WHO PLAYED POLITICS?

The Case Against the State Board of Assessment.

REPUBLICANS RIDICULE PETITIONS

Board Refuses to Materially Increase Railroad Assessments Even on the Returns Made by the Roads.

(Reformed Press Bureau, Pierre, S. D., August 13, 1898.)

WHO HAS PLAYED POLITICS?

The fight waged so fiercely last week on the state board of assessment and equalization by Governor Andrew E. Lee, for a radical increase in railroad assessments, was but a continuation of the contest which he began a year ago. The increase of $100 per mile on the Milwaukee and Northwestern systems, while in no sense adequate, should be attributed solely to his efforts. One year ago Governor Lee began his campaign in favor of an increase of railroad assessments, and the history of the contest is well known to the people. That he failed at that time was no fault of his own. The republican members of the board of equalization were nominated by the railroad machine and elected only because national questions overshadowed state issues. There was no reason to suppose that they would desert their masters at a time when no political campaign was confronting them. They stood loyally by the railroads and refused any increase whatever in railway assessments, with the exception of the Great Northern road, which they raised with the evident purpose of taking the curse off from their treatment of the other roads. The increase in the Great Northern assessments was unfair because that road on most of its lines in this state does a very small and unprofitable business, as compared with the Milwaukee and Northwestern systems. But the Great Northern is not in politics in South Dakota because it is not paying Kittredge a yearly salary to protect its interests. Its passes are of very little consequence to state officers or others, and for these reasons it was an easy matter to make the Great Northern system a scapegoat for the protection of republican state officers who were tied hand and foot to the Milwaukee and Northwestern companies. During all that fight Governor Lee stood alone for a substantial increase in railroad assessments. To be sure Mr. Mayhew attempted to out-do him by offering motions to assess the roads at a valuation in excess of the governor's proposition, but Mr. Mayhew's actions were play, as has been abundantly demonstrated during the session of the board just closed. There was every reason to suppose that Grigsby would assist the governor in his effort to increase railroad valuations, but his apostacy to the railroad interests has been fully discussed and is well known. At that time there was no well-grounded reason to think that Governor Lee would be a candidate for re-election. His business interests were so heavy, and his well-known antipathy for politics was of such character as to lead to the inference that he would not care to continue in public life by accepting a renomination and re-election. His contest against the miserably low railroad assessments was a contest in behalf of the people of the state, who had for years been crying out against the inequality between the assessment of corporation property and that of individuals. As one of the people he made the fight in behalf of his constituents and failed only because he was overpowered. His continuation of that fight does not, therefore, lead to the conclusion that political motives have inspired his recent acts, while the conduct of the republican members of the board, one of whom is seeking re-election as secretary of state and the other as governor, are easily susceptible of such a construction. A year ago Mr. Phillips' candidacy for governor had not been publicly broached. This year, when he was confronted with a political convention which had in prospect much turmoil due to the dissatisfaction and disgust pervading the republican party because of railroad domination of the organization, he grudgingly yielded to a paltry increase of $100 per mile on railroad assessments, though conditions have not changed in the last twelve months. A year ago he stood solidly against any increase whatever. The public may judge as to who has been playing politics. One year ago Mr. Roddie stood side by side with Mr. Phillips against any increase in railroad valuations. He maintained that attitude this year, and it must be said to his credit that he is a consistent railroad devotee, who knows his master and trusts to him for future success. Lockhart and Crane are going out of office this year. They had everything to gain by standing by the railroads and they did so. Sioux K. Grigsby, son of Melvin Grigsby, had an opportunity to make an enviable record. The fact that he did not do so explains why his father did not resign from the office of attorney general, for, to have done so, would have afforded the governor an opportunity to appoint an attorney general who would have stood solidly for an adequate measure of relief for the people. Mr. Mayhew had no hope of a renomination, and while he contended for higher assessments he afforded the governor very little assistance, and his conduct, generally speaking, was that of an Ishmaelite.

THEN AND NOW.

