Crown Prince Alexander of Servia. At left, M. Pashitch, Servia's able Prime Minister.

THE assassination of Archduke Francis Ferdinand and his wife has been the spark that has kindled into flame the long emouldering embers of Austrian and Servian hatred. Shocking as that tragedy was it was after all but one dent in a long chapter of political reprisals, an incident which Austria has been quick to selze on as an opportunity to vent the hatred of years on the little neighboring State, whose aggressions she can no longer ignore and whose pretensions she no longer

Austria's ultimatum did not come as surprise to any one who has followed her diplomatic manœuvring of the past twenty-five years. Austria has never been able to forgive Servia for existing at all, and Servia has always flercely resented her big neighbor's stubborn opposition to her own chemes for development. For twentyfive years jealousy and enmity have fed on each other, for twenty-five years each has irritated the other in all the numberless ways known to skilled politicians, for twenty-five years each has been held in check only by the pressure of outside influences. But now the tragic death of the heir apparent has put in Austria's hands an excuse so powerful that she dares to use it as a weapon, while Servia, assured of the absolute loyalty and unity of her people and confident of the backing of all the couthern Slavs, is only put in the posi-tion of having her hand forced.

At the first thought it would seem that considering the differences in size and resources, any contest between these two countries must be unequal Austria has enjoyed a long period of peace and possesses a large and highly trained army. Servia, on the other hand, is only beginning to recover from two costly wars. Although she gained thereby the territory in Macedonia that the had long coveted, she has not yet thad the time to profit by it. Servia is poor and her army comparatively small, but she possesses an element of strength, the value of which is doubled to her by reason of the fact that the same quality is Austria's great weakness. The entire Servian people are a unit on any question of national honor, the disloyalty of any part of its army is an impossible supposition. On the other hand, the Austrian army, like the Austrian empire, is made up of many people of many minds, and It is not possible to be quite certain how it would conduct itself in a war in which racial considerations would be involved, M in a war with Servia. In a war with Servia practically all the military operations would be conducted in a territory populated almost wholly by Serbs, a people tied by the sympathy of comthey would be fighting; ties that are, to tire machinery. the southern Slavs, many times more binding than the slender political threads that hold them to the Austrian empire. In prosecuing a war against Servia Austria has long known that she would expose herself to the danger of brousing to open rebellion her entire southern Slav population.

In the present situation, as in every flareup in the Balkans, the importance lies not so much in the countries involved as in the probability of the entanglement of other nations, and the possibility therefrom of that dread bogey, a general European war. Montenegro has already announced that her fortunes are cast with Servia. Servia many and Italy have declared their intention of standing by their ally Austria, though no one really believes that respondent travelling through the countheir intention is to do more than to try a few weeks ago found the bitterness keep other nations off and so leave Aus- in no degree abated during the ten

neutral, would certainly be glad if she self for her defeat by Servia in the secend Balkan war. But more important

horn for a clear ring. Austria's ultimatum to Servia sets velopment and the difficulty of realizing as her principal grievances the on her resources. assassination of the Archduke and his to see the existence of an elaborate rouse the fighting blood of any farming activities. organization that has, with official con- community.

Twenty-Five Years of Jealous Hatred distraut little kingdom could but won-

ent in all the elections and in the disturbed relations with Montenegro. When Russia also took a hand in SerWhen Russia low---Death of Heir Apparent Gave Austria Opportunity first alarm the Bosnians would rise in revolt and throw their fortunes with of Forcing Servia to Show Her Hand---Countries Have those of Servia. But Bosnia is well garrisoned, and not it may be added with Bosnian soldiers. Bosnian recruits are Irritated Each Other for Quarter of Century grade against its authority, were prob- has been kept at the standard that so the various railroad lines that

Austria's and Servia's War Excuse After

ably the most prominent of these proceedings, though there have been endless riotings and arrests and minor trials for which the union may have been directly responsible. The secretary of the society, Major Milan Pribitchevitch, formerly an Austrian army officer, was mentioned in the confession of the youth who threw the bomb at the Archduke. This naturally has given Austria sufficient ground on which to demand the entire wiping out of this inflammatory society, the sup-pression of all its literature and the overcame formal defects. punishment of its leaders.

Austria further claims that the pub-He schools of Servia have been used as every branch of the Servian official service is honeycombed with plots aimed against Austrian tranquillity.

put her finger on any tangible evidence

important a Power must require.

