# THE RECORD-UNION.

VOLUME 96.—NO. 137. SACRAMENTO, FRIDAY MORNING, JANUARY 6, 1899.—EIGHT PAGES. WHOLE NO. 17,979.


## THE ISLAND OF PORTO RICO.

### Some Statistics Which May Prove of Much Interest

### To Persons Who Have Contemplated Going to the Newly Acquired Territory.

**Is Not an Easy Field for the Amateur Adventurer—There Are Opportunities for Profitable Investment, but It Takes Capital to Work Them Out—Not an Encouraging Outlook for the Poor Man Under Present Conditions.**

(Correspondence of the Associated Press.)

SAN JUAN (Porto Rico), Dec. 12.—The value of this island to the United States should not be overestimated. Varied and many representations concerning Porto Rico are being made daily; some originate from men who have things to sell, be it land or merchandise; others from those whose interests are served by the presence here of Americans with money in their pockets, and still other statements are made in an exaggeration that arises from ignorance and carelessness.

In considering the Porto Rico of to-day and the developed Porto Rico of the future, it would be well to set down these facts: The island has an area of 3,530 square miles; that of the State of Connecticut is 4,750 square miles, and that of New Jersey is 8,320 square miles. The population of Porto Rico is less than 900,000; there are various estimates of population ranging from 800,000 to this figure. A Spanish census of about ten years ago puts the population at 816,000, which is less than that of the city of Brooklyn.

According to Bulletin 13 of the United States Department of Agriculture entitled "Trade of Porto Rico," the annual average imports of this island from 1892 to 1896 to all countries amounted to 18,114,502 pesos, which amount is calculated to equal 17,480,494 American dollars, and the annual average of exports for the same five years is given at 16,984,499 pesos, or 16,390,041 American dollars.

The island is densely populated and closely cultivated, the population per square mile being 229. Its commercial output can certainly be increased, and its consumption of foreign merchandise will augment with the development necessary to bring about this first condition. Grant that exports and imports ultimately increase 50 per cent., Porto Rico could then supply about 10 per cent. of what the United States yearly consumes in tropical products, and she would be a market for about 2 per cent. of our yearly exports. When these facts are considered, one reaches a fair idea of the commercial value of this new possession.

As a winter and health resort Porto Rico will have its attractions; there is beautiful country to be seen, tropical and strange. The climate is delightful in winter, and when we obtain the results of army statistics concerning the health of our soldiers in barracks, we will know the dangers thereof. There is much evidence to indicate that this climate is a healthy one, but the life in cities is not as yet. There are a few beautiful drives on the island, though the greater majority of the roads are wretched, and there are cool mountain locations well suited for comfortable hotels.

The advantage of the island as a naval outpost is great. To our country at large this is probably its most valuable feature, and the establisment here of a first-class naval station and supply depot is a question of time only. Porto Rico will also be a training ground for the American soldier, who will find himself as a policeman in the land.

There are always a number of adventurous spirits to follow armies, ready to grasp all advantages arising from the economic changes that follow armed intervention. There has been no lack of such men to follow the American army into Porto Rico. Some of them were experienced in their work, and knew how to direct their efforts through the confusion resulting from the radical changes occurring here daily or threatened for the near future. There have also been many who could not content with these conditions, whose small capital was soon exhausted by heavy traveling expenses, and who were glad to get home as best they might. Porto Rico has not been an easy field for the amateur adventurer. Newspaper reports have been misleading and read up North through rose-colored glasses, and with a few hundred dollars young men have started down here in the everlasting hunt for the golden opportunity which has not yet been found.

Yet there are opportunities for profitable investment here. It requires a cool head and a clear mind to seek them out and recognize them when found, and then it takes capital to work them. This is no new country, where everything remains to be done; it is an old country, where everything has been done.

When we speak of seventeen and a half million dollars' worth of imports into Porto Rico it must be borne in mind that that amount represents the island's business with all the world, and while it is a fact that under free trade with the United States the larger proportion of this money will be expended for American goods, yet a certain portion, which is estimated at two and a half millions a year, will be spent in foreign markets, notably in Spain, and for articles we do not produce and which the islanders want and will have.

The foreign trade of Porto Rico has been in the past conducted chiefly with Spain, the United States, Cuba, Germany, the United Kingdom and France. Eighty-five per cent. of the merchandise imported and exported during the years 1893 to 1896 was exchanged with these countries. Spain received the largest share of this trade, her portion amounting annually to $9,888,074, or 29 per cent. of the total valuation. The trade with the United States during this period was second to that of Spain; our share amounted to $6,845,232 annually, or 25 per cent. of the total. During these same years Spain sent to Porto Rico a yearly average of $5,765,317 worth of goods, equal to 32 per cent. of the island's imports, and against this the United States furnished 24 per cent. of all that the islanders bought in foreign markets.

