values. On the other hand, a gain of about \$15,000 was noted in exports of ivory nuts, while shipments of hides, since the removal of the government monopoly, have increased to \$171,860.67, as compared with \$49,995 in 1907. The decline in shipments of platinum from \$93,539 in 1907 is partly explainable by the decrease in price and by the withdrawal by the Government of the right of filing on platinum ground.

Coffee, cattle, hides, rubber, tobacco, ivory nuts, and mineral products compose the bulk of the country's exports. Of the coffee exports of the Republic about 67 per cent goes to the United States, most of the tobacco to Germany, and the cotton to Liverpool or Havre. The principal imports are flour, lard, petroleum, and cotton goods from the United States; sugar, rice, and potatoes from Germany, and cotton textiles from Great Britain.

PRODUCTION AND INDUSTRIES.

Many measures are under consideration by the Government for the development of the natural sources of wealth. The value of the country as a producer of cacao, rubber, and bananas is well established and cotton growing has been the subject of a favorable experimental enterprise. The cultivation of bananas, wheat, and maize is regarded as more desirable at the present time, as quicker returns are yielded than from coffee, sugar, etc. Railways are much needed

for the opening up of new and fertile regions, while the mineral resources of the country are well worth exploitation. For the purpose of aiding national enterprises, modifications have been made in the customs tariff on articles for railway construction, mills, agriculture, etc., all of which have been placed on the free list. Reduction in duties has been effected on other articles of common consumption.

Colombia, with its tropical and temperate climatic zones, should be able to vie with any country in the nature of its products. Its cacao is equal to that of Guayaquil, its rubber compares favorably with that of Brazil, and the native banana is unsurpassed by those of any other land. Experiments in cotton have demonstrated that there are areas in the country suitable for this class of production, and the tariff protection afforded by the Government to manufactures of the native cotton have greatly stimulated both the culture and the working of the product.

The coasts and hot regions produce corn, sugar cane, sea island cotton, rubber, cacao, bananas, fibers, tropical fruits, and vegetables, while the mountains and uplands yield coffee, apples, peaches, potatoes, wheat, barley, and all of the products of the temperate zone. The entire country is suitable for stock raising, the pastures in many sections remaining green the year round. Few countries contain the latent wealth and favorable conditions for developing and exploiting it to such a degree as does the Republic of Colombia.

As regards banana cultivation, the lands between the Santa Marta and the Fundacion rivers, which are connected by 90 miles of railroad, are of particular fertility, and the Government is preparing to develop them through an extensive system of irrigation.

The town of Santa Marta is situated east of Santa Marta Bay on the Caribbean coast, and is the northern terminus of the Santa Marta Railway, which runs southward for 58 miles over a coastal plain, or the great banana-raising region of Colombia. During the year 1908 this road carried 51,397 tons of bananas alone. At present the commercial importance of Santa Marta depends almost entirely upon its large and increasing shipments of this fruit to the United States.

The first shipment of bananas was made in 1891, and for thirteen years the amount exported never reached 500,000 bunches in any one year. In 1904 there were exported 787,244 bunches, and in 1908 the number reached 2,241,580. It is estimated that within four or five years not less than 5,000,000 bunches of bananas will be exported annually.

A textile plant of commercial value has been discovered in the Colombian forests of Carare by José Maria Lindo, a naturalist of Bogota. The plant has been assigned to the Bromiliaceous family and is said to furnish a fiber especially suitable for use in the manufacture of curtains and other textiles for household adornment.

On the Magdalena, which is navigable by means of river craft for 1,400 miles, adequate labor supply is obtainable for large plantations of cacao and rubber, and with a sufficient population the Santa Marta district could within three years increase its production tenfold. The valleys of the rivers Leon and Atrato have long been recognized as having proper characteristics for the cultivation of this fruit. On the Sinu River there is also much good banana land, as well as an area suited to the cultivation of oranges, pineapples, alligator pears, and many other tropical products. This is the great cattle belt, as it is also the source of the cedar and mahogany exported from Colombia. In this valley are both coal and petroleum awaiting capital for their development.

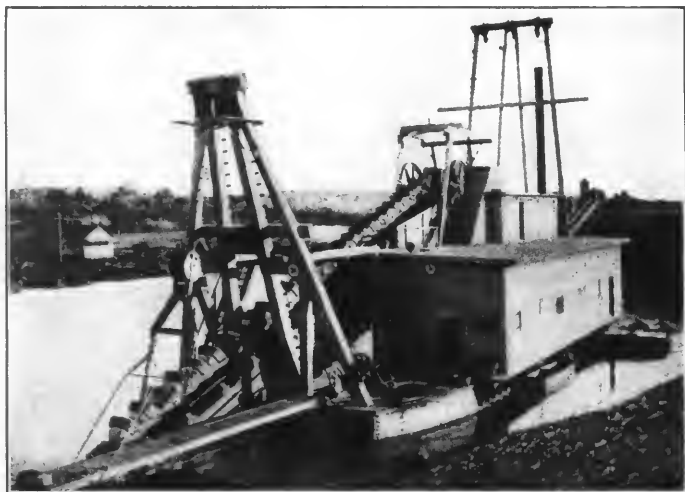
The coffee crop of the Republic yields annually about 600,000 bags. About 25,000 bags are retained for home consumption, the remainder going to the United States and Europe, and meeting with increased favor in those markets. The principal coffee districts are the Department of Cudinamarca, which produces the renowned Bogota brand; the Department of Santander in the Ocana, Cucuta, and Bucaramanga districts, and in the Tolima and smaller valleys of the Cordilleras. The bean may be grown in almost all parts of the Republic where the temperature varies from about 59° to 77° F. In the hotter climate the bean is larger, but requires shading, while in a colder region a smaller bean is produced with less care.

United States capitalists are showing considerable interest in the exploitation of rubber; in the operation of gold, silver, platinum, and other mines; and in the development of the agricultural resources of the Republic. A Boston syndicate of capitalists has organized the Colombian Development Company, which proposes to exploit a number of industries in the country. Other capitalists are becoming interested in the Republic, and especially in the forest, mining, and agricultural resources of the Department of Magdalena, where bodies of most excellent timber, Spanish cedar, and mahogany of the finest quality and other valuable trees of beautiful grain have been discovered, much of which is of easy access by the Magdalena River.

The new mining code and law relating to public lands, promulgated during the year, are prominent factors in the stimulation of the activities along the lines indicated.

In some Departments, notably Antioquia, the mineral industry is well established, while the Marmato and Riosucio gold deposits are said to be equal to those of the Transvaal. A French company has been organized for the exploitation of the surface veins of Alta, Baja, and Vetas in the Department of Santander. Large quantities of machinery and material have been sent to the country for the equipment of the plant, and engineers have arrived for the immediate installation of the works.

The Choco district is of recognized importance, and at present native and foreign companies are engaged in the development of the region. It is said that the entire Pacific coast of Colombia has been formed by gold-bearing alluvial, so that with more effective development a great mining center will be established. Near Tuquerres and Samaniego, in the Department of Nariño, gold deposits are being profitably worked, while in the Central Cordillera region exploitation has scarcely begun. Abundant deposits of coal, iron, copper, lead, and cinnabar are known to exist on both slopes, so that Colombia may be regarded as a rich storehouse of minerals, as well as a vast area of agricultural and pastoral resources.



A DREDGER AT WORK IN ANTIOQUIA DISTRICT, COLOMBIA.

These dredges have a capacity of 150 cubic yards of alluvial gravel per hour. Their operation is so economical that a yield of gold to the value of 15 cents per yard will net a profit of 30 to 60 per cent. A large part of the gold fields of Colombia are of such a character as to make these machines peculiarly adaptable for the development of the industry.

The great gold-bearing region is found in the lofty cordilleras of the Choco and Antioquia provinces and in the mountain ranges that separate the Cauca and Magdalena rivers. In this large area of many thousands of square miles, wherever there is gravel there is gold, and back in the mountains where the rock has been laid bare veins are found everywhere. These veins contain vast treasures of gold that can be extracted by the systematic use of modern machinery and methods. Many hundreds of miles of this rich territory have never been explored except by the Indian hunter.

The Choco placer region has twice as much territory as both the California and New Zealand regions together, and the possibilities

for development are infinite. The construction of the Colombia Central Railroad will greatly stimulate mining in this part of the Republic, its northern terminal being opposite the mouth of the Atrato river. Much of the gravel of the river beds of the gold-bearing rivers of Colombia can not be worked, because it is impossible to divert the streams, and the huge boulders and hard bed rock, together with torrential currents, often render dredging impossible by any of the methods known to the mining industry of the present day.

Recent gold discoveries near Neiva, on the upper Magdalena River, have opened up a new section of the gold belt. It is known that the State of Nariño, bordering on the Ecuador line, is rich in gold. Gold nuggets are found in the gravel beds of all the rivers of this section flowing into the Pacific Ocean.

The development of the quartz mining depends almost entirely upon transportation. The extension of the Dorado Railroad and the Tolima Railroad will facilitate transport to some of the mines of the eastern slopes of the gold belt of the Republic, and the Colombia Central Railroad, when completed, will pass through the very heart of the gold region and, in addition, will provide direct transportation from the coast.

Discoveries have been made of rich gold-bearing quartz on the headwaters of the Andagneda and Chirvigo rivers, distant about 125 miles from Quibdo, one ledge being reported 18 feet wide, running about \$50 gold per ton, and other veins, one carrying about 8 to 10 per cent copper, range from 6 to 8 feet in width.

Russia is the only country whose platinum output exceeds that of Colombia. This metal, which is always found mixed with gold, comes from the gravels of the Choco, its main source being the Platina and Condoto rivers, which are tributary to the San Juan River. It is also obtained from some of the streams that flow into the Atrato River.

Government returns covering platinum exploitation have not been published for a more recent period than 1905, but from records in the Bureau of Statistics of Bogota the total yield for exploitation during 1907 amounted to about 245 ounces. There is undoubtedly a great future for this branch of mining industry in the Republic, and concessions recently granted foreshadow the intention to adequately exploit it as a source of national wealth.

The emerald mines of Colombia are among the most valuable properties within the Republic. At the time of the Spanish conquest the Muzo and other deposits were exploited in a primitive manner by the Indians, and since that period the stones from Colombian mines have been unequalled in richness of color and brilliancy. The Colombian gems exhibit in the highest degree the qualities of color, brilliancy, flawlessness, and size characteristic of the best emeralds,

and the Muzo district is at present the principal source of supply. The exploitation is under control of the Government, and these mines have recently been leased to an English syndicate, which agrees to sell at least \$1,250,000 worth of stones each year for twenty years. The lease in the original call for bids was valued at \$360,000 annually. The sales are to be under government inspection, and competition is practically impossible by reason of legislation forbidding the sale of uncut stones and the imposition of taxes on privately exploited mines.

This lease will justify the installation of labor-saving machinery and improving the water supply with a view to securing a more uniform output, which improvements would not be profitable under a shorter lease.

According to the latest report, for the year 1907, the government receipts from the Muzo and Cosquez mines amounted to \$371,301.10. The Muzo mines are situated about 75 miles north of Bogota, in the State of Boyaca, and have an area of 140,000 acres, of which only about 50 acres have been exploited in the last twenty-five years. Close by is the Cosquez group, though at a somewhat greater elevation, covering an area of nearly 5,000 acres. It is from these mines that the Spaniards obtained many of their gems, but the exact location of the valuable deposits has been lost. The Cníncha mines are about 6 miles southeast from the Muzo group and about 78 miles north of Bogota, at an altitude of 1,950 feet, covering an area of 1,100 acres. This group has been favorably reported on, but not yet worked. The Somondoco group consists of five separate mines about 80 miles northeast of Bogota and situated at an elevation of 6,500 feet above sea level.

Coal is found nearly everywhere in the cordilleras, lignite on the coasts, and coking and steam coal in the interior. Valuable deposits have recently been discovered between the Atrato and Leon rivers; in short, the Colombian coal fields are well located to take advantage of the market facilities which will become available with the completion of the Panama Canal. In the absence of definite statistics it is impossible to give even an approximate computation of the country's coal deposits, which form a valuable asset as yet almost untouched and very little explored, the mines which have been opened being worked only in a superficial way.

The petroleum deposits of Colombia resemble those of the Beaumont (Tex.) oil fields. The oil has an asphalt base. Natural petroleum springs are frequent, one having been encountered near the Atrato and Leon rivers, which yields about a pint of petroleum an hour. Without doubt this section is an extension of the coal and oil belt heretofore known to exist, reaching from near Cartagena to the valley of the Sinu River. A concession has been granted for

a term of thirty years for the exploitation of the petroleum and for the operation of oil-refining works in a specified section of the Department of Santander, included within an area 100 miles in length by 60 miles in width. The concessionaires agree to invest in one or more refineries within a period of five years all the capital which may be necessary for effective working, and during that period the Government agrees to admit, duty free, all necessary materials.

Iron ores are abundant in the Republic, while the provinces of Antioquia, Cauca, Tolima, Boyaca, and Cundinamarca contain veins of copper ore. Much of this ore is of high grade, but owing to lack of transportation facilities the deposits, except in rare instances, remain unworked. Nitrate beds are also encountered in the district east of the capital, and shipments of high-grade asphalt are made from Santander.

At Zapaquira, near Bogota, and in the hills bordering the Ubia River, there are large deposits of rock salt. The Government holds a monopoly on salt mining, the returns from this industry, together with marine salt, in 1907 amounting to \$704,284.95 net. For the first six months of 1908 the mines yielded \$321,081.60, the net revenues to the Government from the Zapaquira mines for the year being \$375,554. The salt obtained from sea water is under the administration of the Central Bank, which receives 5 per cent of the net receipts.

During 1908 the output of the Galera Zamba works amounted to 98,000 bags of 62½ kilograms each, worth \$382,000, while those of Magdalena, Santa Maria, and Rio Hacha yielded about 120,000 bags, valued at \$480,000, a total valuation of \$862,000, the net returns to the government revenues exceeding one-half of the gross amount. None of the salt produced in the country is refined or ground, being sold in crude form to retailers, some of whom have it ground for table use, but a small quantity of it is shipped abroad. Duties designed to protect the native product have been levied at various times.

The development of manufacturing industries is the object of government interest, and many concessions granted during the year provide for the installation of flour and sugar mills, textile and other factories, in many cases the necessary machinery and implements being admitted into the country free of duty. The flour milling industry is new to the Caribbean coast country, where formerly practically all the wheat flour used was imported from the United States, but in the uplands of the interior, where wheat can be successfully grown, the industry has flourished for some time. American machinery, once tried in the mills there, has competed so successfully with that of other countries as to establish to the satisfaction of millers in Colombia its superiority over all others, with the result that machinery from other countries is now rarely seen in the mills of the Republic. A new mill with a capacity of 100 barrels daily, the second mill equipped

with American machinery to be established in Barranquilla within three years, has recently been started. Wheat from the United States will be ground in the mill. The milling industry in Colombia seems a most remunerative one, yet the flour supply in the coast country never equals the demand, and though the establishment of new flouring mills should eventually care for the entire local market, at present large amounts of American flour are being imported.

At Sincerin a sugar factory has been grinding the cane from 3,000 acres, the first harvest of which produced 12,000 metric tons, or 265,000 bags, of sugar. Thirteen hundred men are engaged in installation of the plant and extending the plantation. The establishment of other factories of this character await only the development of transportation facilities.

The hosiery factory recently erected at Medellin is reported to be turning out good weaves. The machinery and yarns employed were of United States origin, while another mill which began operations at the close of 1908 received its stock entirely from Great Britain. A spinning mill is to be added to this establishment.

About a year ago a concession for the founding of a match factory in Bogota was granted. For the purpose of encouraging this new industry the Government permitted part of the machinery and raw materials used in the manufacture of matches to enter the Republic free of duty. At the present time the factory employs about 40 operatives, many of whom are women, and is manufacturing as good a quality of matches as those obtained from abroad, being able to sell them at a lower price than is charged for the foreign article. The output of the plant is constantly increasing, the factory now having almost the entire trade of the capital and vicinity and is extending its business into other sections of Colombia.

The monopoly of production and sale of liquors by the Government was introduced in 1905, and the transfer of its administration to the Government is under consideration. This monopoly produced \$2,095,001.21 in 1907.

A concession has been granted to a number of Colombian citizens conveying to them the exclusive privilege of the manufacture of denatured alcohol for a period of five years in the district of Bogota and the Department of Cundinamarca.

It is the desire of the Colombian Government that the growers and producers of cane sugar should interest themselves in the manufacture of this product, and with this end in view they will be given the preference in the subscription to stock in the company to be organized in connection with the concession.

The monopoly on hides was abolished in the early part of 1908, and replaced by a slaughter tax on cattle of \$2.50 for every ox and \$3 for every cow.

RAILWAY AND STEAMSHIP COMMUNICATION.

At no time in her history has Colombia given as much attention to the development and extension of means of communication as at the present time. Branch lines of the existing railways and new roads and highways are being constructed in nearly every section of the country, thus affording the vast mineral wealth and other natural resources of the country means of transport to the coast. The total extent in 1907 was 450 miles, concessions covering 1,570 miles additional having been granted.

In February, 1909, the Girardot Railway joined the Sabana Railway at Factativa, thus connecting Bogota with Girardot, on the Magdalena River, and establishing a direct communication with the coast. This road is, of course, of the utmost importance to Colombia, as it connects the capital of the Republic with the coast; but another railway of considerable importance is the Pacific Railway, which will connect the port of Buenaventura, on the Pacific coast, with Cali and which has recently been opened as far as Papagayeros. It is expected that in July, 1910, the railway will be completed as far as Cali, whence it will be continued to Palmira, thus opening up the fertile valley of Cauca.

Foreign banks have offered the Buenaventura Railway Company funds with which to complete its line to Cali and for its extension to Popayan and Cartago, and money can now be obtained in London for the construction of the Puerto Wilches Railroad. Work on the railway from Puerto Berrio, on the lower Magdalena River, which is to be extended as far as Medellin, has been resumed, the Colombian Government having negotiated a loan for that purpose during the year.

The condition of the railways of the Republic on July 20, 1908, was as follows:

Sabana Railway.—This railway is equipped with first-class rolling stock and in sufficient quantity to meet the demands of traffic. It is under the direction of the Central Bank, which looks after the service and attends to the preservation of the road. The profits derived from this line are a source of considerable revenue to the Government.

Southern Railway.—This road is the property of the nation, but since September, 1907, in accordance with the contract made with the Government, it has been under the direction of an English company. Negotiations are now under way looking to a sale of the road.

Northern Railway.—The section of this railway from Bogota to Zapaquira is in the hands of the Colombian Northern Railway (Limited), an English company having offices in the capital, and which has complied with the terms of the concession. The section

from Zapaquira to Chiquinquirá is under the direction of the Colombian Central Railway Company (Limited). Work has been temporarily suspended on this line from Nemocon toward the terminal point. The Government is at present considering a modification of the concession.

Girardot Railway.—The Government has shown particular interest in this road, not only because it is a shareholder but principally on account of the necessity of this line to the material develop-



North side of the San Carlos Palace, Bogotá, Colombia, which contains the offices of the Ministry of Foreign Affairs of the Republic. The historic window which shows the memorial stone is the one from which Liberator Simon Bolivar escaped from attempted assassination, September 25, 1828.

ment of the interior of the Republic. The road is in exploitation from Girardot to Factativa.

Dorada to Honda Railway and extension to Ambalema.—The first section of this railway was opened to traffic by the Dorada Railway Company (Limited) several years ago, since which time branch lines have been built and the roadbed and bridges improved. The extension of the National Western Railway of Colombia by the Dorada Extension Railway Company (Limited) was completed in 1907 and opened to traffic by the President of the Republic in September of that year.

Junction of the Girardot with the Dorada Railway.—Negotiations are in progress for the construction of a railway uniting the Girardot with the Dorada Railway, so that in a short time it will be possible to travel by train from Bogota to a point on the Magdalena River, and thence by boat down that stream to the coast.

Cauca Railway.—Work is rapidly progressing on this line, and it is hoped that it will be completed to Cali on July 20, 1910.

Great Northern Central Railway.—The survey and plans of this line have been completed. Money is being raised for the construction of the line, and engineers have already been sent from London with sufficient material to begin the building of the road.

Puerto Berrio and Medellín Railway.—This line has been constructed to kilometer 102, from which place it is being built toward the terminal point as rapidly as the available funds will allow. Up to the present time the Government has furnished \$116,000, and negotiations are now under way looking to the completion of the line to Medellín as soon as possible.

Santa Marta Railway.—The exploitation of the part of the Santa Marta Railway already constructed and the extension of the line to Port Banco, the terminal point on the Magdalena River, is under the direction of the Santa Marta Railway Company (Limited), an English corporation. The section open to traffic is 95 miles long. The Government is negotiating with the company for the construction of branch lines to different banana plantations, and is endeavoring to obtain the lowest freight rates possible for the transportation of that fruit.

Tundama Railway.—The option on the railway contract made by the Government with TOMAS G. RIBON in February, 1907, expired in August last.

Other railways.—The Cartagena, Barranquilla, and Cucuta railways, which have been in operation for several years, have continued to be exploited in accordance with the various contracts and concessions under which they were constructed. The preservation of the line of each of these railways has been properly attended to.

The following lines are in contemplation:

Uraba Railroad.—To connect the mouth of the Atrato River, on the Caribbean, with the city of Medellín, capital of Antioquia.

Northern Central Railroad.—To connect Nemocon with Santa Rosa de Viterbo, capital of the Department of Tundama.

Riochacha Railroad.—From Riochacha, on the Atlantic, to Valledupar.

Tamalameque Railroad.—From the port of that name, on the Magdalena River, to Cucuta.

Nariño Railroad.—From the Pacific Ocean to Pasto, capital of the Department of Nariño.

Amaga Railroad.—From Amaga to Medellin, capital of the Department of Antioquia.

Santander Railroad.—From Puerto Wilches, on the Magdalena, to Bucaramanga, capital of the Department of Santander.

Among the important proposals recently made by President REYES was one suggesting the construction of a railway to connect with the Cartagena Railway, leading southward parallel to the Caribbean coast, passing through Sincerin, where the new sugar manufactory is in operation, to the town of Tolú, on the Gulf of Morrosquillo. This route would open to transportation one of the richest agricultural districts of the hot zone of Colombia, a territory which has produced 11,000,000 pounds of tobacco for export during the past two years, many thousand cattle, much rice and cotton, and which, in an expanse of 98,840 acres of land tributary thereto, could be made to produce great quantities of sugar and bananas. The proposed railway would be in time a branch of the transcontinental system leading from Santa Marta, on the northeast, to Colon, at the mouth of the Panama Canal.

The Government of Colombia and the commercial interests of Cartagena are again considering the dredging and reopening to traffic of the canal leading from the Magdalena River at Calamar to the opening into the bay of Cartagena, with a view to reestablishing direct steamboat connection between this port and the ports of the Magdalena.

STEAMSHIPS.

The principal port of Colombia is Barranquilla, situated at the mouth of the Magdalena River. Other ports are Cartagena, Santa Marta, Rio Hacha, and Sabanilla, on the Caribbean Sea, and Buenaventura and Tumaco, on the Pacific Ocean.

The Hamburg-American Steamship Company (Atlas Line) maintains a regular weekly service between New York and the ports of Sabanilla, Cartagena, and Santa Marta, and the Royal Mail Steam Packet Company's steamer's call fortnightly at Sabanilla and Cartagena, both lines employing from ten to eleven days for the trip, their rate for first-class passage being \$50.

From New York the Pacific ports of Buenaventura and Tumaco can be reached either by way of the Isthmus of Panama or by way of San Francisco. Both the Pacific Steam Navigation Company and the Kosmos Line call regularly at these ports. From Panama it takes two days to Buenaventura and four days to Tumaco. The rates for first-class passage are \$32 and \$40, respectively, to which are added the cost of transportation from New York to Panama, which is \$76.05, including railway transportation from Panama to Colon.

Colombia has a fine system of interior waterways, the most important of which is the Magdalena River, navigable by vessels of considerable draft for a distance of over 800 miles and by smaller craft 600 miles farther. The Cesar, the Cauca, the Nechi, the Lebrija, the Sogamoso, and some of the smaller tributaries are all navigable for various distances. The Atrato is navigable for 220 miles inland, and the Sinu for 110 miles. Five steamship companies, with 42 vessels, maintain communication between the various river and coast ports.



INTERIOR OF A RETAIL STORE IN BARRANQUILLA, COLOMBIA.

Display of imported goods.

The city of Bogota is best reached via Barranquilla, from which point a regular steamship service is maintained with Girardot, on the Magdalena River, whence there is railway connection by way of Factativa.

The Louis Goeseken Navigation Enterprise and the Magdalena River Steamboat Company (Limited), with fleets of 21 and 15 steamers, respectively, are engaged in the service of navigation on the Magdalena River. In addition to these two, another company, operating as the *Compañía Antioqueña de Transportes*, has been organized. It will enjoy all the rights and privileges accorded the two older companies, with the exception of the mail-carrying contract and its

attendant subsidy. The company is capitalized at \$300,000, of which 90 per cent was subscribed in Medellin and the remainder in Bogota, Barranquilla, and Manizales.

The inauguration of the new company may be taken as indicative of the business prosperity enjoyed by the Republic during 1908, in comparison with previous years, when traffic on the river was not considered sufficient to warrant the operation of three companies.

During the last four years all means of communication in the Republic—railways, wagon roads, and navigation—have been notably improved and new highways extended in every direction. The most important of these is the road from Bogota to Soata, in the Department of Boyaca, which has been completed as far as Belen, a distance of 50 leagues from Bogota.

Under date of January 7, 1909, the President of Colombia issued an important decree concerning the construction, repair, and conservation of public highways. The decree provides for the appointment by the President of Government engineers and inspectors to superintend construction, inspection, and repair of highways.

The Central Highway of the North, which has been completed for a distance of more than 250 kilometers, is being extended to Piedecuesta. The highways in the Medellin Valley are being repaired, and the Government is active in the construction and repair of public roads in the various departments of Colombia.

The *Compañía del Tranvia de Barranquilla* has undertaken to substitute electric for animal traction on all of the tramways of the town of Barranquilla. In carrying out the work the company will enjoy the privilege of importing free of duty all such materials and appliances as may be necessary. This company has also undertaken to extend the electric tramway system of Barranquilla as far as Soledad.

POSTS AND TELEGRAPHS.

The Government of Colombia has encouraged the betterment of the postal and telegraph service of the Republic, and during the last few years the mail service and telegraph system have been extended and greatly improved throughout the country. During the first half of 1908 the total number of pieces of mail matter handled was 389,240, consisting of 83,702 pieces of foreign mail and 305,538 pieces of domestic mail, representing an increase of nearly 100 per cent as compared with 1904. In 1907 the receipts from posts and telegraphs amounted to \$335,644.57, and expenses of operation to \$889,076.35, resulting in a deficit for the year of \$553,431.78. On March 31, 1907, there were 9,161 miles of telegraph lines in the Republic. From that time to July 20, 1908, 1,168 miles of lines have been erected, increasing the mileage to 10,328 miles. The Government, for the purpose of bettering the service, has decided to separate

the department of posts from that of telegraph and telephones, and in future the two Departments will be conducted as separate bureaus.

A wireless station at Santa Marta has been opened and a high-power equipment installed, and in connection with a contract made in 1906 for the management and operation of the telegraph systems of the Republic it was provided that a theoretical and practical school of instruction in wireless telegraphy be established at Bogota.

INSTRUCTION.

A great improvement is to be noted in the extent and efficiency of public instruction throughout the Republic, not only in the centers of population, but also in the rural districts, where numerous public schools have been established. Evening manual training schools are conducted in various parts of the country, and this system of public instruction is receiving the earnest support of the Government. The Department, which has under its charge and supervision all of the normal schools that formerly existed, has decreed the establishment of five new normal schools, and has founded a national school of commerce on the most modern and up-to-date basis.

An executive decree of January 16, 1908, made provision for elementary instruction in hygiene, physiology, and physical culture in the public schools of the country to include colleges, manual training schools, and other institutions supported by the Government.

The number of pupils in attendance at the public schools during the scholastic year 1908 was 236,985, as compared with 223,425 in 1907. It is the intention of the Government to investigate the school systems of other countries, more especially the organization of primary schools, schools of commerce, and universities, for the purpose of improving those within the country.

In the national and departmental schools a period of six years' study is required to receive the degree of doctor of medicine or surgery. Diplomas for the practice of homeopathic medicine are granted only to those holding certificates showing that they have passed the studies of the first year in the course of medicine, anatomy, physiology, and pathology. Pharmacists are required to furnish certificates from a medical faculty or proof of two years' practice in some well-known pharmaceutical establishment before a permit for the establishment of a pharmacy will be granted. Physicians, dentists, and surgeons holding the degree of doctor of medicine granted by foreign faculties of recognized competence may, without further examination, practice their respective professions, and foreigners not possessing the degree may obtain leave to practice by submitting themselves to an examination by the Faculty of Medicine of the University of Bogota.

A decree dated March 14, 1908, created the office of sanitary inspector for the ports of Cartagena, Barranquilla, and Santa Marta on the Atlantic, this official to be intrusted with the supervision of public health at the points designated. The government of the Department of Cartagena has appropriated \$42,700 for the sanitation of its capital city. The funds were available September 1, 1908, and the work of sanitation commenced by the municipal authorities.

The repair and improvement of public buildings during the administration of President REYES has been noteworthy, and many measures have been taken along other lines looking to the application of modern systems of hygiene in the ports and inland cities.





COSTA RICA

The Republic of Costa Rica, the southernmost of the Central American Republics, is geographically situated between latitude 8° and 11° 16' north and longitude 81° 40' and 85° 40' west of Greenwich. The Republic extends over an area of 18,400 square miles, and, although one of the smaller of the American Republics, it is larger in area than the States of Maryland, Massachusetts, and Delaware combined. Costa Rica has a population of 360,326.

The topography of Costa Rica is similar to that of other Central American Republics, inasmuch as the mountain range, which crosses its territory almost in its entirety, and which reaches considerable altitude, is the predominant feature. This mountain range influences the climate, making it pleasant on the plateaus, and, at higher elevations, quite cold at certain times of the year. It is due to this diversity of climate that such a variety of products is to be found in Costa Rica, tobacco, cacao, sugar, indigo, rice, and coffee being successfully grown, while bananas form one of its principal products of export. India rubber and cocoanuts are also gathered in the forests.

HISTORICAL SKETCH.

When COLUMBUS, on his fourth and last voyage, had doubled Cape Gracias á Dios on September 12, 1502, after a stormy and eventful voyage, he sailed along the coast of Nicaragua and Costa Rica and landed on the coast of the latter country on October 5, 1502. The aborigines, who were at first disposed to treat the Spaniards kindly, soon became incensed at their treachery and destroyed the small settlement which COLUMBUS founded. No further attempts were made to settle the country at the time and COLUMBUS, after losing a considerable number of men and one of his ships, abandoned the attempt and returned to Spain. Other explorers who followed in his wake were no more fortunate, the Indians opposing an effective resistance and repeatedly destroying the colonies of Spaniards. HERNAN SANCHEZ DE BADAJOZ was the first to even partially subdue the Indians and, in the year 1540, founded the city of Badajoz. In the year 1565 JUAN VAZQUEZ CORONADO was appointed Governor of Neuva Cartago, as the country was then called, and finally established Spanish rule over practically all the country. He was ably assisted by the Bishop of Chiapas, BARTHOLOMEW DE LAS CASAS, who was ever active in favor of the Indians. When the

captain-generalcy of Guatemala was established Costa Rica was incorporated therewith and later, with Guatemala, formed a part of the viceroyalty of New Spain. As such its history is largely interwoven with the history of this viceroyalty.

Revolutionary movements, which sprang up in Costa Rica from time to time between the years 1811 and 1821, were suppressed with great severity by the Spanish authorities, but when, on September 15, 1821, the independence of the Central American States was declared at Guatemala, the news was received with great joy by the people of Costa Rica, and on November 12, 1821, the last Spanish Governor, DON JUAN MANUEL DE CAÑAS, was obliged to resign his office.

Upon the formation of the Central American Republic, Costa Rica became a State of the Union, and with it, in the year 1822, was annexed by the Emperor of Mexico, AGUSTIN ITURBIDE. With the fall of that short-lived empire the Central American States were once more free to adopt their own form of Government. A Constitutional Congress, which met in Guatemala, proclaimed on November 22, 1824, the constitution of the Central American Federation. Afterwards, as the States composing the Federation one by one withdrew, Costa Rica declared her independence on April 1, 1829.

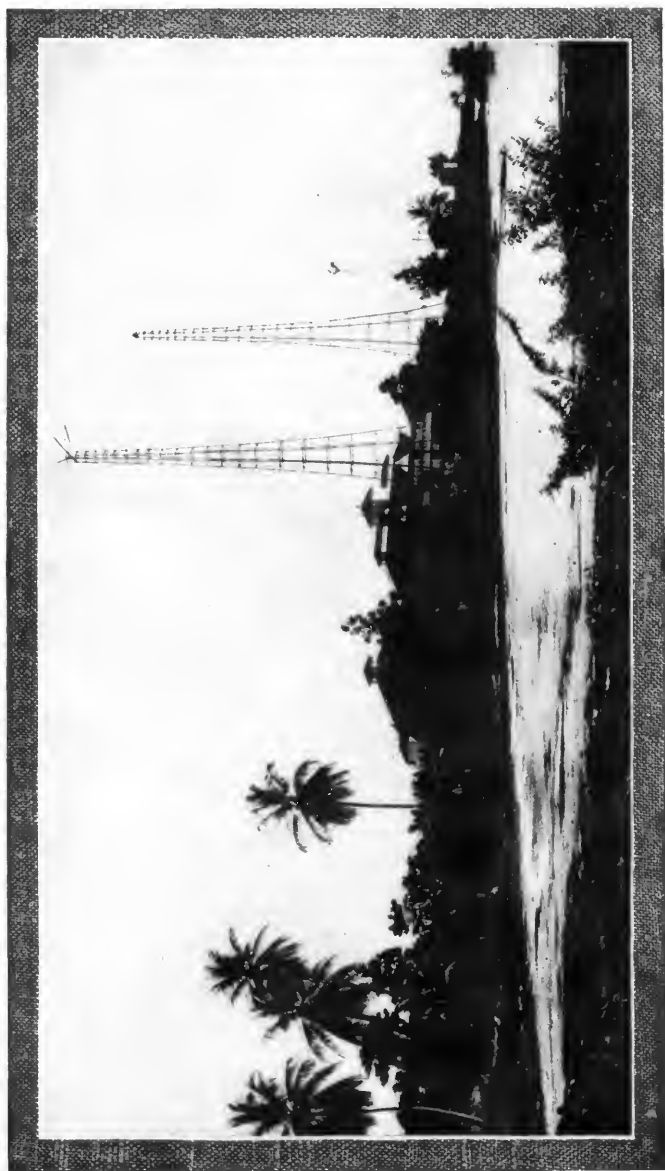
Several attempts were made by the Central American States to reestablish the Federation, but without result, and on January 21, 1847, Costa Rica proclaimed her constitution and formally adopted the title of the Republic of Costa Rica. The constitution provided, however, that if the Central American Republic was ever reestablished the constitution should be amended or abolished to conform to that of the Federal Republic. Since that time the Costa Rican Republic has progressed in peace and prosperity. Such changes in the constitution as were found necessary have been made without internal disturbance and the sovereignty of the state has been maintained at home and abroad.

CONSTITUTION AND GOVERNMENT.

The present constitution of the Republic of Costa Rica was proclaimed on December 7, 1871, and has been in force ever since, some slight amendments being added from time to time.

The Government is divided into the customary legislative, executive, and judicial branches with functions similar to those of the same branches in other American republics.

The Congress of the Republic is composed of one chamber, the Chamber of Deputies, elected by indirect vote of electors chosen by the people for that purpose, at the rate of 1 deputy for every 8,000 inhabitants or fraction exceeding 4,000. The Deputies serve for a term of four years, but the chamber is renewed by halves every two years.



WIRELESS TELEGRAPH STATION OF THE UNITED FRUIT COMPANY AT PORT LIMON, COSTA RICA.

A permanent committee composed of 5 deputies represents Congress during its recess and assists the President of the Republic in the interpretation of laws. This committee, in addition, prepares and puts in order business remaining unfinished from an adjourned Congress, or may formulate new bills in order to facilitate the proceedings of the coming session. It may, on the request of the Executive, issue urgent decrees, which, however, are subject to the approval of Congress in regular session. It may, when so invited, form a part of the Council of Government, although as such it acts only in an advisory capacity.

The President of the Republic is elected in the same manner as the deputies, i. e., by an electoral college chosen by popular vote, all citizens over 20 years of age being entitled to suffrage. The President's term of office is four years, and he may not be reelected for a second consecutive term. Three *designados*, known as first, second, and third, are named by Congress to represent the President in case of his death, absence from the country, resignation, or inability to exercise authority. The *designados* assume and exercise office in the order of their appointment.

A Council of Government assists the President, composed of members of his cabinet and such other citizens as the President may from time to time appoint. Four ministers or secretaries of state form the Cabinet.

The judicial powers are vested in a National Supreme Court, two Courts of Appeals, several criminal and civil courts, as well as a number of district and municipal courts and justices of the peace. The 5 justices of the Supreme Court are chosen by the Congress, while the other justices are appointed by the Supreme Court, for a term of four years.

The territory of the Republic is divided politically into five provinces and two comarcas, which are again divided into cantons and these into districts and municipalities. The provinces and comarcas are administered by governors appointed by the President of the Republic. Upon recommendation of the governors the canton and district chiefs are appointed and are assisted by municipal councils, elected by popular vote.

The provinces and comarcas of the Republic, with their respective capitals, are:

Province of—	Capital.
San Juan.....	San José. ^a
Alajuela.....	Alajuela.
Heredia.....	Heredia.
Cartago.....	Cartago.
Guanacaste.....	Liberia.

^aAlso the capital of the Republic.

Comarca of—	Capital.
Puntarenas.....	Puntarenas.
Limon.....	Limon.
President.....	Señor CLETO GONZÁLEZ VÍQUEZ.
Secretary of Foreign Affairs, Justice, and Public Instruction.....	Señor RICARDO FERNANDEZ GUARDIA.
Secretary of the Government and Police.....	Señor ALFREDO VOLIO.
Secretary of the Treasury, Commerce, and Fomento.....	Señor OSCAR F. ROHRMOSEF.
Secretary of War and Marine.....	Señor VIDAL QUIRÓS.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The salary of the President is \$8,350 per annum.

COSTA RICA IN 1908.

Politically, Costa Rica's history during 1908 was one of peace and tranquillity, affairs under the continued administration of President GONZÁLEZ VÍQUEZ demonstrating the advantages accruing from the application of the principles of an exalted patriotism. Adverse natural conditions, however, militated against the high standard of material prosperity so abundantly maintained during the preceding year.

Disastrous storms caused comparative failures in the most important crops, followed by a natural decline in commercial transactions which entailed losses in business enterprises, all of which conditions brought to bear upon the public treasury the inevitable consequence of economic depression. Total trade declined by about \$3,500,000, the loss in imports figuring for something over \$2,000,000, while exports showed a decrease of over \$1,000,000.



SR. DON CLETO GONZÁLEZ VÍQUEZ,
PRESIDENT OF COSTA RICA.

An epoch-marking event transpired on December 19, 1908, when the Central American Court of Justice, sitting at Cartago, Costa Rica, rendered its first decision in the settlement of Central American questions. This tribunal, inaugurated through the action of the Peace Conference held in Washington in the closing month of 1907 has led to the application of the term "The Hague of the New World" to the town of Costa Rica in which the court holds session. The court was inaugurated in May, 1908, and its beneficent influence has been felt in Central America. Mr. ANDREW CARNEGIE, who contributed \$100,000 for the erection of a suitable edifice for the holding of the sessions, received the sincere thanks of the Government for his generous gift. Work has already been commenced upon the structure and it is hoped that a few months more will see its completion.

FOREIGN AFFAIRS.

The relations of the Republic with other nations continued cordial and friendly. Reciprocating the courtesy of the United States and Mexico, which Governments sent representatives to attend the inauguration of the Central American Court of Justice, the Republic accredited Mr. LOUIS ANDERSON, Minister of Foreign Affairs, as Special Envoy to the Governments mentioned, and the cordial manner in which he was received afforded great satisfaction to the country.

The Third International Sanitary Conference of the American Republics, held in Mexico December, 1907, chose San José, Costa Rica, as the meeting place of the next conference, to be held in December, 1909, and elected as President of that Conference a distinguished Costa Rican, Dr. JUAN J. ULLOA.

On October 26, 1908, the Republic of Costa Rica approved the treaties of arbitration for pecuniary claims of Patents of Invention, Drawings and Industrial Models, Trade-Marks, and Literary and Artistic property, of Status of Naturalized Citizens and of International Law, signed at the Third International Conference of the American States held at Rio de Janeiro in 1906.

A postal convention *ad referendum* with Jamaica was signed in San José on June 25, 1908, by the representatives of Great Britain and Costa Rica, and was approved by President GONZÁLEZ VÍQUEZ on August 4, 1908. The exchange of postal money orders was the principal feature of the convention. The convention with Italy for the exchange of parcels by post became effective by Executive decree on July 1, 1908. The value of such parcels was limited to 500 francs.

FINANCE.

The desire of Costa Rica to settle the exterior obligations of the country was evidenced by the expressions of the President in his annual message to Congress in 1907, and although two projects were submitted during 1908 it was found impossible to come to any definite adjustment of the matter. The service of the internal debt has been regularly maintained and large sums of money devoted to internal improvements.

The revenue for the fiscal year ended March 31, 1908, amounted to \$3,787,000, and expenditures to \$4,398,000, the deficit being occasioned by such extraordinary expenses as railway construction, construction of public buildings, and the establishment of the liquor monopoly by the Government.

The estimated expenses for the year 1908-9 were placed by the Congress at \$3,458,730, and revenue from all sources at \$3,541,450. The customs receipts from April 1 to December 31, 1908, amounted to \$1,453,203; receipts from consular tax, \$36,798; tax on liquors,

\$646,280; sealed paper, \$155,273; from the Pacific Railway, \$87,844; and from sundry sources, \$42,866. The receipts as a whole were \$222,735 less than the amount estimated in the budget.

On March 31, 1909, the banks of issue in the Republic held \$512,185 in bank bills and a reserve fund of \$237,392. A comparison of the cash on hand in the banks of issue in December, 1906, with the balances maintained in December, 1908, showed the domestic and foreign gold reserve to have decreased in the latter year as compared with the former to the extent of about \$279,000. The decrease is accounted for by the short crops of previous years, which necessitated gold shipments to meet deficits in trade abroad. A new banking institution under the name of *Banco Mercantil de Costa Rica* with a capital of \$500,000 was recently established in the capital and is conducting a successful business.

With a view to improving sanitary conditions in San José, the capital and, in the municipalities of Heredia, Santo Domingo and Barba, the Department of Finance resolved, on January 9, 1909, to issue two series of municipal sanitation bonds.

The Government has suppressed the fees charged abroad for Costa Rican consular invoices, but a surcharge of 2 per cent on the amount of import duty levied on merchandise is collected by the customs authorities at the port of entry.

COMMERCE.

Commercial transactions aggregating \$13,386,930 in 1908 decreased by \$3,556,950 as compared with 1907, the imports amounting to \$5,629,405, or nearly 25 per cent less than those of 1907, and exports to \$7,757,525, a loss of over 10 per cent.

In imports the United States occupied first place with 46.5 per cent, Great Britain second with 22.8 per cent, Germany third with 15.05 per cent, and France fourth with 7.7 per cent. The United States also figured first in the export list with 52.77 per cent, and Great Britain second with 43.03 per cent. Of the total trade, exclusive of cattle, 52 per cent was with the United States, and 32 per cent with Great Britain. The commerce of the United States with the Republic is constantly increasing.

Receipts of merchandise from the United States were valued at \$2,617,673.47; from Great Britain, \$1,282,378.53; Germany, \$647,225.50, and other countries \$882,127.82. Export values were distributed as follows: United States, \$4,095,560.08; Great Britain, \$3,338,505.16; other countries, \$325,460.01.

The imports for 1908 in the order of their importance were: Fabrics, \$1,276,409; flour, \$380,412; live stock, \$239,498; and machinery, \$181,427. The imports by parcels posts for the same year amounted to \$366,004, of which 32 per cent came from Germany, 28

per cent from France, 19 per cent from the United States, and 15 per cent from Great Britain.

The exports for 1908 in the order of importance were: Bananas, \$5,030,004; coffee, \$2,199,545; gold and silver bullion, \$738,858; cacao, \$79,518; lumber, \$76,413; hides and skins, \$62,652, and other articles, \$54,536.

Coffee exports were scarcely 52 per cent of those recorded for the preceding year, shipments for the year being something less than 8,977,531 kilos against 17,325,531 in 1907. The exports for the year 1909 are estimated at 200,000 bags.

During the year the banana industry suffered a loss estimated at 2,000,000 bunches, due to the effects of violent winds and storms.



BANANA PLANTS.

Practically all of the fruit is shipped to United States ports, but an extensive propaganda with satisfactory results is being made to introduce Costa Rican bananas into European ports.

On October 29, 1908, a duty of 1 cent gold, per bunch, was placed upon exports of bananas, provided the United Fruit Company would renounce its franchise. This the company refused to do, and therefore remains in the enjoyment of its franchise until October 29, 1910. At the present time the fruit company admits no restrictions that bind it to fixed prices and conditions, and exercises the same liberty in its dealings with producers as any other trader in any other product with the result that the state receives no benefit from its operations.

Cabinet and dye wood shipments for 1908 showed a decrease as compared with those of 1907, amounting to \$148,596, while shipments of gold and silver bullion increased by \$153,132. Exports of cacao in 1908 showed an increase over those of 1907 although the price obtained was slightly lower than that of the previous year.

The number of horned cattle imported during 1908 was 8,613 as compared with 27,539 in 1907.

The cattle imported into the Republic after January 1, 1909, were exempt from duty, and at the same time the state ceased paying a bounty on cows and heifers brought in for breeding purposes. The state will, however, until December 31, 1911, continue to pay the maritime and land freight on fine breed cows and bulls imported from Europe and the United States. Exportations of fine cattle are now subject to a tax of \$11.63 per head and in the event of the animal exported being one brought in at the expense of the state the export charges shall be increased by the amount of the freight charges originally paid upon the animal. Other important regulations in reference to the shipment of live stock have been promulgated. The National Society of Agriculture is interested in the improvement of this branch of national industry, the establishment of pedigree registers, and the holding of agricultural and stock fairs. The society also interests itself in securing seed of the best grades for the use of agriculturists and recommends the importation of agricultural machinery of the best type and of fertilizers.

The mining industry is in a flourishing condition, and is being encouraged and stimulated by the Government by the free importation of mining machinery, tools, implements, and materials required in the exploitation of mines.

COMMUNICATION FACILITIES.

About 400 miles represents the extent of Costa Rican railways.

With the completion of the Pacific Railway, of which the final 12 miles are under contract to be completed in the closing months of 1909, Costa Rica will have an interoceanic line 170 miles in length, in two divisions—the Atlantic section, Port Limon to San José, 103 miles, and the Pacific section, San José to Puntarenas, 67 miles. The Atlantic section is owned by the Costa Rica Railway Company, an English corporation, and is leased to the Costa Rica Northern Railroad, an American corporation owned by the United Fruit Company. The Pacific section is owned by the Costa Rica Government. Both roads have a gauge of 3 feet 6 inches, are well constructed, with steel and iron bridges, suitable stations, and side tracks, and are maintained in good condition. The terminal at Port Limon has two large wharves, which can accommodate 6 large and 2 small steamships.

At Puntarenas the harbor has only 15 feet of water at low tide, necessitating the handling of cargoes by lighters.

If contractors comply with the promises made to the Government the Pacific Railway will be completed early in 1910. When this line is opened to traffic, and the Panama Canal finished, Puntarenas will be in a position to rival the port of Limon, and an outlet for coffee shipments via the Pacific will be available.

The Northern Railway Company, operating the Costa Rica Railway Company's lines under a working agreement, have extended various branch lines for the service of the banana industry, and have carried out important improvements, notably the remodeling of the Limon freight yard and various sectional developments. The rolling stock has also been increased by 7 new 76-ton engines and 200 freight cars. The mileage of lines terminating at Limon is as follows: Costa Rica Railway, main line 137.47 miles, branches and sidings, 63.36 miles; and Northern Railway, main line, 43.48 miles, branches and sidings, 87.34 miles.

The Government has opened for travel a bridge over the Barranca River and another over the Rio Grande at Paso del Alumbre.

The importation free of federal, state, and municipal duties of necessary materials, supplies, and rolling stock for the construction and operation of an electric tramway between Cartago and San José has been authorized by the Government.

STEAMSHIPS AND WATERWAYS.

Costa Rica, with a seacoast on both the Caribbean Sea and the Pacific Ocean, can be reached easily from New York and the Gulf ports, as well as from San Francisco and the West Coast.

The principal port on the Atlantic seaboard is Port Limon and on the Pacific coast Puntarenas, other ports on the Pacific being: Golfo Dulce, Port Ingles, Port Mantas, Caldera, Culebra, Santa Elena, and Salinas. The only other port of any importance on the Caribbean Sea is the port of Matina.

Port Limon can be reached from New York with the steamers of the Panama Railroad Company or the Atlas Line. The former leave New York regularly every five days for Colon, at which latter point connection for Limon is made with the steamers of the Royal Mail Steamship Company, the entire trip being made in eight days at a cost of \$90 for first-class passage. The Atlas Line steamers leave New York once a week directly for Port Limon, the time being the same as that by the Panama Railroad Company Line, while the fare is only \$80 for first-class passage.