A year ago the railroad attorneys were here in force and they were put to very severe straits for arguments with which to combat their own statements respecting the value of their roads. The cases begun by the railroads to restrain the commissioners from putting into effect their schedule of rates had been commenced before Judge Carland at Sioux Falls. As the basis of their petition for an injunction the railroads filed affidavits claiming that the value of their lines ranged from $15,000 to $29,000 per mile. When confronted with these affidavits by Governor Lee during the meeting of the board of assessment, the republican members of that board allowed the railroad attorneys to set up counter affidavits, denying the valuations which they had claimed for their roads in the injunction suits against the railroad commissioners. The republican members of the board were then quite willing to believe that the railroad companies had lied in their sworn complaints against the railroad commissioners and were zealous to accept as a fair basis for assessment the claims set up by the roads in their counter affidavits. There was no election pending then. The board of equalization was unwilling to consider any testimony on behalf of the people, unwilling to believe anybody but the railroad attorneys, who denied in Pierre what they swore to in Sioux Falls; and yet, when the question of assessments comes up this year this same board of equalization, with the same facts before it, refuses to materially increase railroad assessments on the ground that Judge Carland has decided that the railroads lied in their affidavits at Sioux Falls asking for an injunction against the railroad commissioners. Was there ever more brazen inconsistency?

THE PETITIONERS ANSWER.

Let us now see what the record of this acrobatic board shows for the year 1898. The question of railroad assessments came up on the afternoon of August 3d. Railroad attorneys were present in force, as usual, and were listened to with the most devoted attention. Petitions from the people numbering about 1,000 names had been presented to the board asking that the principal lines of railroad in the state be assessed at not less than $5,000 per mile. The first action offered on these petitions was a resolution by Mr. Mayhew inquiring of the governor if the blank headings of the petitions were sent out from his office. It did not occur to Mr. Mayhew that Mr. Ayers had a perfect right as an American citizen to print and send out blanks asking for an increase of railroad assessments, and the resolution which he offered, in its very best light, was an effort to belittle the petitions, and to cast doubt upon their authenticity by attempting to show that the blanks were forwarded from the state house. This was the first of a series of illy-concealed jeers which republican members of the board cast at the petitions of 1,000 of South Dakota's best citizens, made up of republicans, democrats and populists. It was very well answered by Governor Lee, who declared that the petitioners had not been challenged, and that their names were the best evidence of the intention of the signers. Following this the petitions were taken up and read and the names counted. It was discovered that thirteen counties were represented on the roll, and that Lawrence county had furnished 551 names, which may account for the fact that Mr. Phillips showed greater consideration for the petitions than any other republican member of the board. It was at this point in the proceedings that Mr. Roddie made his famous motion to telegraph to the petitioners asking them to "make the board conversant with the facts upon which they based their request for a raise in the assessment of railroads to an amount not less than $5,000 per mile." And to more completely emphasize their contempt for the petitioners Mr. Mayhew insisted that the governor should send the telegrams. The latter, however, positively refused to act, asserting that he had investigated the matter and was satisfied in his own mind, and was not willing to assume that those who had signed the petitions were ignorant and did not know what they were signing. Mr. Mayhew's amendment was voted down, and as secretary of the board he was directed to forward to various petitioners in the state a telegraphic inquiry for the reasons upon which they based their demands for an increase in railroad assessments. That the animus of this telegram was quickly understood by some to whom it was sent, will be detected from the subjoined answers, which I have quoted in full.

"Clark, South Dakota, Aug. 4, 1898.

"H. E. Mayhew, Secretary State Board Assessment and Equalization, Pierre, S D. Dear Sir: You wired me at 5:05 p. m. today the following message, delivered 7:40 p. m.:

"'Frank G. Bohri, Clark. I am instructed by board to invite railroad assessment petitioners in your county to furnish them facts on which to act as petitioned. Will you do so at once? Please answer by wire.

—"'H. E. Mayhew,

"'Secretary State Board Assessment and Equalization.'

"I wired you as follows:

"'H. E. Mayhew, Sec. State Board Assessment and Equalization, Pierre, S. D.—Yes sir; will mail you facts tomorrow. —Frank G. Bohri.'

"1. As the original petitions from Clark are in your hands, I find it impracticable for me to 'run down' 80 or 90 petitioners tonight, or to serve as a lackey for the republican contingent of your board whose scheme to furnish political capital may easily be surmised from the tenor of your 'unfigleafed' telegram.

"2. The right of petition is guaranteed the people by the constitution of this state, and public servants may not by innuendo attempt to belittle this privilege of American citizenship.