For the United States to enjoy the best advantages from this new market commerce with our country must be free, and there must be prohibitive duties on the productions of other countries.

It is interesting to consider what this new possession offers to the American who wants to invest from five to fifteen or twenty thousand dollars here. Agriculture is the basis of wealth; the prosperity of the year is measured by the success of the various crops. There follows the amounts of agricultural exports during the year 1897 set down in pesos. The peso is the silver dollar of the island. Its intrinsic or bullion value is about 38 cents gold, and the rate of exchange is to-day at 165. That is, you are paid $1.65 in pesos for an American dollar. This is a commercial valuation which differs largely from the bullion value, and from the arbitrary rate of exchange of two for one established by the American military authorities in Porto Rico. The records of the Spanish Bank of Porto Rico for the last ten years show that the average rate of exchange during this period has been at 140 per cent.

Porto Rico exported in 1897 coffee to the value of 12,222,599 pesos, tobacco to the value of 1,194,318 pesos, sugar to the value of about 4,000,000 pesos, black molasses valued at 403,519 pesos, cocoanuts worth 27,838 pesos, sugarcane rum valued at 31,000 pesos, and corn to the value of 97,202. There can be added to this list 71,852 pesos' worth of hides and 220,680 worth of cattle, all of which latter was shipped to other West Indian Islands. There were, of course, various other products exported, but the total value of no single one amounts to 25,000 pesos for the year.

When estimates are made to-day as to what Porto Rican crops will prove profitable in the future, it is at once seen that much depends upon the development of the island, such as transportation, and the growth of the island's products in the American market. In this latter respect it must be remembered that Cuba will be Porto Rico's most active rival. It can generally be stated that Cuba will produce everything that does Porto Rico, and the former island, if eventually accorded equal privileges with the latter in the American markets, holds a geographically more advantageous position than does Porto Rico, and is capable of a much larger and consequently cheaper production.

Land is expensive in Porto Rico, this because the population is dense. To-day, in the face of the expected influx of Americans eager to buy, prices on lands are advancing unduly. The measure of land surface here is a cuerda, equal to sixty-nine yards square. Lands are divided into four classes. First class lands are those suitable for sugar. They are found in the belt of low flat land running around the island between the foothills of the mountains and the sea.

In good prosperous times in the past first class sugar lands have brought as high as $400 a cuerda; to-day they can be had for about $150 a cuerda, at which price they should be drained and ditched and ready for planting. Such lands also produce good cattle fodder. These are the most expensive lands in Porto Rico to-day, and the cultivation of sugar, because of the expensive machinery required to treat the cane, calls for more capital than any other industry on the island.

Second class lands are those in the valleys and on the hillsides in the interior. They are largely suitable to the production of coffee, and their prices vary. If they are already planted with good bearing trees they are considered to be worth $150 a cuerda.

Young coffee trees need shade, and lands already wooded are sometimes preferable for their planting. Land suitable for coffee planting, though not already planted, could be bought to-day for from 10 to 25 pesos a cuerda. I know of a good farm offered for sale at 9,000 pesos. It contains in all 500 cuerdas, forty of which are already set out with promising coffee trees, and 100 more cuerdas are suitable for the immediate planting of others. The balance of the 360 cuerdas are woodland and pasture, part of which would grow fruits and vegetables. Work this out, and we get 40 cuerdas at 150 pesos each, equal to 6,000 pesos; 100 cuerdas at 10 pesos makes 1,000 pesos, and the balance of 360 cuerdas for 2,000 pesos. This is a very fair criterion of the values that for such lands pertain today.

The black sand loam lying adjacent to the sugar lands is called third class. Their values vary. Some are well adapted for tobacco culture, and are expensive; others can be bought for from 10 to 20 pesos a cuerda. The value of these lands for the cultivation of fruits and vegetables for local consumption is increased if they are located near seaports or large towns.

The fourth class comprises the sandy beach lands. This is where cocoanuts are planted. Certain fruits grow well on them, and their prices will vary, according to location and adaptability, from 5 to 25 pesos a cuerda.