The United Fruit Company's steamers leave New Orleans regularly every Saturday for Port Limon, the time employed being five

days and the fare \$50. Another line of the same company plies between Boston and the Central American ports, fourteen days being usually required to make the trip to Port Limon.

From San Francisco the trip can be made either by the Pacific Mail Steamship Company Line or the Kosmos Line, both lines leaving the former port regularly every ten days, making the run to Puntarenas in about twenty-three days, the cost for first-class passage being \$120.

The capital of the country, San José, is best reached via Port Limon, from which port a railway runs via Cartago to San José. On the Pacific side the railway connecting Puntarenas with the capital is partially completed.

There are no less than 16 navigable rivers in the Republic, some of which are navigable for a considerable distance inland, the most important of these being the Rio San Juan and its tributaries, which are largely utilized for the transportation of the natural products, several small steamers as well as numerous small craft plying regularly between the coast and inland ports.

This river, which flows along the northern boundary of Costa Rica, communicates with the beautiful Lake Nicaragua, situated in the Republic of Nicaragua on the border of Costa Rica, navigable for large vessels and affording the means of communication for points along its shores.

POSTS AND TELEGRAPHY.

During 1908, the postal service of the Republic was carried on through 73 post-offices with a mail movement of 5,891,636 pieces.

The telegraph system in 1907 had a total length of 1,207 English miles. Over these wires 521,131 messages were sent from 107 offices. Wireless telegraphy is also becoming an important factor in the development of interstate communication, the Government having established a station at Boca del Colorado for the transmission of government and public messages. The United Fruit Company have equipped a station at Port Limon for intercommunication with their other stations and for public business. This is said to be one of the best equipped and most efficient stations in Central America.

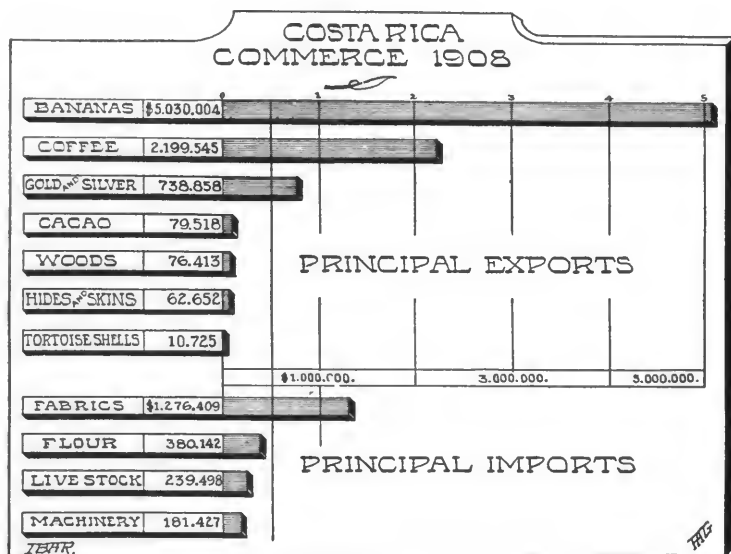
PUBLIC INSTRUCTION.

The matter of education and general improvement of the public school system of the Republic is receiving the serious consideration of the Government. At the close of the year 1908, the primary schools numbered 357, with an enrollment of 27,452 pupils and 887 teachers, and new schools have since been added and the corps of teachers increased to 934. This branch of public instruction carries an annual appropriation of \$325,000, the cost to the Government per pupil being

computed at \$12.09. Tentative arrangements have also been made looking to the establishment within the Republic of a Central American normal school, the plans for which have already been prepared and the course of instruction arranged. The other Central American Republics will be invited to cooperate in the project. The towns of Barba and Alajuela, respectively, have been chosen as sites for the two branches of the school.

For the purpose of encouraging industrial schools a decree, under date of July 16, 1908, provided for the payment of a monthly subsidy of \$232.50 to the municipality of the central canton of the Province of Alajuela for the founding and support of a school to give instruction in the manufacture of all kinds of woven fabrics.

To meet the increasing expense of maintaining the primary schools a law was passed on September 24, 1908, establishing a tax of 10 cents per liter on alcohol and other liquors sold in the national factory and its branches, the revenue thereby derived to go to a fund known as the "national educational fund."



CUBA

Cuba, the largest of the Antilles, is geographically situated between $19^{\circ} 40'$ and $23^{\circ} 33'$ latitude north and 74° and 85° longitude west, in length over 730 miles, with an average width of 50 miles. It has an area of 45,883 square miles, exceeding the area of the State of Pennsylvania by more than 600 square miles, and a population of 2,048,980, equal to about 44 per square mile, almost double the population per square mile of the United States of America (23.2), being one of the most densely populated of the American Republics.

A number of irregular mountain chains cross the territory of Cuba in various directions, forming between them a number of extremely fertile and healthful plateaus and valleys, in which nearly all the products of the Tropics are successfully raised. The Republic is especially noted for the excellence of its tobacco and sugar, which constitute the most important articles of export.

HISTORICAL SKETCH.

The island of Cuba was discovered by COLUMBUS on his first voyage of exploration, on October 28, 1492. He landed at what is now called the Bay of Nuevitas and took possession of the country in the name of the King of Spain. The country was called successively Juana, Santiago, and Ave Maria, finally regaining its original Indian name of Cuba. DIEGO VELASQUEZ was appointed governor of the island in the year 1511, and to him fell the task of subduing the aborigines, the warlike and savage Caribs and Nahacs. Cuba was important to the Spaniards as a strategical point. From the island numerous expeditions started for the mainland, among the most important being that of CORTEZ, which resulted in the conquest of Mexico. Later on, the vast mineral wealth of Mexico and Peru having been made known, Havana became the rendezvous for the treasure ships. From Havana they sailed under protection of the war vessels for Spain.

It was due to the importance of Havana that the French, Dutch, and British buccaneers during the sixteenth and seventeenth centuries attempted on several occasions to capture the port; while unsuccessful, they succeeded in more than one attempt in carrying off valuable booty.

When Spain was at war with Great Britain and France, in the year 1762, a strong British army was sent out to conquer Cuba. After a siege of two months, Havana surrendered to LORD ALBEMARLE on August 12, 1762. The British retained possession of the island

until the year following, when by the treaty concluded between the three powers Cuba was once more restored to the Spanish authorities on June 6, 1763.

Although the movement for independence was initiated in Cuba early in the nineteenth century, she was to suffer more and obtain her independence later than any of the other American Republics, the Spanish Government being determined to retain control of the Pearl of the Antilles. In none of the Spanish-American countries, perhaps, was the war for independence more fiercely contested than in Cuba, in spite of which such indefatigable patriots as JOSÉ MARTÍ, BARTOLOMÉ MASÓ, MAXIMO GOMEZ, and others continued the struggle, until at last the people of the United States of America were roused



SR. GENERAL JOSÉ MIGUEL GÓMEZ,
PRESIDENT OF CUBA.

by the atrocities committed by the Spanish General WEYLER, and the intervention of the latter country resulted in the war with Spain in the year 1898. When, by the treaty of Paris, December 10, 1898, the war was ended, Cuba became free and independent, and TOMAS ESTRADA PALMA was inaugurated President of the Republic of Cuba on May 20, 1902. Thus the struggle for independence, which lasted eighty years, but which may be said to have taken definite form with the famous proclamation of the patriots on October 10, 1868, known as the "Declaration of Yara," was brought to a successful end.

President ESTRADA PALMA resigned his office on September 28, 1906, and the United States of America temporarily intervened until new elections could be held. Gen. JOSÉ MIGUEL GOMEZ was elected President and ALFREDO ZAYAS Vice-President in December, 1908, and were formally inaugurated on January 28, 1909, when the Provisional Governor, CHARLES E. MAGOON, withdrew.

CONSTITUTION AND GOVERNMENT.

The constitution of the Republic of Cuba, proclaimed on February 21, 1901, provides for a republican, representative form of government, with the usual division into legislative, executive, and judicial branches.

The Senate and the House of Representatives, forming together the National Congress, are intrusted with the legislative power. The former consists of 24 and the latter of 64 members. Senators are elected indirectly for a term of eight years, at the rate of four Senators for each province, and the whole Senate is renewed by halves every four years. Representatives are elected by popular vote, every citizen over

21 years of age having the right of suffrage. They are elected for a term of four years, at the rate of 1 for every 25,000 inhabitants, and the House of Representatives is renewed by halves every two years.

The President of the Republic, assisted by a Cabinet of 8 Ministers or Secretaries of State, exercises the executive power. Cabinet Ministers are appointed by the President, but are responsible to Congress for their acts. The President and Vice-President are elected indirectly, in the same manner as are the Senators, by an electoral college chosen by the people for that purpose. They are elected for a term of four years, and may not serve more than two consecutive terms.

The judicial power of the country is vested in a National Supreme Court, 6 Superior Courts, 1 for each province, 36 courts of the First Instance, and a number of minor courts. The justices of the Supreme Court are appointed by the President of the Republic, with the advice and consent of the Senate.

INTERIOR GOVERNMENT.

Cuba is politically divided into six provinces, which are again divided into municipal districts. The administration of the province is in the hands of a Governor, assisted by a provincial council, both elected by popular vote for a term of four years, while the municipal districts are administered by a Mayor and a municipal council, likewise elected by popular vote.

The provinces of Cuba and their respective capitals are:

Province of—	Capital.
Pinar del Rio.....	Pinar del Rio.
Havana.....	Havana. ^a
Matanzas.....	Matanzas.
Santa Clara.....	Santa Clara.
Camaguey.....	Camaguey.
Oriente.....	Santiago de Cuba.
President.....	Gen. JOSÉ MIGUEL GOMEZ.
Vice-President.....	Sr. DON ALFREDO ZAYAS.
Secretary of State.....	Sr. DON JUSTO GARCÍA VÉLEZ.
Secretary of Justice.....	Sr. Dr. LUIS OCTAVIO DIVIÑÓ.
Secretary of Government.....	Sr. Dr. NICOLÁS ALBERDÍ.
Secretary of Promotion.....	Sr. DON MARCELINO DÍAZ DE VILLEGAS.
Secretary of Health and Charities.....	Sr. Dr. MATIAS DUQUE.
Secretary of Public Instruction and Fine Arts.....	Sr. Dr. RAMÓN MEZA.
Secretary of Public Works.....	Sr. DON BENITO LAGUERUELA.
Secretary of Agriculture, Commerce, and Labor.....	Sr. DON ORTELIO FOYO.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The salary of the President is \$15,000.

^aAlso capital of the Republic.

CUBA IN 1908.

Progress and good will characterize the published utterances of the new Cuban Executive. President GOMEZ, on taking office, surrounded himself with able advisers and expressed his desire to carry forward the work of national advancement along lines of policy of proven value. His references to the administration of Hon. CHARLES E. MAGOON have been marked by an appreciation of the onerous nature of the task undertaken, and in a statement of the policy of the administration it is announced that the President will seek beneficial reforms and improvements, such as the establishment of agricultural banks, labor legislation, and the maintenance of proper highways. While the year 1908 showed a falling off in trade and customs receipts, as compared with the previous twelve months, the reported large crops of sugar and tobacco for the present season will offset the temporary loss.

The presidential election held on November 14, 1908, was in accordance with the provisions of the decree of April 1, 1908, and under the supervision of the central and provincial election boards.

FINANCE.

The Cuban budget for 1908-9 estimated expenditures at \$34,220,644.15. In this are included ordinary expenditures, \$24,285,303, and additions thereto, \$207,495; fixed charges, \$2,088,162, and additions thereto, \$501,660, to which sum of \$27,082,620 must be added \$7,137,424.15, the amount of extraordinary expenditures by virtue of decrees of the Provisional Government.

For 1909-10, expenditures are estimated at \$33,800,000. As in the preceding year, expenditures are divided into ordinary and extraordinary. The ordinary expenditures are \$26,427,855.94, and extraordinary \$6,872,144.06, with \$500,000 additional for agriculture.

The financial condition of the island is considered fairly satisfactory; the balance on hand March 27, 1909, amounted to \$2,515,363, with outstanding obligations amounting to \$12,856,000, including credits authorized under preceding administrations. It is anticipated that the customs receipts will provide sufficient revenue to cover these obligations without recourse to the bond issue authorized by the Provisional Government.

In view of the fact that the revenue derived from imports will be sufficient to meet the service of the foreign debt, it is proposed to suspend the export duties on sugar, tobacco, and liquors and to enter into a new commercial treaty with the United States providing for a reduction of import duties on certain necessities of life and agricultural machinery. The total customs receipts at the ports of the

island during the year aggregated \$22,231,707.46 showing a decline of \$4,079,889.40 as compared with 1907.

American capital in the island represents a total investment of \$141,000,000, distributed as follows: Railways, \$34,000,000; sugar and tobacco, \$68,000,000; real estate, \$18,000,000; banks, \$5,000,000; agricultural industries (other than those specifically mentioned), \$4,000,000; mortgages, \$3,500,000; navigation companies, \$1,500,000; and miscellaneous investments, \$7,000,000. The English capital invested in the island amounts to nearly \$90,000,000, about \$5,000,000 of which is in steamships, \$5,000,000 in real estate, and the balance mostly in railway interests, aggregating nearly \$80,000,000.

COMMERCE.

Figures of the foreign trade for the calendar year 1908 showed total imports amounting to \$85,218,391, and exports to \$94,603,324, exclusive of specie. The countries participating in this trade in the order of their importance were: United States, imports \$41,576,980, exports, \$78,868,490; Great Britain, imports \$11,724,029, exports \$4,775,966; Germany, imports \$7,172,358, exports \$4,711,164; Spain imports \$7,454,933, exports \$958,207; other American countries, imports \$7,256,708, exports \$2,257,077; other European countries, imports \$3,548,662, exports \$978,084; and other countries, imports \$1,455,229, and exports \$652,339. The specie imports during the year amounted to \$1,150,376 and exports to \$4,245,767.

Tobacco and sugar comprised the bulk of Cuban exports, for which the United States is the principal market. The tobacco crop for 1908 was valued at \$42,321,306.92, and showed a slight decline as compared with 1907, the number of bales being 563,059. The value of tobacco exported is given as \$31,056,921.53, as compared with \$28,645,908.60 in 1907, the remaining \$11,264,385 representing home consumption. Of the exports, leaf tobacco amounted to \$18,354,420.21; cigars, \$12,275,040.96; cigarettes, \$295,883.98 and picadura or leaf cut, \$131,576.38.

The year 1908 showed a gain of $1\frac{1}{4}$ per cent in exports of cigars from the port of Havana as compared with 1907. The United States, which had held first place in consumption of the article fell to second place, Great Britain going to first. The principal countries which received cigars from Cuba showed the following difference for the two years: Great Britain, (1908) 70,677,528, (1907) 56,699,274; United States, (1908) 47,550,742, (1907) 61,869,131; Germany, (1908) 24,183,131, (1907) 23,205,411; France, (1908) 11,418,782, (1907) 10,638,875; Canada, (1908) 7,084,020, (1907) 10,271,013, and Australia, (1908) 6,906,042, (1907) 4,261,173. The exports of leaf tobacco to the United States increased heavily, the total number of bales exported in 1908 being 65 per cent greater than in 1907. The six prin-

cipal countries receiving Havana pure leaf compared as follows: United States, 236,849 bales in 1908, as compared with 180,274 in 1907; Germany, 51,590, as compared with 6,945; Spain, 18,720, as compared with 2,950; Austria, 6,901, as compared with 2,930; Argentine Republic, 6,555, as compared with 1,671, and Canada, 3,563, as compared with 3,361.

The total output of sugar in the Republic for 1908 was placed at nearly 1,000,000 tons, and up to March 1, 1909, statistics of exportation and stock of sugar in the producing season of 1909 showed a total of 593,848 tons, indicating a crop slightly in excess of 1,400,000 tons.

An advancing trade in the fruits of the country for the year is reported, shipments of pineapples and oranges to the New York mar-



A READER IN A CIGAR FACTORY IN CUBA.

ket being particularly noteworthy. The larger part of the cedar and mahogany exported from the island also goes to the same market.

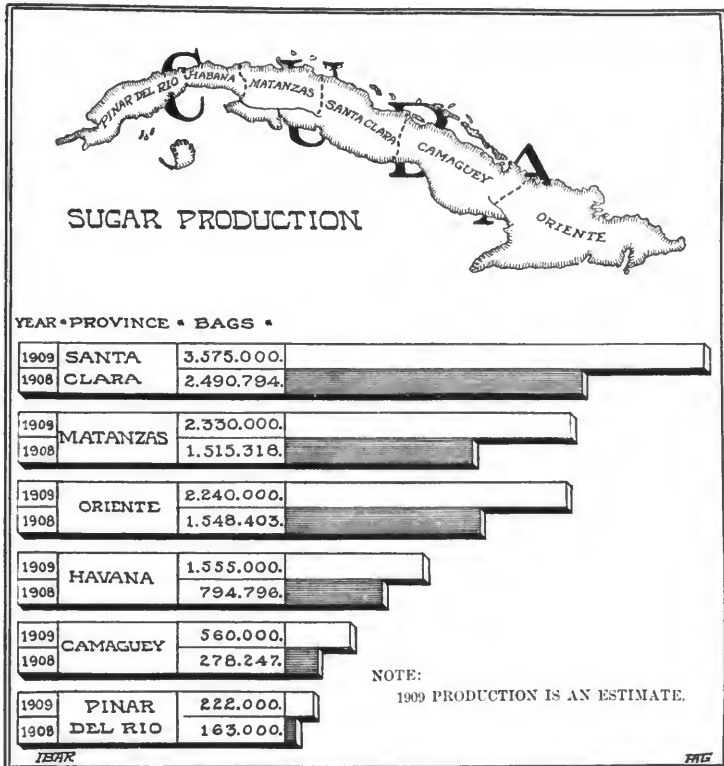
Speaking generally of the agricultural exports of the island, they show the following average annual values: Raw and refined sugar, \$38,000,000; leaf tobacco, \$12,000,000; fruits, \$2,000,000; grains and vegetables, \$600,000. Of the exports the United States takes 84.9 per cent; England, 6.2; Germany, 3.7; France, 1.2; other American countries, 1.8; Spain, 1, and other European and other countries a smaller ratio.

PRODUCTION AND INDUSTRIES.

The two great staples of Cuba's agricultural production, sugar and tobacco, showed satisfactory returns for 1908, with a favorable outlook for the ensuing season.

The tobacco-producing provinces and their output in bales for the year were as follows: Vuelta Abajo, 261,095; Semivuelta, 25,024; Partidos, 64,360; Matanzas, 445; Remedios, 194,929; Puerto Principe, 5,228; Santiago de Cuba, 12,878, a total of 563,959 bales, as compared with 440,745 in 1907.

The sugar crop for 1908 was placed at 6,790,851 bags and the 1909 crop at 10,082,500 bags. Cane growing covers 7½ per cent of the total area of the 6 provinces of Pinar del Rio, Havana, Matanzas, Santa



Clara, Camaguey, and Oriente, while of the 186 plantations in operation 72 are owned by Cubans, 38 by citizens of the United States, and 76 by English, French, and Spanish proprietors. Santa Clara has 70 working plantations; Matanzas, 56; Oriente, 27; Havana, 27; Pinar del Rio, 7, and Camaguey, 5. The mills of the island produce annually from 1,000,000 to 1,500,000 tons of sugar, 4,139,052 gallons of molasses of the first class and 39,765,326 of the second, 321,140 gallons of alcohol, and 1,763,810 gallons of aguardiente. Sugar refining

is confined practically to Cardenas, where there are three refineries. There are other small plants for local consumption though of no importance commercially.

The orange crop for 1908 was the largest in the history of the country, reaching an output of nearly half a million crates, while shipments of pineapples aggregated approximately 1,000,000 crates, nearly all of which went to New York. The value of pineapples shipped in 1908 was placed at \$904,117, and of this amount the United States received \$903,540, as compared with 1907 shipments which aggregated \$660,873, of which \$658,870 went to the United States.

The cultivation of cacao in the island during the fiscal year 1907-8 was carried forward on 1,137 plantations with 1,960,246 trees, as com-



THE NEW PRODUCE EXCHANGE BUILDING IN THE CITY OF HAVANA—IT COST \$600,000 GOLD AND WAS OPENED IN MARCH, 1909.

pared with 745 plantations and 1,860,300 trees in 1906-7. The production declined, however, from 9,380,900 pounds to 6,023,700 pounds by reason of lack of rain, although when this crop is compared with that of 1902, which amounted to 3,122,600 pounds, the growing importance of this industry is apparent. Exports during the last six months of 1907 represented a value of \$477,000, over half of which was shipped to the United States, France, Spain, and Germany taking 983,759, 277,346, and 241,206 pounds, respectively. The quantity sent to Great Britain shows a steady decrease. Experimental sowings have been made with seeds from Guayaquil, Trinidad, and San Carlos de Costa Rica, the latter giving the best results.

The consumption of sisal hemp in Cuba is about 5,000,000 pounds per annum and of Manila hemp about 2,500,000 pounds, all of which

is imported. In addition about 500,000 pounds of ixtle, jute, and other similar fibers are supplied by other countries.

Special legislation was enacted during the year providing for the importation of cattle for breeding purposes, and by a decree of January 21, 1908, article 7 of the law of September 15, 1902, prohibiting the exportation of cattle from Cuba was repealed. The number of cattle in the island increased from 999,862 head in 1902 to 2,579,492 in 1906; and the number of horses in the same period increased 139.65 per cent; mules, 65.85 per cent; and asses, 43.36 per cent.

Mineral exploitation for 1908 is represented by iron shipments of 570,310 tons, valued at \$1,726,698; manganese, 1,470 tons, valued at \$13,489; copper, 45,381 tons, valued at \$469,540; and smaller shipments of gold, petroleum, and asphalt.

The acquisition by the Bethlehem Steel Company of the United States of an important iron-ore deposit located near Santiago, Cuba, has been reported as a feature in the development of the mineral resources of the Republic. The ore beds have been measured up by engineers as embracing 75,000,000 tons, a peculiarity of the deposit consisting in the fact that it contains 2 per cent nickel and 1 per cent chromium. The tract covers an area of 875 acres and lies about 12 miles east of Santiago. Another deposit of even greater extent has been located in the province of Oriente, 27,000 acres being the reported area with 600,000,000 tons. It is regarded by experts as the most important discovery of iron-ore deposits made within twenty years.

Valuable deposits of salt have been reported in the province of Matanzas which it is expected will figure in the future economic development of the island. At present the annual importations of this article aggregate about 280,000 sacks. The salt taken from the Matanzas mine is pure product, and it is hoped ultimately to increase the output sufficiently to meet the needs of the home market.

COMMUNICATIONS.

The extent of railways in the Republic is 2,329 miles and of highways 631 miles with 140 bridges, 57 of which are steel and 12 concrete. A subsidy of \$1,500,000 has been granted for the purpose of extending the Cuba railway for a distance of 155 miles. The annual report of this corporation for the year ended June 30, 1908, showed gross earnings of \$2,039,467.95 and operating expenses of \$1,318,180.36, the net earnings figuring for \$721,287.59. The cash surplus at the close of the year was reported as \$1,093,286.66.

The expenditures of the Provisional Government in the construction of macadamized roads was stated by President GOMEZ, in a recently delivered message, to have been \$9,448,170.52. The estimated cost of completing the 300 miles of road now under construction is placed at \$1,500,000.

STEAMSHIPS AND WATERWAYS.

The island of Cuba is within easy reach of the United States, and numerous steamship lines ply regularly between the various ports of the two countries, as well as between Havana and European ports.

The principal port is Havana, but a number of other ports and bays afford excellent anchorage and shelter for ocean-going vessels, among which Matanzas, Cienfuegos, Santiago de Cuba, and Guantanamo are the most important.



THE TOURING CAR IN CUBA.

Three steamship lines have regular sailings from New York for Havana and other Cuban ports, viz: New York and Cuban Mail Steamship Company, Ward Line, twice every week; the Munson Steamship Company, fortnightly, and the *Compañía Transatlántica*, once every month, making the run in from four to five days, first-class passage being from \$30 to \$60. The Munson Steamship Company has steamers leaving Mobile, Alabama, fortnightly, while the Southern Pacific Company maintains a regular service between New

Orleans and Havana, sailing every five days, and making the run in one day. The Peninsular and Occidental Steamship Company's steamers leave Port Tampa and Key West three times a week for Havana and the Commercial Union Navigation Company's steamers sail every alternate Friday from Galveston.

The Boston-Cuba Steamship Company is scheduled to inaugurate a service in August, 1909; and a possible shipping route discussed is that from Havana to Savannah, Georgia, a line which would afford quick communication with the manufacturing South and a speedy transit of passengers and freight to and from populous districts south and north of the Ohio River. The cargo for Cuba originating in Georgia and the eastern South is already of very large volume and is increasing steadily.

Although there are a number of rivers in Cuba, some of them with a considerable volume of water, they are usually too short and swift to be of any service to navigation. The largest of these, the River Cauto, is navigable for a distance of about 50 miles for light-draft vessels only, while the Sagua la Grande is navigable for about 20 miles, and several of the other streams are navigable only for a few miles inland.

The convention pertaining to the exchange of postal money orders between the Republic of Cuba and the United States became effective on July 3, 1908, and a series of regulations in regard to consular fees were put in effect on January 1, 1909.

POSTS AND TELEGRAPHS.

There are 418 post-offices and 147 telegraph offices, with 5,065 miles of line in operation.

The following wireless stations have been completed and accepted by the Cuban Government: Pinar del Rio, Santa Clara, Morro Castle, Havana, and Nueva Gerona, Isle of Pines. Stations at Camaguey, Baracoa, Santiago de Cuba, Bayamo, Havana, Guantanamo, and Cape San Antonio are also completed and open for government and public service.

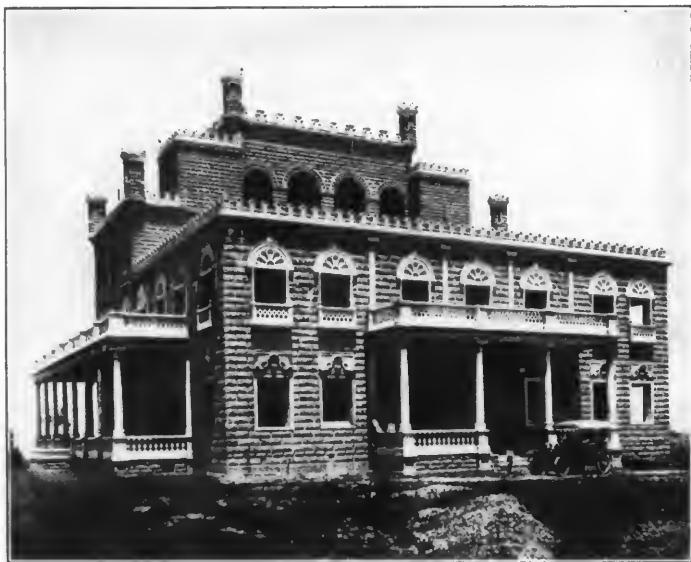
According to the official record of 1908, the country's population numbered 2,048,980, while on the registration lists the number of foreigners entitled to vote for President was given as 6,954, nearly two-thirds of whom are residents of Habana.

During the year a special commission was named to proceed to Europe for the purpose of making a study of immigration and, if possible, to devise means to divert the flow of Old World emigrants toward the Republic. To better facilitate this, the Department of the Treasury on April 9, 1908, issued a circular modifying the immigration laws.

General health conditions in Havana for 1908 showed a marked improvement, the number of deaths reported for 1907 being 6,708, as

compared with 5,994 in 1908. The public schools are systematically inspected as to sanitary condition, and over 6,000 persons were vaccinated as a preventive against smallpox. New regulations governing the practice of pharmacy are also being compiled.

Many public works were contracted for, notably the system of waterworks at Cienfuegos, and a new wharf at Havana, while an appropriation of \$100,000 was made for the preliminary work in connection with the work of dredging the harbor of Sagua. It is estimated that the total cost of this work will reach \$2,000,000, the project including a 30-foot channel to allow the free entrance and exit of heavily laden vessels.



GOVERNMENT HOSPITAL.

The President of the Republic, in his message to the National Congress, delivered on April 21, 1909, proposed public improvements at an estimated cost of \$6,500,000. The items covered in the plan include a Presidential Palace, \$1,300,000; congressional building, \$1,400,000; a Palace of Justice, \$600,000; buildings for the Departments of State, Justice, Interior, Public Instruction, Public Works and Sanitation, at a cost of \$400,000 each; a provincial institute and school, \$300,000; a jail, \$300,000; and an appropriation of \$200,000 for the purpose of making the building at present devoted to the Department of Education available for the Department of Posts and Telegraphs.

DOMINICAN REPUBLIC

The Dominican Republic, occupying the eastern and larger half of the island of Santo Domingo or Haiti, has a total area of 18,045 square miles and a population of 610,000 inhabitants. Its area is thus equal to that of the States of Maryland, Connecticut, and Rhode Island, while its density of population is 34 per square mile, or one-half more than that of the United States (23.2 per square mile).

The island is the second largest of the Antilles lying between Cuba and Porto Rico, separated from the former by the Windward Passage and by Mona Passage from the latter. Its territory is divided between the Dominican Republic and the Republic of Haiti.

Its topography shows numerous elevations forming four almost parallel mountain ranges which considerably modify the otherwise tropical climate, and together with the sea breezes give Santo Domingo a most delightful and pleasant climate. Mount Tina, 10,300 feet above sea level, is the highest peak on the island and in the West Indies.

Nearly all the fruits of the Tropics and many of the Temperate Zone are successfully grown on the island. Cacao, sugar, coffee, bananas, and other fruits, cabinet, structural, and dye woods, among the latter the well-known divi-divi, are largely exported.

HISTORICAL SKETCH.

COLUMBUS on his first voyage having discovered Guanahani and Cuba, first sighted Santo Domingo on December 6, 1492, and taking possession of the island in the name of the King of Spain called it "La Isla Española" or Hispaniola, because of its similarity to certain regions of Spain.

The territory now forming the Dominican Republic was then occupied by an inoffensive, peaceable race of Indians who had divided the island into five kingdoms, and whom the Spaniards easily subdued and enslaved.

Santo Domingo for more than a century formed the base of operations for the Spanish explorers and conquistadores, and the capital of the present Dominican Republic may justly lay claim to have been the metropolis of the vast colonial empire of Spain.

The hard work and cruel treatment to which the Indians were subjected caused them to die in large numbers, and the introduction of slaves from Africa was begun as early as 1517 when 4,000 were introduced in one year.

During the sixteenth and seventeenth centuries French, Dutch, and British buccaneers established themselves in the West Indies, first on St. Christopher and afterwards on Tortuga, lying a few miles off the northwest coast of what is now the Republic of Haiti. In 1630 these buccaneers, mostly French, invaded the adjoining island and planted a colony of such importance on Santo Domingo that the protection of the home Government was sought and obtained. A period of constant strife ensued between the French and settlers, until by the treaty of Ryswick, in 1697, France obtained possession of the western half of the island, and by the treaty of Basle, in 1795, the entire island was ceded to that country.

In the year 1809, Spain being at war with France, the combined Spanish and British forces captured the island on July 11 and Spanish rule was once more established.

In 1821 the inhabitants of the Spanish part of the island declared their independence of Spain and desired their country's incorporation as a State of Greater Colombia, hoping to secure the assistance of SIMON BOLIVAR. Colombia could not assist the new State and so JEAN PIERRE BOYER, President of Haiti, in 1822 was able to extend his government over the whole island. The Haitian dominion lasted until the year 1844 when, on February 27, the people rose in arms against the Government and in 1846 again established an independent State.

In the year 1861, through constant fear of foreign invasion, the Republic appealed to Spain for protection, and on March 18, 1861, was formally annexed to that country. This rule, however, soon became intolerable and a revolution, initiated at Capotillo on August 16, 1863, resulted in the restoration of the Dominican Republic, the Spanish Crown relinquishing all claim to the country on May 1, 1865.

Genl. RAMÓN CÁCERES, the present incumbent of the Presidency, was inaugurated on July 1, 1908, for a term of four years.



GENERAL RAMÓN CÁCERES, PRESIDENT OF THE DOMINICAN REPUBLIC.

CONSTITUTION AND GOVERNMENT.

The present constitution of the Dominican Republic went into effect on April 1, 1908. It provides for a republican, democratic, and representative form of government, divided into three branches, legislative, executive, and judicial. The National Assembly is composed of two branches, the Senate and Chamber of Deputies. Senators are elected one for each province or district, 12 in all, by indirect vote for a term of six years. As in the United States, the Senate is renewed one-third every two years. Deputies are elected in propor-



A BANANA PLANTATION IN THE DOMINICAN REPUBLIC.

tion to the population by direct vote for a term of four years, the Chamber being renewed by half every two years.

In the President, assisted by a Cabinet, is vested the executive authority of the Republic. He is elected for a term of six years by indirect vote.

The judiciary is composed of a Supreme Court sitting at Santo Domingo, two Courts of Appeals located at the capital and Santiago respectively, and lesser tribunals throughout the Republic, courts of first instance, and in the various municipalities.

INTERIOR GOVERNMENT.

For administrative purposes the Dominican Republic is divided into 6 provinces and 6 districts, which are subdivided into communes, cantons, and sections. The provinces are administered by a Governor, appointed by the President of the Republic for a term of four years, as are also the chief executive officers of the other political divisions. A Municipal Board, elected by direct vote, represents the people in the various municipalities, who regulate the budget of the said districts, vote upon improvements, and in general cooperate with the executive head of the district.

The following are the provinces and districts, with their respective capitals:

Province of—	Capital.
Santo Domingo.....	Santo Domingo. ^a
Seybo.....	Santa Cruz del Seybo.
Azua.....	Azua.
Santiago.....	Santiago de los Caballeros.
Españillat.....	Moca.
Le Vega.....	Concepcion de la Vega.
District of—	
San Pedro Macoris.....	San Pedro Macoris.
Barahona.....	Barahona.
Samana.....	Santa Barbara de Samana.
Pacificador.....	San Francisco de Macoris.
Puerto Plata.....	San Felipe de Puerto Plata.
Monte Cristi.....	San Fernando de Monte Cristi.
President.....	Gen. RAMON CÁCERES.
Minister of Interior and Police.....	Señor MIGUEL A. ROMÁN, IIIJO.
Minister of Foreign Affairs.....	JOSÉ MARIA CABRAL Y BAEZ.
Minister of the Treasury and Commerce.....	FEDERICO VELASQUEZ HERNANDEZ.
Minister of War and Marine.....	MANUEL GARCIA.
Minister of Justice and Public Instruction.....	EMILIO C. JOUBERT.
Minister of Agriculture and Immigration.....	RICARDO LIMARDO.
Minister of Fomento and Communication.....	EMILIO TEJERA BONETTI.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The President is allowed a salary of \$7,200 per annum.

^a Also capital of the Republic.

THE DOMINICAN REPUBLIC IN 1908.

The prosperity prevailing in the Dominican Republic at the close of 1908 was amply demonstrated by the trade volume of the year in which a gain of nearly \$2,000,000 was recorded as compared with 1907. This was entirely on the side of exports. Cacao, sugar, and coffee which, with tobacco and bananas, constitute over 94 per cent of the total exports, showed notable increases, shipments of cacao being reported as nearly double those of the year previous. The sum of \$1,529,729.05 was deposited in New York for the service of the foreign debt and a generally favorable condition was noted in all lines of progress.

Not only is the Dominican Government formulating extensive irrigation plans for the adequate cultivation of its land areas, but has also under consideration the construction of such railways as will place the products of the country within reach of the coast, special funds from the government revenues being set aside for this purpose. The recent establishment of an Academy of Fine Arts in the capital of the Republic is an earnest of the stimulus given by the Government to higher education.

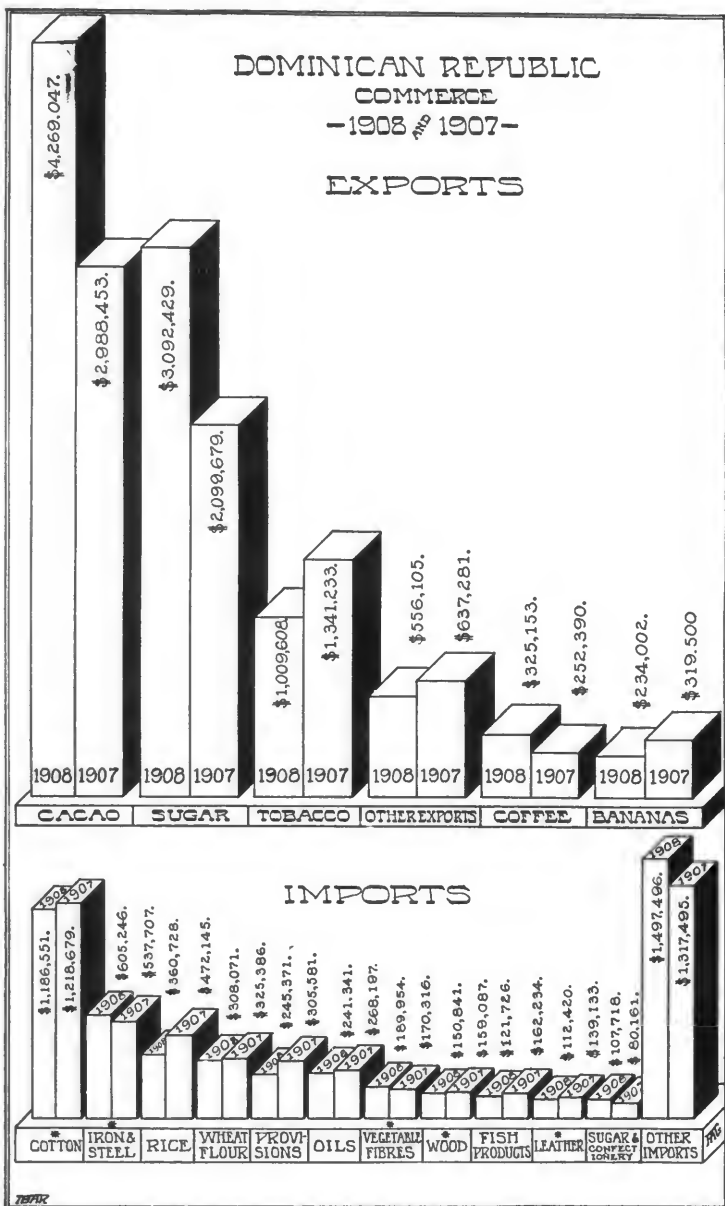
The declaration of amnesty for political offenders resulted in the return of many citizens to peaceful occupations in the country, thus assisting in the development of the resources of the Republic.

On July 1, 1908, General CÁCERES, who had been reelected President of the Dominican Republic under the new Constitution, formally took the oath of office as the Executive in the presence of members of the Senate and Chamber of Deputies.

FOREIGN AFFAIRS.

At the beginning of 1909 the Republic was at peace with all foreign nations, maintaining with them amicable relations, cemented by the strongest bonds of cordiality and harmony. In order that the foreign relations of the country might be productive of the greatest good, the President recommends the extensive use of the consular service in disseminating useful information concerning the commercial, industrial, and natural resources of the country.

At the present time the diplomatic service of the Dominican Republic consists of ten legations, four of which are now filled—the United States, Haiti, Cuba, and Germany. It has been recommended that France, Germany, and Italy be combined under the direction of a single minister and a chargé d'affaires appointed near the Government of Spain. Owing to the increasing commercial relations with Panama and Central America, the legation at Caracas, Venezuela, may be transferred to Panama and the legation at Guate-



* Manufactured product.

mala be entrusted with the representation of the Dominican Republic for all the Republics of Central America, and a legation established at Bogota, Colombia. The consular service of the Republic consists of 25 consuls-general and 151 consular representatives of lower grades.

FINANCE.

Financial conditions are in every way prosperous, and ample capital is available for the exploitation of the public works undertaken by the Government. On January 1, 1909, the Republic was carrying in New York a credit balance of \$6,616,850 in bonds and \$947,973 in cash.

The revenues of the Republic in 1908 amounted to \$4,175,033.24, of which sum \$3,232,889.93 represented the amount of customs receipts, from which collections the receivership transmitted for deposit with the Morton Trust Company, in New York, the fiscal agent and designated depository of the Dominican Loan, the sum of \$1,529,729.05 to apply to the service of the debt. Of this sum \$1,200,000 was for payment of interest and amortization of the 5 per cent customs administration sinking-fund gold bonds, as authorized by the terms of the American-Dominican convention.

The Dominican National Congress has estimated the public receipts and expenditures of the Republic for the fiscal year 1908-9 at \$3,984,300. From customs it is estimated that \$3,239,200 will be received; from internal taxes, \$388,800; communication, \$44,000; consular dues, \$14,500; stamp tax, \$60,000; and from certain specified state properties, \$237,800.

These receipts are distributed among the various administrative departments, the sum of \$1,808,708 being assigned to the Department of Treasury and Commerce, of which \$30,000 is to be expended in taking a census of the Republic. The sum of \$76,800 is also appropriated for extending existing railway construction and \$75,000 for irrigation works in Monte Cristi Province. The building of roads, the construction and repair of light-houses, and other public improvements were authorized.

COMMERCE.

Predictions heretofore made as to the betterment of trade conditions in the Republic have been fully justified. The trade volume for the year was \$14,613,807, as compared with \$12,794,657 in 1907. Exports amounted to \$9,486,344 and imports to \$5,127,463. The gain indicated for the total commerce was entirely on the side of exports, imports showing an inconsiderable decline.

The United States, Germany, and France, as in 1907, purchased the bulk of Dominican exports, while the same countries, with Great

Britain, were the principal sources of imports. These countries figured in the order of values as follows: United States, exports \$4,212,449, imports \$2,891,722; Germany, exports \$4,220,289, imports \$868,230; France, exports \$907,898, imports \$212,002; Great Britain, imports \$788,621; and other countries, exports \$145,708, imports \$366,888.

The leading article of export was cacao, valued at \$4,269,047 and amounting to 41,903,470 pounds, of which over two-thirds went to Germany, the remainder being equally divided between the United States and France. The yield was nearly double that of the preceding year.



STREET SCENE IN SANTO DOMINGO, DOMINICAN REPUBLIC

Next in point of value is sugar, amounting to 69,703 tons and valued at \$3,092,429; tobacco, 18,665,594 pounds, valued at \$1,009,608; coffee to the value of \$325,153, of which France took 1,845,572 pounds and Germany 1,546,528 pounds. Banana shipments amounted to 454,010 bunches, valued at \$234,002, a decline of \$85,498 as compared with 1907. The five articles mentioned constitute somewhat more than 94 per cent of the exports of the country, all of which, with the exception of tobacco and bananas, showed increased values for the year.

Other items shipped in small consignments were animals, dyes, cocoanuts, copra, gums, resins, hides and skins, honey, vegetable fibers, wax, and woods, to a total value of \$556,105.

On the import list cotton manufactures occupied first place, being valued at \$1,186,551, of which the United States and Great Britain furnished \$504,646 and \$466,031, respectively, while of the next ranking item, iron and steel manufactures, valued at \$605,246, the United States supplied about 64 per cent, or \$386,994, a slight advance over 1907, though the greatest gain in this classification was made by Great Britain. Steel rails, barbed wire, machinery, and galvanized roofing formed the bulk of the imports of this class.

Rice, which forms a staple article of diet in the Republic, was imported to the amount of 16,221,141 pounds, valued at \$360,728, of which 94.5 per cent was received from Germany, a slight decline in the total being noted in comparison with the preceding year. Flour receipts, exclusively from the United States, declined from 66,460 barrels to 56,115, a corresponding loss in value being recorded. Other items covering mainly foodstuffs, leather, sacking, and oils showed slight fluctuations as compared with 1907, but in no case exceeded \$250,000 in value.

The natural market for the products of the Dominican Republic is the United States, and that country is also the main source of supply for the merchandise purchased abroad.

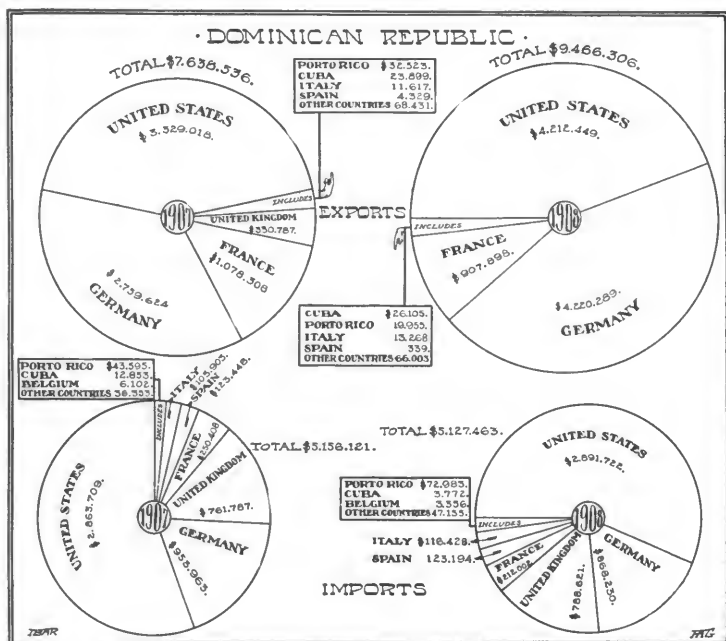
PRODUCTION AND INDUSTRIES.

The Government of the Dominican Republic is thoroughly alive to the importance of encouraging and developing the live stock and agricultural industries of the country, and proposes to assist as far as practicable in the introduction of new and scientific methods, the importation of brood animals, and the selection of the best seeds and plants for purposes of propagation in the various branches of agriculture. A careful investigation will be made of the conditions under which these industries may best be fostered to the end that the resources of the Republic may be developed to their fullest extent. The Department of Agriculture and Immigration has under consideration the establishing of a Bureau of Cultivation to act in cooperation with the agricultural schools and experiment stations of the Republic for the purpose of increasing the quality and quantity of the agricultural productions of the country. The leading crops are cacao, sugar, tobacco, coffee, and bananas in the order named.

The implements used by the Dominican farmer in planting and harvesting his crops are practically the same as were used on the island one hundred years ago. Improved agricultural and farm machinery are at present being introduced, and its use is urged by the Government.

During the last 10 years the Dominican Republic has exported cabinet and construction woods, mahogany, lignum-vitæ, satinwood,

etc., to the value of considerably over half a million dollars. On the other hand it has imported, during the same period, practically all of the lumber used for building purposes, costing in round numbers about \$2,000,000. This condition exists in spite of the fact that there are on the island great forests of excellent building woods. These include many varieties of great economic value, but the one which is best known to the lumberman and which probably exists in the largest quantity is the yellow pine. It has been variously estimated that there are from 1,000,000 to 1,500,000 acres of merchantable pine in the Republic.



This pine is very rich in resin. One of the varieties which goes by the local name of "suaba" is so saturated with resin that it is used by the country people for torches. Pieces of wood may be lighted with an ordinary match and burn freely. Other gums and resins are found in fairly large quantities, some of which produce a good grade of rubber. The Guayacan resin is found in certain districts in the interior and also a gum which in burning produces a smoke similar to incense.

As a special and important branch of the Department of Agriculture the stock-raising industry of the country receives particular

attention. Apiculture also is carefully fostered. Demonstrators are detailed by the Government to show apiculturists the best methods of producing and conserving bees and advise farmers to engage in that industry.

The steady onward movement of the country is evidenced in the government propaganda with reference to the contemplated construction of a series of irrigation canals at a cost of \$500,000, for the purpose of reclaiming a large tract of fertile land extending from the territory watered by the Caño del Estero on the south, northward to Monte Cristi Bay, and from the Yaque westward to Manzanilla Bay. The land is comparatively level and could easily be put in proper condition at moderate expense.



CENTRAL PARK, LA VEGA, DOMINICAN REPUBLIC.

Veins of auriferous quartz are found all along the central mountain claim, and alluvial gold is found in numerous places in the north. Copper is next in importance on account of the quantities in which it is found. Iron is found in immense quantities in several sections of the country and coal deposits abound in the extensive valley lying between the central range, or the Gran Cordillera and the Cordillera Septentrional, or Monte Cristi chain, those of the Pacificador district being the best known.

The petroleum belt measures over 190 square miles in area, oil being found in abundance in the Province of Azua.

Silver has been obtained in a very pure state from the Tanci mine in the Puerto Plata municipality and deposits of this metal are found in other sections of the country, as well as deposits of platinum, quicksilver, and tin. Large salt deposits also exist in the mountains

west of Neyba, the salt being perfectly pure, and the deposits give evidence of containing salt in inexhaustible quantities. At Caldera Bay salt is obtained from sea water by solar evaporation.

RAILWAY AND STEAMSHIP LINES.

The railway mileage of the Republic has an extent of 150 miles approximately.

A law of the Dominican Government provides that 30 per cent of the internal revenues be applied to the payment of interest on capital invested in the building of railroads, whether by private corporations or borrowed by the Government. It further provides that interest may be paid up to 6 per cent; that a bonus of \$2,000 be allowed for each kilometer constructed and that this portion of the revenues shall not be used for any other purpose.