"3. My reason for favoring the petition was based upon the sworn complaints of the railway companies filed in the suits which were pending in Sioux Falls in 1897, wherein the allegations showed the cost of constructing the various roads, to-wit:

"Fremont, Elkhorn and Missouri Valley, per mile, $18,790.

"Chicago, Burlington and Quincy, per mile, $29,390.

"Chicago and Northwestern, per mile, $15,436.

"Great Northern, per mile, $17,500.

"Chicago, St. Paul, Minneapolis and Omaha, per mile, $16,000.

Chicago, Milwaukee and St. Paul, per mile, $17,000.

"Four of these roads alleged the then value to have been the cost of construction. A majority of your board, one year ago, held that the allegations in those complaints were proper evidence for your board to consider. Your board permitted these companies to contradict, or explain by affidavit these allegations as to value; they made a showing that the theory of their complaints was, to set out the cost of construction as he basis for capitalization, and the value on which they should be allowed to earn a reasonable profit before being compelled by the commissioners to reduce their rates: Now ought these corporations to be permitted to pad their reports on the question of capitalization—or watered stock—in order to show a pretended loss, or low per cent of gain to defeat the lowering of rates—and not to be held estopped from denying the record voluntarily made by them—when they become subject to the revenue laws of the state? Yours truly,

—"Frank G. Bohri."

"Vermillion, S. D., Aug. 6.

"Have just returned from country and replying to your request asking for reasons for signing petition requesting that railroads be raised to a valuation five thousand dollars per mile, would say that as the railroads are charging 4 cents per mile on the basis of seventeen thousand dollars valuation, five thousand would not seem unjust nor exhorbitant. The people do not want more than what is fair, but while the railroads insist in charging rates on a seventeen thousand dollar basis they should not complain upon being taxed on less than one-third of that amount.

—"H. L. Ferry."

"Vermillion, S. D., Aug. 6.

"Just returned to Vermillion and replying to your telegram of the 4th. The railroads swore that their valuation was from fifteen thousand to seventeen thousand dollars per mile for the purpose of avoiding a reduction of their rates; they still deny the valuation placed upon them by Judge Carland and have appealed to the supreme court to finally establish the values which they swore to. The board of equalization had this information a year ago and allowed railroads to plead poverty for the purpose of avoiding taxes while swearing to large valuation for the purpose of charging freight and passenger rates; the same facts are now before the board. Judge Carland's valuation will be well enough as a basis for the board to assess railroads on when it is good enough for roads to charge rates on; roads are already assessed at a rate below other property which has not been protected by special legislation. Farm property in two-thirds of the state is now assessed at as much as it will sell for. It is unfair to make the producers' land pay such a burden and refuse to make the railroads bear their fair share of the burdens. Petitioners here think five thousand dollars per mile on principal lines just in comparison with other property. —C. J. Gunderson."

(By Mail.)

"Deadwood, S. D., Aug. 5, 1898.

"Your telegram of the 4th to R. E. Grimshaw, asking for facts upon which petition was based for raising valuation for purposes of taxation on railway, telegraph and express companies' property in this state, has been handed to me to answer as the one who circulated the petition. I beg to say that the petition was only circulated by me, and only in the city of Deadwood, and a portion only of two days. I can only give a few of the many claims the petitioners had for signing that petition. It is fairly well known that the railroads of this town are doing an enormous business, that the D. and D. smelter company at this place alone pays the B. & M. R. R. one thousand dollars per day for freight; that that company receives about $3,000 daily from the business it does in Deadwood alone. It is believed the Homestake pays fully as much, if not more, for railway service as the D. & D.; that the Golden Reward Co. pays half as much. That the companies are crowded with business, and are compelled to put on improved rolling stock and to strengthen their tracks and bridges to meet the heavy demands made by the public; that their freight yards are constantly being enlarged and that with all this there is no increase in valuation of corporate property for purposes of taxation; that moreover corporate property is valued for purposes of taxation at ridiculously low figures as compared with that of private individuals. To secure the facts which the board seek, if not already found in the Milwaukee case, the presentation of facts by the railway commissioners, and their attorney, Thomas Null, I would say that the board has by virtue of its office the resources provided by the state to secure these facts and that it is the duty of the board to avail itself of these resources and not compel private individuals to be at such expense. Yours respectfully,

—"A. E. Frank."