There is said to be a profitable future in the production of minor fruits and vegetables in Porto Rico. The oranges of the island are of fine flavor and juicy, and the pineapples and bananas are excellent. The exports of oranges amounted in 1897 to 2,510 pesos, and that of pineapples to 840 pesos. Here is a field that needs development and the advantages of free trade with the United States. If in a few years enough of such fruit is produced to warrant a line of fruit steamers from here to the United States, thus insuring quick and cheap transit, the industry might give good returns. Here, as in other cases, Cuba will be Porto Rico's rival.

The growing of vegetables for the off seasons of the American market could also be developed. This will likewise require rapid transportation, and there must be a considerable amount to be thus transported before foreign rates that admit of profit can be obtained. We have no data as to how this climate and soil will produce certain northern vegetables that to-day do not grow here. We are told that the soil is wonderfully rich, and will produce "anything." Experiment only will show in how far this asserted ability has a commercial value, and the profitable future of such industries is largely a question of development and study.

The profits in sugar raising depend largely on duties; upon whether sugar can be placed upon the market without taxation. The profitable growing of sugar in the West Indies has for long been a question for statesmen to ponder. England has for some years been attempting to bring this industry in the colonies back to the profits of former times. In the profitable production of sugar the Cuban crop will be this island's greatest danger.

Labor here has been cheap, and until to-day fairly plentiful. It is already beginning to pamper itself and ask higher wages. Every American who comes in here to operate with native labor will probably encounter difficulties in this direction. The average Porto Rico laborer does not know much, but he has one firm belief, and this is that the American with money is his fair prey. There will surely be encounters between employer and employe before this impression is removed.

Porto Rican tobacco is said by many to be of excellent quality. It seems to be badly harvested and cured, however, and if improvements were made in this direction its value would be increased. Much has of late years been sent to Cuba, where it has brought good prices. The best tobacco lands here require a certain formation, location and mixture of soil. They require expert examination to determine their value, and it is very easy for an amateur to err in their selection. Tobacco has been in some cases very profitable. A farm of 100 cuerdas produced in one year $12,000 gold, and cost the owner but $3,000 for cultivation and general expense. Good tobacco lands are consequently held at high prices; $150 per cuerda is asked, and lands suitable for the production of the best tobacco are scarce. The market for Porto Rican tobacco is one capable of development and the popularity and demand for the article will be increased by the perfection resulting from better methods of handling and curing.

Before Porto Rico can enter upon that steady march of development, education and improvement which constitute her future prosperity, several conditions which at this hour hang heavily over the island will have to be removed. Porto Rico's status will have to be determined; she must be legally admitted as a Territory or a colony of the United States, and she will have to enjoy free trade with our country. The question of her present depreciated currency will have to be straightened out, and the business uncertainty and confusion resulting from whatever measures are taken to this end must have subsided. The islanders themselves must bury past political discords, and enter upon a new era of good fellowship and unity of purpose. The exceedingly high state of taxation on property in force to-day must be cut down to a reasonable assessment. The American military authorities are now collecting the taxes assessed by Spain during the first months of this year, which taxes are intended to provide for all insular expenses, including the maintenance of the Spanish army of occupation, the Spanish navy and the Church of Rome, three features of insular politics that are now existant since October 18th last. This taxation on farming lands in the majority of cases amounts to 30 per cent. of the lands' net earnings per year.

The United States received from Spain the title to various government lands in Porto Rico. Where these lands were available for farming purposes, they have been to a great extent already taken up, and while many of them may not now be under actual cultivation, their titles are apt to have been comprised under Spain and they are to-day subject to various claims resulting from the corrupt system of Spanish land registration.

Only when these existing conditions are righted will Porto Rico be ready and able to take upon herself the labors which should lead her to that degree of prosperity, peace and pleasure which rightly is her due and which her past political relations have thus far prevented her from enjoying.

## CLEVELAND'S SARCASM.

### The Ex-President's Expression on the Subject of Expansion.

PRINCETON (N. J.), Jan. 5.—Ex-President Cleveland, in reply to the request of the representative of the Associated Press for an expression on expansion, said:

"I do not care to repeat my views concerning the prevailing epidemic of imperialism and territorial expansion. Assuming, however, that my ideas on the subject are antiquated and unsuited to these progressive days, it is a matter of surprise to me that the refusal of certain natives of our new possessions to acquiesce in the beneficence of subjecting them to our control and management should in the least disturb our expansionists.