The Dominican Central Railway, which formerly belonged to an American company, became, by virtue of a contract made by the Government in February, 1908, the property of the Republic. This road connects the two important cities of Puerto Plata and Santiago and has a length of 42 miles, 28 of which run through broken and mountainous lands. Traffic over this railway in 1908 increased 12.4 per cent as compared with 1907 and the receipts of the former year were 92 per cent greater than those of the latter, notwithstanding the fact that all of the construction material for the Santiago to Moca railway was carried over the line free of charge. The increase in cacao and coffee transported over this road in 1908, as compared with 1907, was 144.3 per cent and 110.7 per cent, respectively, while tobacco decreased 14.1 per cent.

The Santiago to Moca Railway, which may be considered an extension of the Puerto Plata to Santiago Railway, runs from Santiago to the Moca River, a distance of 16 miles.

It is proposed to construct a road from Seybo to La Romana, an appropriation of 30 per cent of the internal revenues having been made for that purpose.

The Samana to Santiago Railway belongs to a private company. The country through which it passes has been greatly developed since the construction of the line. A branch road is being built to Salcedo, from whence it will be continued to Moca.

The line from Sanchez, on Samana Bay, to La Vega, a distance of 82 miles, with a 9-mile branch from Baird station to San Francisco de Macoris, is owned by a Scotch capitalist.

The Dominican Republic has a number of splendid bays and inlets, forming excellent natural harbors and affording anchorage and shelter for the largest ocean-going vessels. The principal ports are: Puerto Plata, Sanchez, Santo Domingo, Macoris, Samana,

Monte Cristi, and Barahona. The magnificent bay of Samana, also called Golfo de las Flechas, is 40 miles in length, with an average width of 15 miles, and is fully protected from the winds and storms and is one of the finest natural harbors of the world. The Bay of Neiba is 15 miles long, with an average width of 10 miles, and likewise affords safe anchorage for the largest ocean-going ships, as do also the bays of Ocoa and Manzanillo, and several others. Santo Domingo, the capital of the Republic, is situated at the mouth of the Ozama River, which is navigable for a considerable distance inland, as are also the rivers Yaque, Yaque del Sur, Yuna, Iguamo, and several others, some of them, however, only for vessels of light draft.

The Clyde Steamship Company maintains a line of steamships running from New York to the ports of Santo Domingo, Monte Cristi, Puerto Plata, Samana, Sanchez, Macoris, and Azua, sailing every second week from New York. The time and fare to the various ports is as follows:

	Time.	Fare.		Time.	Fare.
	<i>Days.</i>			<i>Days.</i>	
Santo Domingo.....	8	\$60	Monte Cristi	10	\$60
Azua	9	60	Macoris.....	11	70
Samana.....	9	60	Sanchez.....	11	70
Puerto Plata.....	10	70	Barahona.....	12	75

Total entries of vessels at the various ports of the Republic during 1908 numbered 206 sailing and 546 steamships, while clearances were 201 and 511, respectively. Tonnage entries and clearances were 849,687 and 781,169 tons, respectively. Ships of American registry bringing cargo to the Republic brought 57 per cent of all the imports, or to the amount of \$2,920,999, increasing their tonnage over 1907, while those of German registry, though continuing in second place, transported but 28 per cent, or \$1,452,158, and British bottoms increased their carrying from \$106,599 to \$208,530.

The major portion of the exports were carried by vessels of American registry, 38 per cent, or \$3,634,394, being thus classified, German ships ranking next with \$2,630,985, or 27.5 per cent. Norwegian and French vessels increased their export tonnage, and the remainder of the export trade was handled by British, Dutch, Cuban, and Dominican vessels.

In 1908 the Department of Public Works estimated that \$300,000 would be needed for the improvement of the ports of the Republic. In June of the same year the work of removing the bar from the mouth of the river at the port of Santo Domingo was begun, and by July, 1908, the minimum depth had been increased from 7 to 14½ feet, at a cost of \$40,000. The Department of Public Works is contemplating the improvement of other ports of the Republic.

Work was commenced on the highway from the capital of the Republic to San Cristobal and is being pushed to conclusion as rapidly as possible.

POSTS AND TELEGRAPHS.

The receipts from the postal service in 1908 were \$25,547.96, against \$23,999 in the preceding year.

The Government has signified its adherence to the postal convention of Rome and many new offices were established for the furtherance of international communication.

The national telegraph and telephone system is satisfactory, both in organization and service, the year's receipts being \$17,524.23. The



PUERTO PLATA, LOOKING TOWARD THE SEA.

Government has contracted with the United Wireless Telegraph Company for the installation of the De Forrest system of wireless telegraph stations in the Republic. The first station is to be erected in the capital at a cost of \$8,450, and smaller stations at other points at a cost not to exceed \$2,765 each. When the chain is complete communication can be rapidly effected between all the surrounding islands.

The Government recognizes the advisability and need of securing desirable immigration into the Republic, and is prepared to offer every inducement to immigrants to colonize the country. Foreigners coming into the country for the purpose of legitimate investment are given absolutely the same rights as Dominicans, with the exception that they are not granted special concessions or privileges.

The matter of public instruction receives the particular attention of the Government. In accordance with the provisions of the budget the Academy of Drawing, Painting, and Sculpture was established in the capital in December, 1908. This institution, for which \$3,000 was appropriated, is under the control of the Departments of State, Justice, and Public Instruction. The academy is open to both sexes and makes no charge for tuition. A graded course of instruction



BAY OF SAMANA, SANTO DOMINGO.

has been adopted, covering a period of four years, and provisions are made for both day and night classes.

A new sanitary law was promulgated during the year, and the departmental authorities empowered to import, free of duty, such articles of public utility as are designed for the services of hygiene and sanitation, instruction, and general development.

Among the notable public works undertaken during the year are the Monte Cristi irrigation project, the railroad from Santiago to Moca, the port works of the capital, and the public highway to San Cristobal.

ECUADOR

The Republic of Ecuador, so called because of its situation under the equator, is bounded by the Pacific Ocean, the Republic of Colombia, Brazil, and Peru. Its area is estimated at about 420,000 square miles, including the Galapagos Islands, and is equal to the combined area of the States of California and Texas. Its population of 1,500,000 is less than that of the city of Philadelphia.

Ecuador, like Peru, may be divided into four distinct regions, with as many varieties of climate, soil, and products. In the lowlands cacao, sugar cane, tobacco, coffee, and cotton are grown, while on the high "*paramos*," or plateaux, wheat and other cereals and potatoes are successfully cultivated. The extensive forests contain numerous species of useful trees, among them the *phytelephas macrocarpa*, yielding the commercial product known as vegetable ivory, and the *carludovica palmata*, furnishing the fiber from which Panama hats are made. In spite of the name, these hats come mostly from Ecuador and Colombia, especially the former country, the natives having acquired considerable skill in their manufacture. Other valuable trees are the cinchona, from whose bark quinine is obtained; the mangrove, used for tanning purposes; and the *bomba ceiba*, or silk cotton tree, yielding the valuable commercial product known as kapok.

Ecuador's four zones are called, respectively, *tierras calientes*, the hot lowlands; *templadas*, at an altitude of from 6,000 to 9,000 feet; *frias*, which embrace the fertile plateau of Quito, on which is located the capital of the country, 9,371 feet above sea level, and the *nevados*, comprising the snow-capped Andes, among which the peaks of Chimborazo, 20,498 feet, and Cotopaxi, 19,613 feet, are the highest. The Cordillera in Ecuador branches off into two distinct mountain chains, forming a number of high plateaux crossed by spurs or nudos, which give the country a most peculiar aspect topographically, not unlike a ladder, the nudos forming the rungs.

HISTORICAL SKETCH.

When, in the beginning of the sixteenth century, FRANCISCO PIZARRO had conquered the great Inca empire and executed the Inca king, ATAHUALPA, he dispatched his lieutenant, SEBASTIAN DE BENALCAZAR, to the north in order that he might conquer the Kingdom of Quito, inhabited by the Caras, a people with social and political institutions similar to those of the Incas. With comparative ease the Spaniards took possession of the country, and on December 6, 1534, BENALCAZAR entered the capital of Quito.

GONZALO PIZARRO was appointed Governor of the Province of Quito, and the Spaniards then pursued their usual policy of apportioning the land among themselves and establishing feudal estates.

When the viceroyalty of Peru was established, in 1542, the territory now included in the Republic of Ecuador was made a part thereof. Subsequently, in 1718, on the establishment of the viceroyalty of New Granada, with Bogota as capital, the territory was divided between the two, reverting finally to Peru.

The movement for independence began in Ecuador on August 10, 1809, when the citizens of Quito deposed the Spanish governor, Don RUIZ DE CASTILLA, and established a revolutionary junta. The Spaniards soon regained control and retained it until October 9, 1820, when the citizens of Guayaquil declared their independence. This movement was successful, and the complete victory obtained over the Royalist forces by General SUCRE at the battle of Pichincha on May 24, 1822, assured the independence of the country.

An assembly called by General SUCRE five days after this battle declared that the territory of the former presidency of Quito should be incorporated with the Greater Colombia of SIMON BOLIVAR, composing what are now the Republics of Colombia, Panama, Venezuela, and Ecuador.

This union was disrupted in the year 1830 when a Constitutional Congress, which met at Riobamba on August 14, proclaimed the constitution of the Republic of Ecuador. General FLORES was elected the first President of the Republic, and was succeeded in the year 1835 by the able statesman, General VICENTE ROCAFUERTE, under whose administration the country enjoyed peace and prosperity.

General ELOY ALFARO, the present President, was inaugurated on January 1, 1907, for a term of four years.



GENERAL ELOY ALFARO, PRESIDENT OF ECUADOR.

CONSTITUTION AND GOVERNMENT.

The present constitution of the Republic was adopted in 1897. Ecuador is a centralized republic with the usual division of powers into legislative, executive, and judicial branches.

The National Congress consists of the Senate and Chamber of Deputies. The former is composed of 32 members, 2 for each province, and the latter of 41 members, 1 for every 30,000 citizens or fraction over 15,000. Senators as well as deputies are elected by direct vote, every citizen over 18 years of age who can read and write

being entitled to vote. Senators are elected for a term of four and deputies for two years.

The President and Vice-President of the Republic are elected for a term of four years each, by direct vote and neither may be re-elected except after a lapse of two terms. The President may not leave the Republic without the consent of Congress during his term of office nor for one year thereafter.

In addition to a cabinet, consisting of five Secretaries of State appointed by the President, there is a Council of State presided over by the Vice-President made up of the five Secretaries of State, the Attorney-General, the Chief Justice of the Court of Accounts, the Rector of the Central University, two Senators, two Deputies, and two other citizens. The seven last-mentioned councilors are elected by Congress.

The Supreme Court, located at Quito, the capital, is the highest tribunal, and consists of five justices elected by Congress for a term of six years. The Superior Courts are located at Quito, Guayaquil, Cuenca, Riobamba, Loja, and Portoviejo, the first three named being composed of six judges and the last three of three judges each, all elected by Congress for six years. There are also five courts in the country, dealing with commercial matters only, as well as a Court of Accounts, several mining courts, provincial, county, and district courts.

The Court of Accounts is empowered to audit and investigate all public accounts and expenditures, its members, like those of the Supreme Court and the Superior Courts, being elected by Congress for a term of six years.

The territory of the Republic is divided politically into sixteen Provinces and one territory, and subdivided into *cantones* and parishes. The administration of the provinces is in the hands of a governor who is appointed by the President of the Republic, as are also the other executive officers of the cantones. In the parishes the counselors are elected by direct vote of the people, and have the right of regulating the budget and to recommend and vote improvements.

The Provinces of Ecuador and their capitals are:

Province of—	Capital.
Azuay.....	Cuenca.
Bolivar.....	Guaranda.
Canar.....	Azogues.
Carchi.....	Tulcan.
Chimborazo.....	Riobamba.
Esmeraldas.....	Esmeraldas.
Guayas.....	Guayaquil.
Imbabura.....	Ibarra.
Leon.....	Latacunga.
Loja.....	Loja.

Province of—	Capital.
Manabi.....	Portoviejo.
Oriente.....	Ahuano.
El Oro.....	Machala.
Pichincha.....	Quito. ^a
Los Rios.....	Babahoyo.
Tunguragua.....	Amabato.

Territory of Galapagos, composed of the Galapagos Islands.

President.....	Gen. ALOY ALFARO.
Minister of Interior and Public Works.....	Dr. ALEJANDRO REYES V.
Minister of Foreign Affairs and Justice.....	Dr. FRANCISCO X. AGUIRRE JADO.
Minister of Treasury and Public Credit.....	Dr. CÉSAR BORJA.
Minister of Public Instruction, Posts, and Telegraphs.....	Dr. FRANCISCO J. MARTINEZ AGUIRRE.
Minister of War and Marine.....	Dr. WILFRIDO VENEGAS.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The salary of the President is \$6,000.

ECUADOR IN 1908.

President ELOY ALFARRO in his message delivered to the National Congress on August 12, 1908, outlined the conditions prevailing throughout the country during 1907 and the first part of the year 1908. The Guayaquil-to-Quito line was successfully inaugurated in the course of the year and in August preliminary work was begun on the road from Huigra to Cuenca, with the prospect of opening up the rich mining and agricultural districts of the southern sections of the Republic within two years.

The entry of the first train from the coast over the newly completed road to Quito on June 25, 1908, was made the occasion of great rejoicing in the national capital.

Other lines are contemplated, one from the interior to the Pacific having a terminal on the coast nearer the Panama Canal, and the other a branch of the Guayaquil-Quito line to tap a fertile district producing cacao, rubber, and bananas. The development of the coal fields of the Republic is another outgrowth of the railroad building which is characterizing Ecuador's economic development.

The Government plans to celebrate the centenary of its independence in the summer of 1909 by a national exposition in Quito in which a number of countries have decided to participate.

FOREIGN AFFAIRS.

The strongest ties of friendship and good will continue to exist between Ecuador and the countries of Europe and America, due largely to the satisfactory services rendered abroad by the able diplo-

^aAlso capital of the Republic.

matic corps of the Republic. In the administration of foreign affairs it has been the aim of the Government to cultivate, strengthen, and extend cordial relations with other powers. The arbitral award of the boundary question with Peru is to be pronounced by the King of Spain at the earliest practicable date and the boundary dispute with Colombia settled by amicable and direct negotiations of the two Republics, a treaty relating to that subject being submitted for the consideration of Congress by the Minister of Foreign Relations.

The commercial treaty with Chile has been approved by the Congress of the Republic, and a sanitary convention, based on the Sanitary Convention of Washington, and subject to the ratification of the governments of Ecuador and Panama, was negotiated in Quito on September 26, 1908. When this convention becomes operative it will have a most salutary effect upon the hygiene of the ports of the two countries in interest.

FINANCE.

With an income for the year 1907 of \$6,683,288 and expenditures of \$7,892,000 a deficit was reported at the beginning of 1908, to meet which a loan of \$1,500,000 was negotiated. The operating expenses of the Government for the year 1907 were actually \$6,634,000, the difference between these figures and those reported above having been used principally for disbursements on account of the Southern Railway. The Executive therefore decreed, under date of August 29, 1908, that until the end of the year all the special funds of the Republic, except those specified in the Constitution, should be used for the payment of administrative expenses. The appropriations for the Guayaquil and Quito waterworks, the parks in Quito, the waterworks at Machala, and public roads in general were diverted until January 1, 1909, into a fund to be used for the payment of the current expenses of administration.

The most important financial event in the transactions of the year was the settlement of the external debt of Ecuador as represented by the bonds of the Guayaquil and Quito Railway Company. An arrangement was made which, though necessitating important concessions on the part of the bondholders, indicated the purpose of the Government to maintain its credit, and daily deposits have been made since January 1, 1909, on the service of the debt. The foreign debt in December, 1908, was \$5,400,000 and the interior obligations about \$4,000,000.

On November 8, 1908, the President, with the authorization of the National Congress, negotiated a loan of \$4,870,000 for the payment of that part of the public debt guaranteed by the federal revenues. The President has also been authorized to impose a duty on exports

of silver coin, or to forbid said exports, should he deem it desirable. At the present price of bar silver the intrinsic value of Ecuadoran silver coin is greater than the coin value of the same, and legislation was required to prevent the Republic from being deprived of its silver currency.

Municipal expenditures in Guayaquil were reduced by the suspension of certain public works.

COMMERCE.

Foreign commerce for 1908 was represented by \$15,296,627, imports amounting to \$6,950,256 and exports \$8,346,371. These figures are lower than those of the preceding year, when the foreign commerce of Ecuador showed an increased valuation of nearly \$1,500,000 over 1906. This is the more remarkable from the fact that the increase was on the side of imports entirely, thus showing the improvement in the purchasing power of the country. Total trade values in 1907, the latest year for which details are available, were \$21,643,200, France taking first rank as a receiver of exports and Great Britain retaining her place as supplier of imports.

The United States occupied second place on both the export and import lists of the country. United States statistics give \$2,196,131 as the value of imports from Ecuador in 1908, with shipments thither to the value of \$1,814,434.

Cacao, the most important commercial commodity on the export list, was shipped abroad in 1908 to the extent of 64,000,000 pounds, valued at \$6,400,000. Of this quantity the United States took 11,381,460 pounds, while the visible supply in the warehouses of the Republic on January 1, 1909, was estimated at 1,000,000 pounds. Cacao figured for more than half of the total exports, and 50 per cent of that product was shipped to France.

Other important items of export are toquilla straw hats, known commercially as "Panama" hats, india rubber, coffee, hides, and vegetable ivory. The export value of hats is placed at about \$1,000,000 yearly, the hats ranging in price from \$1 to \$125 each. The center of this industry is the town of Jipijapa.

Vegetable ivory, the trade name for the corozo or tagua nut is exported annually to the extent of about 20,000 tons, Germany taking one-half, United States one-fourth, and Italy, France, and other European countries the remainder of the output. The value of this product shipped to the United States in 1908 was \$142,000, as compared with \$204,350 for the year 1907.

In addition to the large shipments of cacao from Guayaquil in 1908 there were exported 68,241 hides of neat cattle valued at \$135,-

000; 4,964,000 pounds of coffee valued at \$273,000; 3,400,000 pounds of vegetable ivory worth \$102,000, and 470,000 pounds of rubber valued at \$235,000. Of the hides exported the United States took 54,982; Great Britain, 6,114; France, 4,265; and Germany, 2,880. The imports from the United States were chiefly flour, wine, rope, machinery, codfish and salmon, sugar, brooms, and lumber.

For 1907 the total exports amounted to \$11,793,213, and imports to \$9,849,987. As compared with the preceding year exports showed a gain of \$102,970, and imports the remarkable increase of \$1,344,187.

The principal articles of export were: Cacao, 43,348,369 pounds, worth \$6,934,257; ivory nuts, 47,131,627 pounds, worth \$1,358,056; hats to the value of \$1,171,043; rubber, 1,031,510 pounds, worth \$777,544; hides, 2,622,497 pounds, worth \$351,344; gold coin, \$117,550; and toquilla straw, to the value of \$90,253.

The leading items of the import list were: Textiles other than silk, \$2,622,885; food products, \$1,535,907; gold and silver coin, \$1,084,444; iron and hardware, \$640,886; wines and liquors, \$444,063; minerals (coal), \$413,284; machinery, \$363,634; clothing, \$327,583; drugs and medicines, \$292,147; and shoes and findings, \$166,387. The distribution of this trade showed the following values: United States, exports \$3,347,185, imports \$2,349,182; Great Britain, exports \$1,165,397, imports \$3,540,996; France, exports \$4,046,380, imports \$598,300; Germany, exports \$1,483,627, imports \$1,800,000; Peru, exports \$441,299, imports \$147,022; and Chile, exports \$348,260, and imports \$162,008.

PRODUCTION AND INDUSTRIES.

The chief occupation of the inhabitants of the Republic is agriculture, the raising of cacao being extensively engaged in as is indicated by the premier position of that article on the export list of the country. Rubber, sugar, coffee, bananas, and rice are also cultivated. The estimated annual production of the last mentioned product is in the neighborhood of 40,000,000 pounds, which is not quite sufficient to meet the demands of the home market necessitating importations from various foreign countries.

The growing of sugar cane is of considerable importance, the output of the various plantations aggregating in the neighborhood of 160,000 bags (of 100 pounds), which is about sufficient for the home market although there is some traffic in this article with outside countries.

The coffee crop is estimated to be about 7,000,000 pounds annually, and the output of vegetable ivory nuts, of which Ecuador exports a considerable quantity, is placed at 48,000,000 pounds, all of which is exported.

Rubber is gathered and brought to market during all the months of the year, something more than 1,000,000 pounds representing the annual yield.

In order to encourage the development of the grape industry the National Congress has exempted domestic grape products from the payment of federal and municipal taxes, and for the general promotion of agricultural development the Government has recommended the establishment of boards of agriculture in Quito, Guayaquil, and Cuenca. These boards will work in conjunction with the Government for the development and improvement of stock raising, irrigation, planting and fertilizing of lands, the harvesting of crops, and the improvement of the means of communication. The importation of useful seeds, plants, and animals will be encouraged and premiums offered for the best results obtained in the agricultural and stock-raising industries of the Republic. Included in this plan are the founding of agricultural schools and the establishment of meteorological observatories.

Other than the plaiting of hats, to protect which an export duty is placed on shipments of toquilla straw, manufacturing industries are represented by foundries, ice plants, sugar refineries, and a number of flour mills. Several small establishments are also engaged in the manufacture of woolen and cotton blankets, ponchos, bayetas, common carpets, felt hats, etc. Laces, embroideries, shoes, furniture, matting, saddles, wagons, and carts are made by hand, and a small shoe factory is being installed.

The principal industries of Guayaquil of long standing cover such important articles of consumption as vermicelli, chocolate, biscuits, beer, ice, soap, candles, and liquor, while the more recent industries consist of the manufacture of bags, wafers, cotton fabrics, mosaics, and a well-equipped tannery. The manufacture of matches has been particularly successful in the Republic, and the quality and price of this product compare most favorably with matches of foreign manufacture.

In Quito manufacturing interests are represented by seven flour mills, one foundry, one ice factory, and two sugar refineries. Shoes are made by hand. Other industries, such as the making of blankets, ponchos, carpets, saddles, hats, furniture, and pottery, are represented in a small way. The capital is also noted for the large amount of religious painting and sculpture done within its limits and exported to other countries. The making and coloring of small articles from vegetable ivory and the curing of the skins of small birds, particularly humming birds, are carried on to some extent in the city.

The mineral deposits in the country have as yet been only slightly exploited. The country is known to be rich in copper, iron, lead, and coal, while silver ore deposits have been found but not worked, and

at Esmeraldas platinum has been found in variable quantities. Sulphur also is known to exist in large quantities in the Pichincha district and in the Galapagos Islands. Lack of transportation facilities only retards the development of the coal deposits in the interior of the Republic.

COMMUNICATION FACILITIES.

The total extent of railway lines in operation in 1908 was given as a little over 316 miles. The Guayaquil and Quito Railway Company completed the construction of its line from Guayaquil to Quito on June 25, 1908, and since that date trains, both passenger and freight, have been running regularly between the two cities. The regular passenger trains only run during the day and make the trip (297 miles) in two days when formerly, by mules and on foot it was not uncommon to require twelve and fifteen days in going over the same route. Since the completion of the railway the people of Quito, and of the whole Republic are looking forward to a new era of progress. The operation of the newly opened line is rendered expensive through the necessity of importing coal from Australia, though coal fields, equal in extent to those of West Virginia, exist within 40 miles of the main road. An arrangement has been entered into by the railroad company for the exploitation of these deposits, it being estimated that the cost of constructing a branch to them will be about \$1,500,000. The completion of this project will make the whole line pay handsomely.

On August 6, 1908, preliminary work was begun on the railway from Huigra to Cuenca, which is to be completed within twenty-eight months, and when finished will open the rich mining and agricultural district of southern Ecuador. This road not only traverses coal fields of enormous value but is an important link in the Intercontinental Railway, opening up the vast plateau of southern Ecuador and connecting Cuenca, the third city of the Republic, with Quito and Guayaquil. The President advocates the extension of the Guayaquil and Quito Railway to Ibarra and Tulcan, thus placing the principal port of the Republic in rapid communication with the rich and fertile provinces of Imbabura and Carchi.

Another contemplated line is that from Bahia de Caraquez to Quito which would practically parallel the Guayaquil to Quito line and have its outlet 100 miles north of Guayaquil at a point provided with a fine harbor and capable of adequate development. The Government has recently renewed the contract for the line which expired by limitation.

The company operating the street car line in Guayaquil increased its capital stock from \$250,000 to \$375,000 on January 1, 1908, at which time it had a trackage of 26 miles. The present motive power

is animal, but the company plans to electrify its lines in the near future. Electric tramway lines are also under consideration in Quito to be operated in conjunction with the city lighting plant.

Ecuador is accessible practically only from the Pacific Ocean, communication by land with the neighboring Republics of Brazil and Colombia being well-nigh impossible, owing to the dense forests and the high altitudes of the mountain ranges. On the Pacific coast, however, Ecuador has a number of good ports, affording anchorage and shelter for the largest ocean-going vessels, the most important of which is Guayaquil, connected by rail with the capital, Quito. Other ports of importance are Bahia de Caraquez, Manto, Puerto Bolivar, and Esmeraldas, which may be reached either directly from New York by way of Magellan Straits or via Panama or San Francisco.

Two steamship lines ply between New York and Guayaquil, the New York and Pacific Steamship Company and the West Coast Line, with irregular sailings about once a month, employing from sixty to seventy-four days in the trip, and having mostly freight boats in this service.

From Panama connection can be made with the Pacific Steam Navigation Company, the *Compañía Sud-Americana de Vapores*, or the Peruvian Steamship and Dock Company of Callao, with regular weekly sailings, employing from five to six days from Panama to Guayaquil, the cost of first-class passage being \$68 from Panama.

The Kosmos Line maintains a regular fortnightly service on the Pacific coast, touching at all the more important ports between San Francisco and Magellan Straits, their steamers making the trip from San Francisco to Guayaquil in from twenty-one to twenty-six days, while various other lines maintain regular services between European and Ecuadorean ports.

Some twenty steamers, as well as a number of sailing vessels and freight canoes, maintain an active coast and river service, most of the numerous rivers of Ecuador being navigable for considerable distances inland and affording excellent means of transportation. The Guayas River, at the mouth of which is the city and port of Guayaquil, is the most important of these waterways, being navigable for river steamers as far as Bodegas, 40 miles from Guayaquil, while smaller vessels can, during the wet season, reach Zapotal, some 200 miles inland. The River Daule is navigable for some 60 miles, the Vinces for 50 miles, while the Esmeraldas, Rio de Naranjal, Santa Rosa, Santiago, and Mira rivers are all navigable, during the rainy season, for short distances, varying from 10 to 60 miles or more. The Amazon River, which in Ecuador is given the name of Marañon River, is navigable almost in its entirety, and thus the eastern slope

of the Ecuadorean Andes may be reached by way of Brazil and the Amazon River and its tributaries.

Port entries at Guayaquil during 1907 show a total of 202 steamers and 8 sailing vessels, with a registry of 422,344 tons. More than half were British, 57 were Chilean, 37 German, 3 French, 1 Peruvian, and 1 American.

The total extent of the telegraph system is 2,564 miles, with 60 stations. A telephone service is maintained in the city of Quito and suburbs, with long-distance connection with Guayaquil and other cities of the Republic. The line to Guayaquil is to be reconstructed with modern equipment and the service in the capital equipped with up-to-date apparatus. Wireless telegraph stations are planned for Guayaquil and Isla de Puna.

PUBLIC INSTRUCTION.

The public-school system of the Republic is being markedly improved, and the modern methods adopted have produced flattering results. Quito has 5 colleges (one of them a military college), 2 normal institutes (one of which is for girls), a university, a medical school, 2 seminaries, a theological school, an institute of science, a school of arts and trades, 3 schools for young women, and 3 kindergartens.

There are 6 monasteries, 7 convents, 2 seminaries, 7 parochial churches, 15 conventual churches, a cathedral, a basilica, and 13 chapels, covering nearly one-fourth of the area of the city. The Franciscan monastery, which covers several acres, is said to be the largest in the world.

The Government is keenly aware of the effect upon the economic future of the Republic to be brought about by the completion of the Panama Canal, and measures are being taken for the proper sanitation of Ecuadorean ports to meet future trade requirements. The chairman of the sanitation is Dr. B. J. LLOYD, of the Marine-Hospital Service of the United States.

Many foreigners are expected in the Republic during the progress of the exposition to be held in Quito throughout the summer of 1909, and measures taken to provide hygienic conditions have received active municipal and government aid.

Quito, the capital, has a population of 75,000, and that of Guayaquil is estimated at from 75,000 to 80,000.

GUATEMALA

The Republic of Guatemala, the northernmost of the Central American Republics, is bounded by the Pacific Ocean, Mexico, British Honduras, the Gulf of Honduras, and the Republics of Honduras and Salvador. It has a total area of 48,290 square miles, equal to that of the States of Kentucky and New Jersey, and an estimated population of 1,991,261.

With the exception of a small strip along the coast, Guatemala lies at an altitude of from 4,000 to 11,500 feet, its capital, Guatemala City, being 4,850 feet above the level of the sea. The chain of mountains which traverses its territory and sends out a number of spurs, forms several plateaux, which are extremely healthful and fertile, and on which products of tropical and temperate zones are successfully grown. The coffee exported from Guatemala is noted for its excellence, and sugar, cacao, tobacco, and bananas are also grown for shipment. A limited trade is carried on in india rubber from the product of the *castilloa elastica*, and various classes of cabinet and other woods.

HISTORICAL SKETCH.

PEDRO DE ALVARADO, a lieutenant of CORTEZ, was the first to attempt seriously the conquest of Guatemala, then inhabited by the Quichés, Caribs, and other warlike Indian tribes. Due to constant strife among the natives the Spaniards easily succeeded in conquering and enslaving them, and in the year 1524 ALVARADO, in order to firmly establish his authority, had the two kings of the Quichés executed. Guatemala, which at that time comprised all the territory now known as Central America, as well as the Mexican States of Chiapas and Yucatan, became a captain-generalcy, at first independent, but later under the authority of the Viceroy of Mexico.

In July, 1527, ALVARADO founded the City of Guatemala. This first city was short lived and in the year 1542 it was rebuilt on the site of what is now the old city, which was itself in turn destroyed by an earthquake in the year 1773. In 1776 the present city was laid out at a site 25 miles northeast of La Antigua, the old city.

After several unsuccessful attempts, independence was finally achieved by the countries comprising the former Kingdom of Guatemala on September 15, 1821. The Spanish Governor, GABINO GAINZA, who was in favor of the revolution, was elected President of the Provisional Junta. In January of the following year, however,

Guatemala became a part of the Empire of Mexico. When, in the year 1823, ITURBIDE was forced to abdicate the throne of Mexico and the latter country became a Republic, Guatemala was once more at liberty to chose a form of government, and a Constituent Congress, which had been summoned by General FILOSOLA, the Mexican Governor of Guatemala, declared on July 1, 1823, that the old Kingdom of Guatemala should henceforth be free and independent from Spain, Mexico, or any other nation, and should form an independent nation under the title of the Central American Federation, embracing the present Republics of Guatemala, Honduras, Salvador, Nicaragua, and Costa Rica. General JOSÉ ARCE was the first President of the Federation.



SR. DON MANUEL ESTRADA CABRERA,
PRESIDENT OF GUATEMALA.

The Union did not, however, prove practical, and one by one the States seceded and formed independent Republics, Guatemala finally establishing an independent Government on April 17, 1839, under the title State of Guatemala, which name was changed on March 21, 1847, to that of the Republic of Guatemala.

Several attempts have from time to time been made by the different Republics to reestablish the Central American Union, but these have failed. An arrangement was brought about by the Central American Peace Conference, held in Washington in December, 1907, the result of which has been the establishment of an International Court of Justice at Cartago, Costa Rica, and an International Bureau at Guatemala to promote the industries, commerce, and agriculture of the Central American Republics.

President MANUEL ESTRADA CABRERA was inaugurated March 15, 1905, for a term of six years.

CONSTITUTION AND GOVERNMENT.

Upon separation from the other Central American States, Guatemala adopted the unitary, republican form of government, with powers vested in the legislative, executive, and judicial branches.

The National Assembly consists of one chamber only, composed of 69 deputies, one for every 20,000 inhabitants or fraction thereof over 10,000, elected by direct vote of the people for a term of four years.

During recess the Assembly is represented by a permanent committee of seven members, appointed by the Assembly, whose business it is to prepare all legislation for the next session and to advise the Executive.

The President of the Republic is elected by direct vote, all citizens over 21 years of age, who are able to read and write, being entitled to vote. His term of office is six years, and he may not be reelected except after the expiration of at least one intervening term. There is no Vice-President, but two *designados* are elected at the same time as the President, who take the place of the Chief Executive, in case of his death or disability, in their respective order.

A cabinet of six Secretaries of State assist the President in the administration of affairs of the Republic, and also a Council of State composed of fifteen members, of which the six Secretaries of State form part *ex officio*, five councillors being elected by the Assembly and four appointed by the President.

The national supreme court, six courts of appeals, and a number of district or municipal courts comprise the judiciary of the country. The supreme court has five members and the courts of appeals three members each, all of whom are elected by direct vote of the people.

Guatemala is divided politically into 21 departments, each of which is again subdivided into districts or *municipios*. The *Jefe Politico* or Political Chief is the highest authority in the department. The *alcaldes* are the administrators of the districts and are elected by direct vote, as are also the *rigidores* or aldermen.

Following are the Departments of Guatemala with their respective capitals:

Department of—	Capital.
Alta Verapaz.....	Coban.
Amatitlan.....	Amatitlan.
Baja Verapaz.....	Salama.
Chimaltenango.....	Chimaltenango.
Chiquimula.....	Chiquimula.
Escuintla.....	Escuintla.
Guatemala.....	Guatemala. ^a
Huehuetenango.....	Huehuetenango.
Izabal.....	Izabal.
Jalapa.....	Jalapa.
Jutiapa.....	Jutiapa.
Peten.....	Flores.
Quezaltenango.....	Quezaltenango.
Quiche.....	Santa Cruz del Quiche.
Retalhuleu.....	Retalhuleu.
Sacatepequez.....	Antigua Guatemala.
San Marcos.....	San Marcos.
Santa Rosa.....	Cuajiniquilapa.
Solola.....	Solola.
Suchitepequez.....	Mazatenango.
Totonicapam.....	Totonicapam.
Zacapa.....	Zacapa.

^a Also Capital of the Republic

President.....	Señor MANUEL ESTRADA CABRERA.
Secretary of Foreign Affairs.....	Señor JUAN BARRIOS M.
Secretary of Government and Justice.....	Señor JOSÉ M. REINA ANDRADE.
Secretary of the Treasury and Public Credit.....	Señor GUILLERMO AGUIRRE (in charge of Foreign Affairs).
Secretary of War.....	Señor LUIS MOLINA.
Secretary of Public Instruction.....	Señor ANGEL M. BOCANEGRA.
Secretary of Fomento.....	Señor JOAQUIN MENDEZ (in charge of Public Instruction).

NOTE.—List of cabinet officers corrected to July 20, 1909.

The President is allowed a salary of 30,000 pesos (about \$10,500) per annum.

GUATEMALA IN 1908.

The favorable status enjoyed by Guatemalan affairs during 1908 and the prospective continuance of the same during 1909 are dwelt upon in a message delivered by President ESTRADA CABRERA to the National Assembly on March 1 of the latter year.

A surplus is credited to public revenues and increased earnings noted for various public enterprises. The new mining code, promulgated in June, 1908, was productive of augmented activity in this field, and increased yields of bananas, rubber, sugar, and hard woods are features of the year's industrial life.

The gathering of medical men of the Western Continent in the capital of Guatemala during the month of August was made the occasion of many notable celebrations, both of a social and official character. That the Pan-American Medical Congress as a feature of international development is fully appreciated is evidenced by the utterances of the delegates, all of whom paid tribute to the unity of interests developed by the frequent meetings of American scientists. Especially appropriate remarks were made at the opening of the Congress by the delegate from the United States, who called attention to the fact that the first Congress was held in Washington to commemorate the four hundredth anniversary of the discovery of America. Representatives were present from practically all the countries of Latin America.

Another important event of the year was the inauguration in the city of Guatemala on September 15 of the International Central American Bureau, in accordance with the Washington Convention of December 20, 1907. The personnel of the Bureau embraces representatives from the five Republics of Central America.

The Government is taking steps to establish adequate hygienic measures in the country through the opening of a National Pasteur Institute in Quezaltenango and by the requirement that entry into Government employ and also into certain specified private enterprises shall be made only by persons who have been vaccinated. The

sanitation of Puerto Barrios is another organized effort in the same direction.

This port is the Caribbean terminus of the country's interoceanic railway, which was completed and opened in January, 1908, with imposing ceremonials.

The development of railway communication with the adjacent Republics is another forecast of progress in this enterprising Republic, measures for connection by rail with the Salvador and Mexican frontiers being the subject of recent contracts.

On February 15, 1909, the Government ratified the conventions adopted by the Third International Conference of American States held in Rio de Janeiro in 1906, covering the status of naturalized citizens who return to their own country after a foreign residence, international law, patents of invention, trade-marks, and literary and artistic property.

FINANCE.

The budget of expenditures for 1909-10 is fixed at \$13,000,000.

The general revenues of the country in 1908 amounted to \$14,000,984, as compared with a budget estimate of \$10,312,500, and expenditures were \$16,848,657 instead of the estimated sum of \$12,071,436. From customs \$9,578,310 were received, whereas the budget estimate had fixed the receipts from this source at \$6,656,250, and from liquors and articles controlled by the Government \$2,634,848 were collected, exceeding the budget estimate by nearly \$400,000. From other taxes \$1,202,575 were received, and from posts and telegraphs, \$586,857.

The budget for the fiscal year commencing with July, 1908, estimated government expenditures for the twelve months at \$13,308,039.

On December 31, 1908, the debt of the Republic was represented by \$13,694,445 gold and \$71,884,744 national currency. The necessity of applying all available funds toward the completion of the Northern Railway and the maintenance of increased armaments have in the immediate past diverted large sums from the external debt service, but with the completion of this important railroad in January and the satisfactory settlement of certain vexed questions with neighboring States, funds will be liberated for the requirements of the bondholders.

COMMERCE.

The total value of the foreign commerce of the country in 1908 was \$12,567,729.20, consisting of imports \$5,811,586.07 and exports \$6,756,143.13. As compared with 1907 a general decline in trade to the amount of \$4,923,331.20 is noted, of which the larger portion is to be credited to decreased exports, caused by the small coffee crop.

Among the countries of origin for imports, the United States occupied first place, followed by Germany, England, France, in the order named. The valuations furnished by these countries and other principal contributing markets were: United States, \$1,718,660; Germany, \$1,258,193; England, \$1,061,843; France, \$209,947; Japan and China, \$118,415; Belgium, \$93,309; Mexico, \$29,640; Central America, \$8,941.

Of exports, the United States and Germany took the bulk, the former country being credited with \$1,776,676, and the latter with \$3,939,207. Next in rank as a receiver of Guatemalan exports is France with \$713,765, followed by British Honduras, \$105,807; Austria-Hungary, \$92,026; Mexico, \$62,325; and South America, \$26,252, smaller valuations being shipped to various other points.

Merchandise and goods imported free of duty declined from \$640,532.65 to \$251,204.29, the decrease being in the main attributable to the falling off in receipts of railway material. Imports of cotton fabrics were valued at \$1,389,576; linen, flax, and jute goods, \$167,879; woolen fabrics, \$178,836; and silk manufactures, \$211,613, all the items mentioned showing decreased valuations as compared with the preceding year.

Increased imports are to be noted of wire, raw cotton, electrical materials and apparatus, barley, iron beams and bars, cotton yarns, printing paper, and hides. Iron, coal, distilled waters, druggists' supplies, wines, starch, rice, beer, lard, salt, and wheat also declined in import ratios. From August 20 the proportion of import duties to be paid in gold on all goods cleared through the customs of the Republic was fixed at 50 per cent, payable in American gold coin or in negotiable bills of like value.

On the export list coffee occupied the first place, being shipped to the amount of 60,722,000 pounds, worth \$5,697,183; hides, valued at \$266,707, coming next, followed by 668,246 bunches of bananas, worth \$200,474; sugar, \$186,788; rubber, \$158,573; woods, \$144,349; chicle, \$59,710; skins, \$24,576; and other vegetable and industrial products, \$15,506, sundries figuring for \$2,274. Sugar, bananas, and hides showed advanced valuations as compared with the preceding year, and of sugar it is reported that the years 1899 and 1900 alone showed greater shipments.

In the distribution of exports Germany took 58.31 per cent, the United States 26.30, England 10.56, and other countries 4.83.

The bulk of the coffee shipments were sent to Germany, that country figuring for 35,725,100 pounds on the export list, followed by the United States, 13,965,900 pounds, and England, 5,903,100. Of the sugar exported, 3,998,100 pounds went to England, 1,917,800 pounds to the United States, and 41,300 pounds to Germany. Rubber ship-

ments were made to Germany of 196,300 pounds, and the United States, 118,000. To the same countries were sent the greater part of the woods, 504,609 feet going to the United States and 283,647 to Germany. All of the bananas were sent to the United States.

PRODUCTION AND INDUSTRIES.

Coffee, which is the leading article of Guatemalan production and export, is produced annually to the amount of about 70,000,000 pounds. For 1908 the total output was smaller than in the three preceding years, the export quantity being over 60,000,000 pounds, as against 68,000,000 and 90,000,000 pounds in 1906 and 1907. The estimate for 1908-9 places the output at about 81,000,000 pounds. The coffee year is reckoned from October 1 to September 30 following.

Sugar and bananas are profitably grown in increasing quantities, and cotton cultivation has been rendered practically compulsory on suitably conditioned lands by a presidential decree of July.

The encouragement of agriculture in all its branches is the subject of governmental aid, it being desired not only to improve the methods of cultivation employed in the growing of such staples as coffee, bananas, cacao, and sugar, but also to introduce new cultures. The establishment of experimental gardens and stations for the cultivation and distribution of native and foreign plants for private enterprises, the opening of agricultural expositions for the display of the various animal and vegetable products of the country, and the protection afforded to coffee growers are all parts of this paternal policy.

The exploitation of the timber reserves of the country is also occupying official attention, valuable concessions having been recently granted covering the cutting and export of cabinet and dyewoods, the extraction of chicle and other gums, and the adequate development of the rubber industry.

With the purpose of developing the well-known mineral resources of the Republic, the President, on June 30, 1908, promulgated a new code of laws regulating the acquisition and exploitation of mines. The law carries with it the creation of a Bureau of Mines, under the Department of Fomento, which is charged with supervisory direction of measures for the acquisition of new properties, the development of old ones, and all transactions tending to promote the mining industry in the Republic.

Mines of gold, silver, copper, iron, lead, zinc, antimony, etc., are known to exist in various sections, but have hitherto been inadequately exploited. The lack of development of this important branch of industry has been hitherto attributable in a great degree to insuffi-

cient transport facilities, which condition is, however, being rapidly overcome.

The manufacturing interests of the country are largely confined to the textile industry, raw cotton and cotton yarns figuring largely on the import list. A large factory near Quezaltenango employs 250 operatives and consumes about 2,500,000 pounds of cotton annually. Breweries, sugar mills, and tanneries also are profitably conducted.

COMMUNICATION FACILITIES.

Railways in the Republic have a total extent of about 480 miles.

Apart from the completion of the Northern Railway between Puerto Barrios and San Jose, 195 miles long, which signalized the opening month of the year, and opened a new interoceanic line in America, communication facilities showed noteworthy progress during the year. Roads and bridges for the accommodation of the traveling public were constructed and extensive surveys made for new rail routes.

Notable among these projected roads are connections between Zacapa and the Salvador frontier and between Quezaltenango and San Felipe, another line being projected to Ayutla, on the Mexican frontier.

The main line will run in an easterly direction from Quezaltenango, in the western part of Guatemala, through the great central region of the country to Zacapa, 55 miles from the boundary line with Salvador, thence to the frontier, where it will connect with the Santa Ana line of the latter country. The road is to be completed within two years at an estimated cost of \$3,000,000.

Connection at the Mexican border would give Guatemala through railroad communication with the United States, and the recently transferred concession for the construction of a railway from Caballo Blanco on the Occidental Railroad to Coatepeque, from which point extension is to be made to Ayutla, completes the 40-mile gap in the Pan-American chain.

The Ocos Railway, though only 24 miles in length, handles over 15,000,000 pounds of coffee annually, connecting the port of Ocos with the rich producing districts of Tumbador and San Marcos. It is proposed to establish connection by rail with the capital over this route, and lines opening up new agricultural and mining regions are under consideration.

All existing Guatemalan railroads are 3-foot gauge.

In 1908 entries at the ports of the Republic totaled 624 vessels, carrying 2,651 passengers and 35,545,360 kilograms of freight, clearances being reported of 601 vessels, with 2,663 passengers and 61,858,530 kilograms of freight.

The Republic of Guatemala is accessible both from the Atlantic and from the Pacific Ocean, its principal ports on the Atlantic seaboard (Gulf of Honduras) being Puerto Barrios and Livingston and on the Pacific San José de Guatemala, Champerico, and Ocos. The Hamburg-American, Harrison Line, and occasionally the Royal Mail steamers stop at Atlantic ports, and from New York the Atlantic ports of Guatemala may be reached with the United Fruit Company's steamers, which leave New York twice a month, occupying about ten days to Puerto Barrios, first-class passage \$70.

The same company also has regular sailings from New Orleans for the Guatemalan ports, making the trip in five days, at a cost of \$30 for first-class passage, and the Orr Laubenheimer Company has a regular weekly service between Mobile and Guatemala, the time and rate being the same as on the New Orleans line.

The Pacific ports may be reached either from New York, with transshipment at Panama, or via San Francisco, the Pacific Mail Steamship Company and the Kosmos Line having regular sailings from San Francisco every ten days, calling at Ocos, Champerico, and San José, making the run in from fourteen to seventeen days; first-class passage \$75 and \$100.

The interior waterways of Guatemala are very extensive, embracing a considerable number of rivers and lakes, some of which are navigable and form important means of communication and transportation. Among the rivers the Usumacinta River is the most important; the greatest length of this river, however, flows through Mexican territory and, owing to the numerous bars, is only navigable for small craft. The Motagua is navigable for over 100 miles for small vessels, and the Polichic is navigable as far as the inland port of Panzos. This river empties into the Izabal Lake, the largest lake in Guatemala, which in turn communicates with the River Dulce, emptying into the Gulf of Honduras, near the port of Livingston, and thus the three combined form an important waterway. Lake Izabal is 58 miles long by 12 miles wide, with a depth of nearly 40 feet throughout. Other lakes are the beautiful Atitlan, situated at an altitude of 5,245 feet, and completely surrounded by mountains; the Amatitlan, the Peten or Itzal, and numerous others. The inland ports are Izabal, on Lake Izabal; Panzos, on the River Polochic; and Gualan, on the Motagua River, none of which, however, can be reached by ocean-going vessels, owing to the bars at the mouths of the rivers, and they are therefore accessible only for vessels of light draft.

Guatemala City is connected by rail with the ports of San Jose on the Pacific side and with Puerto Barrios on the Atlantic side, being 75 miles distant from the former and 189 miles from the latter point.

POSTS AND TELEGRAPHS.

The receipts from posts in 1908 were \$165,745, an increase of \$33,000 over 1907. In 1908, postage stamps of the denominations of 1, 2, and 6 cents were issued to the number of 1,200,000, and to the value of \$15,375, and surcharged stamps were placed on sale to the value of \$79,875.

The telegraph and telephone lines were kept in good repair, and new lines are being constructed between Zacapa, Puerto Barrios, and Guatemala City, in accordance with the recommendations of an executive order of March 31, 1908. The receipts of the telegraph and telephone service in 1908 were \$395,978. The number of telegraph messages sent in was 1,205,261. The total length of the telegraph system of the Republic on December 31, 1908, was 3,697 miles, and the aggregate length of the telephone lines on the same date was 384 miles.

IMMIGRATION AND PUBLIC INSTRUCTION.

Immigration and colonization are being encouraged, and with the object of attracting new currents of immigrants a committee has been appointed under the direction of the Department of Fomento to take active measures in regard to acquainting the world with the opportunities offered in the Republic for industrial enterprises.

A new law promulgated April 30, 1909, makes ample provisions for the care of colonists.

The value of higher education is thoroughly appreciated by the present executive, and it is to his initiative that the festivals of Minerva, which mark the close of the scholastic year throughout the country, are due.

In 1908 there were 1,330 schools in the country, attended by 51,280 pupils, showing an increase of 68 schools and 780 scholars as compared with 1907.

The higher educational institutions established at Guatemala City and Quezaltenango include schools of law, medicine, surgery, dentistry, pharmacy, and commerce. These schools, especially that of medicine, under whose auspices the Pan-American Medical Congress met during the year, enjoy a high reputation throughout Latin America, and attract many students from the neighboring Republics. There are also night schools for artisans, the pupils of which are exempt from military service.

The Minister of Instruction has a special portfolio in the President's cabinet and many Guatemalan youths are educated abroad at government expense. The country maintains a national conservatory of music and a school of fine arts, in both of which the instructors



TEMPLE OF MINERVA, AMATITLAN, GUATEMALA.

On October 28, 1899, President Manuel Estrada published a decree setting apart, the last Sunday in October of each year as a national holiday to celebrate the anniversary of the public resolution of the Yucatán. The exercises and festivities are participated in by teachers, pupils, and the general public, and are held in temples erected and dedicated to this purpose.

are largely European and American artists. Especial encouragement is given in the schools to manual and mechanical training.