The Servian army was until the Balkan war on untried quantity, with the presumption against its efficiency. The dramatic events of that war gave it, however, a new rating, for the Servian surprisingly effective. It had great power of expansion, while the wonderful esprit de corps and the galvanizing

As has been said, the chief anxiety in Europe in the present situation is less for the aggressors in the difficulty than an instrument for the instilling of anti- for the possible entanglements it may Austrian prejudice, and asserts that produce. Russia is the disturbing factor, and until she comes out and makes her position clear everything else must be more or less a matter of speculation. Until she seized on the murder of Russia aspires to be the protector of the the Archduke Austria was not able to Slav people and while she has hitherto failed to play that role with any great of Servia's malfeasance. But Servia's degree of glory she still clings to it.
reprisals for Austria's highhandedness. It was to her that Servia looked for

converge there. At Metrovitza also near the western border a large garrison has been assembled that could be quickly moved to the Servian borner.

quickly sent to other parts of the empire, while only Austrian soldiers are stationed at the Bosnian fortresses. Sarajevo and Zvornik have both large garrisons which could be readily moved to the rough Servian frontier where the mountains would furnish natural defenses for military operations.

proved himself a splendid soldier and PEN PICTURES OF LIFE IN CITY OF MEXICO

Interesting pen pictures of life in the city of Mexico are given in a letter just received in New York from an American who is in business in the Mexican capital. It presents a phase of the situation about which little has been printed. Extracts from the letter are given below.

cities of the republic. The head office alone, which is in this capital, is open. What an index to the change his "vieja" (old woman). condition of the country!

assistance when she saw Bosnia and branches and agencies scattered through siders the darker races as his legitimate is largely French.

Even more sorrowful is the condition of the State banks. On January 7 their notes were made legal tender and they were allowed to issue notes for three times the value of their cash in hand, and, as a consequence, these notes have become more common than newspapers, and as for the speed with which they the halfbreed has prospered. It is the circulate it is matched only by the halfbreed who supports the bullfights speed with which money is spent on and the opera and who captains the Broadway on a Saturday night. I asked army, while the peon does the fighting. a friend as to the value of Banco de A parade of troops shows almost the Durango bills. He replied: "Five same contrast in complexion between minutes is plenty long enough to keep the pale, house plant faces of the offi-

dollar bought 50 cents United States is between the faces of the white offimoney and that for the past six cers of a negro troop and those of the months the average rate has been about men. 32 cents. A poor Chinese laundryman A Spaniard in Mexico is more than a who has to send home money to his family used to be able to buy about \$1 Hongkong for \$1 Mexican. Now he has been paying from \$1.50 to \$1.90

A Spaniard in Mexico is more than a Scotchman or Swiss in other parts of the world. He is not only a money saver but also a money getter. He brings his qualities of economy and for \$1 of Hongkong money.

35 and 40 per cent, premium. Silver pesos tellectually inferior. It is no wonder command 15 or 18 per cent. premium that he gathers hay and no wonder that and small change has become so scarce the leader of men such as Villa's should that it is a scandal. Street car con- declare an open season on "gapuchines" ductors sell it at 10 per cent. premium (Mexican word for Spanlards). ductors sell it at 10 per cent. premium and if one offers a conductor a dollar bill he looks at you keenly, asks if you haven't change, and may force you to buy a sheet of tickets or perhaps band a secret service man sat down let you have a free ride.

"The north is north and the south is south and never the twain shall meet," where he was kept incommunicade, that for I believe it not more difficult to acquire a Chinese or Filipino point of view his British passport to no avail. He than a Mexican point of view. Prices are sky high, factories are closed, taxes are doubled, relatives and friends are friends, who in turn went to the British drafted into the army to be shot down Legation.

Alameda or on their usual street corners and they take their usual toll of one or two cents, rarely more, from already come forward and announced passersby. Cripples on the sidewalks their intention t stand by her, but brave sell lottery tickets and there seems to as their assertion seems on its face the be the usual confidence that the Government will distribute the prizes fairly. The first prize is \$10,000 and the total amount of prizes is about \$26,000, disto commercial expansion, and in Servia tributed every Tuesday, the larger in Belem, amount being 60 per cent. of the amount obtained in sale of tickets.