"Letcher, S. D., Aug. 5, 1898.

"Hon. H. E. Mayhew, Esq., Pierre, S. D. Dear Sir—I am unable to give you facts as requested in your telegram, but I am instructed by petitioners to say—That your petitioners are composed of republicans, democrats and populists, merchants, farmers and mechanics, all representative men of Sanborn county, who believe that the railroads are not paying their proportionate share of taxes, and further believe their petition only asks for a just and equitable assessment. Yours respectfully,

—"C. H. Stuart."

"Deadwood, S. D., Aug. 4.

"Petitioners answer that their property is listed at sixty per cent of its value regardless of income. Railways capitalized at forty thousand per mile listed at two thousand per mile, an evident injustice to taxpayers and violation of constitution. Railways charge us five cents per mile and outrageous freight charges. Let them bear a just share of taxation. —Freeman Knowles,

"For Petitioners."

"Vermillion, S. D., Aug. 4.

"C. S. Gunderson is out of town.

—"Harvey Gunderson."

"Sioux Falls, S. D., Aug. 5.

"Been absent month, did not know petition circulated in Minnehaha. As signer of Deadwood petition would respectfully refer board to sworn testimony of values in records of Milwaukee rate case, copies of which are on file in offices of attorney general, governor, supreme court, at Pierre. Also sworn complaints in rate cases of every railroad corporation in South Dakota, which would be accepted as an admission of values by any court in Christendom. —"C. S. Palmer."

"Gettysburg, S. D., Aug. 5.

"The petitioners of Potter county believe that the railroad property in this county is paying a large percentage over all operating expenses and interest upon the value of construction, and relying upon the testimony of the railroads in the case in Judge Carland's court, believe their assessment should be somewhere near its actual value, as our lands are taxed at their value and often double what their actual value is.

—"W. H. Penrod."

"Gettysburg, S. D., Aug. 5.

"The facts your petitioners take into consideration in sending you their petition are the sworn statements of the railroad in the case in United States court before Judge Carland, and their assessment compared with the assessment on our lands, which are assessed at their full value.''

These letters and telegrams were a surprise. The smart attempt at ridicule of the petitions resulted disastrously. The boomerang which Mr. Roddie fired with such abandon into a crowd supposed to be composed principally of half-baked populist farmers came back and landed with a swat in his own back yard. There was consternation in the camp, and "Honest" Jack Lockhart made a vociferous speech, demanding that the letters and telegrams be kept out of the record, which he requested the stenographer to record but which he afterward eliminated from the proceedings. These republican politicians were not aware of the fact that the people of this state had been keeping "tab" on the railroad rate cases and on the board of equalization, and it is no surprise that they were tired when they began to receive answers to the telegrams which they sent out in a spirit of such raillery. They received abundant "reasons" and sufficient "facts" to keep them in hot water during the remainder of the session, and the presence in the record of these reasons and facts is what gives them pain at this time. It was a stupid trick to request any portion of a thousand petitioners to give their reasons for asking a raise in railroad assessments, but it was a still more stupid trick for the board to proceed to make the assessment before receiving the answers which it had requested. Messrs. Roddie and Phillips were discreet enough to realize the situation in which they were placed, and they wisely voted against proceeding with the assessment until the petitioners had been heard from. But they did not maintain a consistent attitude, because when the governor moved the following resolution to reconsider the railroad assessments previously made, they voted squarely against reconsideration. The governor's resolution was as follows:

"Whereas, At the instigation of this board of assessment and equalization, telegrams have been sent to various parties in this state who petitioned the said board of equalization to assess the principal lines of railroad in South Dakota at not less than $5,000 per mile, requesting said petitioners to state the reasons which actuated them in so petitioning this board; and,

"Whereas, The reasons which said petitioners have submitted by wire and letter to this board, and which are a part of the official record of its proceedings, seem to be both just and intelligent, and furnish sufficient information to warrant said petitioners in making their request, and to warrant this board, together with the other evidence in its possession, in assessing the principal lines of railroad in this state at a valuation of not less than $5,000 per mile; therefore, be it

"Resolved, That the action heretofore taken by this board in the assessment of the railroad lines of this state be reconsidered, and that the demands of said petitioners be given full weight in the assessment of the leading railroad lines of South Dakota, in order that the taxpayers of this state may be given such respectful consideration by this board as they are justly entitled to receive from their public servants."