Among the various municipal improvements undertaken during the course of the year were the erection of markets, educational buildings of various kinds, notably the Temples of Minerva; a handsome new post-office in the capital; numerous hospitals and asylums; in addition to which public gardens and parks were opened, improvements made to public edifices, and monuments of artistic merit placed in position.

Other public measures include the drafting of a law for the regulation of labor, exemption from military service granted to certain towns, and the organization in the capital of a mineralogical museum for the display of specimens of the mineral wealth of the Republic.





HAITI

The Republic of Haiti, which occupies the western half of the island of the same name, has an area of 10,200 square miles, equal to the States of New Hampshire and Rhode Island, and a population of 2,000,000. Haiti is one of the most populous of the American republics, taking into account its area, with 236 inhabitants to the square mile.

Haiti is a land of mountains and valleys, shaped like an immense U with the arms pointing westward and inclosing the Gulf of Gonaives. In the center of the gulf is the island of Gonaives and around its margin are dozens of fine natural harbors where the largest ocean-going ships may find shelter.

The principal products of Haiti are coffee, cacao, cotton, tobacco, and sugar. In the dense forests which cover the mountains, and the deep valleys intervening, there is a wealth of flora unsurpassed in the western world. The cabinet woods are well known, and there is an abundance of timber for structural purposes.

HISTORICAL SKETCH.

The island was discovered by COLUMBUS on his first voyage, and remained as a whole under Spanish dominion for two hundred years. But this dominion, as regards the western end, was not uncontested. The buccaneers, English, Dutch, and French, but chiefly French, after the destruction of their first rendezvous on St. Christopher's seized, in 1530, the small island of Tortuga, a few miles off the north-west coast of Haiti, and from this stronghold the Spaniards were unable to dislodge them. On the contrary, the buccaneers made constant incursions to the mainland and even attempted settlements thereon. These settlements became permanent about 1630, and from then to the date of the treaty of Ryswick, in 1697, the hold of the French adventurers on the western half of Haiti became stronger and stronger. By the treaty of Ryswick, Spain ceded the country held by the adventurers to France, but the line of demarcation between the French and Spanish parts of the island was not accurately laid out until 1770.

Within a little more than fifty years following the first Spanish settlement of the island the native inhabitants were practically exterminated. This led to the introduction of negro slaves from Africa, who were needed to take the place of the Indians in the mines and particularly in the fields, for during the seventeenth and

eighteenth centuries Haiti had become a country of large plantations owned by rich French landholders. At the beginning of the French revolution the population of Haiti was overwhelmingly black, but slave, and controlled by a handful of white French soldiers, land-owners, and overseers.

In 1793, France being then at war with England, the English General WHITELOCKE invaded the country. Freedom was offered by the French authorities to all slaves who would enroll themselves in the army against the enemy. This was followed soon afterwards, in August of the same year, by a decree abolishing slavery. As a result of the military assistance rendered by the blacks the English were forced to evacuate the island.

The principal credit for successful resistance to the English was due to TOUSSAINT L'OUVERTURE, a former runaway slave, who upon the publication of the emancipation proclamation returned from the Spanish part of the island to assist and finally to lead his fellow freedmen against the invaders. TOUSSAINT was at first honored by the French and even made military governor, but afterwards fell under suspicion. In May, 1801, a constitution was promulgated by TOUSSAINT, which act was treated by Napoleon as rebellion. From this date began the struggle for independence which lasted nearly three years. In 1802, TOUSSAINT, RIGAUD, and other leaders were induced by LECLERC, the French commander, to surrender under guarantees. Faith was not kept by the French, and TOUSSAINT was sent as a prisoner to France, where he died. The blacks again arose under DESSALINES and CHRISTOPHE, and in December, 1803, the French abandoned the contest.

DESSALINES, on January 1, 1804, promulgated the declaration of Haitian independence and was himself proclaimed Emperor. He ruled until November, 1806, when he was assassinated. HENRI CHRISTOPHE was in the following month elected President under a new constitution establishing the Republic. He refused the presidency and proclaimed himself king with the title of Henri I. This led to civil war and a division of the country, Henri I ruling as king in the north and ALEXANDRE PÉTION as president in the south. PÉTION died in 1818 and was succeeded by JEAN PIERRE BOYER. Henri I committed suicide in 1820, and BOYER became President of the whole country. He extended his authority also over the Spanish end of the island, now the Dominican Republic. In 1844 the Dominicans threw off the yoke of Haiti and became independent. In 1853 FAUSTIN SOULOQUE reestablished the Empire with himself as Emperor Faustin I, but six years later, on January 15, 1859, FAUSTIN fled, and the Republic was once more established.

The present incumbent of the presidency is Gen. ANTOINE F. C. SIMON, inaugurated December 17, 1908.



BUILDING AND GROUNDS OF THE "UNION CLUB" IN CAPE-HAITIEN, HAITI.

CONSTITUTION AND GOVERNMENT.

The constitution of the Republic of Haiti was proclaimed on the 9th day of October, 1889, and by its provisions the unitary, republican form of government was adopted, the administration of which is vested in the legislative, executive, and judicial branches.

The Legislature is composed of two chambers, a Chamber of Representatives and a Senate, the two together composing a National Assembly. The Chamber of Representatives consists of 96 members,



GENERAL ANTOINE F. C. SIMON,
PRESIDENT OF HAITI.

elects by the people for a term of three years, and the Senate of 39 members, chosen by the Representatives from lists furnished by a board of electors and by the President of the Republic, for a term of six years. The Senate is renewed by thirds every two years.

A permanent committee of seven Senators is elected annually by the Senate to represent the National Assembly during recess and to prepare all unfinished business.

The President of the Republic is elected by the National Assembly for a term of seven years and can not be reelected except after an interval of at least one term. In case of death,

resignation, or disability, the executive power rests in the Secretaries of State, acting as a body, who exercise authority until new elections can be held.

The cabinet consists of six Ministers or Secretaries of State.

The Supreme Court is the highest tribunal of justice. There are also five Courts of Appeals, one for each Department, a number of district and municipal courts and other tribunals of special jurisdiction.

INTERIOR GOVERNMENT.

The country is divided into five Departments, which are again divided into "*arrondissements*," these into "*communes*," and the latter into sections or districts. The Governor and other executive officers of the Department are appointed by the President of the Republic. The district and communal councils are elected by direct vote, the councils having charge of the financial administration of the commune or district and being consulted by the executive officer on all matters of importance.

The Departments of Haiti and their respective capitals are:

Department of the—	Capital.
North.....	Cape Haitien.
Northwest.....	Port de Paix.
Arbonite.....	Gonaives.
West.....	Port au Prince.
South.....	Les Cayes.

Port au Prince is the capital of the Republic.

President.....	Gen. ANTOINE SIMON.
Minister of Foreign Relations and Public In- struction.....	M. MURAT CLAUDE.
Minister of War and Marine.....	Gen. SEPTIMUS MARIUS.
Minister of Interior and Police.....	M. JEREMIE.
Minister of Finance and Commerce.....	M. CANDELON RIGAUD.
Minister of Justice and Religion.....	M. J. B. ARTAUD.
Minister of Public Works and Agriculture.....	PIERRE ANDRE.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The President receives a salary of \$24,000 per annum and the secretaries \$6,000 each.

HAITI IN 1908.

The year 1908 was one of political unrest in the Republic. With the formal entry of Gen. ANTOINE F. C. SIMON into the executive office, by legislative action, in December, 1908, the country entered upon a new historical epoch. High tribute was paid the new President by the National Assembly in communicating the result of their electoral vote, and stress was laid upon the opportunities for patriotic service in the Republic.

The numerous concessions granted by the Government for the exploitation of railways and industries within the Republic indicate the efforts being made to develop the resources of the country. Many of the concessions are held by companies in the United States and much of the equipment and machinery furnished by American concerns.

FINANCE.

In the budget law of the Haitian Government for the year 1908-9, approved May 11, 1908, by the Haitian National Assembly, the estimated receipts for the year were given as \$4,242,596.35 and estimated expenditures at \$4,234,478.59. Among the latter the public debt figures for \$1,906,714.84; foreign affairs, \$105,956.02; finance and commerce, \$199,581.68; public instruction, \$243,497.60; public works, \$156,148, and agriculture, \$56,372.

COMMERCE.

The country's commerce for the Haitian fiscal year ending September 30, 1908, shows a total of \$8,180,008, composed of imports, \$4,701,160, and exports, \$3,478,848.

The commerce of the Republic with the United States, the principal country of origin for Haitian imports, for the year 1908 is marked by a substantial gain in imports, figuring for \$3,500,775 in

1908 as compared with \$3,145,853 in 1907, but exports to that country declined from \$1,220,420 to \$447,186.

Imports into the Republic in the first quarter of 1908-9 were valued at \$1,177,508 and exports at \$960,000.

The import commerce of the Republic for the first three months of the year 1907-8 amounted to \$1,577,317.17, distributed among the countries of origin as follows: United States, \$1,061,426.60; France, \$202,899.32; England, \$184,930.38; Germany, \$55,002.88; other countries, \$72,957.99. The imports of specie from the United States during the period amounted to \$281,000, as compared with \$227,550 in the same period of the preceding year, an increase of \$53,450.

The exports amounted to \$896,683.13, as compared with \$835,240.31 in the first quarter of the preceding year, or an increase of \$61,442.81.

France is the greatest market for Haitian products, receiving two-thirds of the total exports. Germany takes second place.

According to statistics recently published by the Chamber of Commerce at Port au Prince on the commerce of the Republic during the year 1906-7, the total amount of coffee exported amounted to 59,824,869 pounds, showing an increase of 2,155,832 pounds over the year 1905-6; of cacao to 4,829,737 pounds, an increase of 1,233,533 pounds over the preceding year; and cotton seed, a product in great demand, amounted to 7,909,960 pounds. In the export of wood, logwood figured for 114,458,880 pounds, an increase of 28,420,374 pounds. The exports of logwood roots decreased 4,702,956 pounds, the total exports amounting to 44,076,320 pounds, while exports of gaidac and yellow wood amounted to 9,393,369 and 44,000 feet, respectively, and the exports of mahogany to 30,195 feet. Exports of ox and cow hides amounted to 283,328 and goatskins to 289,370. Wax and honey figured in the exports for 182,998 pounds and 451,428 gallons, respectively, and gaidac gum and orange peel for 11,193 and 408,802 pounds, respectively.

Almost the entire coffee crop is shipped to Europe, although American consumption of the article is increasing, the same being true of Haitian cotton and cacao, the latter article showing a slight increase in production. Some attention has also been given to rubber planting. The production of sugar is increasing steadily, the home market being well supplied by native growers, although none of the manufactured product is exported. All machinery for the mills is bought in the United States, and, owing to the increasing production, importation of the refined article has fallen off.

Importations of dry goods from the United States continue to occupy first place, provisions and household articles coming principally from that country also. The financial depression of the past year was reflected in diminished purchases in foreign markets.

A commercial convention between the Republic and the German Government was promulgated August 25, 1908, under which reciprocal advantages are guaranteed upon certain specified products of both countries. Customs concessions were also granted upon certain items of import from the United States.

PRODUCTION AND INDUSTRIES.

The industries of the country are mainly agricultural, the most important product being coffee of excellent quality, but the export duty levied upon this article greatly hinders the development of this branch of industry. The estimated area in the Republic devoted to coffee is placed at 125,000 acres, the plant having been introduced into the country some two hundred years ago. The period of production of each plantation is estimated to be about twelve years. Climatic and soil conditions are wonderfully favorable to the exploitation of the industry, and exports to the amount of 100,000,000 pounds annually were formerly made by Haitian growers. At present shipments do not total more than half of that amount.

Cacao is also grown extensively, the output for 1908 figuring for 6,000,000 pounds, and cotton is exported in increasing quantities. Of the cotton grown in Haiti the fiber is not so long as that of the United States, although this is a condition that could be improved by proper seed selection and cultivation. Cheap lands and cheap labor make this branch of industry an attractive and remunerative one if undertaken on a large scale.

The culture of pite (American agave) has been taken up. The cultivation of tobacco is extending and the manufacture of cigars and cigarettes has been successfully engaged in.

The soil of the country is well suited for tobacco growing. Only a small quantity of this article is raised, however. One plantation, conducted on scientific principles, is producing tobacco of a fine grade.

There are numerous sugar plantations in the country but no refineries. Rum and other spirits are distilled but not imported. Logwood is the most important of the many valuable woods shipped from the Republic. Soap, candles, and matches are manufactured in the country, while three-fourths of the meat consumed comes from the Dominican Republic. The production of sisal hemp, the bulk of which goes to the United States, has declined recently.

The building of the proposed railroads will open to commercial, agricultural, and industrial activity the richest part of the country, which hitherto has been of no benefit to the Republic, because it was inaccessible except by pack animals. Part of the territory which will be opened by these railroads is covered by forests of the best cabinet and dye woods. Good pasturage abounds on the plateaus of

the interior, and on the plains are rich agricultural soils with healthful climate suitable for the growing of cereals and cotton, while in the vicinity of Cape Haiti, Ouanaminthe, and Port au Prince are rich banana and sugar soils. The new land thus brought within the practical range of the markets is plentiful and cheap, and labor at moderate wages may be secured without difficulty, offering an inviting field for capital.

The mineral resources of the Republic, consisting of gold, silver, copper, iron, antimony, tin, sulphur, coal, kaolin, nickel, gypsum, and limestone, are as yet undeveloped. Remains of an ancient gold mine have recently been discovered near Ouanaminthe on the Dominican frontier and iron deposits are known to exist in the same locality, while at Fort Dauphin and in the Limonade district, respectively, deposits of copper and iron oxide have been discovered. Near Lescahobes considerable outcroppings of soft coal are reported and at Camp Perrin, some 7 leagues inland, there is a coal mine showing numerous rich veins. In the vicinity of Jacmel there are copper and silver deposits which have never been worked, and at Terreneuve, distant about four hours' travel from Gonaives, a copper mine is in exploitation by a syndicate of Haitians of German descent.

It is the policy of the Government to aid so far as possible enterprises having for their object the development of the agricultural and industrial resources of the nation, and with this purpose in view a concession was recently granted to encourage the development of the textile industry in the Republic. The grantee secures for a term of forty years the right to gather textile plants growing on public lands, leased to him at a low rental. The raw material indispensable in running the machinery of the factory, such as coal, kerosene, and lubricating oil, will be admitted free of duty. The grantee agrees to pay into the National Treasury \$2 gold on each ton of product exported.

The manufacture of shoes within the Republic has reached a point where the output is nearly sufficient to meet the needs of the home market, with the result that importations of foreign shoes have almost entirely ceased within the past eight years. Previous to that period nearly all of the finer grades of shoes for men, women, and children were imported from France, the United States furnishing some of the cheaper grades for women. One of the largest establishments of this kind in the Republic employs all Haitian workmen, the proprietor superintending the cutting and fitting. The tannery in connection with this plant furnishes employment to some 200 hands, all of whom are Haitians with the exception of the proprietor.

The chrome and combined dyes are all imported from the United States, although the bark used by the smaller tanneries, of which

there are many, is the mangrove, native of the country, and which is considered to possess fine tanning qualities. Difficulty is found in obtaining the native bark in sufficient quantity, which necessitates the importation of oak bark from the United States. Due to the fact that the supply is limited, the price for raw hides is nearly on a par with that in the United States. Goat, calf, and sheep skins are plentiful at low prices.

The Government has recently revised the law relating to taxes imposed upon those exercising professions or engaged in commerce in the Republic.

COMMUNICATION.

Among the more important Government measures, and which bear directly upon the development of the country, are to be mentioned the numerous railroad concessions which have been granted to connect Gonaives with Hinche (open as far as Passarelle), Cape Haitien with Port au Prince, Ganthier with Fonds Parisien, Port au Prince with Leogane, Leogane with Aux Cayes, Cape Haitien with Ouane-minthe, and Aux Cayes with Perrin. The line from Aux Cayes to Perrin, 17½ miles in extent, has been contracted for. There is at present a line of railway from Cape Haitien to Grand Riviere, a distance of 15 miles, from which point a line will be constructed to Port au Prince. A light railway has been constructed from Port au Prince to Lake Assuel, a distance of 28 miles, this railway being intended ultimately to connect the capitals of Haiti and the Dominican Republic. Port au Prince has 5 miles of tramway.

STEAMSHIPS AND WATERWAYS.

The Republic of Haiti has eleven ports, viz, Port au Prince, the capital of the Republic and the trade center, Cape Haitien, Port de Paix, Gonaives, situated on the great bay of the same name, St. Marc, Petit Goave, Miragoane, Jeremie, Aux Cayes, Aquin, and Jacmel.

Haiti can be reached from New York by the Atlas Line steamers, which sail every two weeks and call at most of the ports of Haiti, or by the Royal Dutch West India Mail, sailing every two weeks and calling at the Haitian ports of Port au Prince, St. Marc, Petit Goave, Aux Cayes, and Jacmel. The time employed between New York and Port au Prince is six days, first-class passage being \$60, while the fare to the other ports is either higher or lower according to the distance, ranging between \$50 and \$70.

Among the numerous rivers of Haiti the Artibonite, the Trois-Rivieres, and the Grande Anse are the most important. The Artibonite, the largest stream on the island, is navigable for some 100 miles and forms an important waterway, a regular line of steamers

(*Compagnie fluvial de l'Arbonite*) plying between Grande Saline, at its mouth, and the interior. The other rivers, owing to their swift currents, are not navigable. Lake Etangsale, 22 miles long and 60 miles wide, is the largest of the lakes and is navigable.

A number of small islands belong to the territory of the Republic of Haiti, La Gonaives, in the bay of the same name, about 40 miles long, La Tortue, near Port de Paix, 22 miles long, La Saona, about the same size as La Tortue, Alta Vela, Les Caimites, and a number of smaller islands.

POSTS AND TELEGRAPHS.

The Republic became an adherent of the Postal Union in 1880. There are in operation 31 post-offices, and the principal towns are connected by a system of telegraphs. A cable connects with Cuba, the Dominican Republic, and South America.

A concession conveying the exclusive right for the operation of wireless telegraphy in the Republic was granted July 15, 1908, to run for fifty years from October 1 of that year and subject to renewal at the option of the contracting parties. The grantees were allowed a further interval until April 1, 1909, for beginning the work of installation under the franchise.



HONDURAS

Honduras, the third largest of the Central American Republics, lies between the Caribbean Sea and the Gulf of Honduras, the Republic of Nicaragua, the Pacific Ocean (Gulf of Fonseca), and the Republics of Salvador and Guatemala, extending from longitude $83^{\circ} 20'$ to $89^{\circ} 30'$ west, and from latitude $13^{\circ} 10'$ north to 16° north, with a seacoast of more than 400 miles. It has an area of 46,250 square miles, equal to that of Pennsylvania and Rhode Island, with a population estimated at 745,000, or 16.1 per square mile.

The territory of Honduras is mountainous throughout and resembles that of Costa Rica, with a similar diversity of climate, soil, and products. Its large and fertile plateaux and valleys, among them the plain of Comayagua, 40 miles in length, produce nearly all the tropical fruits and offer excellent pasturage for numerous herds of cattle. The forests contain several varieties of cabinet and other woods, of which mahogany is the most important. Bananas are an important article of export, coffee, cacao, coconuts, india rubber, indigo, precious metals, and other mineral products being also shipped. Honduras is the country of the sarsaparilla, the product of the *smilax medica*, of which considerable quantities are annually exported to the United States.

HISTORICAL SKETCH.

When COLUMBUS, on his fourth and last voyage, discovered on August 14, 1502, what is now known as "Cape Honduras," he founded the town of Trujillo, on the bay of the same name. Several years later the country was explored by PEDRO DE ALVARADO and CRISTOBAL DE OLID, two of CORTEZ's lieutenants, who were successful in subduing the native Indians, the warlike Caribs and Sambos, but it was not until CORTEZ himself, in the year 1524, after having conquered Mexico, came to Honduras, that the country was finally brought under Spanish rule. It was subsequently made a part of the captain-generalcy of Guatemala, comprising all of the territory formerly under the control of the Quiché Kingdom of Guatemala.

Honduras, together with the other Spanish countries of South and Central America and the West Indies, suffered numerous attacks from the French, British, and Dutch buccaneers during the sixteenth and seventeenth centuries. The famous pirate, FRANÇOIS L'OLONNOIS, for a time in the year 1660 held possession of the country.

In the eighteenth century the Sambos, or Misskiti, Indians retired to what is now known as the "Mosquito Coast," and having, with

the aid of British settlers, defeated the Spanish forces, they applied to Great Britain for protection. This was granted, and in the year 1740 British forces occupied the Mosquito Coast. By agreement with Spain in 1786 there was a readjustment of British territory to include parts of Yucatan and Honduras, now known as "British Honduras," or Belize.

The great wave of emancipation which swept over the American continent early in the nineteenth century found its echo in Central America. On September 15, 1821, the independence of the States comprising the Kingdom of Guatemala was declared in Guatemala City. This revolution was accomplished without bloodshed, owing to the fact that the Governor-General, GABINO GAINZA, supported the movement.

The history of Honduras is closely interwoven with that of the other Central American States from this date on, it being part of the Mexican Empire with them during the year 1822 and subsequently, upon the downfall of the Empire of Iturbide, one of the States of the Central American Federation.



GENERAL MIGUEL R. DÁVILA,
PRESIDENT OF HONDURAS.

Honduras, as early as July 1, 1824, adopted an independent constitution, which, however, recognized the federation.

On October 28, 1838, Honduras finally declared its secession and absolute independence from the other States. Three *consejeros*, FELIPE MEDINA, JOSÉ ALVARADO, and LINO MATUTE, exercised the executive authority for a time, until in the year 1839 JOSÉ M. BUSTILLO was appointed President *ad interim* and FRANCISCO FERRARA elected President. On January 1, 1841, he was inaugurated as the first constitutional President of Honduras.

The present Executive, Gen. MIGUEL R. DÁVILA, assumed provisional charge of the presidency April 18, 1907, and became President early in the following year.

CONSTITUTION AND GOVERNMENT.

When Honduras seceded from the Central American Federation, it adopted the unitary, republican form of government; the Constitution expressly providing, however, that the said instrument shall by no means bar the Republic from again becoming a State of the Federation and that the Constitution may at any time, for that purpose, be abolished or amended by Congress.

The usual division of the Government into legislative, executive, and judicial branches is retained; the first named being composed of a single chamber of 42 members, elected by direct vote for a term of four years.

The President and Vice-President are also elected by direct vote for a term of four years and may not be reelected for the next consecutive term. All citizens over 21 years of age, or over 18 years of age if married, and who can read and write are entitled to vote, suffrage being not only universal but compulsory.

A cabinet of six Ministers, or Secretaries of State, appointed by the President, but responsible to both the President and Congress, assists in the administration of the Government.

The Supreme Court is the highest tribunal of justice in the country. It is composed of five justices, who meet in the capital, Tegucigalpa, and are elected by popular vote for a period of four years. A number of minor justices are appointed by the Supreme Court. Justices of the peace are elected by popular vote.

INTERIOR GOVERNMENT.

The Republic of Honduras is politically divided into sixteen Departments and one Territory, which are again divided into districts. The administration of the Department is in the hands of a Governor appointed by the President. Municipal councils are elected by direct vote of the people.

The Departments and their respective capitals are:

Department of—	Capital.
Tegucigalpa.....	Tegucigalpa. ^a
Comayagua.....	Comayagua.
Cortes.....	San Pedro Sula.
Santa Barbara.....	Santa Barbara.
Copan.....	Santa Rosa.
Gracias.....	Gracias.
Intibuca.....	La Esperanza.
La Paz.....	La Paz.
Valle.....	Nacaome.
Choluteca.....	Choluteca.
El Paraiso.....	Yuscaran.
Olancho.....	Juticalpa.
Colon.....	Trujillo.
Yoro.....	Yoro.
Atlantida.....	La Celba.
Islas de la Bahia.....	Roatan.

The Territory of Mosquitia, although the second largest territorial division, is but sparsely inhabited and but little explored, being

^a Also capital of the Republic.

covered with dense, impenetrable forests. The largest Department is that of Olancho, with about 12,000 square miles.

President.....	Gen. MIGUEL R. DÁVILA.
Minister of Foreign Affairs.....	Dr. JOSÉ MARÍA OCHOA VELASQUEZ.
Minister of Government, Justice and Fomento.....	Dr. MARCOS CARIAS.
Minister of Public Instruction and Agriculture.....	Dr. VICENTE MEJÍA COLINDRES.
Minister of War.....	Gen. RAFAEL LOPEZ G.
Minister of the Treasury and Public Credit...	Dr. ROSENDO CONTRERAS.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The President is allowed a salary of 24,000 *pesos* per annum, equivalent to \$9,600 gold.

HONDURAS IN 1908.

Upon the accession, early in 1908, of President DÁVILA to the office of Chief Executive of the Republic, the policy of the administration manifested itself in the appointment of officials of high personal attainments and a cordial invitation to capital and immigration of the better class to enter the country, with the assurance that every economic opportunity compatible with the welfare of the country would be afforded.

General conditions for the year showed a progressive movement, imports for the fiscal year 1907-8 being \$500,000 in excess of the preceding twelve months, and although government statistics indicated a slight decline in export valuations, shipments to the United States alone figured for nearly \$3,000,000 in the calendar year 1908. Works of public improvement were undertaken and commercial treaties entered into in furtherance of trade development.

Tariff rates remained the same, but from August 1, 1909, modifications of certain duties were decreed. Exchange for the year averaged for the United States, 155 per cent; London, 153; Paris, 151; and Hamburg, 149.

Various concessions were granted for railroad construction and the exploitation of the natural resources of the country, so that while on the whole the year showed no remarkable economic gains the outlook for the future is promising.

In accordance with the convention of Washington, signed December 20, 1907, the First Central American Congress met in Tegucigalpa on January 1, 1909, and closed its sessions on the 21st of the same month.

The Pan-American Committee to prepare for the participation of the Republic in the Fourth Conference, to be held in Buenos Aires in 1910, was appointed in conformity with the resolution adopted August 13, 1906, at the Third Conference, held in Rio de Janeiro.

FOREIGN AFFAIRS.

On March 24, 1908, a postal convention was celebrated in the City of Mexico between Mexico and Honduras, which was ratified by the Congress of the Republic on May 27, 1908, and promulgated by the President on May 29 of the same year. Other conventions and treaties acted upon during the year included a treaty of friendship, commerce, and navigation with Mexico, and a convention on naturalization with the United States. A treaty of commerce, subject to



BALL ROOM, GOVERNMENT PALACE, TEGUCIGALPA, HONDURAS.

State balls are held in this apartment. Tegucigalpa, founded in 1579, was made the capital of the Republic in 1880.

the ratification of the Congresses of the respective nations, was, on November 4, 1908, entered into with the Government of Nicaragua, by the terms of which the national and agricultural products and domestic manufactures of the two countries, with the exception of those subject to government monopoly, enjoy reciprocal free entry, special provisions being made for the free exchange of live stock between the two countries. The treaty will remain in force for ten years from the date of the exchange of ratifications.

FINANCE.

The revenues of the Government from all sources for the fiscal year 1907-8 amounted to \$3,442,476 and disbursements to \$3,391,965. The total debt of the country on July 31, 1908, was placed at \$1,500,000.

During the year 1908 the Government granted a concession to an American syndicate for the establishment of a bank with branches throughout the Republic. This proposition was satisfactorily financed and branches opened at various points.

The Government, with a view to initiating certain economic reforms, has appointed a commission to make a careful study of the system of weights and measures, custom-houses, currency, and other fiscal matters as compared with those of other countries. On January 20, 1909, the delegates of the Governments of the Central American Republics entered into a convention to unify their monetary system, customs duties, weights and measures, fiscal laws, and consular service.

COMMERCE.

Import values for the fiscal period ending July 31, 1908, amounted to \$2,829,979, as compared with \$2,331,398 for 1907; while exports for the two years amounted to \$1,834,060 and \$2,012,407, respectively. On the trade lists of the Republic the following countries figured in the allotment of export values in the order of their importance: United States, \$1,591,351; Germany, \$90,160; Salvador, \$54,399; British Honduras, \$33,040; Great Britain, \$32,131; Guatemala, \$12,320, and Cuba, \$12,096; and of imports as follows: United States, \$1,878,942; Great Britain, \$339,746; Germany, \$248,650; British Honduras, \$108,735; France, \$97,540, and Italy, \$15,038.

The classification of exports includes vegetable products valued at \$1,050,420; minerals, \$578,939; animal products, \$197,135, and manufactures, \$7,516. In the third class, hides, cattle, cheese, deerskins, and mules were the leading articles, while under the classification of vegetable exports, bananas to the value of \$768,508 took first rank with coffee, cocoanuts, mahogany, rubber, sarsaparilla, and woods following in the order named. From May 1, 1908, the exportation of coffee from the country was declared free of fiscal and municipal taxation.

Under the head of minerals, cyanide products figured for \$204,862; ore, for \$167,360; coined silver, \$98,280; silver in bars, \$85,912, and gold, \$18,360. Straw hats were the leading item under manufactured exports to the value of \$3,949, other articles figuring to a lesser amount.

PRODUCTION AND INDUSTRIES.

The agricultural possibilities of the country are extensive. Cacao, cotton, sugar cane, coffee, tobacco, and other tropical and subtropical products can be grown in immense quantities and of the finest quality, while the forests supply abundant timber, pitch pine, and dyewoods and the uplands furnish excellent pasture. On the lowlands on the Atlantic side banana culture is increasing, and in the more temperate climate offered by the table-lands in the interior cereals, fruits, and vegetables of the more northern latitudes can be grown readily. Due to unfavorable climatic conditions in 1908, the output of bananas dropped to 4,310,538 bunches, as compared with over 5,000,000 in the years 1906 and 1907. Concessions covering nearly 30,000 acres of the public domain to be given over to the further exploitation of the banana industry were granted during the year, and enterprises looking to the commercial utilization of balsam and chicle were undertaken with grants from the Government. The interest of the Government in the tobacco industry was also evidenced by the establishing of a practical school for its cultivation in the District of Danli. The output of this province is noted for its delicate flavor and, when properly cured, the rich coloring of the leaf.

The opening of the Uluá was followed by renewed activity in that district, seven large American companies and innumerable planters being at work, while some large transactions, including operations in timber, pine, and turpentine by capitalists from the United States, were reported.

During 1908 an arrangement was effected with interests in New Orleans to supply that market with Honduras cattle, but the same has not become effective pending an adjustment of the sanitary regulations prohibiting the importation of cattle from Central America.

Mining operations for the year 1908 were signalized by the location of valuable deposits at Minas de Oro, Macuelizo, and within 12 miles of San Pedro de Sula.

The Rosario property, which is said to be the best in the country, has yielded over \$12,000,000 worth of ore, and with the application of modern methods it is confidently predicted that the output of this and other properties can be largely increased. The plant was first constructed to treat ores by pan-amalgamation; later the treatment was changed to concentration and amalgamation, and now the cyanide process is used, the company claiming a 96 per cent extraction.

It is a well-known fact that gold, platinum, silver, copper, iron, lead, zinc, tin, quicksilver, and more or less coal of varying quality occur in Honduras and that they have never been adequately exploited. Gold is found in either quartz veins or alluvial deposits.

The most important gold mines are on the south coast of the country, several good prospects being only a few miles from the sea.

Silver ores are found in all the Departments, occurring in quartz veins carrying sulphides, galena, and zinc-blende, with some gold values; in blanket veins carrying free silver with small quantities of sulphides, but with no gold values; and in lead-zinc veins, mostly blanket with some sulphides and no gold values. There are also deposits of antimony and lead carbonates carrying silver in the ratio of 20 to 40 ounces to the ton, with no gold values. Despite the fact that copper lode formations are not currently supposed to exist in



SORTING GOLD ORE IN HONDURAS.

Gold-bearing ore is found in many parts of the country, and placer mining along the rivers of the Atlantic Coast has been carried on for many years.

Honduras, outcrops and old works have been found in several of the Departments.

Deposits of iron ore have been worked to a very limited extent, although the existence is reported of an extensive area of magnetite of fine quality. All of the lead ores are worked for their silver content, and though platinum finds have been reported the pure metal has not been discovered. Antimony and lead carbonates are found in some of the Departments, but owing to the difficulty in extracting the silver values little attention has been paid to them. Record of

a rich cinnabar vein in the Department of Comayagua was made during the Spanish occupation, but no further exploitation has been carried out. A large vein of bisunth has been exposed in the Department of Tegucigalpa. No coal mining has been done, and the application of modern methods to the mining industry of the country is as yet very limited.

The denouncement of a mining claim may be made by any individual to a zone to the extent of 1,000 hectares, which, six months afterwards, is measured and taxes paid upon it for the first year amounting to 50 cents silver per hectare. Free entry through the customs is granted for all needful equipment, freight destined for the mines being introduced by way of Amapala.

As yet the mineral and agricultural resources of the Republic have not been adequately developed, due to lack of proper means of communication.

COMMUNICATION.

During the first year of the administration of President DAVILA the Government devoted much attention to the transportation question, which involved the settlement of the foreign debt, the extension of the transcontinental railroad to the Pacific side, and the building of some 71 miles of new road across the Republic to constitute the Honduras link in Pan-American road.

Various concessions were granted for the navigation of rivers and contracts let for the construction of railway lines on the Atlantic coast, the most important of which was the contract for the building of a railway from Trujillo Bay to Juticalpa, with a branch line to Tegucigalpa. The enterprise has been incorporated into a stock company with a capital of \$10,000,000. The road when completed will be about 350 miles in length, of standard gauge, modern equipment, and rolling stock of United States manufacture. It will include, in addition to the main route, branches to many interior cities, thus giving communication and transportation facilities to a practically virgin territory. The section to be penetrated is reported rich in gold, silver, and other minerals, and hard woods. The harbor facilities at Trujillo, the terminal of the line, provide ample facilities for the increased traffic to result from the line.

The railway from Puerto Cortez to La Pimienta, 57 miles in length, has been leased, subject to the approval of Congress, and the lease of the wharf at Puerto Cortez has been extended.

Among the railway contracts recently approved by the Government are the following: A standard-gauge line, 80 kilometers in length, in the Department of Atlantida, from Puerto Sal or Tela to the shores of the Camayagua River, the sum of \$7,000 gold to be deposited as a guaranty for the fulfillment of the contract; a line

in the Department of Cortes from the Bay of Omoa for a distance of about 70 kilometers to a point on the River Cnyamel and along the Chamelecon Valley; a contract with the Squire Syndicate and Corporation of Foreign Bondholders for the repair and conclusion of the Interoceanic Railway and amortization of the foreign debt of the country; and a line of railroad from Cola on Lake Quemada to Puerto Sal, on the Atlantic coast of Honduras. Early in 1908 the Vaccaro Company, of New Orleans, completed and opened to public traffic the first 32 miles of road they have been constructing into the banana lands near Ceiba.

With a coast line of over 400 miles on the Atlantic seaboard Honduras affords ample opportunities for commerce and navigation, while on the Pacific coast the Gulf or Bay of Fonseca gives access to the largest ocean-going vessels. The principal port of Honduras on the Atlantic side is Puerto Cortes, other ports of minor importance being La Ceiba, Omoa, Roatan, and Trujillo, while on the Pacific side the largest is Amapala, on Tigre Island. San Lorenzo and La Paz are smaller ports on the Bay of Fonseca.

The United Fruit Company's steamers leave New Orleans for Puerto Cortes every Thursday, making the run in five days, first-class passage being \$30; the Hubbard-Zemurray Steamship Company has regular weekly sailings from Mobile, Alabama, for the same port, and the Central American Steamship Company from both of these ports, first-class passage on any of these steamers being \$30. The United Fruit Company has also a line of steamers plying between Mobile and Ceiba, sailing from the former port every Saturday.

The Pacific ports may be reached either via San Francisco or Panama, the Pacific Mail Steamship Company's steamers calling regularly at Amapala, as do also the Kosmos Line steamers, making the run from San Francisco in from twenty to twenty-two days, first-class passage \$105. With the Panama Railroad Company's steamers from New York to Colon, thence across the Isthmus and from Panama to Amapala by the Pacific Mail Steamship Company, the trip can be made in sixteen days at a cost of \$120.

A line of coastwise steamers maintains a regular service between the ports of Honduras and other Central American and Cuban ports.

Of the numerous rivers of Honduras the Chamelecon, Ulua, Lean, Aguan, Tinto, Patuca, Wanks or Segovia, Choluteca, Nacaome, and Goascoran are the most important, being more or less navigable, and some of them forming important means of communication and transportation. The Government of Honduras is giving considerable attention to the development of these natural transportation routes and has given various concessions for the building of railway lines connecting points along the rivers.

A regular line of steamers plies on the Uluá River for a distance of 125 miles, from its mouth to Progreso, owned and operated by the Monte Vista Steamboat Company. The Agnan, Negro, Patuco, and Segovia are navigated by vessels of light draft for short distances.

The principal lake of Honduras is the Yojoa, which is 25 miles in length by 6 miles wide and is navigable for steamers. It communicates with the Uluá River by means of its tributary, the River Blanco, thus giving water communication between the coast and the interior, the mouth of the Uluá River being not far from Honduras's principal port, Puerto Cortes.

By a decree of May 12, 1908, the exclusive right of navigation on Lake Yojoa was granted to an American. At Puerto Cortes the harbor works and the reclamation of the lowlands has been undertaken by an American syndicate. This work when completed will place Puerto Cortes in the front rank of Caribbean ports, and it is the plan of those having the work in charge to erect a first-class hotel and place the city on the itinerary of high-class tourist travel.

The Government is devoting particular attention to the construction of wagon roads and bridges and to the upkeep of those already established, while it has at different times financially assisted the different municipalities in the construction of roads within their own limits.

There are 2,840 miles of telegraph line in the Republic and 188 offices. The telephone companies operate 100 miles of line and 95 stations in the capital and other towns.

On December 19, 1908, the President of the Republic approved the contract for the erection of a wireless telegraph station in the neighborhood of Tegucigalpa and various substations along the coast of the Republic. Work under the contract is to be begun within six months from the date of its execution and completed within a year. The existing telegraph lines have been extended by the Government and a school of instruction in telegraphy for both sexes opened.

MEXICO

The United Mexican States (*Estados Unidos Mexicanos*) form the third largest of the American Republics as regards population and fourth largest as regards territory, having an area of 767,000 square miles and a population of 13,607,260, or 17.7 per square mile. Situated between the United States of America, the Gulf of Mexico and the Caribbean Sea, British Honduras, the Republic of Guatemala, and the Pacific Ocean, Mexico extends from latitude 14° 30' 42" to 32° 42' north and from longitude 86° 46' 8" to 117° 7' 31" west of Greenwich.

Two mountain chains traverse the entire territory, forming between them a number of valleys and mesas or plateaux of various altitudes. That of Anahuac, on which is situated the capital of the Republic, is the largest and most important.

The varying altitudes as well as its situation, partly in the tropical and partly in the Temperate Zone, give to Mexico a diversity of climate and products. Its mineral wealth in silver and gold, copper, and lead is proverbial. The extensive forests, both of the lowlands, the *tierras calientes*, and of the mountain country are among the most valuable assets of the country. These contain in abundance woods suitable for building, for cabinet making, dyewoods, and medicinal plants. The rubber-producing *castilloa* is also found in considerable quantity in the low coast lands. Chicle, used so extensively in the manufacture of chewing gum, is a Mexican product.

In addition to its mineral exports, henequen, coffee, tobacco, cacao, vanilla, and sugar are exported in large quantities. Cotton, which is largely grown, is consumed in the domestic mills which, in addition, import cotton from the United States.

HISTORICAL SKETCH.

Prior to the coming of HERNAN CORTES, the Mexican conqueror, DON DIEGO VELASQUEZ, Governor of Cuba, had in 1517 sent FRANCISCO HERNANDEZ DE CORDOVA and JUAN DE GRIJALVA to explore the Mexican coast. The reports received by the Governor were so favorable that CORTES was sent to make a conquest of the country. He landed first on April 12, 1519, on the little island of Ulua in the harbor of Veracruz. From this point, with the powerful aid of tribes hostile to the Aztecs, he gradually succeeded in conquering the country, and by force and treachery made himself master. The great Aztec Empire was destroyed by the invaders, its emperors MONTEZUMA II and the heroic CUAHTEMOC perished, and the Indians were enslaved and forced to exploit the mines and other natural resources for the benefit of the conquerors.

HERNAN CORTES was appointed Governor of New Spain, as it was then called, in the year 1522, but was soon recalled and succeeded by another Governor, and in the year 1535 the viceroyalty of New Spain was created, including all of the Spanish possessions in North and Central America, Don ANTONIO DE MENDOZA being appointed viceroy.

New Spain was successively governed by 62 viceroys, the last being Don JUAN O'DONOJU, who withdrew in the year 1821.

A Mexican priest, Don MIGUEL HIDALGO Y COSTILLA, was the leader of the movement for independence. On September 16, 1810, he issued what is known as "*El grito de Dolores*," and subsequently succeeded in gaining several victories over the Royalists. He was finally defeated and executed on July 30, 1811. The patriotic cause was taken up by others, among them another priest, Don JOSÉ MARIA MORELOS, who was likewise executed on December 22, 1815. General ITURBIDE, who was to finally decide the struggle in favor of the patriots, entered the City of Mexico on September 27, 1821, at the head of the patriot army. Here was evolved what was known as "the plan of Iguala," whereby a King was to be elected for Mexico. To this plan the Viceroy O'DONOJU agreed.



GENERAL PORFIRIO DIAZ, PRESIDENT OF MEXICO.

In the meantime a congress of Mexican patriots at Chilpancingo, on November 6, 1813, had formally declared the independence of Mexico from Spain.

Under the plan of IGUALA, General ITURBIDE was elected Emperor of Mexico, and on July 21, 1822, was crowned at the City of Mexico, adopting the title of AGUSTIN I. The Empire was but short lived. Gen. ANTONIO LOPEZ DE SANTA ANA proclaimed the Republic on December 6, 1822, and the Emperor was forced to abdicate on March 19, 1823, and to leave the country. Upon his return, in the year following, he was sentenced to death and executed at Padilla on July 19, 1824.

Gen. GUADALUPE VICTORIA became the President of the Republic on October 10, 1824. In 1829 Spain sought once more to regain control of her former possession, and landing a strong force at Tampico, in July, 1829, marched to the capital. The Spaniards were, however, completely routed by the patriots on September 10 of the same year, and on December 28, 1836, Spain finally recognized the Republic.

In 1836 Texas seceded from the Mexican Union, and defeating the Mexican troops under SANTA ANA on April 21, 1836, established the Independent Republic of Texas, which in December, 1845, was admitted to the Union of the United States of America. This led to the war with the United States in April, 1846, which was finally

settled by the treaty of Guadalupe of February 2, 1848, whereby the United States of America acquired all the territory belonging to Mexico north and east of the Rio Grande for the sum of \$15,000,000.

The intervention of the European powers, France, England, and Spain, occurred in 1862, during President JUAREZ's term, and resulted in the establishment of the Mexican Empire by NAPOLEON III, who placed the Austrian Prince, MAXIMILIAN, upon the throne of Mexico. He was crowned on June 12, 1864, but being deserted by NAPOLEON he was finally defeated and executed at Queretaro, together with his generals, MIRAMON and MEJÍA, June 19, 1867.

DON BENITO JUAREZ then served as President till his death, July 18, 1872, and was succeeded by SEBASTIAN LERDO DE TEJADA, who, in 1877, was succeeded by President PORFIRIO DIAZ, now serving his seventh term as President of the United Mexican States. President DIAZ's term will expire November 30, 1910.

CONSTITUTION AND GOVERNMENT.

The Constitution of the Mexican Republic, adopted February 5, 1857, provides for a republican, representative, federal form of government, similar to that of the United States, the various States of the Union being free to regulate their internal affairs. The National Government is vested in the legislative, executive, and judicial branches.

The National Congress is composed of the Senate and Chamber of Deputies, the former consisting of 56 members, two for each State and the Federal District, elected indirectly for a term of four years, one-half of the Senate being renewed every two years. Deputies are elected in a like manner, but for a term of two years, at the rate of one deputy for every 40,000 inhabitants or fraction exceeding 20,000.

A permanent committee consisting of 15 Deputies and 14 Senators represents Congress during recess and is consulted by the President on all matters affecting legislation.

The President and Vice-President of the Republic are chosen by electors for a term of six years, the President being assisted by a Cabinet of 8 Ministers, or Secretaries.

A Supreme Court, 3 circuit courts, and 32 district courts comprise the national judiciary. The Supreme Court justices, 11 in number, are elected by indirect vote of the people for a term of six years and receive a salary of \$5,000 each per annum.

Mexico is divided politically into 27 States, 3 Territories, and 1 Federal District. Governors of the States are elected in the same manner as the President of the Republic, as are also the legislatures and the judiciary of each State. The Territories are administered by a Governor appointed by the President of the Republic, while the Government of the Federal District is in the hands of three officials, likewise appointed by the President.

MEXICO 1900. POPULATION -13,607,259 -		CHIHUAHUA 89,974-SQ. MILES	SONORA 78,619-SQ. MILES	COAHUILA 63,726-SQ. MILES	LOWER CALIFORNIA 59,328-SQ. MILES	DURANGO 42,665-SQ. MILES	OAXACA 35,392-SQ. MILES	27-STATES & TERRITORIES AND THE FEDERAL DISTRICT
YUCATAN 35,203-SQ. MILES	JALISCO 33,496-SQ. MILES	TAMAUJIPAS 31,759-SQ. MILES	VERACRUZ 29,483-SQ. MILES	SINALOA 27,532-SQ. MILES	CHIHUAS 27,222-SQ. MILES	GUERRERO 24,995-SQ. MILES	ZACATECAS 22,537-SQ. MILES	
SAN LUIS POTOSI 24,000-SQ. MILES	NEUVO LEON 23,678-SQ. MILES	MICHOACAN 22,638-SQ. MILES	CAMPECHE 19,086-SQ. MILES	PUEBLA 18,203-SQ. MILES	TEPIC 16,931-SQ. MILES	GUANAJUATO 16,948-SQ. MILES	TABASCO 16,072-SQ. MILES	
MEXICO 8,849-SQ. MILES	HIDALGO 8,573-SQ. MILES	QUERETARO 4,492-SQ. MILES	AGUASCALIENTES 2,989-SQ. MILES	MORELOS 2,733-SQ. MILES	COLIMA 2,172-SQ. MILES	TJAXCALA 1,594-SQ. MILES	FEDERAL DISTRICT 579-SQ. MILES	
JALISCO 1,733,391	GUANAJUATO 1,061,724	PUEBLA 1,021,183	VERACRUZ 981,030	OAXACA 948,633	MICHOACAN 935,809	MEXICO 934,463	HIDALGO 605,051	S. LUIS POTOSI 575,472
FEDERAL-DISTRICT 544,516	GUERRERO 479,205	ZACATECAS 468,190	DURANGO 370,294	CHIAPAS 360,799	NEUVO LEON 327,937	CHIHUAHUA 327,784	YUCATAN 309,652	COAHUILA 296,938
SINALOA 296,701	QUERETARO 232,389	SONORA 221,682	TAMAUJIPAS 218,948	TLAXCALA 172,315	MORELOS 160,115	TABASCO 159,834	TEPIC 150,098	AGUASCALIENTES 102,416
CAMPECHE 86,542	COLIMA 65,115	LOWER CALIFORNIA 47,614.						

THE POPULATION AND AREA OF THE NEW TERRITORY OF QUINTANA ROO ARE INCLUDED IN THE STATE OF YUCATAN.

The States and Territories are subdivided into *municipalidades* which elect their own administrative councils and mayors.

The States and Territories and their respective capitals are the following:

	Capital.
Federal District.....	Mexico City.
State of—	
Aguascalientes.....	Aguascalientes.
Campeche.....	Campeche.
Chiapas.....	Tuxtla-Gutierrez.
Chihuahua.....	Chihuahua.
Coahuila.....	Saltillo.
Colima.....	Colima.
Durango.....	Durango.
Guanajuato.....	Guanajuato.
Guerrero.....	Chilpancingo.
Hidalgo.....	Pachuca.
Jalisco.....	Guadalajara.
Mexico.....	Toluca.
Michoacan.....	Morelia.
Morelos.....	Cuernavaca.
Nuevo Leon.....	Monterrey.
Oaxaca.....	Oaxaca.
Puebla.....	Puebla.
Queretaro.....	Queretaro.
San Luis Potosi.....	San Luis Potosi.
Sinaloa.....	Culiacan.
Sonora.....	Hermosillo.
Tabasco.....	San Juan Bautista.
Tamaulipas.....	Ciudad Victoria.
Tlaxcala.....	Tlaxcala.
Veraeruz.....	Jalapa.
Yucatan.....	Merida.
Zacatecas.....	Zacatecas.
Territory of—	
Baja California.....	La Paz.
Tepic.....	Tepic.
Quintana Roo.....	Santa Cruz de Bravo.
President.....	Gen. PORFIRIO DIAZ.
Vice-President.....	Sr. Lic. RAMÓN CORRAL.
Secretary of Foreign Affairs.....	Sr. Lic. IGNACIO H. MARISCAL.
Secretary of Government.....	Sr. Lic. RAMÓN CORRAL.
Secretary of Justice.....	Sr. Lic. JUSTINO FERNANDEZ.
Secretary of Public Instruction.....	Sr. Lic. JUSTO SIERRA.
Secretary of Fomento, Colonization, and Industry.....	Sr. Lic. OLEGARIO MOLINA.
Secretary of Communication and Public Works.....	Sr. LEONARDO FERNANDEZ.
Secretary of the Treasury and Public Credit.....	Sr. Lic. JOSÉ IVES LIMANTOUR.
Secretary of War and Marine.....	Gen. MANUEL GONZALEZ COSIO.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The President receives a salary of 50,000 *pesos* annually, equal to \$25,000, while the Secretaries receive 15,000 *pesos* each.