"This phase of the situation ought not to have been unanticipated nor the incident naturally growing out of it overlooked. The remedy is obvious and simple. The misguided inhabitants of our new territory who prefer something different from the plan for their control which we proposed, or oppose our designs in their behalf, should be slaughtered. The killing of natives has been a feature of expansion since expansion began, and our imperialistic enthusiasm should not be checked by the prospective necessity of destroying a few thousand or a few hundred thousand Filipinos. This should only be regarded as one stage in a transcendentally great movement, a mere incident in its progress. Of course, some unprepared souls would then be lost before we had the opportunity of Christianizing them, but surely those of our clergymen who have done so much to encourage expansion could manage that diffi-

## TWELVE MEN DROWNED.

### Fatal Collision Between French and British Steamers.

FALMOUTH (England), Jan. 5.—A pilot cutter has landed here the Captain and thirteen of the crew of the British steamer Rosshire, bound from Cardiff for St. Naizaire, and the Captain and fourteen of the crew of the French steamer Duguesclin, bound from Rouen for Swansea. The latter sank immediately after a collision with the Rosshire, which occurred yesterday, off Trecore Head. The Rosshire was abandoned in a sinking condition. Eleven of the crew of the French steamer were drowned and one member of the crew of the Rosshire.

### Conservative Cabinet for Spain.

MADRID, Jan. 5.—General Polavieja, former Governor General of Cuba and of the Philippine Islands, and Senor Silvela, the Conservative leader, have agreed upon the formation of a new Cabinet, and have been summoned by the Regent. The early advent of the Conservative party is regarded as certain.

## ESPANO-AMERICAN TREATY OF PEACE.

### The President's Message and Secretary of State's Letter

### Transmitting to the Senate the Convention Concluded at Paris,

**Together With an Exact Copy of the Document Brought to the United States by the American Peace Commissioners—Also Interesting Correspondence Relating to the Peace Negotiations.**

WASHINGTON, Jan. 5.—The following is the President's message and the letter of the Secretary of State, transmitting to the Senate the treaty of peace concluded at Paris between the United States and Spain:

"To the Senate of the United States: I transmit herewith, with a view to its ratification, a treaty of peace between the United States and Spain, signed at the city of Paris on December 10, 1898, together with the protocols and papers indicated in the list accompanying the report of the Secretary of State.

"WILLIAM McKINLEY."

"Executive Mansion,

"Washington, January 4, 1899.

"To the President: The undersigned, Secretary of State, has the honor to lay before the President, with a view to its submission to the Senate, if deemed proper, a treaty of peace concluded at Paris on December 10, 1898, between the United States and Spain. Accompanying the treaty are the protocols of the conferences of the Peace Commissioners at Paris, together with copies of statements made before the United States Commissioners, and other papers indicated in the inclosed list. Respectfully submitted. JOHN HAY,

"Department of State, Washington, January 3, 1899."

OFFICIAL TEXT OF THE TREATY.

Accompanying the message and the Secretary's letter is the official text of the treaty, being an exact copy of the document brought to the United States by the American Commissioners. The full text of the treaty follows:

The United States of America and her majesty, the Queen Regent of Spain, in the name of her august son, Don Alfonso XIII., desiring to end the state of war now existing between the two countries, have for that purpose appointed as plenipotentiaries: The President of the United States—William R. Day, Cushman K. Davis, William P. Frye, George Gray and Whitelaw Reid, citizens of the United States; and her majesty, the Queen Regent of Spain—Don Eugenio Montero Rios, President of the Senate; Don Buenaventura de Abarzuza, Senator of the Kingdom and ex-Minister of the Crown; Don Jose de Garnica, Deputy to the Cortes and Associate Justice of the Supreme Court; Don Wenceslao Ramirez de Villa-Urrutia, Envoy Extraordinary and Minister Plenipotentiary at Brussels, and Don Rafael Cerrero, General of Division, who, having assembled in Paris, and having exchanged their full powers, which were found to be in due and proper form, have, after discussion of the matters before them, agreed upon the following articles:

Article I. Spain relinquishes all claim of sovereignty over and title to Cuba; and, as the island is, upon its evacuation by Spain, to be occupied by the United States, the United States will, so long as she "shall last," assume and discharge the obligations that may under international law, result in the fact of its occupation for the protection of life and property.

Article II. Spain cedes to the United States the island of Porto Rico and other islands now under Spanish sovereignty in the West Indies, and the island of Guam in the Marianas or Ladrones.