In support of the foregoing resolutions he urged the following reasons:

1. The railroad companies have sworn that their valuations on lines in this state run from $15,000 to $19,000 per mile, in round numbers. These affidavits were before this board a year ago. The same evidence is in the possession of this board now. Nothing has since transpired to cause the railroads to modify the valuations which they then claimed and sought to establish as a basis on which to tax the people for carrying passengers and freight.

2. The judicial valuation placed upon the Milwaukee road has not been admitted and accepted by that company. The company has taken the case to the supreme court of the United States on appeal with the expectation of causing delay and defeating the objects of the railroad law and of finally having its sworn valuation confirmed as correct by the court of last resort.

3. This board, sitting as a board of assessment, is not bound to fix a valuation on railroad property exactly corresponding to the valuation fixed by the court, because this board must of necessity consider the value of other property independently of its productive value. This policy has been followed by this board in the assessment of personal property and land. Land, in fully one-half of the state, is assessed for as much as it will sell for in cash. Much of the personal property is assessed for more than half its value. This board has assessed the railroad companies for about one-fifth of the value of their property claimed by their representatives under oath. Such disparity between the assessment of land and personal property and that of railroads cannot be reconciled by any reason yet offered by the majority of this board.

"This board of assessment is not bound to take cognizance of the fact, but would be justified in fairly considering any reduction of freight and passenger rates the railroads might make. While the railroads themselves deny the present value of the property placed upon it by the court this board is under no obligation to act upon that valuation in assessing taxes. While the roads claim their sworn value as the basis for the assessment of rates this board cannot fairly protect the interests of the state by recognizing any other valuation.

5. It is an injustice to the people of this state to permit the roads to claim one value for the purpose of collecting fares and another for the purpose of paying taxes. Having refused to accept the court's valuation in the first instance they are estopped from taking advantage of it in the second, and it is the duty of this board to take notice of the fact.

6. This board has assumed that the lands and personal property of private individuals is assessed at about one-third of its value in money, and on that ground this board has sought to justify its refusal to materially raise the assessment of the railroads for the reason that Judge Carland's valuation, $9,082 per mile, is claimed to be a fair basis for the assessment of railroad property. This is not true. Measured by the one-third rule the railroad assessments heretofore made are in excess of one-third of the Carland valuation, and to be consistent this board should reduce the railroad assessment if the one-third rule is to be adhered to.

7. If the sworn statements of the companies are the best evidence of the value of their property and this board insists upon applying the one-third rule, then the railroad assessments should be reconsidered and increased to approximate the amount prayed for by these petitioners.

8. Private property is assessed by the local assessors upon the sworn statements of the owners thereof as to its value. Why should a different rule be applied to the property of railroads?

9. If this board is to assess railroad property upon an equality with land and personal property, to-wit: at about one-half of the value thereof, then it may accept Judge Carland's valuation and assess the roads at one-half of the valuation established by the court, or an average of $4,541 per mile. Such an assessment I should be willing to support.

10. This board is not bound to assess the roads at one-half or one-third of their judicially determined value. The law declares that they must be assessed for their actual value; anything less is a compromise, and when this board in its discretion enters the field of compromise, it is bound to give no advantage to the owners of railroad property not equally enjoyed by the owners of other classes of property.

11. The railroads enjoy valuable franchises, the gift of the people, and from which the state should receive some remuneration. These franchises should be taken into consideration in arriving at the value of their property. By means of a monopoly, a gift of sovereign power from the state, the railroads enjoy advantages from which the state is entitled to receive a fair return, either in reduced rates or more equitable taxes. As the roads have denied the people the first, this board is morally bound to exhaust its power to procure the second.

12. The trial of the Milwaukee rate case developed the fact that it is the practice of that corporation to pad its expenses in order to show small earnings in the operation of its lines in this state. For instance, the company charges $4 per ton for coal used on its locomotives, when they sell the same coal at their mines in Iowa for 85 cents per ton, and charge private dealers but $2 per ton for hauling the same coal to this state. It will be seen that they charge themselves $1.15 per ton more than they do others, and their only object can be to swell expenses for the purpose of defeating this board and the board of railroad commissioners. The same practice runs through practically all their items of expense, and it is fairly presumable that their operating expenses are padded 25 per cent if not more. The same system of deception is unquestionably employed by other lines. These facts this board is bound to consider, so long at least, as it pretends to consider railroad earnings as an ingredient in railroad assessments.