MEXICO IN 1908.

The message of President DIAZ delivered to the Mexican Congress on April 1, 1909, covering conditions in the preceding half year, indicated the recovery of the industrial life of the Republic from the effects of the financial crisis of 1908. Internal affairs were administered with due respect to public order. Immigration was encouraged and new administrative measures enacted for the regulation thereof, the revised law going into effect on March 1, 1909.

The rapid strides made by the country in economic development is a matter of widespread interest, further evidenced by the extension of steamship communications with the Orient and by the diversified nationality of the various mining and industrial enterprises located within the Republic. The volume of trade for the fiscal year ended June 30, 1908, showed a decline of something over \$8,000,000, of which sum over \$5,000,000 was due to a falling off in imports. Since the bulk of the exports of the country are of raw material, for which the demand in foreign markets was smaller and at lower prices, due to the business depression then prevailing, the reason for the decline in export values for the year is obvious. These conditions naturally reacted upon Mexican purchases abroad for home consumption, resulting in a corresponding decrease in imports. Furthermore, although Mexican trade values for the first six months of the fiscal year 1908-9 showed a decline of nearly \$35,000,000 gold, as compared with the corresponding period of the year 1907-8, this shrinkage was the result of conditions which had previously existed and were rapidly disappearing. On the other hand, it is worthy of note that export values exceeded the total imports by over \$18,000,000 gold. A considerable part of the decline in export values was represented by reduced shipments of precious metals, the largest item in this category being silver *pesos*, of which no shipments were made during the six months. The same is true of gold coin.

FOREIGN AFFAIRS.

Cordial relations with foreign powers continued to mark the diplomatic life of the nation, and the adjustment of certain questions with France and Holland pertaining to citizenship and extradition, respectively, was effected by the ratification of treaties. The principles of maritime law as embodied in the Declaration of Paris of April 16, 1856, received the formal adherence of the Mexican Government in December, 1908, and modifications of the postal convention with England were approved in the same month, the ratifications of which were exchanged on March 13, 1909.

A treaty of arbitration was concluded with the United States, becoming effective in June, 1908, and a treaty of friendship, commerce, and navigation with the Republic of Honduras for the maintenance of friendly relations between the two countries.

The Government participated in various events abroad, among them the inauguration of the International Agronomical Institute at Rome; the Washington Conference for the conservation of the natural resources of North America; the meeting of the International Congress at Paris in October, 1908; the First International Congress on Moral and Social Education at London in September, 1908; the International Tuberculosis Congress at Washington; and the First Pan-American Scientific Congress at Santiago, Chile, in December. Many invitations have been received to assist at various other international functions in the future. In a number of cases the Government has accepted these invitations, and delegates are already selected.

The Mexican exhibit at the Crystal Palace in London was formally opened to the public by the Lord Mayor of the city on June 26, 1908, assisted by the Mexican Minister to Great Britain, the Mexican Consul-General in London, and a number of other prominent persons and officials. The section devoted to exhibits of sugar and tobacco was most effective and interesting.

FINANCE.

For the fiscal year 1907-8 the ordinary receipts and disbursements of the Government amounted to \$55,885,900 and \$46,588,700, respectively, leaving a balance in favor of receipts of \$9,297,200. The extraordinary expenditures during the fiscal year amounted to \$5,850,600, and pending accounts due at the beginning of the year \$270,300 more, making the net balance of receipts over expenditures \$3,176,300. The budget for the fiscal year 1908-9 estimated expenditures at \$48,537,000. The figures in the budget for the year 1909-10 are placed at \$48,630,500 for receipts, and for disbursements at \$48,467,700, an indicated surplus of \$162,800. The estimate of expenditures for the year 1909-10 shows a decline of \$3,552,457, as compared with appropriations made for 1908-9, when \$52,020,100 were expended.

The customs receipts for the fiscal year 1907-8 aggregated \$13,561,200, exceeding the budget estimate by more than \$2,000,000.

The net diminution of the public debt during 1908 was \$1,486,000. The total figures, including interest, on June 30, 1907, and June 30, 1908, were \$222,268,300 and \$220,782,300 respectively. Excluding interest, the principal of the debt was reduced by \$1,327,200.

The report of the Exchange and Monetary Commission of the Republic shows that the total coinage from May 1, 1905, to June 30,

1908, inclusive, amounted to \$59,782,590, in the following proportion: Gold, \$40,813,250; silver, \$18,100,272; and fractional currency (nickel and copper), \$869,068. The stock of gold, silver pesos, fractional domestic and foreign coin in the possession of the Commission on June 30, 1908, was \$4,665,959. The fractional silver and copper coins of the old issue, retired from circulation between May 1, 1905, and June 30, 1908, amounted to \$5,137,224 and \$125,576, respectively.

In 1908 there were thirty-four banks operating in Mexico, representing a combined capital of \$88,000,000. Thirty of these were banks of issue, among which the following are the principal institutions: The National Bank, with a capital of \$16,000,000; the Central Bank, \$15,000,000; Bank of London and Mexico, \$10,750,000; Peninsular Bank, \$8,250,000; Mexican Bank of Commerce and Industry, \$5,000,000; and the Oriental Bank, \$3,000,000.

The assets and liabilities of the various banks of issue in the Republic, at the end of June, 1908, were balanced at \$306,655,900, as compared with \$301,430,200 of the year previous; the banks of encouragement at \$52,347,600, as compared with \$44,029,396 in 1907; and the mortgage banks at \$19,257,500, as compared with \$16,422,152 for 1907, a substantial gain under all three classifications being noted. The paid-up capital in all of the banks of the Republic under federal concessions aggregated \$82,430,700, a net increase of \$5,431,500 over 1907; reserve and emergency funds amounting to \$28,596,400, an increase of \$597,700, as compared with 1907. Gold and silver minted during the year amounted to \$12,001,800, of which \$8,300,000 was gold and \$3,701,800 silver. The total coinage for the fiscal year 1906-7 amounted to \$23,967,800 and since 1905 to \$59,782,500. Making allowance for exportations of specie, which to June 30, 1907, amounted to \$37,708,100, and for the fiscal year to June 30, 1908, to \$5,327,500, and also for old coin reminted, amounting to \$8,521,700, the circulating medium during the three years is shown to have increased \$8,225,200.

A noteworthy occurrence in banking circles was the opening of a bank of rediscount, an incident which marked a forward step in the progressive banking methods of the country. The establishment of this institution, in which many of the chartered banks participated, filled a long-felt want and was cordially received by the financial interests of the Republic.

For the purpose of enabling manufacturers and agriculturists to extend the scope of their activities a new credit institution making a specialty of this class of loans was opened in June, 1908, and in September of the same year the Minister of Fomento granted a concession for the establishment of a bank in the Mexican capital for the purpose of aiding irrigation enterprises for the agricultural development of the country.

Various modifications in the customs tariff were enacted during the year affecting the following articles: Tobacco, steel and iron, building materials, clothing, and carriages, while the budget law provided for the imposition of export duties on grass fodder, chicle, guayule, hemp fiber or sisal, raw hides, and skins. It was found expedient to continue the reduced duty on wheat imports as decreed in November, 1908, by reason of the almost total failure of the wheat crop. This lower rate has recently been canceled, as the new crop is reported as unexpectedly large. A presidential decree was also issued extending until June 30, 1909, the time allowed for the free entry of merchandise into Quintana Roo for consumption in that Territory.

COMMERCE.

For the first six months of the fiscal year 1908-9 (July to December, 1908) the total foreign trade of the Republic was \$90,859,805.98, as compared with \$125,415,644.07 for the same period of 1907, showing a decline of \$34,555,838.09. In this total, imports figured for \$36,340,800, and exports for \$54,518,900, showing a decline in both branches of trade of \$25,185,900.12 and \$9,369,900, respectively.

An interesting feature in the analysis of these statistics is the large excess of exports over imports, amounting to \$18,178,100, which excess was greater than that recorded for the whole year 1907-8 by \$7,686,700 and for 1906-7 by \$10,283,900.

A classification of imports for the first six months of the year showed the following values in the order of their importance: Mineral substances, \$10,448,700; machinery and apparatus, \$5,500,000; vegetable substances, \$5,458,300; textiles and manufactures, \$3,773,300; animal substances, \$3,253,500; chemical and pharmaceutical products, \$2,233,500; miscellaneous, \$1,731,300; wines, liquors, etc., \$1,314,000; and paper and manufactures, \$1,116,200, all of the items showing a decline. The countries of origin for these imports were: North America, \$20,046,500; Europe, \$15,474,300; Asia, \$518,600 (a gain of \$30,100 over the same period of 1907-8); South America, \$170,600; Oceania, \$65,200 (a gain of \$3,700 over the same period of 1907-8); West Indies, \$35,900 (a gain of \$2,100 over the same period of 1907-8); and Central America, \$8,500.

Exports for the first six months of the year showed the following values: Mineral substances, \$35,162,600; vegetable substances, \$14,648,900; animal substances, \$3,237,200 (a gain of over \$1,000,000 gold over 1907-8); manufactured products, \$618,200; and miscellaneous, \$851,900. The countries of destination were: North America, \$40,327,200; Europe, \$13,454,500; the West Indies, \$458,400; Central America, \$258,400 (a gain of \$31,000 over the same period of 1907-8); and South America, \$19,800.

The trade of the Republic for the fiscal year 1907-8 amounted to \$232,170,000, as compared with \$240,123,700 for the previous year. In this total, imports figured to the extent of \$110,800,000 and exports to the extent of \$121,370,000, as compared with \$116,114,700 and \$124,009,000, respectively, for the preceding year. A decline is thus indicated in both branches of foreign trade, the loss on imports amounting to \$5,314,700 and on exports to \$2,639,000. The balance of trade in favor of the Republic, as indicated by the excess of exports over imports, was \$10,570,000, which is a favorable showing as compared with the preceding fiscal year, when the trade balance figured for \$7,894,300.

Generally classified, the countries of origin were: North America, \$59,400,000; Europe, \$49,580,000; Asia, \$1,112,000; South America, \$348,000; Oceania, \$181,000; the West Indies, \$71,000; and Central America, \$59,400. Of the imports from North America, the United States furnished \$59,000,000; and Canada, \$410,800. The European countries contributing to imports were: Great Britain, \$16,370,000; Germany, \$14,160,000; France, \$9,800,000; Spain, \$3,700,000; Belgium, \$1,600,000; Italy, \$960,000; and Austria, \$813,400.

Export values figured as follows: North America, \$85,150,000; Europe, \$34,745,000; South America, \$24,374; Central America, \$414,000; and the West Indies, \$1,030,000. Of the exports to North America, the United States received \$85,000,000, and Canada, \$93,500; of those to Europe, Great Britain, \$13,107,000; Germany, \$11,190,000; France, \$6,196,000; Belgium, \$3,018,000; and Spain, \$1,165,000.

The only item on the import list on which a marked increase is noted is textiles and manufactures thereof, which showed a gain of \$2,400,000 for the year 1907-8. While minerals and metals decreased in import value by \$6,492,000, it is noteworthy that iron and steel for building and industrial purposes showed an advance of \$1,683,000. Although imports showed an indicated decline of over \$5,000,000, it should be borne in mind that the returns for the year 1906-7 included some \$11,500,000 of Mexican gold and silver coin minted in the United States, whereas in 1907-8 only \$1,800,000 Mexican silver coin and \$1,500,000 of foreign gold were imported; so that the specie imports for the year showed a falling off of \$8,250,000, approximately. As such importations of specie are not due to the natural operation of the trade balance, but to accidental circumstances, it may be assumed that the imports for 1907-8 were in reality \$3,000,000 in excess of those of 1906-7.

The mineral exports of the Republic for the year 1907-8, as shown by the reports of the Bureau of Statistics, amounted to \$79,215,000 as compared with \$80,123,000 for 1906-7.

The exports of vegetable products of the country were valued at \$35,102,400, animal products at \$4,823,300, and manufactures at \$1,504,700, while those classified as miscellaneous were valued at \$728,400.

Mineral exports were distributed as follows: Silver, \$46,517,300; gold, \$15,960,500; copper, \$12,417,000; lead, \$2,672,200; antimony, \$845,500; zinc, \$444,200; and other metals, \$358,100.

Gold shipments increased \$4,023,600 and those of silver declined by \$3,413,500, so that precious metals together advanced \$610,100.

It is also worthy of note that while shipments of silver coin were nearly \$14,000,000 less than in 1907, the exportation of bar silver, silver ore, cyanides, sulphides, etc., increased by \$7,000,000, the increase in the exportation of bar silver being greater than the increase in the exportation of ore, which demonstrates the impetus given to home smelting and refining.

The decline in copper exports was caused by the depression of the market for that metal, which antedated by some months that of the silver market. Many of the mines were forced to suspend operations owing to this condition, but work has recently been resumed, the federal authorities contributing to the resumption of work by granting the free importation of fuel oil, thus cheapening the cost of production. Lead and zinc also participated in the decline caused by a fluctuating market.

While the contribution of vegetable products to export values was lower by \$812,000 than in 1906-7, certain items, among them coffee, tobacco, chicle, rubber, and broom root, showed advanced valuations. Coffee shipments show a gain of \$677,400; rubber, \$1,106,300; and guayule, \$585,700.

Shipments of tobacco showed an increase in value amounting to \$371,400, while other native products—such as cotton, wheat, rice, corn, and beans—were subject to greater domestic demand, thus necessitating a cutting off of exports.

The total exports of henequen during the year amounted to 394,816 bales, or 244,150,750 pounds, representing a valuation of \$13,509,670. While the output for the year was greater by 588,632 pounds than that of 1906-7, more favorable market conditions in 1906-7 enabled the planters to secure better prices for their crop, which, although aggregating only 243,562,118 pounds as compared with that of 1907-8, represented a valuation of \$15,720,100, or \$2,210,430 more than the larger crop of the latter year.

Although sugar exports showed a decrease as compared with 1906-7, the output has unquestionably increased from year to year, and it was to the decline of 1908, coupled with decreased exports of palmetto hats, that the lower figures reported for exports of manu-

factured products were mainly attributable. A lowering in price of some of the commodities figuring in the export list of the country also accounted in some degree for the decline in aggregate values.

The exportation of cattle regained to some extent the ground lost during the preceding year, showing a gain both in value and numbers, although hides fell off to the low level reached in 1904-5. The Government has interested itself in the encouragement of this industry and has recently granted concessions to packing companies which depend on native stock raisers for their product.

PRODUCTION AND INDUSTRIES.

The mines of Mexico are the principal source of national wealth and one of the leading fields of industry in the Republic. Calculated from exportation figures, which constitute the only available index to production values, Señor LIMANTOUR, Minister of Finance, gives the mineral production for 1907-8 at \$83,071,500 in the following distribution: Silver, \$42,723,500; gold, \$19,048,000; copper, \$12,400,000; coal, \$3,500,000; lead, \$2,700,000; other metals, \$1,700,000; and mineral oil, \$1,000,000. The annual increase in the output of gold is a matter of great satisfaction, the present figures showing a marked advance over the output of \$7,000,000 in 1898. The best paying gold mine in North and South America is the Esperanza at El Oro, Mexico, which paid its owners during the year 1908 \$1,180,000, and since its incorporation the sum of \$9,427,500, or 419 per cent on a capitalization of \$2,250,000. The property is controlled by United States and British investors.

Notwithstanding the low price of silver since the middle of 1907, the operation of silver mines showed no decline during the latest fiscal year, and an increase was made both in quantity and value of the output, despite the fact that the average price per kilogram dropped from \$22 to less than \$20.

An estimate of the value of mining properties held by foreign companies and individuals in Mexico places the amount at \$350,000,000, and a compilation covering a period of nine months in 1908 showed that dividends of \$6,723,061 were declared by 28 gold, silver, copper, and lead mines and smelters. These same properties, which have an outstanding capitalization of \$60,653,385, have since their incorporation yielded \$45,324,041, or a return of 75 per cent on the invested capital.

The exploitation of the petroleum deposits in northwestern Mexico will give a great impetus to the development of that part of the Republic, and will enable manufacturing and mining operations to be carried on upon a larger scale than ever before. The Mexican oil

fields, which cover an area of over 800 square miles, increased their output in 1908, as against that of 1907, by more than 500 per cent. and under existing conditions the production for the year 1909 will undoubtedly be still further increased. The yield for 1907 was estimated at about 1,000,000 barrels, which came principally from the Ebano field and was of the fuel variety.

The petroliferous lands extend from the hacienda of San Jose de las Ruinas, in Central Tamaulipas, to the district of Valles, in San Luis Potosi (where the Ebano oil deposits are being worked), through the counties of Uzuluama, Tuxpan, and Papantla, in Veracruz. Farther to the south is a region which embraces the Veracruz counties of Acayucan and Minatitlan and extends southward through the States of Tabasco, Campeche, and Chiapas. Petroleum has also been found in small quantities in the Federal District, in Jalisco and Oaxaca, and at other points along the Isthmus of Tehuantepec. Some recent discoveries in the States of Chihuahua and Coahuila show the existence of paraffin oil in that district.

The use of fuel oil in mining operations having proved profitable to the company originally granted the concession to import petroleum free, the privilege was subsequently accorded other companies for the purpose of offsetting adverse market conditions by cheapening the handling of lower grade ores.

The recent increase in transport rates on imported coal and coke was designed to afford equitable protection to the native product, it being claimed by coal producers that the national mines are able, with adequate protection, to compete with the foreign article in the country's markets, and that the output of coke might within a short time be brought up to the requirements of the market.

The possible production under present conditions, exclusive of the mines which supply the railroads, is estimated at 70,000 tons of commercial coal per month, plus the 40,000 tons which are converted into 20,000 tons of coke, while the additional 20,000 tons needed to supply the coal demand could easily be obtained. With respect to coke the national companies still fall short by about 110,000 tons per annum in supplying the Republic, but it is claimed that proper government aid would produce an immediate increase in the output. Much of the coke consumed in normal times is supplied from the United States, as owing to the greater cost of transportation from European ports German and English producers are not able to compete with the United States. A few years ago, during an extended strike in the coal fields of the United States, considerable coke was imported from Germany, and recent shipments are reported from England.

The proposed new mining law of Mexico, while it prohibits foreign companies from acquiring mines in the Republic in their own right,

does not affect the requirements as to registration, such companies still remaining subject to the provisions of article 24 of the Commercial Code, which provides that—

Foreign corporations which desire to become established or to create branches in the Republic shall present and cause to be recorded in the Commercial Registry, in addition to a protocollized copy of their statutes, contracts and other documents relating to their incorporation, an inventory, or their latest balance sheet, if they have any, as well as a certificate proving that they have been organized and authorized to do business under the laws of their respective countries, said certificate being issued by the Minister of the Republic accredited to each country, or if there be no Minister, by the Mexican Consul.

During the fiscal year 1907-8, title deeds to mining properties to the number of 6,600 and covering 119,634 hectares were issued; in the succeeding half year 2,100 deeds were issued covering 39,987 hectares.

The annual value of cereal crops, fruits, and other products of the soil, and of cattle marketed, is slightly in excess of \$200,000,000. Of this amount the following are the chief items in the order of their importance and represent a fair average crop: Corn, \$50,000,000; cotton, \$17,000,000; henequen, \$16,000,000; wheat, \$13,000,000; sugar and molasses, \$13,000,000; spirits, \$10,000,000; coffee, \$8,000,000; beans, \$6,000,000; and woods, \$5,000,000.

The coffee crop for 1906 and 1907 fell far below the average (88,000,000 pounds), the 1908 crop being estimated at 42,000,000 pounds, as compared with 45,000,000, the estimated production for 1907. The estimates for 1909 place the crop at 81,000,000 pounds. The best grades of Mexican coffee come from Oaxaca, Cuantepec, Cordova, Orizaba, and Sierra.

The year's output of sugar, 123,000 tons, showed a gain of 4,000 tons as compared with the previous year, and for the year 1908-9 the crop is placed at 125,000 tons. The shipment of raw sugars to England is being profitably carried on and the acreage under cultivation is increasing each year. The sugar industry is protected by a law in force from February 15, 1908, making raw sugar, sugar candy, and refined sugar of all classes subject to an import tax of 2½ cents per kilogram, gross weight.

In accordance with the provisions of the Brussels sugar convention, a special duty on Mexican sugar has been levied in all the countries represented in that convention. This duty is imposed on account of the increase made in 1908 by the Mexican Government in its tariff on foreign sugar imported into the Republic by which the duty of \$1.25 gold per 100 kilograms was raised to \$2.50 per 100 kilograms.

One of the immediate benefits to be derived from the construction of the Nazas River dam at San Fernandez will be an immensely increased cotton yield in the Laguna district. This section of Mexico is a level basin with wonderfully fertile lands, suitable for the culture

of cotton. The district is dotted with factories and traversed by railroads for the transport of both raw and manufactured products, while the surrounding mountains contain valuable mineral deposits. European experts claim that the Laguna cotton is of remarkably strong fiber and of excellent texture and color. The total crop of the Republic for 1907 was 80,000 bales, and as the consumption in the mills was about 155,000 bales, large quantities were imported to meet the needs of the home market. The imports of textile fibers by Mexico for the fiscal year 1907-8 were nearly double in value those reported for the year 1906-7, the annual imports from the United States being estimated at about 50,000 bales.

In 1906 the cotton yield was far in excess of the demand and 50,000 bales were shipped to Europe, but lacking sufficient and regular water supply the growers are unable to accurately gauge the output from year to year. This uncertainty, however, will be overcome by the agency of the San Fernandez dam.

The growing of the so-called tree cotton is attended with profitable results.

For the half year, July to December, 1908, the 119 textile factories in the Republic paid governmental taxes amounting to \$461,800.

The cultivation of rubber has passed the experimental stage, statistics showing that the rubber locally produced for export has increased from 7,000 pounds in 1900 to 182,219 pounds in 1907, of which not more than 4,000 pounds were of the wild variety. Those sections of the States of Tabasco and Chiapas lying in what is known as the rubber belt, possess all the climatic and physical conditions required for the development of this culture, while the projected opening up of the district by a new railway line will contribute powerfully to the stimulation of capitalized interest. The second convention of the Rubber Planters' Association of Mexico held its session at San Geronimo, State of Oaxaca during the month of August, 1908, and measures were projected for the material advancement of this branch of national industry.

The growth and commercial development of allied products are also being stimulated and in connection with the increased shipments of guayule from Mexico during the fiscal year ending June 30, 1908, when the valuation was given as over \$500,000 in excess of 1907, it is significant that receipts in the United States of rubber from Mexico, mainly guayule, showed a steady increase.

Since the exploitation of the guayule industry, with its attendant financial success, prospectors have been investigating other rubber-producing plants and trees in Mexico in the hope of meeting with similar good fortune. They confidently expect to more than duplicate present achievements with the guayule plant by utilizing the *palo*

colorado. They claim that the sap of this tree contains over 33 $\frac{1}{3}$ per cent pure caoutchouc. The Mexican Government has contracted for the establishment of a factory to extract, refine, and manufacture



A CIGARETTE FACTORY IN MEXICO.

Cigarettes are to-day made largely by machinery, which has to a great extent displaced the hand labor, once the universal rule in factories. Machines are even made to place the cigarettes in the box ready for the consumer, but the employment of women for this purpose is still customary in the older centers of the trade. This is altogether piecework, and women become marvelously expert in their occupation.

the rubber obtained from the *palo amarillo* and *amate* trees. Included in the concession for the exploitation of this industry is the privilege of introducing duty free all of the necessary material, machinery,

and appliances for the installation of the factory and exemption from taxation during the life of the concession, viz, ten years.

Fruits of various kinds, mainly of the citrus family, have a promising future, while in many sections the soil is excellently adapted to the cultivation of cacao. The cacao grown in Tabasco has a world-wide reputation, being highly prized by connoisseurs for its rich flavor and nourishing qualities. Three crops of cacao beans are gathered during the year, and it is estimated that 1,000 trees have an average production of 600 pounds, the price in this market at wholesale being 25 to 30 cents gold. The local demand absorbs the entire crop which, according to the most reliable information, amounts to 2,000,000 pounds.

It is estimated that the growing of pecans in the Republic represents a production of \$400,000 annually, or 100 carloads, most of which go to the United States.

Hard woods are abundant in the forests, and another item of commercial importance is the recently discovered wax-producing quality of the *candelilla* plant.

Statistics relating to the tobacco industry of Mexico showed 995 tobacco factories in the Republic, which in 1907 produced 525,259,735 packages of cigarettes, 134,055,669 cigars, 164,308 kilos of smoking tobacco, and 27,800 kilos of snuff.

The live-stock industry in the Republic, according to the latest federal statistics, represented 5,142,457 cattle, valued at \$40,540,994; 3,424,430 sheep, valued at \$3,006,578; 616,139 hogs, valued at \$1,024,929; 4,206,041 goats, valued at \$3,610,714. The States of Chihuahua and Veracruz lead in number of cattle, with 396,023 and 392,858, respectively; Zacatecas and San Luis Potosi in sheep, with 826,704 and 415,697; Tepic and Jalisco in hogs, with 86,523 and 76,529; and Coahuila, Durango, and San Luis Potosi in goats, with 615,144, 534,304, and 519,844, respectively.

Authority to allow free importation of agricultural implements, cattle for breeding purposes, machinery, seeds, etc., was granted for a period of ten years, dating from June 17, 1908. A concession to this effect will be granted by the Minister of Fomento when, in the opinion of the Department, it is impossible for the concessionaire to obtain similar articles on as good terms in the home markets.

The Mexican Congress extended for a period of five years from November 10, 1908, the authority of the Executive to grant concessions to new industries, with exemption from duties and federal taxes for periods of five to ten years. The original law was enacted in 1898 and extended in 1903. By virtue of its provisions the Executive has the privilege of issuing concessions to companies guaranteeing investment of sums of money in national enterprises exceeding \$50,000 gold.

The establishment of a large canning factory and packing establishment in 1905 in Mexico City was regarded as the inception of a great enterprise, but the prospectus of the reorganized company announces the opening of two auxiliary plants, making a total of four under the management of the national packing company and the monopoly of the beef packing business of Mexico. About 400 cattle and 450 sheep are slaughtered daily in the city and since the purchase of the slaughterhouse this business will be exclusively in the hands of the packing company.

By the terms of its concession from the Government the company is to receive all of its tin plate and supplies of machinery free of duty for a period of twenty years.

In the general policy of the Mexican Government to stimulate the development of the native industries, as evidenced by special legislative concessions to the promoters thereof, a significant demonstration was made in the placing of an order for 20,000 tons of steel rails with the company at Monterey. The control by the Government of a large portion of the railways of the Republic and the higher duty recently placed upon imports of steel and iron are significant factors in this order.

A law promulgated June 17, 1908, authorized the expenditure by the Executive, through the medium of contracts effected by the Department of Fomento, of \$12,500,000 in irrigation works designed for the betterment of agricultural and pastoral industries. Concessions obtained under this law are regarded as works of public utility and carry with them the free admission of such machinery, implements, seed, and stock as may be required for the adequate development of the enterprise, the object of the concession.

A noteworthy feature of the economic development of the Republic within the past few years has been the number of concessions for water privileges granted in connection with manufacturing and industrial enterprises. The applications considered during the last half of the year numbered 142.

At the Necaxa Reservoir, where a dozen small streams are collected for the use of the electric plants and the daily use of half a million people in the Federal District of Mexico, there will ultimately be available 236,000 horsepower. For five years a force of 6,000 men has been engaged upon this project, and there still remains much work to be done. The Necaxa River, in length scarcely 25 miles, has a total gradient of 1 mile from its source to the power house, and included within that distance are two falls, one of 460 feet and the other of 740 feet.

COMMUNICATION FACILITIES.

The railway system of government-controlled lines covers an extension of 11,850 miles, which, together with the mileage under the jurisdiction of the different States, brings the total up to 14,857 miles. During the year 1907-8 the number of passengers carried by the various railroads of the country reached a total of 10,747,128, as compared with 10,000,031 for the fiscal year 1906-7. Freight shipments were given as aggregating 10,042,144 tons, as compared with 9,124,040 tons for the two periods, respectively. The gross earnings of the railway lines for the fiscal year 1907-8 were given as \$37,184,825, in which freight traffic figured to the extent of \$28,966,576 and passenger traffic to the extent of \$8,218,429, as compared with total earnings amounting to \$34,192,336 for 1906-7, composed of freight traffic to the amount of \$26,431,770 and passenger traffic to the amount of \$7,760,566, a gain of \$2,534,806 and \$457,683 in the respective branches of traffic.

With the operation of the railway merger of Mexican railways, which became effective on and after midnight, January 31, 1909, a most important step in the direction of the control of public utilities was taken by the Mexican Government. The extent of road under the working of the merger is 7,012 miles, in addition to which there are 265 miles of track on the Veracruz-Pacific route and 206 miles of the Tehuantepec National, which are controlled by the Government. Of the board of directors, 12 reside in Mexico and 9 in New York. This progressive move is part of the general effort being made throughout Mexico to arrange for adequate land and sea transport of her products. New lines of railway are being opened up in the interior and on the west coast to meet the requirements of new steamship connections, either established or projected. Additional steamers are being put upon services already operating, and branch connections are being made over new land routes. The Tehuantepec Railway, which crosses the Isthmus of Tehuantepec, carrying freights received from the steamship lines plying between the great ports of the United States and the eastern and western termini, transported during the year 1907, the first year of its operation, merchandise to the value of between \$25,000,000 and \$30,000,000, and in the second year to the value of \$38,000,000. This road, which is nearly 190 miles in length, was constructed chiefly with British capital and controlled, in part at least, by the Mexican Government, and was built for the specific purpose of handling freight between the Atlantic and Pacific oceans. The harbor of Santa Cruz, the Pacific terminus of this railway, is equipped with breakwaters inclosing a harbor area of over 130 acres, of which 96 have a depth of 33 feet, and a dry dock capable of accommodating the largest ship in the Pacific Ocean. The

wharves, furnished with electric derricks and every modern appliance for the handling of the enormous traffic of the Tehuantepec line, represent an expenditure of many millions of dollars. It is estimated that \$6,000,000 more will be required to complete the work in prospect.

The corporation which represents the railway merger and is known as the "National Railways of Mexico," and which is a consolidation of the Mexican Central and Mexican National Railways, is capitalized at \$230,000,000, composed of \$30,000,000 first preferred, \$125,000,000 second preferred, and \$75,000,000 ordinary stock. The Mexican Government holds \$10,000,000 of the first preferred shares; \$10,278,290 of the second preferred shares received in exchange for second preferred stock of the National Railroad, \$20,000,000 of second preferred shares received in exchange for Mexican Central Railway stock; \$10,994,000 of ordinary shares received in exchange for preferred stock of the National Railroad, and \$63,730,000 ordinary shares received as part compensation of the Government's guaranty; or a total interest of \$115,002,290. This is a majority of the capital stock and makes the Government the deciding factor in the corporation.

The immense impetus given to transportation enterprises throughout the Republic of Mexico by the construction of the Tehuantepec line is being supplemented by the opening of additional rail connections.

In many respects the greatest event in the history of Mazatlan and the State of Sinaloa was the completion of the Southern Pacific Railway to that point on April 18, 1909. The operating company has secured concessions for the construction and operation of about 1,500 miles of road receiving subsidies to the amount of about \$10,000,000.

On December 12, 1908, President DIAZ formally opened the new railroad from Guadalajara to Manzanillo.

The rail communication established between Guadalajara and Colima and thence over the line already in operation to Manzanillo gives Mexico a second transcontinental railway connecting the two oceans. The Tehuantepec Railway is of course the principal and shortest route across the continent, but now it becomes possible to leave the steamer at Tampico or Veracruz and to travel overland through Guadalajara to Manzanillo with only two changes of cars. As a result of the communication thus established, Colima, a small but richly resourceful section of the country, is provided with an Atlantic outlet for its products through the port of Tampico on the Gulf, while the importance of the Pacific port of Manzanillo is largely enhanced.

Increased exports of native products, including hats, rice, and sugar, are reported since the opening of the rail connection to the

coast, and large shipments of wheat are being received via Guadalajara and Zapotlan. Steamship communication with Pacific ports and those of China and Japan are being inaugurated and Manzanillo, as a port of entry, will receive much merchandise which formerly had to be forwarded overland from Tampico.

In the opening of the railroad extension from San Jeronimo, on the Tehuantepec road, to Tapachula, in Chiapas, another link in the great Pan-American Railway was completed. The inauguration on May 5, 1908, was made the occasion of great rejoicing in the State of Chiapas, being presided over by the governor and celebrated with enthusiasm by the inhabitants. This branch is 46 miles long, forming part of the 305 miles now under operation on Mexican territory. The Federal Government paid the constructing company a subsidy of \$19,200 per mile and, according to the terms of the concession, granted the sole right of operation for a period of ninety-nine years. The line passes through a district containing fine coffee lands, the production of the region traversed being estimated at 40,000 tons annually, and it is from the transport of this commodity that the operating company hopes to pay the construction cost. At San Jeronimo the coffee will be shipped over the Tehuantepec road and thence to Puerto Mexico, to be sent finally to Germany, the leading market for this product.

The best of material has been employed in the construction of the line, steel rails of 56 pounds being used for the first 125 miles and 60 pounds for the rest. Steel bridges are also used and attractive stations have been constructed of brick and cement. Connection with the Guatemalan line is being pushed from the boundary of that Republic.

The standardizing of the interoceanic line is in contemplation during 1909.

Within a coast line of 2,800 miles on the Pacific and of 1,600 miles on the Gulf of Mexico and the Caribbean Sea, Mexico has no less than 24 ports on the Gulf of Mexico and 31 on the Pacific Ocean. Most of the natural harbors of Mexico are on the Pacific side, among them the splendid bay of Acapulco, considered one of the most beautiful bays of the world. While the Atlantic side offers but few natural ports, some of them, especially Vera Cruz and Tampico, have been improved and made accessible, so much so that these two ports are now the most important commercial centers.

Following are the ports of entry open to foreign trade, the other ports being open to the coastwise trade only:

Gulf ports: Campeche. Coatzacoalcos (Puerto Mexico), Chetumal, Frontera, Isla del Carmen, Isla de Mujeres, Progreso, Puerto Morelos, Tampico, Tuxpam, and Vera Cruz.

Pacific ports: Acapulco, Altata, Bahia de la Magdalena, Guayamas, La Paz, Manzanillo, Mazatlan, Puerto Angel, Salina Cruz, San Blas, San Jose del Cabo, Santa Rosalia, Todos los Santos, Tonalá, and San Benito.

Mexico may be reached from the sea by several lines either from New York or the Gulf ports of the United States or via San Francisco or one of the numerous lines plying between European and Mexican ports.

The New York and Cuba Mail Steamship Company, Ward Line, maintains a regular service between New York and Vera Cruz and other Mexican ports and between New Orleans and the Mexican ports. The run from New Orleans to Vera Cruz is made in four days, first-class passage being \$34.55.

The Mexican-American Steamship Company leaves New Orleans and Galveston in alternate weeks for Tampico and Vera Cruz. The Wolvin Line between Texas City and Vera Cruz calls at Puerto Mexico and Progreso with sailings every twelve days.

The *Compañía Transatlántica* and the *Compañía Mexicana de Navegación* ply between New York and the Gulf ports of the United States and Mexican ports. The American-Hawaiian Steamship Company has established a regular line of steamers between New York and Puerto Mexico, from whence transshipment is made via the Isthmus of Tehuantepec to Salina Cruz and thence to Hawaii.

Arrangements have been made for the lease of the Mexican American Steamship Company by the Wolvin Line, which will permit the latter company to practically control the business between Mexican and Gulf ports and the United States. The volume of trade is constantly increasing and the company contemplates improvements in both its passenger and freight service.

The Hamburg-American Line has added Puerto Mexico to its itinerary, steamers of this line calling at Havana, Veracruz, and Tampico. The Royal Mail Steam Packet Company also contemplates making Puerto Mexico a port of call.

The Munson Steamship Line to Cuba and Mexico has contracted with the Mexican Government for a service of at least two round trips per month between ports of the United States on the Atlantic coast or the Gulf of Mexico and one or more Mexican gulf ports. The term of the contract is for three years from January, 1909.

On the Pacific side, the Pacific Mail Steamship Company, the Pacific Coast Steamship Company, and the Kosmos Line provide the means of communication, the Pacific Mail sailing regularly every ten days from San Francisco, calling at Mazatlan, San Blas, Manzanillo, Acapulco, and Salina Cruz, making the run from San Francisco to Salina Cruz in eleven days, first-class passage being \$90,

while the time employed between San Francisco and the other ports varies according to their respective distances, the charge being accordingly more or less.

The Pacific Coast Steamship Company's vessels leave San Francisco on the 7th of every month, calling at Ensenada, Magdalena Bay, San Juan del Cabo, Mazatlan, Altata, La Paz, Topolomampo, Santa Rosalia, and Guaymas. The steamers of the Kosmos Line sail from San Francisco every two or three weeks and call at Mazatlan, San Blas, Manzanillo, Acapulco, Salina Cruz, Tonalá, and San Benito.

The Jepsen Line, a new steamship company on the Pacific coast, has recently issued an announcement to the effect that its steamers are now running without change between Puget Sound and British Columbian ports to Mexico, Guatemala, Salvador, Honduras, and Panama, making the trip in twenty-two days from Seattle to Panama. The company issues through bills of lading to all interior points, and has passenger tickets into Mexico via the newly opened railway from Manzanillo.

The rivers of Mexico, although numerous and some of them of considerable length, afford but scanty means of navigation, due to their small volume of water and the fact that they are apt to rise suddenly during the rainy season and fall rapidly during the dry season. The Rio Grande, the Lerma, in which are the beautiful Falls of Juanacatlan, the Rio Panuco, and the Mexcala or Rio de las Balsas are navigable for short distances only.

Mexico has a number of beautiful and extensive lakes, among which Chapala, 100 miles long by 35 miles wide, presents the most picturesque scenery. Small steamers ply on it and small craft on Lake Cuitzeo and on Lakes Patzcuaro, Zumpango, Xaltocan, San Cristobal, Texcoco, Chalco, and Xochimilco in the valley of Mexico, near the capital of the Republic.

Several lines of steamers maintain a regular coastwise service between the different ports of Mexico, the most important of these being the *Campanía Naviera del Pacífico*, which is subsidized by the Mexican Government.

The French steamship company *Compagnie Générale Transatlantique*, has inaugurated a regular freight service between France and Puerto Mexico, the Atlantic terminal of the Tehuantepec Railway, the first steamer arriving in March, 1909. It is the intention of the company to establish a monthly service with two 5,000-ton steamers, and later to add passenger steamers to touch at French ports, Havana, Puerto Mexico, Veracruz, and Progreso.

The Italian Navigation Company of Genoa also has in contemplation a steamer service to Puerto Mexico.

It is from this port that Hawaiian sugar, shipped over the isthmian route, is forwarded on the Atlantic side. The sugar is carried by

the American Hawaiian Steamship Company to Salina Cruz on a schedule providing for three steamers a month with an average cargo of 12,000 tons each. It is estimated that over 375,000 tons of sugar were handled over the Tehuantepec Railroad in 1908. Additional ships are to be added to the Honolulu, San Francisco, and Salina Cruz service as the requirements of the traffic make such necessary.

Manzanillo is one of the oldest and most celebrated ports of the Republic. It lies almost due west of the City of Mexico, 500 miles south of Mazatlan, 900 miles north of Salina Cruz, and 400 north of Acapulco. When the important port works at Manzanillo are terminated it will be one of the best-equipped and most desirable ports on the Pacific coast. These works have been in course of construction since 1899, and when completed will give the harbor an area of 165 acres and a depth of 39 feet, thus enabling it to accommodate seagoing vessels of deep draft. The breakwater is one of the largest of its kind in the world, surpassing those of Cherbourg, France, and Plymouth, England. It is 400 meters long, 100 wide, and 24 deep, constructed of large stones and granite blocks weighing from 50 to 60 tons each.

The first two sections of the work for protecting the banks of the Bravo River above Ciudad Juarez and the strengthening of the embankment of the river have been completed and the Tampico canal extended to within 3 kilometers of the town of Tamiahua.

POSTS AND TELEGRAPHS.

There are 2,946 post-offices in Mexico, which, during the fiscal year 1907-8, handled 195,000,000 pieces of mail matter and issued \$25,477,500 domestic and \$2,618,500 foreign money orders. The total earnings of the Department for the twelve months were \$2,100,000. During the six months from July to December, 1908, the ordinary receipts amounted to \$1,062,500 and the mail matter handled aggregated 89,000,000 pieces. Domestic money orders were issued to the amount of \$12,450,000 (an increase of $1\frac{1}{2}$ per cent) and on points out of the Republic to the amount of \$1,140,500. Postal drafts aggregating \$116,500 were paid to publishers.

In the month of November, 1908, Congress passed a law establishing a system of receipts for postal money orders both at home and abroad, the former being inaugurated February 1, 1909, and the latter, embracing Canada, Germany, France, Great Britain, and Salvador, on March 1, 1909. Through the German service a system of postal money orders was also established between Mexico and Turkey, and the parcels-post rates with Germany were modified.

The federal telegraph lines in the Republic have an extension of 40,640 miles, and new offices are being opened in accordance with the

needs of the service. Government adherence to the International Wireless Convention, signed at Berlin, Germany, November 30, 1906, has been announced. Wireless-telegraph stations have been installed in Lower California, placing that district in communication with the rest of the Republic.

Probably in no other country has wireless telegraphy been more satisfactorily used than in Mexico. Stations are now in operation at Cabo Haro, Santa Rosalia, Mazatlan, San José del Cabo, Payo, Obispo, and Xcalac. A number of other stations have been projected and are in course of erection.



A HOLIDAY PROCESSION IN MEXICO CITY.

The new immigration law of Mexico, passed by the National Congress on December 22, 1908, went into effect on March 1, 1909. The arrivals in the country, including not only immigrants but all others, from July to December, 1908, numbered 24,500, the number of Americans being given as slightly in excess of 11,000.

The promotion of immigration and colonization is receiving the serious consideration of the Government, and a land company has recently acquired 300,000 acres of land in the Territory of Tepic for the establishment of American agricultural colonies. During the year the Department of Fomento issued 2,851 title deeds covering an area of 698,520 hectares, for which the federal exchequer received

\$253,518. Irrigation methods and works were improved and extended.

Patents of invention to the number of 1,074 were issued and 1,033 trade-marks registered.

Education was also advanced by the Government through the erection of new school buildings and the establishment of agricultural farms and schools. The Department of Public Instruction and Fine Arts of Mexico is taking active measures to secure the preservation of the archæologic monuments of the Republic. Stringent orders have been given to prevent the excavation, alteration, or transportation of such monuments except under the authority of the department. Exportation of archæologic remains is prohibited.

The municipal improvements in the City of Mexico during the year include sanitation, paving works, the opening of public gardens, establishment of a crematory, and the erection of new market buildings.

The National School of Arts and Crafts for Women was installed in new quarters, the home of the Conservatory of Music changed, and improvements effected in the National Library. The expansion of the Department of Archæology into the National Museum has necessitated the acquisition of larger accommodations.

Transactions of record at the Registry of Property in the City of Mexico for the year aggregated nearly \$500,000,000.

Measures were taken for the adequate equipment of the military establishments of the Republic; smokeless powder and cartridge factories were started under proper supervision, and work is proceeding at the National Arsenal on such artillery as is necessary.



NICARAGUA

Nicaragua, the largest of the Central American Republics, is situated between Honduras on the north, Costa Rica on the south, the Caribbean Sea, and the Pacific Ocean. Its territory extends over an area of 49,200 square miles, equal to that of the State of New York, with a population estimated at about 600,000.

Two mountain ranges traverse its entire territory. Due to this fact it enjoys a diversity of climate, products, and soil. The fertile plateaux are extremely healthful and pleasant, but the lowlands are hot and tropical. Coffee, cacao, and bananas are the principal articles of export, but sugar cane, tobacco, cotton, maize, and wheat are successfully grown. Numerous minerals and precious metals are found in the mountains. The vast forests contain over 40 different species of trees furnishing oils and extracts used for industrial and medicinal purposes. Mahogany and other valuable cabinet woods are largely exported.

In the lacustrine depression, in which are situated the picturesque lakes Nicaragua and Managua, are extensive plains affording excellent pasturage for cattle, and it is in this part of the country that most of the larger cities are to be found. The east coast, commonly known as the Mosquito coast, is but sparsely settled. The Indians inhabiting the Mosquito country are noted for their unique industries, such as the manufacture of various kinds of jewelry, especially the so-called Panama gold chains, hammocks, straw hats, and pottery, all of which find a ready market.

HISTORICAL SKETCH.

COLUMBUS, on his fourth and last voyage, in exploring the coast of Central America, and after touching at Cape Honduras, was driven by the stress of weather to take shelter where the coast line turns abruptly from west to south. This point, which he named Cape Gracias a Dios (Thanks to God), is in Nicaragua, and it has retained ever since the name given by COLUMBUS. On September 25, 1502, he landed at the mouth of the Rama and took possession of the country in the name of the Spanish Crown.

In 1524 HERNANDEZ DE CORDOBA was dispatched from Panama to bring the country under subjugation. This he did, defeating the Indians and making several settlements. Some years prior to this GIL GONZALEZ had explored the country and had discovered Lake

Nicaragua. In 1570 Nicaragua became a part of the captain-generalcy of Guatemala.

Among the numerous invasions which Nicaragua, together with other Central American States, suffered during the sixteenth and seventeenth centuries, those of Sir FRANCIS DRAKE and HENRY MORGAN are the most noteworthy. In 1740 the British invaded the Mosquito coast, and, establishing friendly relations with the warlike Misskito or Sambos Indians, who had never submitted to the Spanish invaders, took possession of that part of Nicaragua. They retained possession of this territory until the year 1786, when, by a treaty with Spain, it was exchanged for what is now known as British Honduras, or Belize, and the land was restored to Spain. The Mosquito Indians subsequently acknowledged the sovereignty of Nicaragua.

On the 15th of September, 1821, the independence of the *Federación de Centro-América* having been declared in Guatemala City, Nicaragua became a State of the Federation, and with it, in the year 1822, a part of ITURBIDE'S Empire of Mexico. With the fall of the Empire it again formed part of the federation.

Upon the dissolution of the federation, Nicaragua declared its absolute independence on April 30, 1838, and the constitution of the Republic of Nicaragua was formally proclaimed on November 30 of the same year.

Gen. JOSÉ SANTOS ZELAYA was inaugurated President on April 17, 1906.



SR. DON JOSÉ SANTOS ZELAYA, PRESIDENT OF NICARAGUA.

CONSTITUTION AND GOVERNMENT.

The present constitution was promulgated March 30, 1905. Under it the legislative power is vested in a National Assembly composed of one chamber, the members of which are elected by popular vote for a term of six years, the chamber being, however, partially renewed every two years.

The executive power is exercised by the President of the Republic, assisted by a Cabinet of five ministers, or Secretaries of State. The President is elected by direct vote for a term of six years, every citizen over 18 years being not only entitled but obliged to vote. There is no Vice-President, but the Assembly elects three so-called *designados*, one of whom takes the President's place in case of absence or disability. The Secretaries of State are appointed by the President and are responsible both to the President and the Assembly.

The National Supreme Court, two Courts of Appeals, and a number of minor courts form the judiciary of the country. The justices for these courts are elected by the National Assembly for a term of six years.

INTERIOR GOVERNMENT.

For administrative purposes the country is divided into thirteen Departments, three districts, and two *comarcas*, which are again subdivided into municipalities. The Governors of these Departments, districts, and *comarcas* are appointed by the President of the Republic. The governing boards of the municipalities are elected by popular vote. The Departments of Nicaragua are:

Department of—	Capital.
Managua.....	Managua, also capital of the Republic.
León.....	León.
Granada.....	Granada.
Masaya.....	Masaya.
Chinandega.....	Chinandega.
Matagalpa.....	Matagalpa.
Carazo.....	Jinotepe.
Nueva Segovia.....	Somoto.
Jinotega.....	Jinotega.
Rivas.....	Rivas.
Estelí.....	Estelí.
Jerez.....	Boaca.
Zelaya.....	Bluefields.
District of—	
Río Grande.....	Barra de Río Grande.
Prinzapolka.....	Barra de Prinzapolka.
Siquia.....	Rama.
Comarca of—	
San Juan del Norte.....	San Juan.
Cape Gracias a Dios.....	Gracias a Dios.

The capital of the Republic is the city of Managua, with a population of 40,000; but the city of León, with 60,000 inhabitants, is the commercial center.

President.....	Gen. JOSÉ SANTOS ZELAYA.
Minister of Foreign Affairs and Public Instruction.....	Dr. FEDERICO SACASA.
Minister of Government, Justice and Police.....	Dr. GREGORIO ABAUNZA.
Minister of Treasury and Public Credit.....	Dr. JULIAN IRIAS.
Minister of War and Marine.....	Col. HORACIO ZELAYA.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The salary of the president is \$9,600 per annum.

NICARAGUA IN 1908.

The administration of Nicaraguan affairs during 1908 was continued under the direction of President ZELAYA, and relations both at home and abroad were maintained on an amicable basis.

Measures were taken to adjust such difficulties with neighboring States as were susceptible of friendly settlement, and the nation participated in the various congresses and conventions growing out of the Washington Conference.

FINANCE.