> Services in the cathedral and churches are attended as well as usual. staff down to Vera Cruz. On his return Sands play in the parks at the regular fight because they sleep on beds."
>
> The study of the Mexican army is in-Bands play in the parks at the regular around. Society drives out to Chapultepec and along San Francisco street. Possibly a few faces are missed, but there is a full quota of "lagartijos" (literally little lizards), young men about town who stand along the shop fronts to ook at the girls with their fat, bepowdered damas, as they are driven past, some in closed broughams, some in open coaches and some in limousines. And quite slighted would the girls be if they were not stared at, smiled at and bowed

Who would guess that more than half goes without even the discussion an unreate in New York.

Is the indifference due to climate, ig- him. norance, the inevitableness of things or Indian blood? Indifference might be said that ammunition from the Ypirahae to be a characteristic of the Indian in You will recall that it was landed at all fields in which mankind is ordinarily interested. From Nome to Cape Horn the race has never produced a man of not have heard, goes that the train, coninternational prominence and excepting President Juarez scarcely one of naonal prominence. Considering the inumerable wrongs the race has been

ngton! You may object that the Mexican is not an Indian, that the true Mexican, should be Spanish-Indian of two or three generations. That type makes up 20 per cent, of the population of Mexico crease. It is a type that seems destined foreigners, but not to marry more with the Indian. In 65 per cent, of the population flows Indian blood as pure as that

of Montezuma.

It is said that an American once asked a rebel—in Madero's army, I believe—what they were fighting for. The peon answered "We were fighting for sufragio libre y efectivo" (suffrage free and effective) "but we got the 'sufragio libre' and now we are fighting for the 'efectivo.' They were mere words to him. "Efectivo" also means cash and therein lies an unconscious This proved such a heavy drain on the cash and therein lies an unconscious This proved such a heavy drain on the treasury that the board made an order reducing the bounty and henceforth will pay

simple mindedness of the Indians is only 10 cents each for scalps.

THE National Bank has closed all the branches it had in various cities of the republic. The head

The National Bank has fifty-seven in all other parts of the world, conprey. Throughout the Pacific Islands the him. But whereas the Malay, like the worm, sometimes turns and burns out the coast man, the Indian has always submitted to what he thought was fate.

With the death of Montezuma the noble redskin became a peon and as a peon he has been bought and sold with the land. Because such an infinitesimal part of production has gone to labor cers and the weatherbeaten, baked po-Consider that formerly a Mexican tato colored faces of the men that there

thrift from a country naturally poor to Gold coins are bought and sold at a country naturally rich and a race in-

et you have a free ride.

Kipling may be paraphrased thus:

beside him, engaged him in conversation about the music, went down street with

drafted into the army to be shot down in this fratricidal strife, yet the Mexican yields to it as inevitable and drinks his pulque as before.

One sees the same old beggars in the conclusion to be drawn from the quesdons put by the prison officials. occurrences are not uncommon. While talking with a group of five Americans and English, all very ordinary people, t came out that I was the only one who had not at some time or other been taken to the comiseria or put in Belein prison. It's a saying that you do not ecome a citizen until you have been

Here is a Mexican comment on the American army in Vera Cruz, An Am ican had cause to send one of his native he said: "Those American troops can't

teresting, for no army in the world exlibits greater contrasts. The palace lancers from white plume to trousers are spotless. Officers of the Twenty-ninth and other regiments ride in automobiles. But the guards furnished to refugee trains and troops sent out to keep the Zapatistas back embrace boys of 15 and 16 years of age whose Mausers are longer than they. I heard of a soldier who was drafted while listening to the band in Tampico. At Torreon he gave his Colonel \$30-and Who would guess that more than half the country was in rebel hands and the principal port of the country held the principal port of the country held the walked all the way back to Mexico city. A few days after his arrival two Election day comes and men claiming to be secret service men goes without even the discussion an up-town murder or riot in Chinatown would the Comiseria. They drave out to the edge of the town, robbed him and left

There is an amusing story told about Puerto Mexico and sent by rail to Mexico city. The story, which you may sisting of about six freight cars, was stopped by the rebels, who had placed a bomb on the track.

The rebel chief asked the conductor subjected to how strange that there has never been an Indian Booker T. Wash-I have four carloads of beer, which you may have if you wish." The rebel re-plied that he had no use for it, for he had plenty of champagne and cognac-in camp. Conductor and rebel had a few drinks together, the rebel orders the bomb taken off the track and told

TOO MANY GROUND HOGS.