13. The state is not given credit for its share of the earnings of the roads, but is credited only with the business to the state line. This fact this board should consider.

14. That the railroads in this state are in a position to bear a higher rate of taxation without working hardship or injustice is disclosed by the following concluding paragraph of Judge Carland's opinion in the Milwaukee rate case: "It will thus be seen that if the commissioners' schedule of rates and fares had been in effect during the four years that we have considered, there would have been an earning on the value of the property apportioned to local earnings of 18 per cent for the year ending June 30, 1894; 12 and 1-10 per cent for the year ending June 30th, 1895; 15 and 3-10 per cent for the year ending June 30, 1896; 16 and 2-10 per cent for the year ending June 30, 1897."

15. The Milwaukee company was forced by its trial of the rate cases to report to the state auditor in 1898 $1,047,840.65 more property than it reported as being in its possession in 1897. The juggling which this company has been doing to evade taxation on one hand, while it maintained exorbitant rates on the other, moved Judge Carland to declare in his recent opinion that: "The court was inclined at one time to be of the opinion that it was unable, from the testimony, to ascertain what the fair present value of the complainant's property in South Dakota was, in view of the conflicting statements of witnesses called upon that question and the great disparity between the value of the property fixed by the company for the purpose of this suit and the value of the same property fixed for purposes of taxation." This increased valuation which the Milwaukee company has been hiding to defraud this state should at least be taken into account by this board, and to add it to the total assessed valuation placed upon the company's property by this board in 1897 and then assess the road upon the basis of value thus arrived at, would produce a taxable valuation, which, while yet too low, still more in harmony with justice than the assessment which this board has already made.

It will thus be seen that Governor Lee exhausted every resource at his command, and employed every argument within his reach to secure a reconsideration of the railroad assessments which had been previously made, and while the republican members of the board, Mr. Mayhew excepted, passed a buncombe resolution at the close of the meeting in which they sought to exonerate and excuse themselves for their previous course, they have yet to explain why they proceeded to make the railroad assessments before hearing from the people to whom they had appealed, and why, having heard from the people, they did not show decent respect for their desires by reconsidering the action by which they had made the assessments.

The truth about the matter is, that Mr. Phillips was frightened into leaving his republican coadjutors on the board because of the pressure of 551 petitioners from Lawrence county. His action was like a thunder bolt out of a clear sky. The road agents grew pale, and his republican associates on the board eyed him askance. His action had not been expected. It was the intention of the republican members of the board, with the exception of Mayhew, to stand pat for the railroads. That they did not so stand in all respects was due wholly to Mr. Phillips' ambition to be governor of this state.

Let the farmers of South Dakota, and the small householders in the towns of this state, whose lands and stock and household goods are assessed for fully half of what they would sell for ask themselves why it is that the great railroad corporations doing business here are enabled to escape with an assessment of one-fifth of what they claim to be their value. Let these small farmers and little householders in the towns and cities figure out, if they can, what reason, if any, the railroads have for desiring to control republican conventions and secure the election of candidates nominated through the manipulation of their machine. A raise of $100 a mile on the two great railway systems of this state increased our taxable valuation nearly $200,000. It will mean an increase in revenue to the counties and state of about $6,000. If the valuations of Governor Lee had been adopted for purposes of assessment the assessed valuation would have been increased something more than $2,000,000, which would have added to the revenue of the school districts, counties and state over $60,000. In view of these facts it is not singular that the railroads are desperately in earnest in their desire to defeat the re-election of Governor Lee, and equally in earnest in their ambition to elect a full set of republican state officers. The railroads are class-conscious; they stand together. With this record before them will the people do the same?

—Thomas H. Ayers.

MOST CORDIAL GOOD WISHES.

Are Sent by Spanish Soldiers to Their Victors.