For the two years 1906 and 1907 the revenues and expenditures of the country were estimated at \$4,086,000 and \$4,188,000, respectively; later figures are not available.

The total outstanding obligations in July, 1909, were about \$3,875,000 and the internal debt \$5,127,990 (13,674,650 pesos).

The service of the public debt was continued during 1908 and by a loan, floated in May, 1909, under the law of September, 1908, \$5,750,000 are available for the settlement of various obligations of the Republic. Part of this is to settle the British loan of 1886 and part is to be applied to the New Orleans loan, the remainder to be used in continuing the Atlantic Railroad, starting from the port of San Miguelito, on the Lake of Nicaragua, and ending at Monkey Point, on the Caribbean Sea.

The new customs tariff law of December became effective upon its promulgation and was supplemented by a decree of March 6, 1909, whereby, in order to counteract the disastrous effects of inundations in the Atlantic coast regions and for the purpose of stimulating the commercial transactions, certain articles were permitted entry through Atlantic ports at a reduction of 30 per cent from the fixed rates.

Government monopoly of the match industry was decreed from January 8.

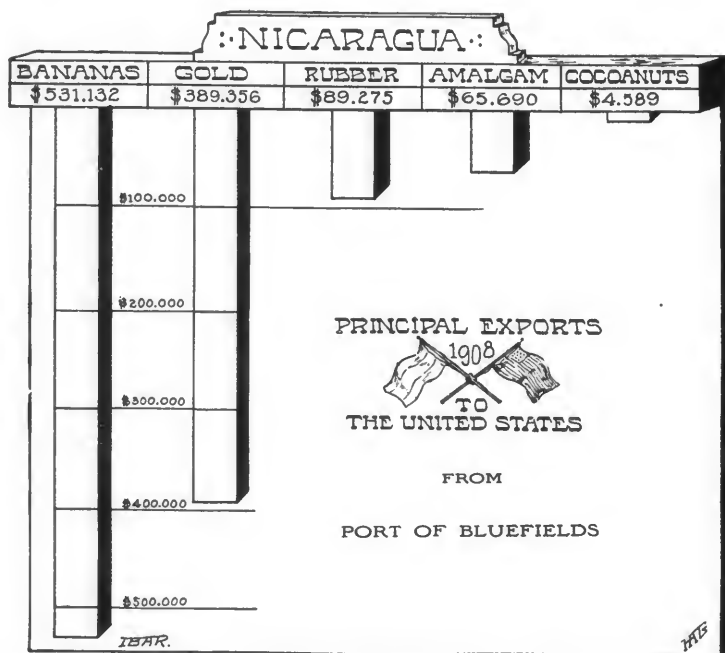
COMMERCE.

Figures of the foreign trade of the country for 1908 show a total valuation of \$7,500,000, comprising imports to the value of \$3,000,000 and exports \$4,500,000. The commercial transactions with the United States occupy first place, from which country imports were received during 1908 to the value of \$1,297,163; Nicaraguan merchandise being shipped thither valued at \$1,034,131, according to United States statistics. Both branches of trade show a slight decline as compared with the preceding year.

Consular statements report shipments from Bluefields to the United States of 1,298,000 bunches of bananas, valued at \$531,133. Other

articles exported included 24,970 ounces of gold, worth \$389,357; 166,152 pounds of rubber, \$89,275; amalgam (gold), \$65,691; and coconuts numbering 173,100, valued at \$4,589. Exports to the value of \$311,010 were made from the port of Cape Gracias á Dios and included gold, \$292,421; hides, \$3,036; and rubber, \$15,552.

In 1906, the latest year for which commercial details are available, Nicaragua's total trade values aggregated \$7,639,877.53, exports accounting for \$4,231,047.88 and imports for \$3,408,829.65. The United States, England, Germany, and France are the leading factors



in the trade of the country, receiving and furnishing the following valuations:

Exports: United States, \$2,492,485; England, \$452,142; Germany, \$458,718; France, \$480,502.

Imports: United States, \$1,914,961; England, \$776,133; Germany, \$400,389; France, \$193,661.

With the adjoining countries of Central America about \$300,000 cover the value of the exchange of commodities.

Coffee constitutes the leading item of export, 19,378,216 pounds being shipped in 1906, valued at \$1,375,679. Bananas occupy second

place with 1,401,595 bunches, valued at \$700,069; followed by gold bullion, \$527,423; gold amalgam, \$343,546; rubber, \$385,472; mahogany, \$284,320; cattle, \$133,044; hides, \$120,367; coconuts, \$90,953; silver coin, \$44,220; sugar, \$23,467; and cedar, \$41,465.

PRODUCTION AND INDUSTRIES.

Agriculture and mining are the principal sources of national wealth. The area under cultivation has increased in recent years, the chief product being coffee. Nicaraguan coffee is of superior quality and commands good prices, the finest plantations lying in the western districts. In Matagalpa and Jinotega the crops are worked by colonies of Americans and Germans, who apply the natural water power of the country to the operation of such machinery as is required.

The coffee yield for 1907-8 was about 14,000,000 pounds and the estimate for 1908-9 is 16,800,000 pounds.

A decree of November 24, 1908, reestablishes the general tax on coffee exports at the rate of 40 cents gold per hundredweight.

Sugar growing is profitably exploited; the production in 1907, including the by-products, molasses, aguardiente, and alcohol, showing a total valuation of \$1,122,400, the plantations being estimated as worth \$1,650,000. These plantations had 931 wooden and 225 iron mills in operation and turned out nearly 4,000 tons of refined sugar.

Although cacao ranks in importance after both coffee and sugar among the cultivated resources of western Nicaragua, it is recognized as a remunerative product. At present the entire output is consumed in the country, the selling price being from 20 to 25 cents gold per pound. Two varieties of cacao trees are grown, and the Government is encouraging the industry by granting premiums for every planted tree coming into bearing. The average yield from each tree is about 2 pounds when in full bearing, or about 600 pounds to the acre.

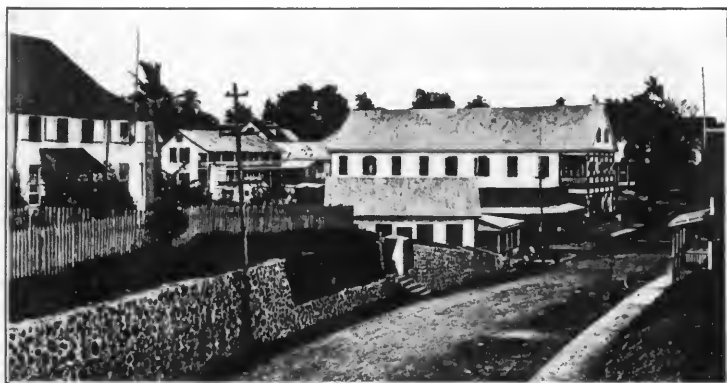
Bananas are grown in large quantities in the Bluefields region and shipped to New Orleans. A tract of land about 15,000 acres in extent, growing 100,000 banana plants, is one of the recently granted concessions on the Atlantic coast, and another more extensive grant of land is to be opened up on the west coast. The cost of planting and maintaining 200 acres with 35,000 plants is about \$4,000.

Tobacco is grown in several districts, the best being produced on the island of Omotepe, in Lake Nicaragua. Tobacco growing is regulated by the Government, which has leased to a syndicate the fiscal revenues obtained therefrom for a period of twenty-four years from January 1, 1908. The contract covers all kinds of tobacco, domestic or foreign, in whatever form it may be handled, planted,

manufactured, used, imported, or sold. In exchange the syndicate is to pay to the Government the sum of \$200,000 annually.

Rubber is collected in the forests and there are young plantations on the coasts. In accordance with a decree issued on July 18, 1908, owners of rubber lands must register them, stating the names of properties, situation, approximate extent, number and age of trees, stage of development, and estimated annual product. The exportation of rubber is also subjected to certain formalities, the violation of which subjects the exporter and the customs administrator who permits the shipment to a fine of not less than 50 per cent of the value of the rubber exported.

The forests also contain mahogany and cedar which figure largely in the country's exports, many valuable timbers, dyewoods, and



COMMERCIAL STREET, BLUEFIELDS, NICARAGUA.

Bluefields occupies a height overlooking the capacious landlocked harbor at the mouth of the Rama River, which empties into the Caribbean Sea. Large quantities of bananas are grown in the vicinity and shipped to New Orleans. Bluefields is also the center of a considerable mining industry.

medicinal plants. Gums and resins abound, and the native camphor tree is said to yield a variety equal to that produced in the Far East. Vanilla of an excellent quality grows freely, and senna is a native product.

Cattle, horses, and swine are reared, the number of cattle being estimated at about 1,200,000.

Manufacturing industries are confined mainly to articles of domestic consumption, and include the manufacture of furniture, boots and shoes, sugar, rum, beer, candles, cigars, cigarettes, and soap.

Of the more than 500 mines registered in the Bureau of Statistics of the Republic, 494 are producers of gold, while silver, copper, and quarries of valuable stone are scattered throughout the country.

These resources are being exploited as rapidly as possible under various concessions held by natives and foreigners.

The latest mining law modifies in some important particulars the law of 1906, and its provisions are adapted to the encouragement of immigration.

The importance of Nicaragua as a mining country has been recognized, more particularly by American capitalists, who have, during the last few years, prospected the various fields and invested large sums of money in development work and machinery.

A few English companies have secured mining concessions in various districts, and it is probable that increased investments will be made by them in the mines of the country. A number of the principal mines on the West Coast, included in which are the Santa Francisca, San Lucas, Amaya, San Cristobal, Quilali, and San Juan Tetelpaneca, are in the hands of English capitalists, while the Leonesa mine, near Matagalpa, has recently been acquired by a company largely interested in West Australian mining properties.

The Atlantic slope is the great placer-mining district of the country, Prinzapolka being the center of active operations at present. There are rich quartz mines in this district, among which are La Luz and Los Angeles, owned by Americans. In the district of Leguoa large gold-bearing reefs are known to exist, but they are at present undeveloped. The quartz veins of the West Coast contain from one-half ounce to 2 ounces per ton gold. Some London companies—the Leon Syndicate and the Santa Francisca Company—are extensively engaged in operations there.

An estimate of the gold exports of Nicaragua for 1908 fixes the valuation at \$933,171. Duties on gold are paid in export bonds.

Several mines are not operated at present, owing to a change in machinery, but those of La Libertad, Santo Domingo, and in the Matagalpa district are being successfully worked, shipments being made from the Pacific side with destinations at San Francisco, England, and Germany.

About 100 square miles of fine mining property are held by the La Villebeuvre concession, and the United States and Nicaraguan Company have property rights in several thousand square miles of ground, covering mining, railroad, telegraph, and river navigation claims, on which they have spent \$1,000,000. Another company holds mineral rights to about 45,000 acres, also concessions for dredging the three small rivers between Bluefields and Greytown, along which the lands lie.

The outlook for an increased development of this industry is very encouraging, and some concessions which have withdrawn from the public vast areas of valuable lands may shortly be declared forfeited for failure to comply with the terms of the grant. A railway to

penetrate the heart of the mining district, passing through a rich agricultural section, is projected, and will be a contributing factor to an increased mineral production.

COMMUNICATION FACILITIES.

About 200 miles comprise the railway extension in the Republic. In the surveys for an Intercontinental Railroad from New York to Buenos Aires, the National Railroad of Nicaragua was accepted as one of the integral parts of the system, the portion embraced extending from Corinto to Granada. This is a narrow-gauge line, 171½ miles long, the invoiced value of which is \$3,155,941.

Since 1903 the railway has been leased to a company, and notable improvements have been made. Receipts from the line in 1906 were \$2,251,233 and expenditures, including repairs, were \$2,369,692. The rolling stock consists of 15 large and 3 small locomotives, 3 baggage cars, 46 box cars, 10 first-class and 13 second-class passenger coaches, and 77 platform and other cars. Repair shops are at Managua and Ameya.

From Monkey Point, on the Atlantic, a railroad is under construction to extend to San Miguelito, a distance of 116 miles, and a road has been surveyed from Momotombo, on Lake Managua, to Matagalpa. Connection is now made from Momotombo to Managua by steamers.

Tramway lines are in operation in Granada, Rivas, and San Juan del Norte.

With a coast line of nearly 300 miles on the Caribbean Sea and of 200 miles on the Pacific Ocean, Nicaragua has been favored by nature with a number of excellent bays and ports, affording ample facilities for the handling of the numerous products of export and import. On the Atlantic side the principal ports are Gracias a Dios, Bluefields, and San Juan del Norte, or Greytown, while on the Pacific side are Corinto and San Juan del Sur.

The Atlantic ports can be reached either from New York, New Orleans, or Mobile by the steamers of the Atlas Line or the Bluefields Steamship Company, the latter maintaining a regular fortnightly service between New Orleans and Nicaraguan ports, making the run in four days, and charging \$40 for first-class passage.

The Pacific ports can be reached via San Francisco by the Pacific Mail Steamship Company or the Kosmos Line, both of which maintain a regular service on the West Coast, sailing from San Francisco about every ten days. The time employed by either of these steamers between San Francisco and Corinto or San Juan del Sur is from twenty-three to twenty-four days, the charge being \$110.

A new line of German steamers has been established to ply between Corinto, Nicaragua, and Seattle, Washington, touching at the principal Central American ports of the Pacific coast and at San Francisco. A monthly service will be maintained.

A five-year concession grants the right to introduce Chinese and Japanese immigrants into Nicaragua for employment as laborers in connection with plantations and other industries in the country. This concession, however, is conditioned on the establishment by the concessionaires, within the period of one year, of a line of steamers from Hongkong, touching at Shanghai, San Francisco, Salina Cruz, and Central American ports, including Corinto and San Juan del Sur.



AMERICAN LEGATION AT MANAGUA, NICARAGUA.

Three gunboats of the Nicaraguan navy are to be disarmed and used for passenger and freight traffic between Puntarenas, Costa Rica, and Acajutla, in Salvador, touching at all the intermediate ports.

The hydrographic system of Nicaragua is very extensive, and its numerous rivers, together with its large lakes, give excellent facilities for transportation and communication.

The most important of these is the river San Juan, which has a total length of 140 miles and is navigable almost in its entirety, flowing into the Nicaragua Lake, and by means of which communication

is established with the important cities in that region, as well as with the capital itself. A regular triweekly steamship service is maintained on the San Juan River between San Juan del Norte, at the mouth, and the city of Granada, on Lake Nicaragua. From Granada a railway extends to Managua, Leon, and the Pacific port of Corinto.

The Rio Coco, Wanks, or Segovia is navigable for some 240 miles, the last 110 miles of which, however, are only navigable for small vessels of light draft, and the Rama is navigable for some 40 miles, as far as the city of Rama, while the Rio Grande, although one of the largest streams, is navigable only partially, owing to its rapids, which make navigation dangerous and difficult.

Lake Nicaragua has an extension of 96 by 40 miles, is navigable throughout for large vessels, and contains a number of islands, of which the island of Ometepe, 12 miles in length, is the largest. It is one of the prettiest and most picturesque lakes of America and the largest in Central America.

Lake Managua, situated but a short distance from Lake Nicaragua, with which it is connected by the Tipitapa River, is 38 miles long and from 10 to 16 miles wide, it being likewise navigable. The capital of the Republic, Managua, as well as a number of smaller towns, are situated on its shores.

Post-offices number 135, and telegraph wires have an extent of 3,150 miles. The United States Government has installed a wireless telegraph station, with a range of over 500 miles, at Swan Island, off the coast of Nicaragua, and the United Fruit Company has active stations at Bluefields and Rama, which are both of high efficiency.





PANAMA

The Isthmus of Panama, which comprises the Republic of Panama and the Canal Zone, forms the connecting link between Central and South America. It is bounded on the north by Costa Rica and on the south by Colombia.

It has an area of 32,380 square miles, nearly equal to that of the State of Maine, and a population of 361,000, or 11.1 per square mile, being less than one-half the population per square mile of the United States of America.

Two mountain chains traverse the territory of the Republic, inclosing various valleys and plains which afford excellent pasturage for cattle and in which all the products of the Tropical Zone are raised. The slopes of the mountains are covered with extensive forests.

Among the products for export, bananas, cacao, indigo, tobacco, sugar cane, india rubber, vegetable ivory, turtle shells, pearls, and mahogany are the most important.

HISTORICAL SKETCH.

RODRIGO DE BASTIDA is said to have first discovered the coast of Panama, but it was left for COLUMBUS to explore the country and attempt a settlement. On November 2, 1502, he entered the harbor of what is now Puerto Bello and planted a colony. The Indians, unlike those of most other American localities, opposed the invaders, destroyed the settlement, and forced the colonists to take to their ships. Other settlements which from time to time were attempted fared no better, and it was not until 1510, when DIEGO DE NICUESA was appointed Governor of the Province of Castilla del Oro, extending from the Gulf of Darien to Cape Gracias a Dios, that the Spaniards succeeded in firmly establishing themselves on the Isthmus at Nombre de Dios. ENCISO, who succeeded NICUESA, shortly afterwards founded Santa Maria la Antigua del Darien, which was to be the basis of operations for many years to come. Subsequently, VASCO NUÑEZ DE BALBOA crossed the Isthmus of Panama after a journey of twenty-six days and discovered the Pacific Ocean on September 26, 1513. He claimed possession in the name of the King of Spain of the ocean and all the lands washed by it.

DON PEDRO ARIAS DAVILA, popularly called PEDRARIAS, became Governor of Castilla del Oro in 1514, and in the year 1518 founded the city of Panama.

Panama and Darien became the treasure ports from which all the gold of Peru was shipped to Spain. This naturally attracted the numerous buccaneers who at that time infested the waters of the West Indies, and both of these cities were many times attacked during the sixteenth and seventeenth centuries. Among these the most formidable was HENRY MORGAN, who in the year 1671 captured the city of Panama and completely destroyed it. It was refounded, however, on January 21, 1673, by the then Governor DON FERNANDEZ DE CORDOVA Y MENDOZA, some 3 miles distant from the old site.

WILLIAM PATTERSON, a Scotchman, also attempted a settlement on the Isthmus, having been granted letters patent from the Scotch Parliament. On November 2, 1689, he landed at a place near what is now known as Puerto Escosez with 1,200 settlers. The colony did not prove successful, and in the year 1700 the Spanish authorities forced its abandonment.

In 1718 the viceroyalty of New Granada was created, Panama being incorporated therewith.

On November 28, 1821, Panama declared her independence of Spain, and, owing to the fact that the Spanish military governor, Don JOSÉ DE FABREGA, was in sympathy with the revolutionary movement, independence was secured without bloodshed, Panama becoming a State of the Republic of Colombia.

Movements for independence were at different times initiated, but it was not until the year 1903 that the independent Republic of Panama was born. On November 3 of that year the people of the city of Panama declared themselves free from Colombia. This revolution, like the first, was bloodless, and thus the youngest Republic presents the unique spectacle of having accomplished both her independence from Spain and her secession from Colombia peaceably.

According to the treaty signed between the Republic of Panama and the United States of America on November 18, 1903, the latter country acquired the necessary land to build a ship canal from ocean to ocean, and a strip of land 5 miles on each side of the center line of the route of the canal to be constructed. The proposed canal is to be 50 miles in length and extends from the city of Colon, or Aspinwall, to the city of Panama. The United States of America also acquired possession of the small islands of Perico, Naos, Culebra, and Flamenco, in the Bay of Panama.

On February 13, 1904, the constitution of Panama was promulgated, and on February 20, 1904, MANUEL AMADOR GUERRERO was inaugurated as first President of the Republic.

CONSTITUTION AND GOVERNMENT.

Under the constitution the legislative power is vested in the National Assembly, composed of one chamber with 32 members. Deputies are elected by direct vote for a term of four years in the proportion of one for every 10,000 inhabitants or fraction over 5,000.

The President is likewise elected for a term of four years by popular vote, every citizen over 21 years of age being entitled to suffrage. He may not be reelected for the term immediately following his own. There is no Vice-President, but the assembly appoints three *designados* every two years, the first *designado* taking the place of the President in the event of his absence or disability.

There is a supreme court of five judges appointed by the President for a term of four years, a superior court, several circuit courts, and a number of municipal courts. The judges of the superior and circuit courts are appointed by the supreme court for four years and the municipal judges by the judges of the circuit courts for a term of one year.

INTERIOR GOVERNMENT.

Panama is politically divided into seven Provinces, which are again subdivided into municipalities, the former being administered by a Governor, appointed by the President of the Republic for a term of one year, while the latter are governed by a *Consejo Municipal*, elected by direct vote for a term of two years, and an *alcalde*, or mayor, appointed by the Governor of the Province for a term of one year.

The Provinces and their capitals are:

	Capital.
Province of Panama.....	Panama. ^a
Colon.....	Colon.
Cocle.....	Penonome.
Los Santos.....	Los Santos.
Veraguas.....	Santiago.
Chiriqui.....	David.
Bocas del Toro.....	Bocas del Toro.
President.....	Señor D. JOSÉ DOMINGO DE OBALDÍA.
Secretary of Foreign Affairs.....	Señor D. SAMUEL LEWIS.
Secretary of Government and Justice.....	Señor DR. RAMÓN M. VALDES.
Secretary of the Treasury.....	Señor DR. CARLOS A. MENDOZA.
Secretary of Fomento.....	Señor D. JOSÉ E. LEFEVRE.
Secretary of Public Instruction.....	Señor DR. EUSEBIO A. MORALES.

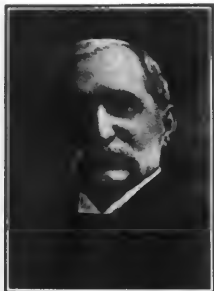
NOTE.—List of cabinet officers corrected to July 20, 1909.

The salary of the President is \$18,000 per annum.

^aAlso capital of the Republic.

PANAMA IN 1908.

The late President of Panama, Dr. M. AMADOR GUERRERO, who was succeeded in October, 1908, by the present executive, Señor DOMINGO DE OBALDÍA, delivered an interesting message to the National Assembly on September 1, 1908, in which a résumé of the general conditions existent throughout the country, showed a satisfactory status for the young Republic. The desire on the part of the Government to adequately exploit the resources of the country is evidenced by the granting of concessions, the establishment of telegraph and telephone lines, opening of new steamship services, and such revisions of the tariff as the economic conditions demand, while the operations of the new land law promulgated in January, 1909, will throw open large tracts of desirable properties to settlement.



SR. DON DOMINGO DE OBALDÍA
PRESIDENT OF PANAMA.

FOREIGN AFFAIRS.

The Republic continued to maintain amicable relations with the nations of the world and was represented at the Second International Peace Conference held at The Hague, while the negotiation of treaties with the United States and Colombia is an earnest of future prosperity and of amity with the Republics concerned. Improved trade conditions are resulting from the application of beneficial concessions, and the arbitral settlement of international questions is in keeping with the standard of civic virtue required by the new ideas of civilization.

The final report of the Commissioners appointed by the Governments of the United States and Panama, in accordance with the treaty of November 18, 1903, concerning claims arising out of the construction and conservation of the Panama Canal, was made during the year.

A postal convention concluded with Italy in January, 1909, provides for the exchange of postal parcels of specific weight and dimensions and money orders, considerably enlarging the scope of this branch of the Government service, and the appointment of the Pan-American committee, charged with the preparation of Panama's participation in the Fourth Pan-American Conference to be held in Buenos Aires during 1910, indicates the interest of the Government in world affairs.

FINANCE.

The report of the Secretary of the Treasury for the six months ending June 30, 1908, showed the total cash assets of the Government

on that date to be \$7,860,696.68, of which \$6,000,000 gold was invested in first mortgages on real estate in New York City at 4½ and 5 per cent interest. In addition the Republic was carrying in account current \$1,505,307.03 in the same city.

The national receipts during the six months covered by the report amounted to \$1,259,574.15, while the balance, after paying the expenses of the Government for the same period, amounted to \$105,307.03, turned into the National Treasury. The revenues for 1907, accruing principally from customs duties and excise taxes, amounted to \$2,439,302.

The budget for the period from January 1, 1909, to December 31, 1910, estimates the total revenues for the two years \$4,492,000, and expenditures at \$6,877,469.65. The revenues are made up from the following items: Import and export duties, taxes on liquors, tobacco, matches, coffee, opium, salt, steamship companies, and money changers, \$2,714,000; consular fees, manufacture and sale of liquors at retail, slaughterhouses, mines, patents, sealed paper and stamps, registration, real estate, lotteries, pearl fisheries, sale of federal properties, including lots and light-houses, \$988,000; posts and telegraphs, parcels post, public market of Panama, public land, and various other sources, \$207,000; and interest on \$7,700,000 to the amount of \$583,000. The estimated disbursements are placed at the following figures: Department of Interior and Justice, \$2,632,004; Foreign Relations, \$499,220; Treasury, \$720,882.50; Public Works, \$1,902,430.35, and Public Instruction, \$1,122,932.80.

The many public improvements undertaken by the Government of Panama and the establishment of new industries render significant the fact that in the disbursement of moneys for 1909 public works and public instruction, taken conjointly, are apportioned the largest share of the budget expenditure. The Assembly has furthermore appropriated the sum of \$85,000 for defraying the expense of a census, work on which has already begun.

During the past four years the disbursements of government funds for current expenses and public improvements was only \$1,859,320.66 in excess of the receipts from the regular sources of revenue, which are import duties on foreign merchandise and internal taxes on liquors. This excess represents improvements of a substantial nature made throughout the entire country.

COMMERCE.

The total trade for 1908 aggregated \$9,563,946, of which imports amounted to \$7,806,811, and exports were estimated at \$1,757,135. Of the imports the principal commodities were: Vegetable products, \$1,879,296.72; agricultural products, \$1,258,900.72; textiles, \$1,187,802.38; mineral products, \$788,068.67; wines and

liquors, \$675,703.20. As a country of origin for imports, the United States leads in all articles except textiles, Great Britain ranking first as country of origin for this product.

A classification of exports for 1908 showed vegetable products to the amount of \$1,539,395.45; animal products to the value of \$135,207.15; mineral products in the sum of \$79,620.59, and miscellaneous products amounting to \$2,912.34.

The export destinations for the year 1908 were: United States, \$1,587,216.69; Great Britain, \$113,037.71; Germany, \$34,495.35; France, \$11,639.50; Spanish America, \$8,413.28; and Austria-Hungary, \$2,333, a total of \$1,757,135.53.

The total trade for the year with the United States, according to the trade statistics of that country, amounted to \$18,247,155, of



GOVERNMENT PALACE, CITY OF PANAMA, PANAMA.

which import values, including canal supplies, figured for \$16,799,630, and exports for \$1,447,525.

For the year 1907 the imports from the United States, not including shipments for use by the Isthmian Canal Commission, amounted to \$5,196,964, and from other countries \$4,367,486, a total of \$9,564,450. To this should be added goods imported free of duty for use by the Isthmian Canal Commission amounting to \$13,468,359. The exports for the year reached a total of \$1,960,665.70, over 70 per cent of the total value being represented by bananas. The shipments of bananas during 1908 reached a total of nearly 4,000,000 bunches, most of which were shipped from Bocas del Toro. These form the largest single item in the exports of the Republic and are practically all shipped to the United States. Other items on the export list are hides, rubber, coconuts, limes, native curios, and quaqu bark.

In anticipation of banana shipments to Europe and of increased commerce with Panama, the Hamburg-American Line has equipped its vessels with refrigerating apparatus.

PRODUCTION AND INDUSTRIES.

The soil of the Republic is of marked fertility, and climatic conditions induce a luxuriant growth of tropical vegetation. Only a small part of the area of the Republic is under cultivation, although the Government, alive to the importance of agriculture as a factor in the development of the resources of the country, is interesting itself in promoting the cultivation of coffee, cacao, coconuts, rubber, vanilla, and sugar cane, all of which articles are exempt from taxation. Inducements have been offered to Spanish and Italian agriculturists to settle in various parts of the Republic.

The cultivation of bananas is the principal industry, and the acreage devoted to the production of this fruit shows a steady increase from year to year. Attention is also being given to the cultivation of other products. Cacao is at present grown only on a small scale, the export value reaching only about \$6,000, while rubber, which is now produced on a scale similar to cacao, could easily be developed into an extensive and profitable industry. It grows wild in the interior of the Bocas del Toro district, where it is gathered by Indians and brought to Bocas del Toro for shipment. Sarsaparilla is not cultivated, but grows wild in great abundance, and coffee is grown in the Province of Chiriqui near the Costa Rican frontier. In the Province of Coele, on the Atlantic coast, an agricultural enterprise financed by German capital has undertaken the cultivation of cacao, coffee, and rubber, and returns are already being received. Sugar cane is cultivated to some extent and grows wild in many parts of the country, and could be cultivated to advantage. The Government has recently made a contract with an American citizen providing for the erection of a sugar mill on the public lands of the Republic and the establishment of a sugar refinery to be operated in conjunction with the same. The tariff on sugar products to be used in the manufacture of liquors has been raised to \$2.50 per 110 pounds.

Another refinery at the capital, with a capacity of 500 tons, or an output of 1,000 bags of 100 pounds of refined sugar daily, has been contracted for. This refinery is to be exempt from national and municipal taxes on the sugar produced, in addition to which the Government agrees to admit free of duty all requisite material, machinery, and implements to be used in construction. The concession carries with it a large grant of land and provides for a gradual increase of the acreage planted on a progressive scale. The plans also provide for a post-office and school and for a comprehensive study of

the industry by students assigned to the refinery for that purpose by the Government.

The forests of the Republic contain an abundance of cabinet, dye, and building woods which under proper exploitation could be a profitable field of enterprise.

The stock-raising industry is also being encouraged by the importation, free of duty, of blooded animals for breeding purposes from the United States, England, and Jamaica. Statistics place the live stock in the Republic at 114,500 head in the following distribution: Cattle, 65,000; hogs, 28,000; horses, 17,000; goats, 3,000; and mules, 1,500.

In mining the Republic is being extensively prospected, and 40 new claims were announced in 1907 as compared with 31 in 1906. Many of the rivers and points near the seashore contain gold in small quantities, while some of the deposits in the interior might be profitably worked. Gold bullion was shipped from mining properties near Darien in 1907 to the amount of \$170,000.

Deposits of coal of a good grade and of copper have been located in the interior of the Republic.

COMMUNICATION.

The railroad from Colon to Panama, 47 miles in length, is the most important transportation route of the Panama Isthmus.

This road, operated largely in behalf of work on the canal, transported in 1907 merchandise from the United States to the value of \$12,000,000, and in 1908 to the value of \$9,500,000. Of merchandise hauled over this railway, \$8,500,000 moved from the Atlantic to the Pacific, of which \$2,750,000 was destined for western ports of the United States and \$5,750,000 for foreign countries on the Pacific coast of North and South America. Of this amount, Ecuador, Peru, and Salvador took \$1,000,000 each; Panama, \$750,000; Honduras and Nicaragua, nearly \$500,000 each; and \$333,000 each to both Colombia and the western coast of Mexico. Of the \$2,750,000 from the eastern to western coast of the United States by way of the Panama Railway, practically all originated in New York and was shipped to San Francisco. The eastbound merchandise passing through Panama amounted to a little more than \$1,000,000 and was shipped exclusively from San Francisco, all of it to New York City. Interest in the construction of the canal across the Isthmus has been heightened by its announced completion in 1915.

The favorable position of the Republic of Panama, almost in the center of the American Continent, places it within easy reach not only of North and South as well as Central America, but also of Europe, and numerous steamship lines on both the Atlantic and Pacific oceans maintain a regular service with the ports of the Republic.

A number of large bays and ports furnish ample facilities for the largest ocean-going vessels, those on the Caribbean Sea being Colon or Aspinwall, Bocas del Toro, Chagres, Porto Bello, Bastimenios, Nombre de Dios, Palenque, and Escribanos, and on the Pacific side Panama, Pedregal, Puerto Muits, Chitre, Mensabe, Puerto, Posada, San Carlos, Aguadulce, and Real de Santa Maria.

The city of Colon is but 1,382 miles distant from New Orleans, and 1,972 miles from New York, while Panama is 3,277 miles distant from San Francisco.

The Panama Railroad Company's steamers leave New York every fifth day for Colon, making the run in six days, the charge being \$70 for the first-class passage, the charge to Panama, including railroad fare from Colon being \$76.05.

The Royal Mail Steamship Company maintains a regular service between New York and Colon, leaving the former port every alternate Saturday, the time and fare being the same as that of the Panama Railroad Company. The Atlas Line steamers leave New York once a week for Colon.

The United Fruit Company's steamers, sailing from New York, New Orleans, and Mobile, call at both Colon and Bocas del Toro, the time employed between New Orleans and the latter port being five days, and the charge \$35.

On the Pacific coast the Pacific Mail Steamship Company and the Kosmos Line have regular communication between San Francisco and Panama, making the run in from twenty-one to twenty-three days. Vessels of the Pacific Steam Navigatica Company and of the *Compañía Sud-Americana* run between Panama and ports of Ecuador, Peru, Chile, and the first-named line on to Buenos Aires and Montevideo. It is reported that the Pacific Mail Steamship Company is about to discontinue its Panama service.

Several of the rivers of Panama might afford navigation facilities were it not that owing to tropical rains they are apt to rise suddenly, rendering transport difficult and dangerous. The Tuyra is navigable for small vessels for about 100 miles, and the Chagres, the Bayamo, the Cocle, Calabebora, Tarire, and Los Indios are all navigable for small craft from 20 to 75 miles.

A number of almost land-locked lagoons are found along the shores. Belonging to the Republic, aside from the islands in Panama Bay ceded to the United States of America, there are the islands of Taboga, nearly 2 miles long; Taboguilla, Urava, Chame, Valladolid, Coiba, Chepillo Cebaco, and Las Perlas, so called owing to the valuable pearls found there. The Las Perlas group is composed of 39 islands and some 70 islets, most of which are fertile and covered with forests, presenting a most pleasing aspect.

On the Atlantic side the largest islands are the island of Manzanillo, Escudo de Veraguas, and the archipelagos of Las Mulatas and Bocas del Toro.

The encouragement of steam navigation by the administration has been marked by the subsidizing of a company to establish a service on the Pacific coast, which is being operated with satisfactory results. The company operating between David and Panama has five steamers on the line and the enterprise is proving a paying one.

POSTS AND TELEGRAPH.

The foreign postal service is being operated in a satisfactory manner and in accordance with the provisions of the Universal Postal Union, and the Republic has from time to time celebrated a number of postal conventions with different countries of Europe and America. Interior postal facilities are ample for present wants, but measures are to be enacted for the extension and betterment of the service to meet the growing demands of the country.

The National Assembly has authorized the President to complete the double-wire telegraph line from Panama to Veraguas, to construct new lines, and extend the telephone system. An appropriation of \$100,000 was made for this purpose.

At Colon the United States Government has a high-power wireless telegraph station in operation, and the United Fruit Company has a station at Bocas del Toro in connection with their stations in the neighboring countries. The Central and South American Cable Company has increased its equipment by an overland cable between Colon and Panama, thus creating an all-cable service between Buenos Aires, Valparaiso, and the west coast of South America, the United States, and Europe. A connection has also been established with Guantanamo, Cuba.

INSTRUCTION AND PUBLIC WORKS.

A keen interest is manifested in public education, and there has been considerable improvement in primary instruction in the Republic. In the capital a School of Arts and Trades has been established which promises to become one of the most useful institutions in the country. A training school has also been established to supply teachers for the education of the aborigines. Schoolhouses and public buildings have been erected in the principal towns, and the active cooperation of the Government is marked by many improvements in educational methods.

An appropriation of \$10,000 has been made by the National Assembly for establishing agricultural colonies in the Republic, and arrangements have been made for the introduction of suitable immigrants. The civilization of the savage tribes of Indians inhabiting

parts of the country has also been undertaken. The colonization project of the Government includes the grant of suitable lands to families or individuals settling at places designated by the Government and supplying them with seed, tools, stock, and other indispensable articles. Fifteen scholarships in the School of Arts and Trades in the city of Panama have been established for the natives of the coast of San Blas and Darien and a sum of \$5,000 set aside for the purchase of antiquities representing the work of the aborigines of America.

The new patent and trade-mark law of the Republic was promulgated November 14, 1908.

Many public works have been successfully terminated, the most important of which are the Government Palace and the National Theater, erected at a cost of a little over \$700,000. The former is already in use and the latter will soon be opened to the public. Waterworks and sewerage systems have been established at Panama and Colon, roads constructed, and streets paved. Other improvements contemplated by the administration include better harbor facilities and the installation of electric power plants for municipal lighting and transportation.

On December 26, 1908, a law was promulgated by the President providing for free entry of articles for use in the development of the agricultural and pastoral industries; for purposes of public education; by the Canal Commission under the terms of the treaty of November 18, 1903, and certain other articles expressly provided for by contracts now in force.



PARAGUAY

The Republic of Paraguay, one of the two inland countries of America, is situated between latitude $22^{\circ} 4'$ and $27^{\circ} 30'$ south and longitude $54^{\circ} 32'$ and $61^{\circ} 20'$ west of Greenwich, between the Republics of Bolivia, Brazil, and Argentina.

Paraguay has an area of 196,000 square miles, equal to that of the States of California and Maine, and a population of 636,000 inhabitants.

With a tropical climate considerably modified and made healthful by several mountain chains and an extensive hydrographic system, most of the products of the tropical and temperate zones are successfully cultivated. The extensive valley of the Gran Chaco affords excellent pasturage for cattle, and the slopes of the mountains are covered with luxuriant forests, where many useful woods and medicinal plants are to be found.

The valuable quebracho wood, used extensively for tanning and also as railway ties, and maté, or Paraguay tea (the leaves of the *Ilex paraguayensis*), are the most important articles of export, the latter going mostly to the other South American Republics, where it is a popular beverage. Lapacho, curupay, and cedar are valuable woods found in considerable quantities, while oranges, tobacco, coffee, rice, cotton, manioc, and sugar are exported.

HISTORICAL SKETCH.

The country now comprising the Republic of Paraguay was first discovered by SEBASTIAN CABOT, who, in the year 1526-27, explored the upper Parana and Paraguay rivers and the adjacent country. He was followed by JUAN DE AYOLAS and DOMINGO IRLA, who, on August 15, 1536, founded a settlement on the present site of Asuncion, the capital of the Republic.

Subsequently ALVARO NUÑEZ CABEZA DE VACA, famous for his explorations in North America, was appointed Governor of the Province of Paraguay, which at that time comprised all of the country drained by the La Plata, and disembarking in the year 1542 at Santa Catharina in Brazil, proceeded overland to his destination. He reached Asuncion after a journey of one hundred and thirty days, having traversed more than 1,000 miles of hitherto unexplored and practically unknown territory.

DON HERNANDO ARIAS DE SAAVEDRA became Governor in 1591, and at his invitation the Jesuit missionaries came to Paraguay, arriving in 1608. They treated the Indians kindly, and by founding schools and missions soon gathered thousands of the aborigines around them, forming practically an independent State which thrived for many years. Their power was finally broken in the year 1769, when the King issued a decree expelling all Jesuits from the Spanish colonies in America.

Paraguay was then nominally under the jurisdiction of the Viceroy of Peru, but in 1776 the viceroyalty of the La Plata Province was created, including Paraguay.

When, in the year 1810, the Argentine Republic declared its independence from Spain it was the intention to include in the United Provinces of the Rio de la Plata all of the country which had formerly been under the jurisdiction of the viceroyalty of that name. The inhabitants of Paraguay, however, desired to establish an independent Republic and defeated the Argentine army sent against them, declaring their independence on August 14, 1811. The Spanish Governor VELASCO was in sympathy with the movement and was elected a member of the provisional *Junta* or Governing Board. A constituent Congress, which met on October 1, 1813, adopted a national flag and vested the administrative power in two consuls, Don JOSÉ GASPAR RODRIGUEZ FRANCA and Don FULGENCIO YERGES. In 1844 the form of Government was changed, the executive power being vested in a President, elected for a term of ten years. Don CARLOS ANTONIO LOPEZ was the first President and upon the completion of his term was reelected. He died before completing his second term, on September 10, 1862, and was succeeded by his son Don FRANCISCO SOLANO LOPEZ. The latter involved the country in a disastrous war with Brazil, the Argentine Republic, and Uruguay which lasted for five years and terminated only upon the death of LOPEZ, on March 1, 1870.

A committee of 21 then undertook to reorganize the country. It negotiated a treaty of peace with the allied powers, which was signed on June 20, 1870. A congress of representatives of the people was convened which, on November 25, 1870, proclaimed a new constitution abrogating some of the powers of the President, and completely reorganizing the government. A triumvirate composed of Don CIRILO ANTONIO RIVAROLA, Don CARLOS LOIZAGA, and Don JOSÉ DIAZ BEDOY, was intrusted with the enforcement of these measures, and in the following year Don JOSÉ SALVADOR JOVELLANOS was elected President and was inaugurated December 18, 1871. Under his wise administration and those of his successors Paraguay has gradually taken its place among the nations of America.

CONSTITUTION AND GOVERNMENT.

The constitution of Paraguay provides for a republican form of government, with the usual division of legislative, executive, and judicial authority.

The National Congress is composed of the Senate and the Chamber of Deputies, both elected by direct, popular vote, all citizens over 18 years of age being entitled to vote. Senators are elected for a term of six years, in the proportion of 1 for every 12,000 inhabitants or fraction exceeding 8,000. The Senate is renewed by thirds every two years. Deputies are elected for a term of four years, 1 for every 6,000 inhabitants or fraction exceeding 3,000. The Chamber of Deputies is renewed by halves every two years.

The President and Vice-President of the Republic are elected by electors chosen for that purpose, for a term of four years. The President is assisted by a cabinet of five Ministers or Secretaries.

Congress is represented during recess by a Standing Committee composed of two Senators and four Deputies, which assists the President and is consulted by him on all matters pertaining to Congress.

The Judiciary includes a Superior Court, two Courts of Appeals, and a number of minor tribunals. The Superior Court is composed of three Justices, appointed by the President, with the consent of the Senate, for a term of four years.

INTERIOR GOVERNMENT.

For administrative purposes the country is divided into departments, each under a *Jefe Politico* appointed by the President for a term of four years. These departments are again divided into municipalities, governed by an *intendente* and Municipal Council elected by direct vote of the people.

For electoral purposes the country is divided into twenty-four electoral districts.

The capital of the Republic is the city of Asuncion, with a population of 52,000. Other towns of some importance are: Villa Rica and Villa Concepcion, with 8,000 inhabitants each; Villa Encarnacion, with 8,200, and San Estanislao and Caazapa, with 7,000 inhabitants each.

President.....	DR. EMILIANO GONZALEZ NAVERO.
Minister of the Interior.....	Señor D. MANUEL GONDRA.
Minister of the Treasury.....	Señor D. GUALBERTO CARDUS HUERTA.
Minister of Justice, Worship, and Public Instruction.....	DR. MANUEL FRANCO.
Minister of War and Marine.....	Lieut. Col. ALBINO JARA.
Minister of Foreign Affairs.....	Señor D. EUSEBIO AYALA.

NOTE.—List of cabinet officers corrected to July 20, 1909.

The president is allowed a salary of \$7,000 per annum.

PARAGUAY IN 1908.

Following the change of administration in July, 1908, and the assumption of the Executive office by President NAVERO in succession to General FERREIRA, peace was completely restored throughout Paraguay and the best efforts of the Government were devoted to the reestablishment of economic and financial stability. National expenditures were reduced, and the President has recommended still further retrenchment in all branches of the Government.

FOREIGN AFFAIRS.

During 1908 the Ministry of Foreign Relations negotiated several treaties, among them one providing for the interchange of cattle with the Argentine Republic. Treaties of extradition were arranged with Great Britain, Austria Hungary, Italy, and the United States of America. A treaty of arbitration was also concluded with the latter country and the Ministry is engaged upon projected treaties with Germany and Russia, a consular convention, and a treaty of extradition with Belgium.

The boundary question with Bolivia, despite the desire of both Governments to have it adjusted, remains unsettled.

Notwithstanding the financial difficulties of the Republic, the Government was enabled to meet the service of its foreign debt throughout the year. The balance of the London loan, which represents the greater part of the country's indebtedness, amounts to \$4,139,717.64 gold. Bills are before the National Congress for the authorization of a new loan of \$10,000,000 and to fix the gold standard as the legal basis for monetary transactions.

The internal-revenue receipts for the year 1908 amounted to \$288,389.75, an increase of \$13,450.37 as compared with 1907; while customs receipts for the same period showed a decline of \$455,624.89, amounting to \$1,471,844.49 for the year. The expenditures for 1907 reached a total of \$2,189,565, and in accordance with the policy of retrenchment outlined by the Executive, this amount was reduced during the year 1908.

The new tariff of export valuations upon the products of the country became effective on January 1, 1909.

COMMERCE.

The country's trade in 1908 shows a total of \$7,661,469, of which exports represented \$3,731,745 and imports \$3,929,724.



SR. DON EMILIANO GONZALEZ NAVERO
PRESIDENT OF PARAGUAY.

The total value of exports of agricultural products from the Republic during the first nine months of 1908 amounted to \$1,500,000, consisting of citrus fruits to the value of \$302,000; tobacco, \$1,020,000; oil of petit grain (an extract of orange leaves), \$150,000; and fruits and vegetables, \$27,500. In 1907 there were exported from the Republic 51,690,000 oranges and 1,861,500 mandarins, while the exports from January 1 to September 30, 1908, inclusive, of these same articles numbered 123,804,000 and 6,213,580, respectively. The exports of bananas in 1908 to Rosario consisted of 13,200 bunches, valued at \$1,600. The Paraguayan banana is well received in the market of Buenos Aires and the demand for it is constantly growing, leading to increased shipments from the Republic.

The exports of essence of petit grain amounted to 21,212 kilograms for the first nine months of 1908 as compared with 10,872 kilograms for the year 1907 and 9,968 kilograms for the year 1906.

The foreign commerce of the Republic for the year 1907, the latest full year for which figures are available, amounted to \$12,233,823, of which imports figured for \$8,077,414 and exports for \$4,156,409, the trade with the United States figuring for \$170,893 and \$7,261, respectively. Both branches of trade showed advances over the preceding year, imports in the sum of \$1,450,220 and exports \$1,461,320. The trade of the Republic for 1908 with the United States amounted to \$71,665, of which imports amounted to \$55,229 and exports to \$16,347.

Of the exports in 1907, the Argentine Republic took \$1,850,610; Germany, \$566,700; Uruguay, \$475,624, and Belgium, \$268,650.

On the export list of the country in 1907 cattle products figure for \$1,000,000, covering hides, jerked beef, tallow, etc., while forest products to the value of \$750,000 included various hard woods and medicinal plants. Extract industries represent a valuation of \$1,000,000, in which maté and quebracho extract are the principal items, and in agricultural products the leading item is tobacco to the extent of 3,500,000 kilograms.

The Argentine Republic is the principal consumer of the country's exports, offering a ready market for maté, oranges, hides, tobacco, and lumber. Germany is a generous consumer of leaf tobacco, hides, timber, and quebracho extract, while hides and other products find their way into Uruguay in transit for European ports. Belgium takes tobacco and hides and Great Britain and France essence of petit grain and small amounts of leaf tobacco.

Data concerning the countries of origin of imports are not readily obtainable, although Great Britain is credited with furnishing one-half of the total, with Germany second on the list, the principal items being cotton textiles, groceries, tinned provisions, hardware, spirits, drugs, and haberdashery. Agricultural machinery, machetes, axes,

and kerosene are imported in small quantities from the United States, with increased purchases noted in American dressed hides and leather for boots and shoes. Imports of leather into the Republic average about \$38,600 annually, of which France supplies nearly one-half, with the Argentine Republic and Germany following in the order named.

The commerce of Asuncion is handled by 674 mercantile establishments, the majority being in the hands of foreigners—Germans, French, Italians, and Spaniards. There are two British firms in



A MILITARY PARADE ON PALMA STREET, ASUNCION, PARAGUAY.

The army of Paraguay is divided into infantry, cavalry, and artillery, and consists of 3,200 soldiers.

the capital and 1,728 firms of various nationalities engaged in business throughout the country.

PRODUCTION AND INDUSTRIES.

The resources of the Republic at present are confined mostly to the production of raw material, the industries being few in number. The principal crop is maté, of which about 17,600,000 pounds are treated annually. About one-half of this amount is exported. The plant grows wild in immense tracts in the northern and eastern sections of the Republic, being found most abundantly in the districts

of Panadero, Igatimi, San Pedro, Villa Concepcion, Caaguazu, Jesus, and Tacurupucu.

The climate and soil of the Republic are suited for all tropical growths; and rubber is grown to some extent, exports of this article in 1907 amounting to 4,400 pounds, sent principally to France. Cotton grows abundantly, and tobacco with little effort, while indigo and sugar cane yield easily to cultivation, and the forests contain many different grades of cabinet and dye woods, resins and balsams, while a native fiber plant known as *mapajo* is used by the Indians in the manufacture of a coarse textile for garments.

Tobacco is one of the leading crops, the quantity grown being estimated at 6,000,000 pounds annually. One-half of this is exported and the remainder consumed in the country. The Agricultural Bank, a Government institution, is interesting itself in improving the quality of the crop, with the idea of securing better prices, by the distribution of selected seed among the planters and erecting drying sheds for the curing of the leaf in the several districts. The leaf is graded into seven classes, ranging from the mild variety known as *pito*, and largely exported to Europe, to the coarse, strong grade called *para*, in demand in Uruguay and the Argentine Republic. The intermediate grades are consumed locally. The manufacture of cigars and cigarettes is carried on in a small way, the cigars being manufactured by one factory and selling at a low price.