Indiana County Offered Bounty and 460 Scalps Were Returned.

simple mindedness of the Indians is told as follows: A club of women organized a woman's exchange where claims for the bounty, William Mils heading the list with 280 scales and Frank cakes and other products of the kitchen Church being second with 238 to his credit



tion in warfare. Austria's principal allies, bound to her

The attitude of the other Balkan interests were in no way involved.

Since in the event of hostilities Ser via's position would be entirely defen sides of the low lying valley of the Danube every point of vantage has been for as it does directly opposite Austrian ter ritory, would seem to be especially vul perhaps to Uskub, the largest and best city of the newly gained territory. It is all their money to lock it up in the lit

so vulnerable as its position on the river bank would indicate. Its fortification: are a military secret, but it is asserted that they are of the highest develope bodern type and entirely capable of offering a long and stubborn resistance to force that Austria might send

would be mea by Germany coming to the aid of Austria she could do nothing ubt maintain a neutral attitude. But Russia now is in a different posi-

the Save.

tion and is eager for an opportunity to rehabilitate her military reputation She has a new army, newly organized, and would not be averse to engaging in a war that would have a stronger appeal to the spirit of her people than did her illfated adventure in the East. Certainly to her and to her influence Servia will look for funds, even though she might be deterred from actual participa-

zy the terms of the Triple Alliance, have to seize. She has refused to accept Panwithout regard to it, a stand which has won her a very friendly feeling in Ser via, and not a few commercial advantages.

of the chance to send her gallant little

But Belgrade, the Servians say, is no Behind these are the reserves of the

At Temesvar it is said Austria has

well known underlying motives give to it a certain degree of lukewarmness. Germany's entire foreign policy looks she has already seen an immense opportunity which she has not been slow Serbism as a question of internationa political importance and has proceeded

Italy, while bound by the Triple Alli manic and Slav racial antipathy the elements, enjoy an independent polities exasperating. Nor have the re-Austria's opposition. Italy is with the ties that the plots were sporadic and rest of the Balkans just as she is with Albania; she does not care who profits by them so Austria has no share of the Servian officials do not deny the exspoils. In the event of a general war istence of a strong anti-Austrian senti-Italy is technically bound to Austria, but ment in Servia, nor do they deny the the bonds would chafe, and just how strong they would prove cannot be said But they refuse to give to these plots

grievances against Austria quite as any guise whatever is the last thing much as Servia has and would be glad hurts she once more set herself to wait Pashitch, the Servian Prime Minister. Greece and with Rumania Servia has army of 25,000 men into the field. With strong understanding, but it is doubtfu if this would extend to going to her assistance in a war in which their own

> sive, that war harried land finds itself once more about to become a battle ground. Invasion would undoubtedly be made from the north, where along both tified both by the Austrians and the Servians. The capital, Belgrade, lying nerable, and for this reason there has been a great deal of talk from time to time of moving the seat of Governmen further into the interior, to Nish, or to be little doubt of the outcome. But at Nish that all the Servian bankers at the first alarm of war with Austria rush scarcely be relied on. Austria has an the old tower buried deep in the old

been only by skilful management that it to throw them toward the Servian fron-

Parliament Building at Belgrade. mon race and tradition to the people than the complete wiping out of the en- der what freedom meant after all. Only fact that nothing has been sufficiently

hatred of Austria and Servia had its Ical life, and create a friendly under- peated denials of the Servian authoribeginning as far back as 1878 when by standing with Montenegro. the Berlin treaty Servia was given her When Austria definitely annexed without the slightest official connivance newly freed from Turkey, were arbitrarily divided, and part of them given over to a yoke just as hateful as that of they fought bitterly against it, while and such material aid as her by reason of the understanding poverished condition would permit. Not the has with Greece and Rumania, even the powerful army of occupation for her opportunity. might hope for support from them. Ger- that has always been maintained there has been strong enough to control the sentiment of the people. THE SUN cor-

Bulgaria, while claiming to remain years since he had previously observed In securing her hold on Bosnia and could snatch the chance to revenge her- Herzogovina and the Dalmatian coast Austria attained the highly important advantage of a foothold on the Adriatic. than any of these is the attitude of Rus- and at the same time defeated Servia's sia, of which nothing as yet has been equal necessity for such an outlet. With Russia interfering as the Through all the thirty-five years thief projector of the Slav people Ger-many and italy could hardly avoid be-war Servia struggled for a seaport, and this this ely involved. Without this at every turn was checkmated by Aus-Serfacenes Austria can almost cer- tria. To the failure to gain this end Servia attributes her slow commercial de-