Washington, Aug. 24.—A document entirely unique in the annals of warfare was cabled to the war department by Gen. Shafter. It is in the form of a congratulatory farewell address issued to the soldiers of the American army by Pedro Lopez de Castillo, a private Spanish soldier on behalf of the 11,000 Spanish soldiers. The president was much impressed by the address and after reading it carefully authorized its publication. Following is the text of address as cabled by Gen. Shafter:

Santiago, Aug. 22, 1898.—H. C. Corbin, Adjutant General, U. S. A., Washington: The following letter has just been received from the soldiers now embarking for Spain:

"To Maj. Gen. Shafter, Commanding the American Army in Cuba—Sir: The Spanish soldiers who capitulated in this place on the 16th of July last, recognizing your high and just position, pray that through you all the courageous and noble soldiers under your command may receive our good wishes and farewell, which we send them on embarking for our beloved Spain. For this favor, which we have no doubt you will grant, you will gain the everlasting gratitude and consideration of eleventh hour and the Spanish soldiers, who are your most humble servants. Signed, Pedro Lopez de Castillo, Private of Infantry."

Also the following letter, addressed to the soldiers of the American army:

"Soldiers of the American Army: We would not be fulfilling our duty as well-born men, in whose breasts there live gratitude and courtesy, should we embark for our beloved Spain without sending to you our most cordial and good washes and farewell. We fought you with ardor, with all our strength, endeavoring to gain the victory, but without the slightest rancor or hate towards the American nation. We have been vanquished by you (so our generals and chiefs judged in signing the capitulation), but our surrender and the bloody battles preceding it but left in our souls no place for resentment against the men who fought us nobly and valiantly. You fought and acted in compliance with the same call of duty as we, for we all but represent the power of our respective states. You fought us as men, face to face and with great courage, as before stated, a quality which we had not met with during the three years we have carried on this war against a people without religion, without morals, without conscience and of doubtful origin, who could not confront the enemy, but, hidden, shot their noble victims from ambush and then immediately fled. This was the kind of war we had to sustain in this unfortunate land.

"You have complied exactly with all the laws and usages of war as recognized by the armies of the most civilized nations of the world; have given honorable burial to the dead of the vanquished; have cured their wounded with great humanity; have respected and cared for your prisoners and their comfort, and lastly, to us, whose condition was terrible, you have given freely of food, of your stock of medicines and you have honored us with distinction and courtesy, for after the fighting the two armies mingled with the utmost harmony. With this high sentiment of appreciation from us all, there remains but to express our farewell and with great sincerity we wish you all happiness and health in this land, which will no longer belong to dear Span, but will be yours, which you conquered by force and watered it with your blood, as your conscience called for, under the demand of civilization and humanity; but the descendants of the Congo and of Guinea, mingled with the blood of unscrupulous Spaniards and of traitors and of adventurers, these people are not able to exercise or enjoy their liberty, for they will find it a burden to comply with the laws which govern civilized communities.

"From 11,000 Spanish soldiers. (Signed) Pedro Lopez de Castillo, Soldier of Infantry, Santiago de Cuba, Aug. 21, 1898."

Just and Proper.

London, Aug. 24.—A Madrid correspondent says: Gen. Jaudones telegraphs that the Americans have taken possession of the Spanish headquarters for their own troops and that the Spanish troops are encamped in the Cathedral quarter. Their condition is bad. Gen. Jaudenes recommends their prompt repatriation in order to prevent the outbreak of an epidemic.

Extremes of Climate.

Des Moines, Iowa, Aug. 24.—J. A. Jackson, a Des Moines man of some prominence and wealth, who has just returned from the Klondike region, will go to Porto Rico soon to open up a broker's business.

Heavy Fire Loss.

Potsdam, N. Y., Aug. 24.—The plant of the High Falls Sulphite Pulp and Mining company, included at Pyrites, has been destroyed by fire. The cause is unknown. The loss is placed at $300,000.

Convalescent Soldier Returns.

Princeton, Minn., Aug. 23. — Lieut. Caswell, Company M, Fourteenth Minnesota volunteers, arrived home from Camp Thomas to-day much reduced in strength by malarial fever. It will take three months' rest and treatment before he can resume work.

Commission Appointed.

Madrid, Aug. 23.—The Porto Rico commission, it is announced, has been appointed. It is composed of Admiral Vallerino, Gen. Ortega and Senor Sanchez Delaguila.