The possibilities of the Republic as a cotton producer are immense, the rich and fertile soil assuring a large yield per acre. As early as 1863 there were estimated to be 58,000,000 cotton plants under cultivation in the country. The native cotton has a long, silky fiber and enjoys excellent reputation in Germany, England, and Holland on account of its fine weaving qualities.

The production of the oil of petit grain extracted from the leaves of a native orange tree is being conducted on an increasing scale, but as yet in a primitive fashion, the principal distilling plants being located about 50 miles from Asuncion, in the orange-growing district of Yaguaron. It is estimated that 300 to 350 pounds of orange leaves yield about 1 pound of essence, this product being used as a basis for various perfumes and in the manufacture of flavoring extracts.

The production of rice in the Republic is being stimulated by the National Agricultural Society, which has offered a premium of 1,000 *pesos* for the best grades.

Among the forest products of value is the curupay tree, which grows in eastern Paraguay, furnishing a hard and durable wood, in demand for railroad ties, piles, and construction work. The bark of this tree also contains tannin in sufficient quantities (from 14 to 26 per cent) to make it of commercial value in the United States and Europe.

The live-stock industry in the Republic is constantly increasing, many cattlemen from the Argentine Republic and Brazil having located in the country in recent years. The exports of meats and jerked beef are well known in foreign markets, principally Brazil, Cuba, and Spain, and the hides exported to Europe command good prices. The number of stock on the various ranges shows the following distribution: Cattle, 2,800,000; horses, 187,000; sheep, 214,000; goats, 24,000; mules and asses, 8,000. The free importation of cattle from the Argentine Republic and the State of Matto Grosso, Brazil, is permitted, if there is no disease at the point of origin of shipments and the sanitary laws of the Republic are complied with.

A law promulgated July 7, 1908, to run until 1935, provides for the granting of franchises to companies engaged in the elaboration and canning of meat products, permitting the free importation of machinery and materials to be used in the erection of the plant and the preparation of its output.

The tanneries in the Republic limit their output to sole leather, with the exception of one at Asuncion, which turns out a limited line of calf, kid, saddle, and harness leather.

The Government is interesting itself in attracting immigration, and an Italian colony has been established near the capital. The introduction of Asiatic labor is under consideration, it being regarded as feasible to employ coolies in the cultivation of rice, sugar, and tobacco throughout the Republic.

A report by the directors of The Anglo Paraguayan Company (Limited) submitted June 23, 1908, showed a surplus of receipts over disbursements. All of the lands of the company have been sold and the money received, with the exception of £2,600 for a stretch of 13,000 leagues, title to which is not clearly established.

Various minerals are found in the Republic, such as quartz, agate, opals, kaolin, iron, manganese, copper, and mercury.

COMMUNICATION.

The satisfactory settlement of the affairs of the Paraguay Central Railroad, which is the only line in operation through the interior, has given a new stimulus to business and the development of local resources. The length of this line is 155 miles, and the projected extension of the service for 70 miles to Encarnacion will effect a junction with the Argentine Northern Railway which is now being extended to Pasadas. The surveys for this extension have been completed and the plans presented to the Government in July, 1908. Construction will commence as soon as they are approved, the necessary material being already on the ground. It is expected that the new line will be completed before July, 1912, by which time it is

probable the Argentine Northeastern Railway will have been extended to meet it.

Another project covers a concession from the Government for a new railroad line to run from Asuncion in a southeasterly direction to the banks of the Alto Parana, in the vicinity of the Falls of Yguazu.

Paraguay is practically dependent on its waterways for means of communication and transportation, which, however, afford an efficient and convenient outlet for its products.

It lies between the rivers Paraguay and Parana, which join their waters at or near Curupaiti, at the extreme southern end of Paraguay, and together with the Uruguay River, form the mighty estuary of the Rio de la Plata, one of the largest bodies of water in the world.

The Parana River has a total length of 2,043 miles from its source in the Goyaz Mountain, Brazil, to its junction with the Uruguay, and is navigable for vessels of 12 feet draft as far as the city of Corrientes, a distance of 676 miles, from that city to the Guayara Falls, a distance of 600 miles, for small vessels, but beyond that point navigation is impeded by the Falls.

The Paraguay River is the most important waterway of the Republic, being navigable for vessels of 12 feet draft as far as the city of Asuncion and Villa Concepcion, and beyond that for smaller vessels almost in its entire length of 1,800 miles.

A number of the affluents of the Paraguay River, such as the Pilcomayo, the Jejuy, and the Tibicuary River, are navigable for short distances.

The principal shipping points of the Republic on the Paraguay River are Asuncion, the capital, situated near the confluence of the Pilcomayo River; Villa Concepcion, and Humaita. The city of most importance on the Parana River is Villa Encarnacion.

Six lines of steamers maintain a regular steamship service between Buenos Aires and Montevideo, whence transshipment is made to the Paraguayan River ports, the *Compañía de Navegación Mihanovich* having regular weekly sailings from Buenos Aires to Asuncion, the time employed being five days; first-class fare, \$25. The Lloyd Brasileiro, which now operates a regular line of steamers between New York and Brazilian ports, is expected to shortly extend its service to Buenos Aires and Matto Grosso, in Brazil, 3,000 miles inland, calling en route at Asuncion and other ports on the Paraguay River. At Asuncion connection is made with the railway, which extends inland as far as Pirapo, and which is now being extended beyond that point.

Among the lakes the most important are the Ipoa and Ipacarai, the former covering an area of over 100 square miles, neither of these being, however, navigable.

The service of posts and telegraphs has been improved in many respects. The volume of business handled during 1908 was in excess of that for 1907 and the receipts showed a corresponding increase. Various new post-offices were established and the lines of the national telegraph now reach all points on the southern frontier. It is hoped shortly to extend the service northward to the boundary with Brazil. The telegraph service, at the opening of the year 1908, had an extent of nearly 2,000 miles, 249 of which were added in 1907.

There are in Paraguay at the present time 400 public and private schools for both sexes, attended by 40,000 pupils and employing a faculty of 850 teachers. The course of primary instruction covers a period of six years. There are two normal schools. Higher education is provided for in the University of Asuncion, which offers a six years' course in law, social sciences, and medicine. Shorter courses in pharmacy and other branches have recently been added. The capital city also has a library of 10,000 volumes, many pamphlets, and magazines.





PERU

The Republic of Peru, occupying territory on the Pacific Ocean, about 1,000 miles in length by 700 miles in width, between the Republics of Ecuador, Bolivia, Brazil, and Chile, extends over 679,600 square miles, being equal in size to the combined area of the States of Texas, Nevada, and Utah, and the Territories of Arizona and New Mexico. It has a population of approximately 4,500,000, or 6.5 per square mile, being less than one-third the population per square mile of the United States.

Peru may be geographically divided into three distinct zones, with as many varieties of climate, products, and soil. The *zona seca*, or dry zone, extends along the coast to the foot of the Andes, and in it practically nothing can be raised without irrigation, although the majority of the larger commercial centers are there located. Between the three mountain ranges are the extremely fertile and healthful plateaux, or table-lands, crowned by various high and snow-clad peaks. On the eastern slopes of the mountains are the vast, luxuriant forests, with an innumerable variety of useful woods and medicinal plants.

Coffee, cacao, sugar cane and the excellent Peruvian cotton, are the principal agricultural products for export. The mines produce gold, silver, copper, iron, coal, and petroleum in considerable quantities, especially in the Cerro de Pasco district, with its almost inexhaustible supply of copper, gold, and silver. Among the forest products are india rubber and the cinchona bark. The alpaca, a native animal of Peru, furnishes an excellent grade of wool, of which large quantities are annually exported.

HISTORICAL SKETCH.

FRANCISCO PIZARRO, after several unsuccessful attempts, finally reached the coast of Peru in 1532. The vast Inca Empire at that time is said to have extended over more than one-half of the entire South American continent. PIZARRO found a people highly civilized, with excellent social and political institutions, who had developed agriculture to a very high degree. He was received with great courtesy by the Emperor, and having been invited to visit him in Cajamarca, PIZARRO entered the city on November 15, 1532, and made the unsuspecting Inca a prisoner in his own capital. By this bold stroke he at once obtained complete control over the natives, who, accustomed to being ruled in a paternal fashion, easily submitted to

the invaders. When PIZARRO had put ATAHUALPA, the Emperor of the Incas, to death, after a mock trial, on August 29, 1533, he enslaved the Indians, forcing them to work in the mines for the benefit of the conquerors, and they soon perished by thousands under the actions of their cruel masters.

PIZARRO was appointed governor of the newly acquired territory and founded the city of Lima, the present capital of the Republic of Peru, on January 16, 1535, naming it the City of the Kings. He governed the country until his death by assassination on June 26, 1541.

DON CRISTOBAL DE VACA was Governor until the year 1544, when the Viceroyalty of Peru was created. The first Viceroy, DON BLASCO NUÑEZ VELA, arrived at Lima on May 17, 1544, and was received with great honors and rejoicing. His jurisdiction at that time extended over the entire continent of South America, but the territory was subsequently divided into three viceroyalties, that of New Granada being created in 1718 and of the Rio de la Plata in 1776.

Forty viceroys succeeded BLASCO NUÑEZ in the government of Peru, under whose rule the enslavement of the Indians and the destruction of their ancient civilization was continued. Although the King of Spain issued laws for the better treatment of the aborigines, due to the unceasing efforts of Bishop LAS CASAS, their lot was not improved to any considerable extent.

The movement for independence began early in the nineteenth century in Peru, which was at that time the stronghold of Spanish power, but the various attempts were repressed with the greatest severity, the first martyrs to Peruvian independence being UBALDO and AGUILAR. Other patriots, however, took up the cause, and the struggle continued with varying success until in the year 1820 SAN MARTÍN, the great Argentine general, came to the aid of the Peruvians. He was ably assisted by the Admiral Lord COCHRANE, having command of the Chilean fleet, who captured and destroyed the Spanish ships and attacked the fort at Callao. On July 9, 1821, SAN MARTÍN made his triumphal entrance into Lima, and on July 28, 1821, the independence of Peru was formally declared. On September 20, 1822, a constituent congress met and on February 28, 1823, the first President of Peru, DON JOSÉ DE LA RIVA AGUERO, was inaugurated. LA SERNA, the last viceroy, continued, however, to resist the newly installed government, and it was due only to the combined efforts of General SAN MARTÍN and SIMON BOLIVAR that the country was finally freed of the enemy. General SUCRÉ, BOLIVAR'S able lieutenant, defeated and completely routed the Royalists at the battle of Ayacucho on December 9, 1824.

In 1879 Peru and Bolivia became involved in war with Chile, which lasted for five years and which was finally settled as between

Peru and Chile by the treaty of March 8, 1884, whereby Peru ceded to Chile the Province of Tarapaca and the Territories of Tacna and Arica for a period of ten years, at the end of which term a plebiscite was to decide to which country the territories were to belong.

The Republic of Peru has since that time gradually and peacefully developed her numerous natural resources.

Dr. AGUSTO B. LEGUIA, the present incumbent of the presidency, was inaugurated on September 24, 1908, for a term of four years.

CONSTITUTION AND GOVERNMENT.

The present constitution of the Republic of Peru was proclaimed on November 10, 1860. The usual division of the administration into the legislative, executive, and judicial branches is followed.



DR. AGUSTO B. LEGUIA, PRESIDENT OF PERU.

The National Congress consists of two chambers, the Senate and the House of Representatives, the former composed of 51 members and the latter of 116. Both Senators and Deputies are elected by direct popular vote for a term of six years, deputies in the proportion of one for every 30,000 inhabitants or fraction exceeding 15,000. Both chambers are renewed by thirds every two years.

Every citizen, over 21 years of age, who can read and write is entitled to vote.

The President of the Republic and two Vice-Presidents are also elected by popular vote for a term of four years and may not be reelected for a second consecutive term.

A Cabinet of six Ministers, or Secretaries of State, assists the President.

The National Supreme Court, the Superior Courts, the Courts of First Instance, and the Municipal Courts compose the judiciary of the Republic. The Justices of the Supreme Court are elected by the Congress, and the other Justices appointed by the President of the Republic.

INTERIOR GOVERNMENT.

Peru is politically divided into 19 Departments, two *Provincias litorales*, and one *Provincia constitucional*, which are subdivided into districts. The executive authority of the Department is vested in a Prefect appointed by the President of the Republic, while the Sub-prefect governs the Province and the Governor the district. These authorities are assisted by the departmental, provincial, and municipal councils, which are elected by direct vote and represent the people.

The Departments, with their respective capitals, are:

Department of—	Capital.
Amazonas.....	Chachapoyas.
Ancachs.....	Hauras.
Apurimac.....	Abancay.
Arequipa.....	Arequipa.
Ayacucho.....	Ayacucho.
Cajamarca.....	Cajamarca.
Cuzco.....	Cuzco.
Huancavelica.....	Huancavelica.
Huanuco.....	Huanuco.
Ica.....	Ica.
Junín.....	Cerro de Pasco.
Lambayeque.....	Chiclayo.
La Libertad.....	Trujillo.
Lima.....	Lima. ^a
Loreto.....	Iquitos.
Piura.....	Piura.
Puno.....	Puno.
San Martín.....	Moyobamba.
Tacna ^b	Tacna.
Provincia constitutional of Callao.....	Callao.
Provincia litoral of Moquegua.....	Moquegua.
Provincia litoral of Tumbes.....	Tumbes.
President.....	SR. D. AUGUSTO B. LEGUIA.
President of the Council and Minister of the Government and Police.....	DR. RAFAEL VILLANUEVA.
Minister of Foreign Affairs.....	DR. MELITÓN F. PORRAS.
Minister of the Treasury and Commerce.....	DR. AUGUSTÍN LA TORRE GONZÁLEZ.
Minister of Justice and Public Instruction.....	DR. MATÍAS LEÓN.
Minister of War and Marine.....	DR. ERNESTO ZAPATA.
Minister of Public Works.....	DR. DAVID MATTO.

NOTE.—List of cabinet officials corrected to July 20, 1909.

The President receives a salary of \$15,000 per annum and an allowance of \$9,000 for expenses.

PERU IN 1908.

An event of importance in the history of Peru during 1908 was the installation of Señor Don AUGUSTO B. LEGUIA in the presidential office, in succession to President PARDO. At the opening of Congress the new Executive delivered a forcible address in which he lauded the work of the preceding administration and reiterated his expressed intention of following the wise and progressive policies previously inaugurated.

Foreign and national affairs are in a flourishing condition and though details of the year's commercial transactions are not avail-

^a Also capital of the Republic.

^b The Department of Tacna is, as stated above, occupied by Chile.

able, the reported foreign trade in 1907 showed an advance of more than \$2,000,000 over the preceding year. Mineral development, which forms the basis of the country's resources, is evidenced by the fact that production under this head was greater in value by more than \$5,000,000 in 1907 than in 1906, and that the number of claims allowed in the first six months of 1908 were double those of the preceding half-year.

The arrival and installation in the harbor of Callao of the dry dock constructed for Peru in Europe marks a feature in the development of transit enterprises, and this is supplemented by the granting of a subsidy for fast steamer service between that port and Panama, recently granted by the national congress. It is further reported that a contract has been entered into between the Government and a German enterprise for the survey of an all-rail route from Paita to a point on the Marañon River, on which construction work is to begin in 1910.

FOREIGN AFFAIRS.

During the year the relations of the Republic with other nations were cordial and friendly.

The new trade regulations for Bolivian goods received and shipped via Mollendo went into effect and preliminary steps for the settlement of the boundary question with Bolivia were taken. In July, 1909, the President of Argentina rendered his award. May 31, 1909, was the date fixed for the final settlement of the territorial controversy with Brazil, and in April of the same year a pact was entered into with Colombia looking to the final arrangement of the boundaries of the two Republics. With Ecuador, the boundary award is to be decided without appeal by the King of Spain. Conventions were signed with Chile covering the practice of liberal professions, consular regulations, and the exchange of publications, the two first named requiring further congressional action. A consular convention with the Netherlands, promulgated on July 18, 1908, looks to an extension of trade relations with that country and concedes mutual advantages to the contracting nations.

FINANCE.

The gold standard is operative throughout Peru, the Peruvian pound, which is the unit of value for commercial transactions, being equivalent to the English pound sterling.

The revenues for 1908 were £2,997,433 and expenditures were somewhat in excess of that amount, figuring for £3,043,032, and for 1909 government appropriations are made for £3,001,193.

Peru has recently arranged for a loan of £400,000, guaranteed by the internal revenue on alcohols, the proceeds to be devoted mainly to the canceling of the present debts.

The foreign debt of the country in 1889 amounted to £22,998,651.

By an agreement made with the bondholders the following year it was agreed to cancel the debt in exchange for state properties in railroads, guano deposits, etc. This agreement was not perfected, but a new agreement was entered into in April, 1907. In accordance with the terms of this agreement, the Government is to pay the sum of £80,000 annually in monthly installments during thirty years from July, 1907. The internal liabilities of the country consist of a debt of £2,660,645, bearing interest at 1 per cent, and a non-interest bearing debt of £471,355.

The bank balances on June 30, 1908, showed total assets of £6,920,179, as compared with £6,161,597 a year previous. During the twelve months 356 bars of gold bullion, valued at £222,285, were received at the Mint, and gold coins to the value of £214,004 issued. From November, 1906, to March 30, 1908, the Government purchased silver bullion valued at £114,157 and coined silver to the value of £104,050. Coined gold was imported during 1907 to the amount of £580,013 and stock companies represented a total investment of £2,081,284.

Import duties in the country are covered by a customs duty levied in accordance with tariff rates, supplemented by an addition of 8 per cent, applied to the current service; an addition of 2 per cent for the exclusive benefit of the municipalities of Callao and Lima, and a third addition of 1 per cent applied to the service of fiscal warehouses. The first three items are collected by the Callao customs service and the fourth by the National Salt Company, which has had charge of the government warehouses since January 1, 1908.

COMMERCE.

Foreign commerce continued satisfactory during the year, for the first six months of 1908 total trade values being reported of £5,264,540, as compared with £5,089,301 in the corresponding period of the preceding year, and with £11,262,518 for the whole of 1907. During the last-named period imports were valued at £5,514,787 and exports at £5,747,732. Based on the foregoing figures an estimate of the trade for 1908 gives a total valuation of £10,550,000, composed of imports £5,000,000 and exports £5,550,000.

During 1908 total commercial transactions with the United States aggregated \$11,690,716, against \$13,974,515 in 1907, imports from that country figuring for \$5,815,495, as compared with \$6,876,217 in the preceding year, and exports being valued at \$5,875,221 and \$7,098,298 in the two periods, respectively.

Great Britain remains the foremost factor in the trade of the Republic, followed by the United States, Germany, France, Belgium, and Chile, in the order named.

In 1907, the latest year for which figures are available. £4,949,961 represented the total trade value with Great Britain, composed of exports, £2,786,034, and imports, £2,163,927.

PRODUCTION AND INDUSTRIES.

The great sources of national wealth are agriculture and mining, with mining in the first place.

For 1907 the total mineral output of the country was valued at £3,499,057, a gain as compared with the preceding year of £888,483. Copper occupies first place, with a production worth £1,709,275, fol-



GOLD MINING AT POTO, PERU, 16,000 FEET ABOVE SEA LEVEL.

Enormous deposits of auriferous gravel are washed by hydraulic methods. Peru's mineral output for 1907 amounted to \$18,000,000.

lowed by silver, £1,229,951; crude petroleum, £250,440; coal, £106,000; gold, £93,229; lead, £34,669; and other minerals in diminishing proportions.

The Department of Junin, in which is located the celebrated Cerro de Pasco mining district, stands at the head of producing sections, the silver output for 1907 being 108,026 kilograms, 17,151 tons of copper, 169,368 tons of coal, and 4,970 tons of lead.

Increased numbers of petitions for denunciations of mining claims mark the development of the industry throughout the Republic, the adjudicated claims in the first half of 1908 exceeding those of the preceding half year by 3,334, while mineral exports to the United States alone in 1907 were valued at \$5,203,613, against \$665,438

in the preceding year. The superficial area conceded for mining purposes, as stated in the "*Código de Minería*" for 1906-7, was about 275 square miles, though this amount is much greater at present.

The developments in copper mining are particularly numerous and important. The company operating at Cerro de Pasco produces approximately 40 tons of copper daily, or an annual output of 15,000 tons, the national output for 1907 being 20,681 tons, and it is estimated that within a short time the yearly shipments will amount to 50,000 tons, thus bringing the country to third place as a producer. The famous ore bodies of Cerro de Pasco are situated at the junction of the East and West Cordilleras and contain copper, silver, lead, gold, and several other minerals, among which is vanadium, recently discovered.

Silver is found throughout the Peruvian Andean region, commonly associated with lead or copper and frequently with both. The 1907 production was somewhat less than that of the preceding year and aggregated 6,687,304 troy ounces.

"Cascajo," without metallic brilliancy and of reddish color, is a silver-bearing mineral peculiar to Peru, and, with copper, forms the great deposit of the Cerro de Pasco district.

Gold production showed a decline for 1907, the 28 districts in 12 Departments yielding 25,013 troy ounces, or 12,089 ounces less than in 1906. Puno produces 70 per cent of the total gold of the Republic, its deposits being very rich, though inadequately exploited.

Petroleum production for 1907 was 100,184 metric tons, an increase over the previous year of 29,352 tons, the total number of wells in exploitation being 569. Of these, 275 were located in Zorritos, 40 in Lobitos, 250 in Negritos, and 4 in Pirin. Petroleum is found in the neighborhood of Chimbote, in the Province of Ica; in the Department of Puno, in southern Peru, near Lake Titicaca, and other localities. It has long been known that there were immense deposits in some of the coast districts, but there has until recently been no systematic exploitation of them.

The yield of coal during 1907 was 185,565 metric tons, a gain over 1906 of 105,596 tons, the greater portion being obtained from the Cerro de Pasco Company's mines and used in their copper-smelting works. Anthracite is found in the Chimbote and Huarez districts, in Otuzco, Huamachuco, and elsewhere, and bituminous coal is to be found in Cajamarca, Ancachs, Ica, Arequipa, Puno, and Moquega.

A sulphur company in the Department of Piura is the only producer of this mineral, the plant having a capacity of 150 tons daily, and besides the 80 tons of refined sulphur produced in 1907, there were 4,500 tons of mineral in stock at the close of the year containing 1,800 tons of sulphur.

The discovery of vanadium was made in 1904, and from June, 1906, to January, 1909, there were produced and shipped to the United States 1,800 tons of oxidized ores, containing 20 per cent vanadic oxide.

Exploitation of the guano deposits of the Republic constitutes an important branch of industry, and within the last eighteen years the Peruvian Corporation has extracted a third of the 3,000,000 tons allowed under its contract. The exports of this product in 1907 were about 80,000 tons, 26,000 tons forming the amount used locally. The Government is very desirous of applying this fertilizer to the agricultural development of the country, and has authorized a company capitalized at £30,000 to operate in the Republic for the supply of guano to the farmers just as it is taken from the deposits.

During 1909 the Peruvian Corporation will only extract guano from the islands north of Callao, the deposits to the south being reserved for the uses of national agriculture.



A BUILDING ON THE CHIQUITA SUGAR PLANTATION, CHICAMA VALLEY, PERU.

The Chicama Valley is one of the most fertile regions in Peru, and is especially adapted to the cultivation of sugar cane. The annual production of sugar in the Republic in 1907 was valued at \$5,720,000.

On the south coast in the neighboring islands are immense nitrate deposits, and in the Bay of Sechura pearl fisheries are being exploited profitably under government concession.

Metallurgical plants in operation number 89, of which 19 are for amalgamation, 32 for lixiviation, 23 smelters, and 12 combination. There are also 2 petroleum refineries and 1 for sulphur.

At the beginning of 1908 there were 177 mining camps in actual production, the total number of employees being 16,936. All materials and machinery for the exploitation of mining properties are free of import duty, and liberal grants are made to interested purchasers.

Peru's leading crops—sugar, cotton, and rice—are irrigation crops.

Sugar-growing is carried on chiefly on the coast regions, the total area devoted to the industry being about 200,000 acres. The crop

of 1907 was valued at £1,124,723, and for 1907-8 exports were made of 104,000 tons, which, added to the local consumption of 31,000 tons, brought the total output for the season up to 135,000 tons, somewhat less than the annual average of 150,000 tons. There are about 50 plantations, the product being largely exported to England and Chile for refining. The plantations in the vicinity of Lima furnish about 20,000 tons of white sugar annually, and 10,000 tons of chancaca, a product obtained by boiling down the juice to a thick sirup and allowing it to solidify by cooling.

The cotton crop in 1907 of 15,000 tons, valued at £584,441, showed an advance over the preceding year, and for 1908 the outlook was reported as most favorable. The best grades are grown near Piura and shipped from Paita, the high quality being attributable to the peculiarities of soil and climate for which this narrow belt of coast land is noted. Five good crops may be obtained from one planting, the third year representing the maximum yield. Irrigation is being applied to increasing the cultivable areas in the Departments of Piura and of Lima, a canal 22 miles long forming the base of distribution in the former locality.

Cotton manufacturing is carried on in five well-equipped factories in Lima; one being also operated in Arequipa and another at Ica. The annual consumption of raw material is about 3,000 tons, the native product being classed as superior to the imported article. The Government encourages the industry by the distribution of seeds to cotton planters and by legislation favorable to the factories.

The wool product in 1907 represented a valuation of £456,669, the export quantity being over 4,000 tons. Alpacas, sheep, and llamas are the wool-bearing animals of the country. The introduction of Patagonian sheep for crossbreeding is one of the recent developments of the pastoral industry, and a British enterprise conducts a sheep ranch extending over 130 square miles. Hides of various kinds are estimated at an annual valuation of about £150,000.

Five woolen factories are operated, giving employment to a large number of workmen, and preparing about 600,000 kilograms of wool for the market annually. The total output, however, fails to meet local demands, and there is a large import trade under this head.

Rubber, whose production in 1907 was stated as worth £954,582, is collected in large quantities in the forest regions and shipped down the Amazon.

Pending the enactment of a law for the protection of the rubber industry, legislative measures are in effect whereby all decrees and resolutions of a general character concerning the exploitation of leased lands in the Montaña containing timber and rubber trees are abrogated.

The coca output is valued at £125,757, the most important growing section being the Province of Otuzco in the Department of La Libertad. For the manufacture of cocaine, there are 24 small factories, the 1907 product being 5,914 kilograms, worth £66,630.

Coffee is grown in central Peru, the chief producing districts being Chancaamayo, Perene, and Paucartambo, also in the Huanua district. Production in 1907 was valued at £42,106.

Cacao culture is increasing, about 200,000 trees having been planted in the Perene region.

Rice, tobacco, wheat, ramie, and maize are also grown, and silk culture and viticulture are engaging the attention of industrial enter-



LOADED LLAMAS IN THE HIGHLANDS OF PERU.

The llama belongs to the family of the *Camelidae*, and was the only beast of burden in the Western Hemisphere before the coming of the Spaniards. It is still extensively used in the Andes.

prises. Thousands of square miles of lands are available for colonization on the eastern slopes of the Andes, affording fertile areas for the cultivation of foodstuffs and textile plants, and extensive ranges for wool-bearing animals.

The Government is desirous of promoting the immigration of agriculturists and artisans.

COMMUNICATION FACILITIES.

Railways in operation in the Republic have an extent of 1,471 miles, of which 844 miles were managed by the Peruvian Corporation.

The Central Railway is the most important line, running from Callao to Oroya over 140 miles of track, with branch lines to the Cerro de Pasco district and to Huancayo on the route to Ayacucho. The building of the Huancayo-Ayacucho connection is included in the ultimate purpose to extend the line to Cuzco.

Second in importance is the Southern Railway extending from Mollendo to Puno on Lake Titicaca, a distance of over 300 miles, from which point it connects with a line of steamers running to the Bolivian lake port of Guaqui. From Juliaca, near the shore of Lake Titicaca, a branch extending 125 miles to Sicuani has been open for some years, and the route is in process of extension to Cuzco. The rails reached that point on September 13, 1908, so that the linking of the Central and Southern lines only requires 300 miles of construction between Cuzco and Huancayo.

A road from Lima to Huacho is projected with an extent of 157 miles, at an estimated cost of £722,185, including rolling stock.

Other roads in operation comprise spurs running from minor ports up the various river valleys for comparatively short distances and are available for the transport of agricultural products to the coast.

Rolling stock is supplied almost entirely from the United States, the heaviest buyer being the Peruvian Corporation, which, through an arrangement with the Government is extending several of the lines.

The contract has been let for the construction of the Ilo to Moquega railway at a cost of £23,286 and surveys have been made over the route from Cerro de Pasco to the Ucayali and from Lima to Pisco.

The construction of a railway in the eastern part of Peru connecting with river transport on the Marañon is under consideration, the beneficial effects of this outlet for Peruvian resources being thoroughly appreciated by the Government.

Numerous highways are under construction, one of the most important extending between Paucartambo and the Madre de Dios River, a distance of 125 miles, the cost of which is estimated at £34,000.

STEAMSHIPS AND WATERWAYS.

The coast of Peru has a number of indentations with good bays offering shelter and anchorage for ocean-going vessels. The ports on the Pacific Ocean at which steamers call regularly are Tumbes, Paita, Eten, Pacasmayo, Salaverry, Chimbote, Huacho, Puerto Ancón, Callao, Pisco, Mollendo, and Ilo. The most important of these is Callao, 10 miles from Lima, the capital of the Republic.

The ports of Peru can be reached either from New York direct via the straits of Magellan, via Panama, or via San Francisco and the West Coast. The New York and Pacific Steamship Company

and the West Coast Line maintain a regular service between New York and Peruvian ports, with limited accommodation for passengers, taking about sixty days to make the run, with irregular sailings from New York. The Panama Railroad Company's steamers leave New York every five days for Colon, whence the trip is made by rail across the Isthmus to Panama, and from Panama by one of the steamers of the Pacific Steam Navigation Company or the *Compañía Sud-Americana de Vapores*, or the steamers of the recently inaugurated *Compañía Peruana de Vapores*, all of which make the run between Callao and Panama in six to seven days; first-class passage, \$136.

From San Francisco direct the steamers of the Kosmos Line, which leave San Francisco regularly every ten days and touch at all the ports on the Pacific coast, can be taken.

There are several companies having large and modernly equipped steamers which ply regularly between Callao and European ports.

Aside from its long coast line and numerous bays and ports on the Pacific, Peru has been favored by nature with an extensive fluvial system, affording a convenient outlet for her products on the Atlantic side. It is estimated that there are from 3,000 to 4,000 miles of rivers in Peru navigable for vessels of from 8 to 20 feet draft. The port of Iquitos, on the Upper Amazon, the principal inland port, can be reached in twenty-six days from New York by the steamers of the Booth Line, sailing from New York for Iquitos every forty days. The fare is \$140. Other inland ports of some importance are Yurimaguas, on the Huallaga River, Contamana, on the Ucayali River, and Puerto Bermudez. On Lake Titicaca, Puno is the important port on the Peruvian side.

The majority of Peru's navigable rivers are on the east side of the Andes, the rivers flowing into the Pacific Ocean being of but little use as fluvial arteries; the Tumbes and the Chira are the only two that are navigable even for short distances.

The Upper Amazon, or, as it is called in Peru, the Marañon, with its numerous tributaries, of which the principal ones are the Ucayali and the Huallaga, form the extensive river system of eastern Peru, the Amazon River being navigable in its entire length in Brazil and in Peru. A number of steamship companies maintain a regular service on the various affluents of the Amazon as far as the port of Mayro, but 325 miles distant from Lima.

Peru is favored by nature with a number of large and beautiful lakes, among which the largest is Lake Titicaca, on the boundary line between Peru and Bolivia, and the highest lake in the world navigated by steamers. In Peru proper are, among others, Lake Chinchay-Cono, 37 miles in length by 7 miles wide, situated at an altitude of 13,800 feet, and Lake Lauricocha, at 14,270 feet above the level of the sea, said to be the source of the Amazon River.

Telegraph lines have an extent of 3,360 miles under state ownership and 1,180 corporation-owned. Submarine cables maintain communication with the adjoining Republics and a telephone system 3,000 miles in extent connects the various sections of the country. Wireless stations are operated at Puerto Bermudez, Massisea, Iquitos, Requena, and Orellana, and an appropriation of £7,000 has been made for the establishment of wireless connections through the Montaña or forest region on the eastern slopes of the Andes.

Receipts from posts and telegraphs in 1907 were £72,829 and £18,788, respectively, the amounts in both instances being considerably in excess of the budget estimates.

Public instruction in the country is represented by 2,410 schools and 3,160 teachers. The number of educational institutions is continually being increased through government aid. In the budget for 1908 the appropriation for public instruction amounted to £61,244, as compared with £44,222 in the preceding year, and the appropriation for school furniture, books, and apparatus was £23,000. The Central Manual Training and Physical Culture School, established in Lima in June, 1907, has a roster of 120 pupils.

An executive decree of January 2, 1909, provides for the annual appointment of four students in the learned professions to continue their studies abroad at the expense of the Government, it being provided that at the expiration of two years they should serve in government service.

Experts have been employed to make extensive investigation on the irrigation possibilities of the Republic. It is determined that the coast region contains approximately 2,500,000 acres available for cultivation under improved conditions.

A census of the province and city of Lima taken on June 26, 1908, showed a population of 172,927, the city being credited with 140,884 inhabitants.

Sanitary regulations are in effect in the principal ports and cities of the Republic and modern improvements are being introduced in municipal organization. The trolley system of transport is employed in the capital and is being extended to other centers of population.



SALVADOR

The Republic of El Salvador, sometimes erroneously called San Salvador, the name of its capital, is the smallest of the 21 American Republics. It is the only one of the Central American States lying wholly on the Pacific Ocean and is bordered on the land side by Guatemala, Honduras, and Nicaragua. Salvador has an area of 7,225 square miles, somewhat less than the State of New Jersey, and enjoys the distinction of being the most densely populated country on the American Continent, with 1,707,000 inhabitants, or 236 per square mile, which is more than ten times the population per square mile of the United States of America (23.2), and nearly equal to that of Italy.

Two mountain chains cross the country almost in its entire length, sending out numerous spurs and attaining considerable altitudes. Inclosed by these ranges are numerous valleys, among which that of the River Lempa is the most important. Coffee, cacao, tobacco, indigo, india rubber, and the so-called "Peruvian balsam," the product of the *Myroxylon pereiræ*, are the most important products. Gold and silver are at present the only mineral products exported.

HISTORICAL SKETCH.

When Cortez had completed the conquest of Mexico, he dispatched his lieutenants in all directions to explore the country to the south and bring it under the Spanish domain. To PEDRO ALVARADO fell the task of exploring what is now the Republic of Salvador, and in the year 1524 he invaded the country, defeated the natives, and early in the year 1525 captured their capital, Cuscatlan. Salvador then became a part of the captain-generalcy of Guatemala and later of the vice-royalty of Mexico. It was governed by the Spanish authorities residing in Guatemala City.

Although Salvador suffered less from Spanish rule than some of the other countries, being farther removed from the central seat of authority, it nevertheless gladly adhered to the movement for independence, which had been initiated in Guatemala on September 15, 1821, and joined the Central American Federation. When the federation was incorporated into the Mexican Empire, in the year following, Salvador protested vehemently against this annexation, and

a resolution was adopted by which the people declared themselves in favor of annexation to the United States rather than to Mexico. On the fall of ITURBIDE'S short-lived empire in 1822, Salvador became once more a State of the Central American Federation.

A constituent congress adopted a constitution on November 22, 1824. In 1839 the Central American Federation was dissolved, but it was not until the year 1841 that Salvador formally withdrew, and on February 18 of that year declared its independence and separation from the federation. The various efforts to reestablish the union which have been made from time to time have not been successful.

Gen. FERNANDO FIGUEROA was inaugurated as President of the Republic on March 1, 1907, for four years.

CONSTITUTION AND GOVERNMENT.

The constitution of Salvador now in force was promulgated on August 13, 1886.

The legislative power is vested in the National Assembly, composed of one chamber, called the National Assembly of Deputies. It has 42 members, 3 deputies being elected for each Department by direct popular vote for a term of one year. Every citizen over 18 years of age is not only entitled but obliged to vote.

The President and Vice-President of the Republic are elected by popular vote for a term of four years. A Cabinet of four Ministers or Secretaries assists the President in the administration of the affairs of the country. Its members are appointed by the President, but are also responsible to the National Assembly.

The judiciary of the country is composed of a National Supreme Court, several courts of first and second instance, and a number of minor courts. The justices of the Supreme Court are elected by the National Assembly for a term of two years and the judges of the first and second instance are appointed by the Supreme Court for a term of two years. The justices of the minor courts are elected by popular vote.

INTERIOR GOVERNMENT.

The Republic is divided politically into 14 Departments, subdivided into districts, and these into towns and municipalities. The governors of the Departments are appointed by the President for a term of four years, as are also the executive chiefs of the districts. The mayors and municipal councils of the cities are elected by direct vote.

The Departments of El Salvador and their respective capitals are:

San Salvador.....	San Salvador (also the capital of the Republic).
La Libertad.....	Santa Tecla.
Sonsonate.....	Sonsonate.
Ahuachapán.....	Ahuachapán.
Santa Ana.....	Santa Ana.
Chalatenango.....	Chalatenango.
Cuscatlán.....	Cojutepeque.
Cabañas.....	Sensuntepeque.
San Vicente.....	San Vicente.
La Paz.....	Zacatecoluca.
Usulután.....	Usulután.
San Miguel.....	San Miguel.
Morazan.....	San Francisco.
La Unión.....	La Unión.

President.....	Gen. FERNANDO FIGUEROA.
Minister of Foreign Affairs and Justice.....	Dr. SALVADOR RODRIGUEZ G.
Minister of the Treasury and Public Credit.....	Señor D. MANUEL LOPEZ MENCIA, <i>pro tem.</i>
Minister of Public Instruction, Public Works, and Government.....	Dr. NICOLAS ANGULO.
Minister of War and Marine.....	Dr. EUSEBIO BRACAMONTE, <i>Assistant Secretary.</i>

NOTE.—List of cabinet officials corrected to July 20, 1909.

The salary of the President is \$9,600 per annum.

SALVADOR IN 1908.

Gen. FERNANDO FIGUEROA, President of the Republic of Salvador, in his message to the Congress, delivered on February 20, 1909, spoke of the period of evolution through which the Republic was passing, stating that the Government had done its best to enable the country to enlarge its agricultural resources, increase the volume of its commerce, develop its arts and sciences, improve the customs and culture of its people, strengthen the good name of the nation abroad, and insure international and domestic justice in the affairs of the Republic. The results have been most gratifying.



GENERAL FERNANDO FIGUEROA,
PRESIDENT OF SALVADOR

The published returns of the trade for the year 1908 recorded an increase in total valuations amounting to \$500,000 as compared with the preceding year, the balance in favor of the Republic being over \$1,000,000. With the improvement of communication facilities with the United States a still further increase in the volume of commerce between the two countries is looked for.

FOREIGN AFFAIRS.

The relations of Salvador with the countries of Europe and America continue to be friendly and amicable, those with the United States being still further strengthened during the year by a Convention of Arbitration approved by the National Assembly of the Republic on May 1, 1909. Salvador participated in the Fifth Pan-American Medical Congress, which met in the neighboring Republic of Guatemala, early in 1908, in the inauguration of the Central American International Bureau in the city of Guatemala, on September 15, 1908, and in the opening of the Central American Court of Justice at Cartago, Costa Rica. Delegates were also sent to the First Central American Conference which met at the capital of Honduras on January 1, 1909. The next meeting of this body is fixed for January 1, 1910, at San Salvador.

On July 13, 1908, the Republic ratified all of the conventions of the Third Pan-American Conference, and on July 20 of the same year signed a naturalization treaty with the United States.

Foreign trade relations were strengthened by a commercial treaty with Germany concluded in April, 1908, the contracting parties agreeing to a most-favored-nation clause with reference to commercial, maritime, and consular matters.

The adherence of the Republic to the Universal Postal Union of Rome, May 26, 1906, was announced by decree dated May 22, 1908.

FINANCE.

The financial condition of the country is very satisfactory, the credit of the nation at home and abroad having been strengthened by a judicious disbursement of the public funds. The debt of the Republic at the close of 1908 was reported as \$11,283,185, while the revenues for the year amounted to \$4,003,626, showing an increase over the year 1907 of \$752,861. As a result of the conservative administration of 1908 the Republic was enabled to enter upon the year 1909 with a credit balance of \$208,981. The budget law for the year 1908-9 estimates receipts at \$6,799,200 and disbursements at \$6,865,711. Estimated receipts are classified as follows: Imports, \$930,000; exports, \$717,862. Internal taxes: Liquors, \$937,500; stamps, \$86,250; miscellaneous, \$246,750; and proceeds of the £1,000,000 loan at 75 per cent are placed at \$3,375,000.

A decree of April 7, 1908, imposed a tax of one-half of 1 per cent on all sales of real estate in the Republic, the proceeds to be devoted to the construction of public works in accordance with the judgment of the departmental governors and the Executive.

COMMERCE.

In its foreign commerce for the year 1908 Salvador enjoyed a period of prosperity, the total trade values reported amounting to \$10,028,237.48, of which imports figured for \$4,240,580.21 and exports for \$5,787,677.34, an increase in trade of over \$500,000 as compared with 1907, when imports amounted to \$3,440,721.23 and exports to \$6,065,383.88.

The leading countries of origin for imports, in the order of their importance, were Great Britain, United States, Germany, France, Italy, Belgium, and Honduras; the principal articles being cotton manufactured goods, hardware, flour, drugs and medicines, boots and shoes, silk fabrics, and woolen goods.

The countries of destination of the exports from the Republic during the year were: United States, \$1,984,000; Germany, \$993,221; France, \$971,813; Great Britain, \$429,003; Italy, \$243,762; and Austria, \$211,917. Of the coffee exported from the country, France takes something over 37 per cent; the United States, 18 per cent; Germany, 15 per cent; followed by Italy, Great Britain, Austria, and Spain in diminishing ratios.

Exports in the order of their importance were: Coffee, 55,215,110 pounds, \$3,899,430; minerals, 66,068 pounds, \$1,235,831; sugar, 7,042,178 pounds, \$251,076.75; indigo, 421,350 pounds, \$197,036.11; balsam, 143,678 pounds, \$77,473.86; other items shipped were hides, tobacco, rubber, and rice, aggregating 3,927,708 pounds, worth \$338,200. Shipments to the United States for the year amounted to \$1,984,000, showing a slight decrease as compared with 1907, when they amounted to \$2,018,459. For the same period the United States reports shipments to Salvador amounting to \$1,404,573, as compared with \$1,592,473 in 1907.

The shipments to the United States were made up in part as follows: Gold bullion, \$822,181; coffee, \$719,455; gold and silver, \$387,902; sugar, \$26,680; rubber, \$10,595; indigo and hides about \$10,000; and other articles in lesser valuations. Substantial gains were noted in shipments of gold and silver bullion, rubber, sugar, and indigo; balsam, copper, and miscellaneous items remaining stationary; while in hides and lead there was a considerable decline. As the development of the mining resources of the country increases, larger shipments of gold and silver bullion will undoubtedly be made to the United States. The coffee of the country has always found its best market in Europe.

PRODUCTION AND INDUSTRIES.

The interests of the country are essentially agricultural, the principal crop being coffee, of which the annual output amounts to 37,500

tons, valued at approximately \$5,000,000. A number of articles are cultivated more or less extensively, among them cacao, rubber, balsam, sugar, indigo, tobacco, and bananas. Formerly cotton ranked as a crop of importance among the agricultural products of the Republic, about \$700,000 of this staple being exported, but shipments have gradually declined, the crop yielding in importance first to indigo and later to coffee. The forests of the Republic contain cabinet and hard woods of different grades and qualities, mahogany, cedar, mulberry, ironwood, walnut, and laurel; also dyewoods, barks, balsams, gums, and resins. Among the textile fibers produced are henequen, ramie, escobilla, cocoanut, and capulin.

Mining is a profitable branch of enterprise conducted to some extent in different sections. Numerous valuable deposits of copper, iron, lead, gold, and silver are being exploited, while other minerals have been located in different parts of the country. The richest mineral section of the Republic is the Department of Santa Ana, where numerous veins of iron, copper, lead, gold, and silver ores are known to exist, particularly lead and copper. Smelters in the district are few and the methods employed for treating the ore antiquated.

Of the gold-mining properties the San Sebastian, owned by an English company and situated in La Union, is reputed to be the richest. The Tabanco mine, the property of a French syndicate, the San Bartolo, Eva, and Copetillo, the latter properties being owned by American interests, also produce a high grade of ore. The San Miguel district contains several mines producing ore of high grade.

The manufacturing industries, though of less importance, have attained a degree of progress in the following articles: Fiber ropes and hammocks, cigars and cigarettes made of native tobacco, palm-leaf mats and hats, saddlery, confectionery, and dairy products. The manufacture of textiles is successfully conducted, the value of the cotton and silk tissues made in the country amounting to about \$80,000 per year. The cotton thread employed in the elaboration of the product comes principally from England. Forge iron, furniture, boots and shoes, and tanned leather are also manufactured to some extent.

Cattle and horses are bred with profit, especially near the seacoast.

COMMUNICATION.

Progress in railway construction during the year in the Republic was satisfactory, new lines being undertaken and negotiations entered into with a view to still further increasing the existing mileage of the country. The present railway system in operation is about 100 miles in extent and includes a line from the capital to the port of Acajutla with branch connection to the city of Santa Ana, while

another line runs from the capital to Santa Tecla. Work on the road between Santa Ana and the Guatemalan frontier has been contracted for and negotiations are in progress looking to the construction of a line from the capital to San Miguel and La Union. The importance of this contract lies in the fact that it covers the section of the Pan-American line belonging to Salvador, as defined in the convention signed in Washington on December 20, 1907, on the occasion of the Central American Peace Conference. The road leaving the port of La Union will connect with the cities of Usulután, San Vicente, and Cojutepec, and, uniting with the line already built between the capital and Santa Ana, proceed to the Guatemalan frontier to make connection with the Atlantic railway of that country recently inaugurated. Government aid is guaranteed in the building of the line and free entry for material needed in construction granted.

Other contemplated extensions include a line from Santa Ana to Aluachapan via Chalchuapa and Atiquizaya, and a union of the Central Railway of Salvador with the Northern Guatemala. The former carries a subsidy of \$10,000 per annum for the life of the grant, which is thirty-five years, and the latter offers an advantageous connection, in that it would greatly stimulate the mining industry in the entire western section of the Republic.

The Republic of Salvador is accessible by water only from the Pacific Ocean, its ports being La Union, Espiritu Santo, La Concordia, La Libertad, and Acajutla, of which La Union is the most important and the commercial center of the Republic. La Libertad and Acajutla are the remaining two ports at which ocean-going vessels call, the other ports being used for the coastwise trade only.

The Pacific Mail Steamship Company and the Kosmos Line call regularly at the three ports mentioned, employing from nineteen to twenty-one days in the trip from San Francisco, from which port they sail regularly every ten days, first-class passage being \$100 to any one of these ports. The capital of the Republic, San Salvador, can best be reached by rail from the port of Acjutla.

Among the numerous rivers of Salvador the most important are the Lempa, the Paza, and the San Miguel, the first mentioned flowing through the entire territory of the Republic, but all navigable only for small craft.

A number of picturesque lakes are in the country, Lake Guijar, the largest, being 15 miles long and 5 miles wide. Lake Ilopango is 9 miles long and 3 miles wide. All are navigable for small vessels of light draft.

Along the coast are a number of islands which belong to the Republic, viz, Punta Zacate, Conchaguila, Meanguera, Martín Pérez, Perico Chuchito, Conejo, Ircá, and Meanguerita, most of these being located

in the Gulf of Fouseca. The largest of these is Punta Zacate, 30 miles in length.

A new tramway line has been opened to traffic in the capital of the Republic.

Internal improvements have also occupied the attention of the Government. To the 2,000 miles of highroads already in existence new



THE IZALCO VOLCANO NEAR SAN SALVADOR, SALVADOR.

This volcano is almost continuously active. In 1798 it rose out of the plain and gradually attained an elevation of about 6,000 feet. Is sometimes called the "Safety valve of Salvador," also the "Light-house of Salvador."

roads have been added and repairs made, bridges built and repaired and new construction projected; public buildings have been inspected and repaired; the schools of the country reorganized; modern methods of instruction introduced, and modern sanitary laws promulgated throughout the Republic.

The postal service of the Republic is satisfactorily administered, the post-offices being graded according to the population of the different cities. Offices of the first class other than the capital are Santa Ana, San Miguel, Sonsonate, Santa Tecla, Cojutepeque, and San Vicente. The latest figures available showed that at the beginning of 1907 there were 82 post-offices in the Republic and 200 telegraph offices, operating 2,400 miles of wire, over which 1,039,778 telegrams were sent. The telephone system represented 100 stations and 1,924 miles of line.





URUGUAY

The Oriental Republic of Uruguay lies between the Atlantic Ocean, the Rio de la Plata (River Plate), Brazil, and the Argentine Republic. It is separated from Brazil by the rivers Cuareim and Yaguaron and Lake Merim and from the Argentine Republic by the Rio de la Plata and the Uruguay River.

Uruguay has an area of 72,210 square miles, and, although the smallest independent State in South America, it is yet larger than New York and West Virginia combined. It has a population of 1,111,758, or 15.4 per square mile, which is one-third less than the population per square mile of the United States of America.