The so-called "pig wars" and "poultry Wife and the official sanction of anti- wars" were an outgrowth of this syste-Austrian propaganda. It is in fact, how- matic repression. Servia raised large the growth of Pan-Slavism which grade, and if she could market them subjects and so further her ends. Austens to allegate her South Slav readily would find them a valuable ex-Turkey. She has rightly gauged Ser- her territory to market. The result was union of the entire Serb race. This Va's ambition to be the nucleus free that the Servian market was glutted society has resorted to many means of State, to which all the southern Slavs with these products and the farmers regard, and has more than once figured ganda, and has more than once figured about one and a quarter million men and cal and racial unit, and she claims chicken and five cents for a ham would in court proceedings resulting from its

re machinery.

Apart from the deep sources of Gerable to free itself from these various ment has not rendered the aggregate

independence as a State, while Bosnia Bosnia and Herzgovina, Sreiva saw her served to satisfy her. and Herzogovina, peopled by the very hopes of their ultimate union with her flower of the Serb race, whose devoted entirely defeated. She protested bitpatriotism had kindled the revolution terly, and carried her warlike preparathat humbled Turkey, were practically tions to such a point that her army existence of plotting against Austria. given over to Austria. Thus the Serbs, practically confronted that of Austria on the opposite side of the Danube. The more importance than they would to interference of Germany which held the rioting of turbulent students, and back Russia's hand extended to aid the they point out the fact that in the Montenegro only is assured. She has the Moslem had been. For five years Serbs was all that prevented a serious present condition of Servia trouble in war. Here again Servia felt herself Servia gave them her entire sympathy outraged and defeated by the united she wants. Germanic influence, and nursing her

It came with the outbreak of th Balkan war, when by a series of brilllant campaigns the Servians advanced straight through Albania to Durazzo, thus seizing the coveted seaport. It is not hard to recall the manœuvrings by which Austrian diplomacy defeated this end by setting up the ill fated little kingdom of Albania as a buffer. At the same time she was able to prevent Mon tenegro, also a Serb State, from main taining her hold on the hardly won city of Scutari. Not even the highly desirable portions of Macedonia that fell to Servia's lot at the end of the war were able to compensate her for her rage and disappointment in the loss of

the footing on the sea. Austria's irritation against Servia which has expressed itself in the sharp phrasing of the ultimatum, is based on her belief in Servia's intention to aggrandize herself at the expense of Austria sees as the most powerful enemy to

The Agram treason trials in Croatia blyance, been developed for the further
ance of this maximal scheme. In her blighting hand on the political life of blighting hand on the political life of contention of plots formented in Ex-

"Servia must have peace," said M. to THE SUN correspondent. "Peace is

the only thing that can make Servia the strong and vigorous State that she has the right to be. It is useless to deny what past history plainly proves, that our relations with Austria are somewhat delicate, but as for the existence of official plots against her it is utterly These things may exist among the people, but it is a case of individuals and not officials, and wherever they can be gotten at by process of law they have steadily been suppressed and their perpetrators per-

Should the present tense situation end in actual warfare between Austria and Servia the prophet who forecasts results on the basis of figures will have an easy time of it, for with Servia's war strength estimated at 300,000 men and Austria's at 2,000,000 there would seem tria, and her belief in official connivance there are so many more elements inofficial remonstrance against quantities of pigs and fowl of a high in plots and schemes to alienate her volved than figures that they can army common to both kingdoms, while fortress. People, and create a powerful Serb port. But Austria steadily maintained her influence the Narodna Odbrana, or at the same time Austria and Hungary This has been Austria's fear ruinous quarantine regulation that pre- Pan-Serb Union. This organization, as each supports a second line army fully ryla won her freedom from vents the stock being transported across its name implies, has as its aim the organized and distinct from the common army and from each other.

> each of the second line armies about a any quarter million. The politics of the va- against them. rious nationalities of the empire have had their effect on the army and it has assembled a large body of troops ready

and it is difficult to see how it will into remain superior to the native Indian and to intermarry or marry with