The most notable feature of Uruguay is its extent of long, rolling plains, comprising almost the entire length of the country, occasionally broken by low mountain ranges and copiously watered by numerous streams.

By reason of its peculiar topography the Republic is naturally suited for stock raising, which is its principal industry. Numerous meat-packing houses are located throughout its territory, the best known of which is, perhaps, the Liebig's Extract of Meat Company. Agriculture is practiced to a considerable extent, nearly all of the cereals being raised, although mostly for home consumption, only a small quantity being until recently available for export. In the forests are found a number of excellent cabinet and other woods, noted for their beauty and durability, while the mountains contain silver, copper, and gold.

HISTORICAL SKETCH.

To JUAN DIAZ DE SOLIS is usually given the credit of having discovered the Rio de la Plata in the year 1515, and it was he who first landed on Uruguayan soil and took possession of the country in the name of the King of Spain. This act cost him his life, the savage Chauras, who at that time inhabited the country, attacking and killing him and all his party.

The country was explored by several other Spaniards and Portuguese, none or whom, however, succeeded in conquering the aborigines, and it was not until the Jesuits arrived in the year 1624 that permanent settlements were established. The territory was then placed under the jurisdiction of the Governor of Paraguay and later under the Viceroy of the Rio de la Plata.

Portugal, however, laid claim to the territory of Uruguay, basing her claims on the terms of the treaty of Tordesilla of June 7, 1494.

The country was for nearly two centuries a matter of contention between the two powers, Colonia and later Montevideo being successively occupied and evacuated by the troops of both Spain and Portugal. The territory was ceded to Spain October 1, 1777, by the treaty of San Ildefonso.

In the year 1806, Great Britain being at war with Spain, a fleet was dispatched to the Rio de la Plata, under Sir HOME POHLM, who attacked Montevideo but was repulsed. A second attempt, made in the year following with a stronger force, was more successful, and on January 23, 1807, the British captured the fort of Montevideo after a siege of eight days. They were obliged, however, to evacuate their position a few months later when General WHITELOCKE was defeated at Buenos Aires.

The movement for independence in Uruguay may be said to have begun with the declaration of independence at Buenos Aires on May 23, 1810. Uruguay was declared a part of the United Provinces of Rio de la Plata, and on May 18, 1811, the Spanish troops were defeated and utterly routed by the Uruguayan, Gen. JOSÉ ARTIGAS.



DR. CLAUDIO WILLIMAN, PRESIDENT
OF URUGUAY.

Brazil, however, now claimed the territory of Uruguay, and, sending a strong force to occupy the country, took possession of it, and on May 9, 1824, the Emperor of Brazil declared the territory to be incorporated into Brazil as the Cisplatine State. The patriots, ably assisted by the Argentine Republic, defeated the Brazilian troops on October 12, 1825. This led to a war between Brazil and the Argentine Republic, which was ended by the treaty of August 27, 1828, whereby both countries recognized the independence of Uruguay. A Constitutional Congress met in November of the same year and appointed General RONDEAU provisional Governor. The constitution having been promulgated on July 18, 1830, Gen. JOSÉ RIVERA was elected the first President of the Republic and inaugurated on November 6 of the same year.

DR. CLAUDIO WILLIMAN, the present Chief Executive, was inaugurated March 1, 1907, for a term of four years.

CONSTITUTION AND GOVERNMENT.

The constitution of Uruguay was promulgated on July 18, 1830, and, with some slight amendments, is still in force.

The Senate and House of Representatives compose the General Assembly, in which all legislative power is vested. Representatives

are elected directly by popular vote in the proportion of 1 for every 3,000 inhabitants or fraction exceeding 2,000, and for a term of three years. Senators are elected indirectly for a term of six years, one for each Department. The Senate is renewed by thirds every two years.

Every citizen over 20 years of age, who is physically and mentally able to do so, is entitled to vote.

A permanent committee, composed of two Senators and five Representatives, represents the Congress during recess, whose duty it is to assist and advise the President on all matters legislative, and to act for the General Assembly.

The President is chosen by the General Assembly for a term of four years and may not be reelected for the term immediately following his own. In case of the President's disability or death, the presiding officer of the Senate assumes the Presidency.

A cabinet having charge of six Executive Departments is appointed by the President and is directly responsible to him and to the Legislature. The latter body may demand the resignation of the cabinet.

The judiciary is composed of a High Court of Justice, courts of appeal, courts of First Instance, and justice of peace courts. The justices of the High Court of Justice are elected by the National Assembly, while the judges of the other courts are appointed by the High Court of Justice.

INTERIOR GOVERNMENT.

The Republic is divided politically into 19 Departments, which are subdivided into sections and districts. The chief executive of the Department is the *jefe politico*, appointed by the President of the Republic. He is assisted by an administrative council, the members of which are elected by direct vote.

The Departments of Uruguay and their respective capitals are:

Department of—	Capital.
Artigas.....	San Eugenio.
Canelones.....	Villa Guadalupe.
Cerro-Largo.....	Meio.
Durazno.....	Durazno.
Flores.....	Trinidad or Porongos.
Florida.....	Florida.
La Colonia.....	Colonia del Sacramento.
Maldonado.....	Maldonado.
Minas.....	Minas.
Montevideo.....	Montevideo; also capital of the Republic.
Paysandu.....	Paysandu.
Rio Negro.....	Fray Bentos or Independencia.
Rivera.....	Rivera.
Rocha.....	Rocha.

Department of—	Capital.
Salto.....	Salto.
San Jose.....	San Jose.
Soriano.....	Mercedes.
Tacuarembó.....	Tacuarembó or San Fructuoso.
Treinta y Tres.....	Treinta y Tres.
President.....	Dr. CLAUDIO WILLIMAN.
Minister of the Interior.....	Dr. JOSÉ ESPALTER.
Minister of Foreign Affairs.....	Dr. ANTONIO BACHINI.
Minister of Public Works.....	Señor D. JUAN LAMOLLE.
Minister of Public Instruction and Industry.....	Dr. ALFREDO GIRIBALDI.
Minister of War and Marine.....	Lieut. Gen. EDUARDO VAZQUEZ.
Minister of the Treasury.....	Dr. BLAS VIDAL.

NOTE.—List of cabinet officials corrected to July 20, 1909.

The salary of the President is \$36,000 per annum.

URUGUAY IN 1908.

President WILLIMAN, in his message to the General Assembly delivered on February 19, 1909, took occasion to refer to the prosperity enjoyed by the Republic during the year 1908, which was an epoch-marking one for the country in many respects. Every branch of commerce and national industry reported unequalled prosperity: crops and prices were greater than ever before, customs receipts reached a figure in excess of all previous records, municipal traffic increased 100 per cent over 1907, and the profits reported for banking institutions were enormous. A recently enacted mining law (April 30, 1909) is designed to develop greater interest in this branch of national industry by permitting the free entry of requisite equipment.

FOREIGN AFFAIRS.

Relations with other countries continued on a friendly and cordial basis, as evidenced by the visits of foreign fleets on missions of friendship and by beneficial arrangements of outstanding questions with adjoining Republics. The Brazilian Government conceded navigation privileges on the River Yaguaron and Lake Merim, and the solution of certain questions with the Argentine Republic was effected. A criminal extradition treaty with the United States was concluded and a naturalization treaty with the same country arranged, subject to legislative approval.

FINANCE.

The estimated expenditures for the financial year 1909, as presented to the General Assembly, fixed the amount at approximately \$20,000,000, which is an increase over 1908 of \$1,647,000. The fiscal year

ended June 30, 1908, showed a surplus of \$2,027,166, while the steadiness of revenue receipts and continued progress in all branches of national activity justify the prediction of a surplus of nearly \$1,500,000 for the year 1908-9. The custom-house receipts showed a consistent and steady increase, the aggregate revenue from this source during the year 1907-8 reaching the total of \$13,365,525 and exceeding by \$399,796 the receipts for 1906-7. The monthly receipts averaged \$1,113,794, the actual figures showing less than \$1,000,000 in only two months of the twelve. The receipts from this source for the year 1908-9 are estimated at \$12,045,000, and a revision of the existing tariff, now under consideration by the Ministry of Finance, is expected to still further augment the national income through this source of revenue.

The public debt of the nation at the beginning of the year 1908 amounted to \$128,138,917, and by December 31 of the same year it had risen to \$130,157,089. The service of the debt was punctually discharged and during the year new bonds issued. The Bank of the Republic, which, since its establishment in 1897, has realized profits amounting to \$5,183,916.52, reported for 1908 the most prosperous year of its existence, the surplus reaching the total of \$1,054,899.21. Of this amount 10 per cent has been added to the reserve fund, 10 per cent allotted to the discharge of bonus shares, \$485,980 applied to the 1896 loan, \$51,700 for the legislative palace, and the remainder applied to the paid-up capital of the bank.

COMMERCE.

The foreign commerce of the Republic for the year was represented by \$71,899,324, as compared with \$69,576,000 in 1907, for which, until the delivery of the President's message, only a general estimate had been obtainable. Imports are reported as \$34,618,804 and exports \$37,280,523, respectively, as compared with \$34,425,000 and \$35,151,000 for the year 1907. According to statistics of the United States, that country figured in the export trade of the Republic for \$2,106,943 in 1908 and \$2,902,085 in 1907, and in the import trade for \$3,134,694 and \$3,971,001, respectively. Ninety-four per cent of the country's exports consisted of live-stock products—hides, jerked beef, frozen meat, meat extracts, and tallow. Dairy products are gradually taking an important place on the export list, Buenos Aires and European cities being the leading purchasers.

The wool-exporting season for Uruguay, which closed on September 30, 1908, recorded shipments for the preceding twelve months amounting to 94,418 bales, while shipments for the season of 1907 amounted to 81,534 bales and in 1906, 74,636 bales. The principal ports of destination were Marseilles, Bordeaux, Hamburg, Bremen,

Dunkirk, Antwerp, Havre, and Liverpool. In this record advanced shipments were noted for all of these ports, whereas shipments to New York declined to 1,599 bales in 1908, as against 5,359 in 1907.

Exports of hides and skins aggregated 1,752,975, being practically the same as in 1906-7. Of this product the United States took 452,142, Belgium 344,386, Germany 323,261, France 198,234, and other European countries, exclusive of Great Britain, 362,914. Other articles of export were 23,317 sheep, 288 cattle, 304 mules, 94,028 quarters of beef, 510,760 bales jerked beef, 2,723 tons of bones, 77,725 bales of hair, 15,224 hogsheads of tallow, 15,939 pipes and casks of same, 122,132 carcasses, and 1,408 mutton quarters.

Shipments to the United States and Porto Rico, as recorded on the consular files, comprised hides to the value of \$2,674,172.34; wool, \$553,398; dried beef, \$137,776.74; bones, \$62,751.27; feathers, \$24,031.73; and glue stock, \$6,599.97. Although complete detailed export statistics are not available, there were shipped abroad through the port of Montevideo in 1908, 34,662 tons of wheat, 7,799 tons of bran, 6,928 tons of flour, 692 tons of corn, and 143 tons of barley. This is significant in view of the fact that a few years ago Uruguay imported cereals and flour.

The latest statistics (1906) showing the participation of other countries in trade with Uruguay credits to Great Britain 17.03 per cent, or \$12,300,000; France, 16.66 per cent, or \$12,020,000; Germany, 14.28 per cent, or \$10,300,000; and the United States 7.89 per cent, or \$5,695,000. In the import trade Great Britain is represented by 28.32 per cent; France, 11.65; Germany, 15.67; and the United States, over 9 per cent; while of the exports Great Britain received 5.41; France, 21.79; Germany, 12.84; and the United States, 5.97 per cent.

With the establishment of the free zone a large transit trade will be opened up with neighboring countries, as the relations existing between many of the business houses of Montevideo and those of Paraguay, Argentine Republic, Chile, and Brazil are such as to insure beneficial results for all interested.

The live-stock trade of the country was greatly stimulated by the cancellation of the duties imposed on cattle, mules, horses, sheep, and goats by the Brazilian Government.

PRODUCTION AND INDUSTRIES.

At present the leading products of the country are agricultural and pastoral, the former including wheat, flour, corn, linseed, barley, hay, and tobacco, and the latter representing a total of about 30,000,000 head of stock, embracing approximately 7,000,000 cattle, 20,000,000 sheep, 600,000 horses, 100,000 hogs and mules and goats. There were imported into the Republic during the year, through the

port of Montevideo for breeding purposes, over 1,500 head, and 16,123 head through other ports. Exports for the year numbered 253,851, of which 33,960 head were shipped through Montevideo. An appropriation of \$40,000 was made during the year for the support of live-stock exhibits for the purpose of stimulating the industry to the greatest possible extent.

Of the great estancias or grass farms devoted to the raising of live stock, the Liebig Company owns seven in Uruguay for the supply of its extract factory at Fray Bentos. The killing season commences early in January and lasts until June, and during the year



LIVE STOCK EXPOSITION AT MONTEVIDEO, URUGUAY.

Cattle raising is one of the leading industries of the country. In 1908 the Republic exported 175,636 head of cattle.

1907, 252,630 cattle were slaughtered. The killing is done under the inspection of an expert of the company, and great care is used in the selection of the animals.

The cereals under cultivation in the Republic during the year 1907-8 represented areas as follows: Wheat, 617,000 acres; flax, 64,000; oats, 8,000; barley, 5,000; and alpine or canary seed, 700. The wheat production for the year was 202,208 tons, and flax 18,372 tons. The production of corn was 3,011,726 bushels, grown on 410,068 acres. Experiments with this crop are being conducted at the agricultural experiment station of the University of Montevideo, utilizing new methods and modern machinery.

Wine production amounted to 4,904,321 gallons. Shipments of fruits, reaching thousands of tons, were made to Buenos Aires and Brazilian ports. Vegetables, medicinal plants, and tobacco were grown in moderate quantities. Experiments conducted with the mulberry tree show that silk culture might be undertaken to advantage in the country.

A topographical survey is being made by the Government with the view of thoroughly investigating the climatic and soil conditions of the country for the purpose of encouraging the crops most suited to the different sections.

The development of the native flax is assured under the law revoking the import duties on the machinery and apparatus used in the extraction of this fiber and its elaboration. The law further provides that no export tax shall be levied on the manufactured products of this industry for a period of three years from the date of the promulgation of the law.

Dairy interests are likewise receiving the support of the Government, factories and requisite machinery being exempted from taxation for ten years, and the sum of \$20,000 appropriated for a National Exhibition of Dairy Products to be held during the winter of 1910.

While Uruguay produces in great abundance raw materials and foodstuffs, mostly animal products, the establishment of manufacturing industries on a large scale is hindered by reason of insufficient supplies of fuels and materials, not because the country has not the one and can not produce the other, but because production in both lines is inadequately exploited. The country is rich in minerals, and commercial coal has been discovered in various localities, but dependence is placed on foreign fuel, machinery, and a large number of primary and secondary materials needed in the manufacturing industries.

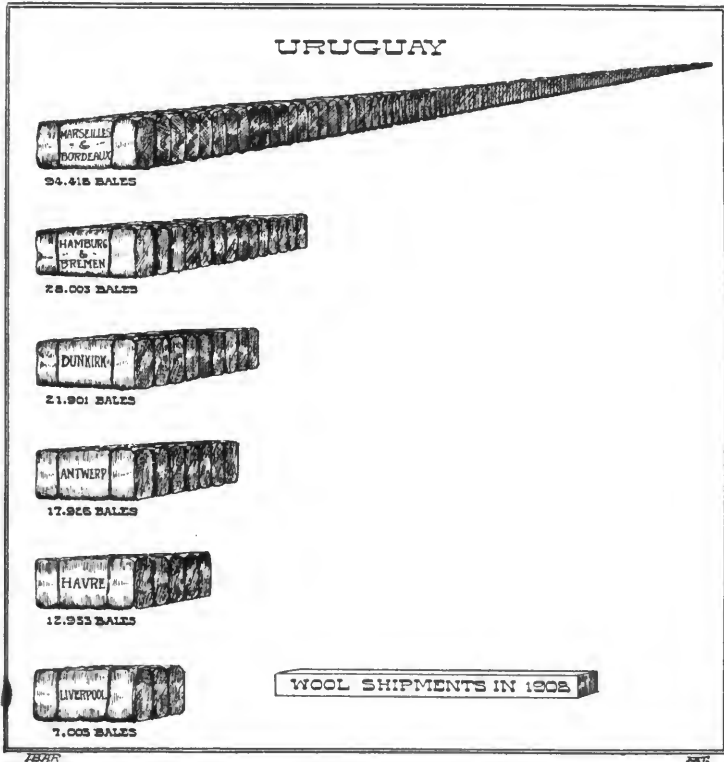
During 1908 the gold mining works of Cuñapiru crushed 20,515 tons of ore, yielding 102,395 kilograms of gold worth \$45,056. Alluvial deposits and quartz have been found in the Departments of Minas, Treinta y Tres, Montevideo, and Rivera, although only two mines are in operation, yielding, during 1908, 20,514 tons of ore and 2,708 ounces of metal, worth \$46,585.63.

The Uruguay Mining Syndicate, an English company, has secured four gold-bearing concessions called, collectively, the Zapuca mines, and four others, called Grupo Independencia, in the Department of Cerro Largo. They are to be worked by four distinct companies, each being capitalized at \$2,433,250.

Coal, whose existence in commercial quantities has frequently been reported, is mined in the Departments of Montevideo, Santa Lucia,

and Cerro Largo. In the latter instance a company has been formed for the adequate exploitation of the beds. The Cerro Largo coal, as well as that of Santa Lucia, is of good quality. Peat coal is found in Maldonado and Montevideo, and peat alone also exists near the Bay of Maldonado.

Petroleum, while of known existence, has not been found as yet in paying quantities.



Asbestos, antimony, graphite, copper-silver, and copper-iron, as well as iron, are found in various sections.

The Government is liberal in the privileges it offers for the adequate development of its mineral resources, allowing the free importation of requisite machinery and implements and granting ample protection to investing companies.

Gems and various semiprecious stones are also known to abound in the Republic.

COMMUNICATION.

Railroads in operation during the year had a total mileage of 1,447 miles, of which 780 miles were under State guaranty. The Central Uruguay Eastern extension opened two sections in May and November and another is scheduled for opening in May, 1909. Work was begun on the Midland branch from Algorta to Fray Bentos and on the Eastern extension to La Sierra and Maldonado.

The rolling stock of the lines comprised 146 locomotives, 136 passenger coaches, 81 luggage vans, and 2,580 cargo and cattle trucks. Cargo was transported to the amount of 1,211,861 tons and passengers were carried to the number of 1,157,875. Gross revenues were \$4,362,666, with profits of \$1,783,057.

The total amount of railway capital now guaranteed is \$28,195,399.

A bill has been introduced in Congress providing for the construction of a section of railroad connecting the port of Colonia with the Brazilian railway system. The completion of this line will insure direct communication between Rio de Janeiro and Montevideo and will reduce the journey to four days. It is also proposed to improve the harbor at Colonia.

In the capital, transition has been made from animal to electric traction in the tramway service, the total car mileage for the year being 4,716,906. The tram line between the Santa Lucia *saladeros* and Montevideo has an extent of 21.75 miles, part steam and part animal traction.

STEAMSHIPS AND WATERWAYS.

Uruguay is easily accessible both from the Atlantic Ocean or from the Rio de la Plata (River Plate) and Uruguay River, possessing numerous ports along the latter, which afford an easy and convenient outlet for its products.

Its principal port and commercial center is Montevideo, the capital, situated on the estuary of the Rio de la Plata, at its mouth in the Atlantic Ocean, where the largest ocean-going vessels may enter. The other ports on the Atlantic are Maldonado and La Paloma, while on the Rio de la Plata are Colonia, Puerto Sauce, Conchillas, and Martin Chico; and on the Uruguay River there are as many as ten ports open to interoceanic trade, viz, Carmelo, Nueva Palmira, Soriano, Fray Bentos, Nuevo Berlin, Casa Blanca, Paysandu, Nuevo Paysandu, Salto, and Santa Rosa. On the Rio Negro is the interior port of Mercedes and on the San Salvador River the port of the same name.

Montevideo is reached from New York either by the Lamport & Holt Line, sailing on the 20th of each month and making the run to Montevideo in twenty-one days, fare, \$190 to \$250; by the steamers of the Lloyd Brasileiro, or by the Prince Line boats. The last two

named employ from twenty-five to twenty-eight days, charging \$135 for first-class passage. The Barber Line, the Norton Line, and the Houlder Line steamships also ply between New York and Montevideo, with irregular sailings and but limited passenger accommodation.

The Lamport & Holt Steamship Company maintains a service between Rio de Janeiro and New York, sailing three times a month and transferring its passengers for Montevideo or Buenos Aires to the steamers of the Royal Mail Steamship Company at Rio de Janeiro.

With the West Coast connection is maintained by means of the Kosmos Line and the Pacific Steam Navigation Company, the former plying between San Francisco and Hamburg and the latter between Panama and Liverpool. With European ports a number of fast and elegantly fitted steamers establish direct communication, plying regularly between Montevideo and Liverpool, Southampton, Marseilles, Bordeaux, Genoa, Naples, Barcelona, Vigo, Hamburg, Bremen, Antwerp, and Rotterdam; the New Zealand Steamship Company maintains a regular service with New Zealand and Australia.

The excellent and extensive river system of Uruguay provides the country with over 700 miles of navigable rivers, the most important being the Rio de la Plata and Uruguay River, which together furnish over 500 miles. The Uruguay River is navigable for vessels of 14 feet draft as far as the city of Paysandu, and above that for vessels of 9 feet draft. The Rio Negro is navigable for ocean-going vessels as far as the city of Mercedes, and above that for light-draft vessels; and the Cuareim, Yi, Tacuarembó, Queguay, Arapey, Cebollati, Santa Lucia, San Jose, Yaguaron, Olimar, Tacuari, Dayman, San Salvador, and San Luis are all navigable short distances for ocean-going vessels and for small craft into the interior of the country.

The only lake of any importance is Lake Merim, situated on the border of Brazil, and on which a regular line of steamers maintains communication with the different towns along its shores.

The *Compañía de Navegación Mihanovich* has established a regular service between Montevideo and Buenos Aires and ports on the Uruguay and Paraguay rivers. The city of Asuncion, Paraguay, is reached from Montevideo by one of the steamers of this company in six days.

Of the steamship lines calling at Montevideo, 18 are under British register, 7 German, 3 French, 4 Italian, 2 Spanish, 1 Swedish, 1 Dutch, 1 Austrian, and 1 Brazilian. Of these, 7 freight and 2 passenger and freight lines run to United States ports.

The total number of steamers entering the port of Montevideo during the year was 3,064, with a tonnage of 6,783,788; and of sailing vessels 259 with 148,925 tons burden; clearances reported being 3,014 with 6,642,128 tons and 295 with 160,157 tons for the two classes of vessels, respectively. In the former class British ships predominated,

while in the latter Argentine vessels outranked other nationalities, followed by Italian and native registers.

At interior ports 380 steamers arrived with 243,871 tons burden, clearing to the number of 394 with 260,864 tons; while sailing vessels to the number of 1,076 with 39,227 tons entered and 1,078 with 48,541 tons cleared.

In the shipping lists Uruguayan vessels figure largely, 102 steamers and 50 sailing vessels having entered Montevideo during 1908 under national register, and at interior ports 194 steamers and 973 sailers.

The Uruguayan Government is desirous of encouraging the repairing and building of vessels in the Republic, and in accordance with a recently enacted law free entry through the customs is allowed for such materials as are required for the construction, installation, working, and preserving of the dockyards, shipyards, and dry docks existing or to be established during the ensuing twenty-five years.

Engineering works under government supervision progressed satisfactorily. Of the 35 bridges planned, 12 were completed, 7 commenced, and 10 more are in course of construction. The Montevideo port works made normal progress. The construction of the moles is proceeding. Sanitary works are to be completed during 1909.

The general scheme for the necessary installations of the new port have been approved and \$500,000 voted for the work.

In addition to continuation on the work of harbor improvements at Montevideo, for which a supplementary appropriation of \$1,375,000 was made on April 15, 1909, in conjunction with the approval of the contract therefor, the Government has decided to develop the port of La Palma, about 150 miles to the east, and about \$1,000,000 are to be expended on improvements at Colonia, provided the proposed Pan-American extension from Pernambuco is completed.

There still remain unexpended over \$3,500,000 for transit works, to which the Chambers have been asked to add \$5,170,000, so that not only the original plans may be carried out, but also valuable additions made. Several new bridges are to be built and the canalization of the Rio Negro effected. For sanitary works in the interior \$517,000 have been appropriated and other improvements provided for, including \$20,680 as a bonus for the establishment of a sugar refinery at La Sierra.

POSTS AND TELEGRAPHS.

At the close of 1908 post and telegraph offices in the Republic numbered 1,025, of which 13 new branches, 53 agencies, and 3 telegraphic offices had been established during the year. The movement of correspondence was 108,113,772 pieces, an increase of 11,667,055 pieces over 1907. Telegrams were transmitted to the number of

283,528, showing an increase of 35,375. Postal revenues amounted to \$595,391, an increase for the year of \$17,298, and being \$40,000 more than the budget estimate.

Wireless equipment for telegraphic communication has been established at Montevideo and Punta del Este and a station is under construction on Lobos Island. A national telephone service is to be opened in the capital.

The number of public schools at the close of 1908 was 1,781, an increase of 110 over the previous year, and an increased attendance of 7,000 is reported. Private schools in the capital numbered 180 and evening schools and industrial courses are included in many of the educational institutions. In December the faculty of commerce at the University of Montevideo was established as a school of commerce.

Colonization projects occupied the attention of the Government and the employment bureau did valuable work. Preliminary study of a pension bill and of a child and female labor law is being made, and sanitary works have been made the object of a large appropriation.



VENEZUELA

The United States of Venezuela occupy the northernmost part of the South American continent, stretching in a northwesterly direction along the Atlantic Ocean and the Caribbean Sea and bounded on the land side by Colombia, Brazil, and British Guiana. The country has an area of 593,950 square miles, equal to the combined area of the States of Wisconsin, Michigan, Illinois, Indiana, Ohio, Missouri, Arkansas, Kentucky, Tennessee, Mississippi, and Alabama, with sufficient space left for several States the size of Rhode Island. Over this vast area there is distributed a population of 2,644,298, Venezuela being one of the most sparsely populated countries in South America.

Venezuela may be geographically divided into three distinct zones, viz: The extensive plains and river valleys, known as the *llanos*, affording excellent pasturage for numerous herds of cattle; the mountain section, formed by the three mountain ranges; and the dry and healthful table-lands or plateaus.

This variety of physical features produces an equal variety of climate, products, and soil. Coffee, cacao, tobacco, and sugar cane are largely grown and exported, and wheat and other cereals thrive, but are mostly used for home consumption. The slopes of the mountains are heavily wooded and contain quantities of timber and many useful trees and plants, among them divi-divi (*Cassipouia coriaria*), the pods furnishing an excellent material for tanning; fustic (*Machura tinctoria*), yielding an excellent yellow dye; *Indigofera anil* and *Indigofera tinctoria*, yielding indigo; *Castilloa elástica* and *Hevea brasiliensis*, yielding rubber, and numerous cabinet and other useful woods. The mines produce precious and useful metals, gold, silver, copper, and lead, the various asphalt lakes yield the best qualities of asphaltum, and along the coast pearls are found at different points. The principal exports of Venezuela are hides and skins, live cattle, coffee, and cacao.

HISTORICAL SKETCH.

The Venezuelan coast was first sighted by COLUMBUS on August 1, 1498, on his third voyage, and was successively explored by ALONSO DE OJEDA, ALONSO NIÑO, and others. The country at that time was inhabited by no less than 150 tribes of Indians, speaking 11 different languages and 150 dialects, among which the Caribs and Teques

were the most warlike and savage. They succeeded for many years in preventing the permanent settlement of the country, and it was here that the Spaniards encountered more difficulty and fiercer resistance from the aborigines than anywhere else in America.

In 1527, the Emperor Charles V granted the Province of Venezuela to the BELZARES family, who dispatched AMBROSIO DE ALFINGER to bring it under subjection. ALFINGER and his successors did not, however, succeed in establishing Spanish authority beyond the coast strip, and it was not until the year 1545, when the Spanish Crown dispatched JUAN DE CARVAJAL and annulled the concession of the BELZARES family, that any permanent settlement in the interior was effected. The Spanish dominion was then gradually extended over the whole country, the Indians being enslaved wherever this was possible and treated with the utmost cruelty. This led to numerous rebellions, the Indians of Venezuela not being of the pacific, submissive character of those of Peru and other countries.

The British, French, and Dutch buccaneers added to the difficulties of the Spanish authorities by frequent attacks on the coast towns.

In 1718 the viceroyalty of New Granada was created and the territory of what is now Venezuela passed under the jurisdiction of the Viceroy at Bogota.

The first movement for independence was initiated in Venezuela as early as the year 1797 by the patriots GAUL and ESPAÑA, but, like many others which were to follow, it failed, the initiators being condemned either to death or banishment. Gen. FRANCISCO MIRANDA's first efforts to free the country from the Spanish yoke likewise failed. In the year 1810 the citizens of Caracas rose against the Spanish authorities, and on the 19th of April deposed the Spanish Governor, DON VICENTE EMPARÁN. A Constitutional Congress met on March 2, 1811, and on July 5 of the same year formally declared the independence of the United Provinces of Venezuela. The war of this first revolution lasted until 1812, when MIRANDA was defeated by the Spanish troops and Spanish authority again reestablished. In the year following SIMÓN BOLIVAR took up arms against the Spanish authorities and war was waged with varying success until BOLIVAR defeated the Royalists at the battle of Boyaca on August 7, 1819. This defeat ended the Spanish dominion in northern South America, the Viceroy, SÁMANO, fleeing from Bogota shortly after Boyaca.

On December 17, 1819, Venezuela became a part of BOLIVAR's Greater Colombia, and upon the disruption of the Federation, Venezuela declared its secession and absolute independence on September 22, 1830.

Gen. JOSÉ PAEZ was elected the first President of the Republic. Under succeeding Presidents several attempts were made to change

the form of government, and on February 20, 1859, by vote of a majority of its citizens Venezuela declared itself in favor of a Federal Republic, which form of government was finally and definitely adopted. The present Constitution of Venezuela was promulgated April 27, 1904.

Gen. JUAN VICENTE GOMEZ, the present incumbent of the Presidency, assumed the office in 1908, upon the retirement of Gen. CIPRIANO CASTRO. His term of office will expire May 22, 1911.

CONSTITUTION AND GOVERNMENT.

Venezuela, officially termed The United States of Venezuela, is one of the five federal unions of America, which have adopted the federal, representative, republican form of government. The several States of Venezuela are autonomous in their internal government with certain limited powers only vested in the Federal Government.



GENERAL J. VICENTE GOMEZ,
PRESIDENT OF VENEZUELA.

Legislative power is vested in the National Congress, composed of two chambers, the Senate and the House of Deputies. The members of the former are elected by the legislatures of the States, two Senators to represent each State, for a term of six years. Deputies are elected by direct vote for a term of six years, every citizen over 21 years of age being entitled to vote.

The President and two Vice-Presidents are elected for a term of six years by an electoral body chosen by the people for that purpose. They may not be reelected for a term in direct succession.

A Cabinet of seven Ministers or Secretaries of State assists the President in the administration of the Government. The Cabinet is appointed by the President and is responsible to him alone.

The Federal judiciary comprises a Supreme Federal and Appellate Court, several courts of appeals, and a number of minor courts. The justices of the Supreme Court, seven in number, are elected by the National Congress for a term of seven years.

INTERIOR GOVERNMENT.

Thirteen States, five Territories, and a Federal District comprise the United States of Venezuela, the States electing their own executive, legislative, and judicial authorities. The Territories are administered by a Governor appointed by the President of the Republic, as is also the Federal District, the Governor of the latter having, however, a Municipal Council, elected by the people, to assist him.

The States and Territories with their respective capitals are :

State of—	Capital.
Aragua.....	La Victoria.
Bermudez.....	Cumana.
Bolivar.....	Ciudad Bolivar.
Carabobo.....	Valencia.
Falcon.....	Coro.
Guarico.....	Calabozo.
Lara.....	Barquisimeto.
Merida.....	Merida.
Miranda.....	Ocumare.
Tachira.....	San Cristobal.
Trujillo.....	Trujillo.
Zamora.....	San Carlos.
Zulia.....	Maracaibo.
Territory of—	
Amazonas.....	San Fernando de Atabapo.
Colon.....	Gran Roque.
Cristobal Colon.....	Cristobal Colon.
Delta Amacuro.....	San Jose de Amacuro.
Yuruari.....	Guacipati.

The Federal District comprises the city of Caracas, the capital of the Republic.

President.....	Gen. JUAN VICENTE GOMEZ.
Minister of the Interior.....	Gen. FRANCISCO LINARES ALCÁNTARA.
Minister of Foreign Affairs.....	Dr. FRANCISCO GONZALEZ GUINÁN.
Minister of the Treasury and Public Credit.....	Dr. JESUS MUÑOZ TEBAR.
Minister of War and Marine.....	Gen. M. V. CASTRO ZAVALA.
Minister of Fomento.....	Gen. RAFAEL MARCÍA CARABAÑO.
Minister of Public works.....	Dr. ROBERTO VARGAS.
Minister of Public Instruction.....	Dr. SAMUEL DARFO MALDONADO.

NOTE.—List of cabinet officials corrected to July 20, 1909.

The salary of the President is \$12,000 per annum.

VENEZUELA IN 1908.

During 1908 the presidential office in Venezuela was transferred from Gen. CIPRIANO CASTRO to President JUAN VICENTE GOMEZ, who had previously held the office of Vice-President.

Despite certain internal disturbances, the country faithfully discharged its obligations to the bondholders under the financial arrangement of 1905 and effected the payment of the various claims of the Powers under the protocol of 1903. The payments on account of the foreign debt during the last six months of 1908 aggregated \$564,000.

Numerous decrees recently issued provide for conditions whereby certain restrictions on trade and industry throughout the Republic are removed and distribution made of certain moneys for public expenditure in different States. In May, 1909, the export duties on coffee, cacao, and hides were removed, and during 1908 such modifica-

tions were made in the tariff law of January of that year as national exigencies demanded.

A commission has been appointed charged with the revision of the legal code of the Republic, and commerce with the neighboring countries is being developed through the repealing of fluvial regulations, which have been found detrimental to transit trade.

The cable service with Europe was resumed under the contract with the French company made in May, 1909, and an arbitration treaty with Brazil has been signed, to become effective upon the exchange of ratifications by the two Governments.

The relations of the States of the Republic among themselves and with the National Government continue most cordial, and the decree of January 26, 1909, repealing the decree of August 2, 1907, has contributed to the further strengthening of these bonds.

FOREIGN RELATIONS.

Friendly relations have been renewed with Holland, from which country a confidential agent has been accredited near the Government of Venezuela and a protocol concluded on April 19, 1909.

The United States of North America, after having closed its legation in Caracas, subsequently sent a Peace Commissioner to Venezuela, and the result of his negotiations was the protocols of February 13, 1909, and the reestablishment of the legations of both countries in their respective capitals.

Colombia has also accredited a special representative, and negotiations are being made for the celebration of a treaty of navigation, boundary, and commerce.

The friendly and equitable adjustment of the differences with France and the favorable progress of the negotiations with the representative of that country give rise to the hope that in a short time the two nations will resume most cordial and reciprocal relations.

Relations with Germany are being strengthened, as is shown by the kind reception given by the Emperor to the special mission recently accredited to that country, and the pact of amity, commerce, and navigation made on January 28, 1909.

The acceptance of the arbitral decision of the claim of the Caracas Water Company removed all differences existing between that country and Belgium.

The protocols of December 9, 1905, concerning the boundary with Brazil, have been approved by the Brazilian Congress, but the exchange of ratifications has not yet been made.

The first general arbitration convention celebrated with a neighboring State is that made with Brazil in Caracas on April 30, 1909.

Venezuela was represented in the Second Peace Conference of The Hague, and a number of pacts were subscribed to by her delegates to that conference.

FINANCE.

In July, 1907, Venezuela's obligation to Great Britain, Germany, and Italy, by virtue of the protocols of Washington, was canceled, the total sum paid having aggregated \$3,567,000.

Since August, 1907, Venezuela has paid to the countries not enjoying preferential treatment 30 per cent of the customs receipts of La Guaira and Puerto Cabello, amounting to, up to May 1, 1909, \$1,199,148.

The financial obligations of the Republic and the agreements made by the Government have been strictly complied with. During the fiscal years 1907 and 1908, the expenditures of the Government on account of these obligations amounted to \$3,904,000, and from January 1 to March 31, 1909, \$484,000, or a total outlay of \$4,388,000, all of which, in accordance with the protocols of Washington, went to the foreign powers, the 3 per cent diplomatic debt of 1905, the debt contracted on account of diplomatic agreements, and the non-amortized diplomatic agreement debt. The payments on account of the internal debt from January 1, 1907, to March 31, 1909, amounted to \$1,216,703.

The outstanding internal 3 per cent debt on March 31, 1909, was \$12,040,000, and the outstanding external debt on the same date was \$26,253,000, or a total of \$38,293,000.

COMMERCE.

The commercial transactions for the twelve months show a total of \$24,339,640. In the preceding year an aggregate of \$26,540,905 was reported.

Import values were \$9,778,810 and exports \$14,560,830. The principal receiving countries were the United States, \$5,550,073; France, \$5,496,627; Great Britain, \$1,447,784; Germany, \$908,260; the Netherlands, \$763,642; Cuba, \$604,102; and Spain, \$589,560.

United States statistics note receipts of Venezuelan merchandise during the calendar year 1908 to the value of \$7,028,180 and shipments to the Republic to the amount of \$2,566,022, the values being practically the same as in the preceding twelve months.

The commerce of the country for the first half of the fiscal year 1907-8 consisted of exports valued at \$8,613,000 and imports, \$4,984,000. Imports were received as follows: From Great Britain, \$1,804,000; United States, \$1,256,000; Germany, \$823,800; and the Netherlands, \$462,400. Shipments were made to France, \$3,409,000; United States, \$3,097,000; Great Britain, \$622,000; Germany, \$485,000; the Netherlands, \$365,000; and Spain, \$325,000.

The principal exports for the period were: Coffee, 58,489,200 pounds; cacao, 22,598,021 pounds; divi-divi, 8,714,255 pounds; cattle and asphalt. Rubber shipments aggregated 869,591 pounds, and ox-hides and goatskins together, 2,481,298 pounds.

PRODUCTION AND INDUSTRIES.

The exploitation of native products forms the basis of Venezuela's industrial life. The area under coffee is estimated at about 200,000 acres, the number of estates being over 33,000, and the product in 1907, 42,806 tons. Cacao growers operate 5,000 estates, 14,000 tons being exported, and sugar planters about 11,000, the annual production being about 3,000 tons. Cotton is grown in exportable quantities and the forest regions abound in rubber and fine timber. A contract for the exploitation of the forests of the Orinoco Delta has been approved by the Government and concessions covering the Rio Negro and El Caura rubber sections contain special stipulations against the willful destruction of the trees. The cultivation and manufacture of tobacco is an important branch of industrial life, and rice-growing is made the subject of special bounties in certain States.

New enterprises are covered by recently granted concessions for the culture of fiber plants and the development of the textile industry, also for linseed oil factories, paper mills, and cement works.

The live stock of the country is estimated at over 6,000,000 head, including 2,000 oxen, 1,600,000 goats, and 1,600,000 pigs.

The country is rich in minerals; gold, copper, silver, iron, and salt being profitably mined. Asphalt is exported to the United States in large quantities.

The coal output in 1906 was over 14,000 tons, and newly discovered deposits in the States of Zulia and Merida are exploited under a concession granted in April, 1908, 20 per cent of the profits being paid to the Government. Salt is a government monopoly, the mines being operated, in accordance with the decree of January 27, 1909, by agents of the Federal Government. The yearly rental is \$700,000.

The threatened extinction of the pearl beds on account of over exploitation has necessitated the repeal, for an indefinite time, of the pearl-fishery concession and the prohibition of oyster fishing.

COMMUNICATION FACILITIES.

The total length of railways in operation in the Republic is about 540 miles. The number of lines, according to latest information, was 12, with an invested capital of over \$40,000,000. Receipts for the first half of 1908 were about \$800,000 and expenditures \$600,000. In connection with the lines there have been constructed 716 bridges and 109 tunnels.

The Central Railway Company of Venezuela continues the laying of its tracks toward Santa Lucia, notwithstanding the fact that the questions between the company and the Government have not yet been settled.

With its favorable geographical position on the Caribbean Sea and the Atlantic Ocean and with a coast line of more than 2,000 miles, Venezuela possesses no less than 50 bays and 32 ports, the most important of which are La Guaira, the principal port and commercial center, Puerto Cabello, Guanta, and Cumana, at which ocean-going vessels call regularly. Ciudad Bolivar, on the Orinoco River, 373 miles inland, and Maracaibo, on Lake Maracaibo, are the most important inland ports of Venezuela.

The Atlas Line, the Royal Dutch West India Line, and the Red D Line maintain a regular service between New York and Venezuelan ports, the Atlas Line calling at La Guaira and Puerto Cabello, the Royal Dutch West India Line at Puerto Cabello, La Guaira, Guanta, Cumana, Carupano, and Margarita Island, and the Red D Line at La Guaira, Puerto Cabello, and Maracaibo. These steamers take from seven to nine days to make the trip from New York to Venezuelan ports, first-class passage being \$60 to \$75.

The waterways of Venezuela form important means of communication and transportation, there being no less than 70 navigable rivers in the country, with a total navigable length of over 6,000 miles, of which the mighty Orinoco, the third largest river in South America, with its tributaries, furnishes nearly 4,000 miles. The more important of the other navigable rivers are the Meta, the Apure, the Portuguesa, and the Yaracuy, all of which are navigated by steamships for considerable distances. The Catatumbo River flows into Lake Maracaibo, and is navigable for small steamers, while the majority of the other rivers are navigable for steam launches and flat-bottom boats only.

A regular steamship service is maintained on the Orinoco, Apure, and Portuguesa between Ciudad Bolivar, the principal port on the Orinoco and the interior, as well as points along the coast. Ocean-going vessels enter Lake Maracaibo, which covers an area of 8,000 square miles and is navigable in its entirety. Lake Maracaibo is connected with the Gulf of Venezuela and the Caribbean Sea by means of a strait 34 miles in length and from 5 to 9 miles wide. Numerous other lakes are found throughout the country, Lake Valencia being the most important of these, owing to its favorable situation between Puerto Cabello and La Guaira and Caracas. It is navigated by small steamers.

The Escalante River has been opened to free navigation.

Steamships are engaged in the coastwise trade along the coast of Venezuela, and call regularly at the islands of Margarita, Curaçao, and Trinidad.

The capital of the Republic, Caracas, can be reached either from La Guaira or Puerto Cabello, with both of which it is connected by rail, the former being but 22 miles from Caracas.

POSTS AND TELEGRAPHS.

From the close of 1907 to March 31, 1909, 14 new post-offices were established in the Republic, and 21 discontinued post-offices reestablished. The cost of the maintenance of the post-offices from 1907 to March 31, 1909, was \$138,000. The expense of transporting the mails during the same period was \$237,000. The Red D Line has reduced the charge for the transportation of the mails, and important changes have been made in the rules governing the importations of postal parcels.

Ten new telegraph offices were opened during the fifteen months, four new telegraph lines constructed, and two lines are in process of construction. The receipts from the telegraph service from 1907 to March, 1909, were \$148,000.

The dispute with the French Submarine Cable Company has been settled, the Government acquiring the coastwise cable system and a reduction in the rates.

The telegraph system comprises an extent of 4,552 miles with 161 offices. During the first six months of 1908 the Government extended the system by 26 miles, repaired 735 miles, and rebuilt 556 miles of wires. At Willemstad, on the island of Curaçao, the Netherlands Government has established a wireless station with a range of 300 miles, open for government and public business. This station is to be connected with projected establishments in Venezuela.

PUBLIC INSTRUCTION.

In December, 1908, the number of public schools in the Republic was 716, which number was increased, by virtue of a decree of February 23, 1909, to 1,019. Recently, new school buildings have been constructed, old ones repaired, and plans have been made for the establishment of agricultural, veterinary, mining, and commercial colleges. Reforms and improvements have been made in the universities of the Republic, the Institute of Fine Arts, and in the normal schools. The total number of federal, municipal, and private primary schools in the country is 1,525, of secondary instruction 88, and of higher instruction 2—the University of Caracas and the University of Los Andes.

In 1907 the total amount collected for school purposes was \$761,000, as compared with \$776,000 in 1908.

On June 30, 1908, a total enrollment of 35,777 pupils was reported.

PUBLIC WORKS.

From May 1, 1907, to December 31, 1908, the Government spent \$628,000 in public work. A special commission of engineers is examining the port and wharves at La Guaira and a special inspector the Puerto Cabello to Valencia railroad, for the purpose of recommending the necessary improvements. The Government has purchased the works, rights, and shares of the Wharf Company at Maracaibo for \$48,000. The Executive has refused to receive the wharf at Puerto Sucre, the same not having been constructed in accordance with the provisions of the contract.

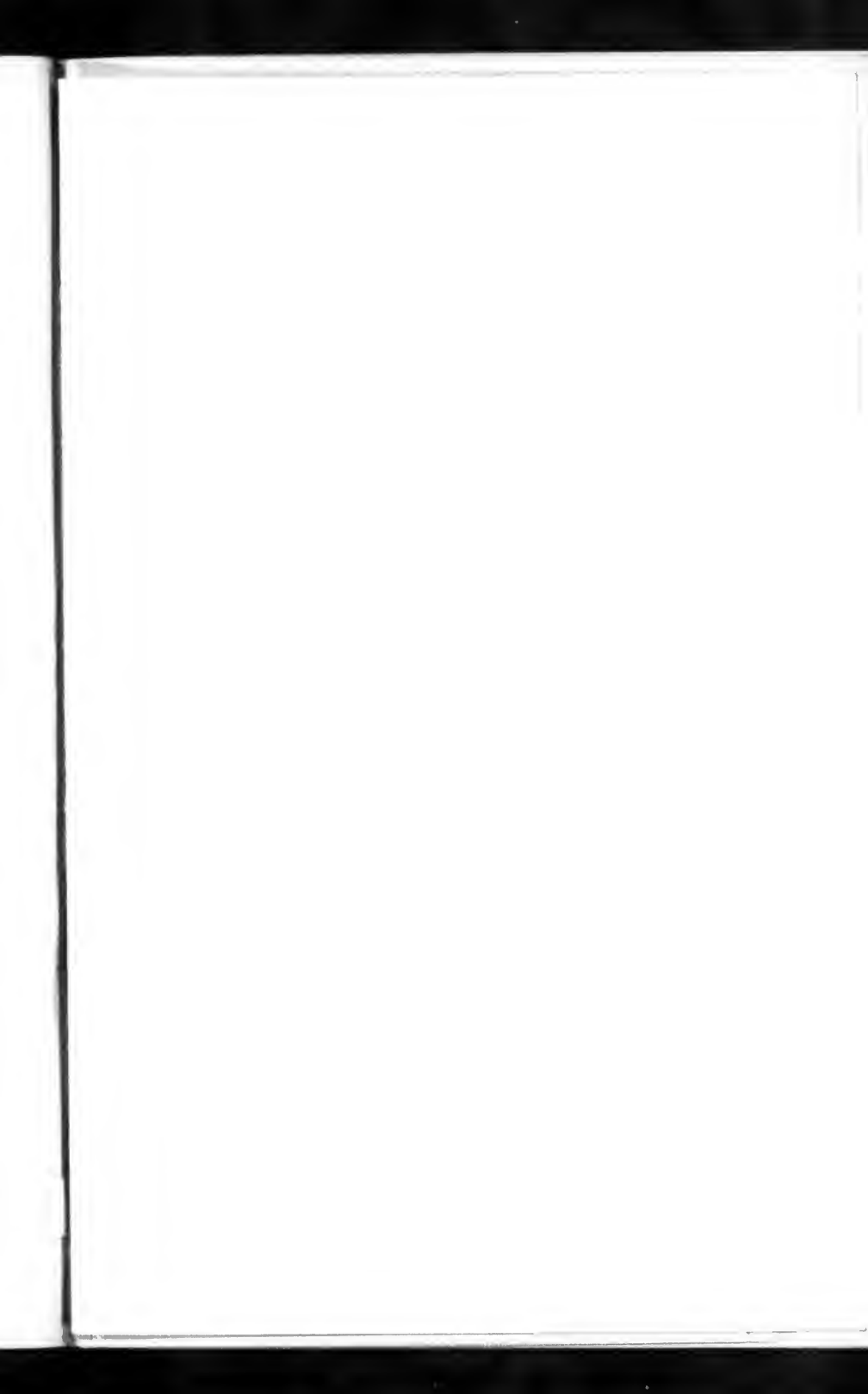
The new lease of the Caracas waterworks, made for a period of three years, produces \$10,000 per annum more than the former lease, and the Government has acquired the springs which supply the Barquisimiento Aqueduct.

The Government advocates the betterment of the service for the collection of statistics, and the Department of Public Works proposes to improve the collection and compilation of federal statistics.

The Government is desirous of attracting a good class of immigrants and many measures for the promotion of colonizing enterprises are under consideration. Hygienic methods are being applied in the centers of population, vaccination being obligatory since May, 1909, and stringent regulations are enforced in regard to the sanitary condition of arriving and departing steamers. By an Executive decree of March 17, 1909, a commission of public hygiene has charge of the sanitation of the capital, and all matters concerning the public health are submitted to its consideration.







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