Article III. Spain cedes to the United States the archipelago known as the Philippine Islands, and comprehending the islands lying within the following line: A line running from west to east along or near the twentieth parallel of north latitude and through the middle of the navigable channel of Bachi, from the one hundred and eighteenth (118th) to the one hundred and twenty-seventh (127th) degree of meridian of longitude east of Greenwich; thence along the one hundred and twenty-seventh (127th) degree meridian of longitude east of Greenwich to the parallel of four degrees and forty-five minutes (4:45) north latitude; thence along the parallel of four degrees and forty-five minutes (4:45) north latitude to its intersection with the meridian of longitude one hundred and nineteen degrees and thirty-five minutes (119:35) east of Greenwich; thence along the meridian of longitude one hundred and nineteen degrees and thirty-five minutes (119:35) east of Greenwich to the parallel of latitude seven degrees and forty minutes (7:40) north; thence along the parallel of latitude seven degrees and forty minutes (7:40) north to its intersection with the one hundred and sixteenth (116th) degree meridian of longtitude east of Greenwich; thence by direct line to the intersection of the tenth (10th) degree of parallel of north latitude with the one hundred and eighteenth (118th) degree meridian of longitude east of Greenwich, and thence along the one hundred and eighteenth (118th) degree meridian of longitude east of Greenwich to the point of beginning

The United States will pay to Spain the sum of twenty million dollars ($20,000,000) within three months after the exchange of the ratifications of the present treaty.

Article IV.—The United States will, for the term of ten years from the date of the exchange of the ratifications of the present treaty admit Spanish ships and merchandise to the ports of the Philippine Islands on the same terms as ships and merchandise of the United States.

Article V.—The United States will, upon the signature of the present treaty, send back to Spain, at its own cost, the Spanish soldiers taken as prisoners of war on the capture of Manila by the American forces. The arms of the soldiers in question shall be restored to them.

Spain will, upon the exchange of the ratifications of the present treaty, proceed to evacuate the Philippines, as well as the island of Guam, on terms similar to those agreed upon by the Commissioners appointed to arrange for the evacuation of Porto Rico and other islands in the West Indies, under the protocol of August 12, 1898, which is to continue in force till its provisions are completely executed. The time within which the evacuation of the Philippine Islands and Guam shall be completed shall be fixed by the two Governments.

Stands of colors, uncaptured war vessels, small arms, guns of all calibers, with their cartridges and accessories, powder, ammunition, livestock and materials and supplies of all kinds, belonging to the land and naval forces of Spain in the Philippines and Guam, remain the property of Spain. Pieces of heavy ordnance, exclusive of field artillery, in the fortifications and coast defenses, shall remain in their emplacements for the term of six months, to be reckoned from the exchange of the ratifications of the treaty, and the United States may, in the mean time, purchase such material from Spain, if a satisfactory agreement between the two Governments on the subject shall be reached.

Article VI.—Spain will, upon the signature of the present treaty, release all prisoners of war and all persons detained or imprisoned for political offenses in connection with the insurrections in Cuba, and the Philippines, and the war with the United States.

Reciprocally, the United States will release all persons made prisoners of war by the American forces, and will undertake to obtain the release of all Spanish prisoners in the hands of the insurgents in Cuba and the Philippines.

The Government of the United States will, at its own cost, return to Spain, and the Government of Spain will, at its own cost, return to the United States, Cuba, Porto Rico and the Philippines, according to the situation of their respective homes, prisoners released or caused to be released by them, respectively, under this article.

Article VII.—The United States and Spain mutually relinquish all claims for indemnity, national or individual, of every kind of either Government, or its citizens or subjects against the other Government, that may have arisen since the beginning of the late insurrection in Cuba and prior to the exchange of ratifications of the present treaty, including all claims for indemnity for the cost of the war.

The United States will adjudicate and settle the claims of its citizens against Spain relinquished in this article.

Article VIII. In conformity with the provisions of Articles I., II. and III. of this treaty, Spain relinquishes in Cuba and cedes in Porto Rico and other islands in the West Indies, in the island of Guam and in the Philippine Archipelago, all the buildings, wharves, barracks, forts, structures, public highways and other immovable property which, in conformity with law, belong to the public domain, and as such belong to the crown of Spain.

And it is hereby declared that the relinquishment or cession, as the case may be, to which the preceding paragraph refers, cannot in any respect impair the property or rights which by law belong to the peaceful possession of property of all kinds, of provinces, municipalities, public or private establishments, ecclesiastical or civic bodies, or any other associations having legal capacity to acquire and possess property in the aforesaid territories renounced or ceded, or of private individuals of whatsoever nationality such individuals may be.

The aforesaid relinquishment or cession, as the case may be, includes all documents exclusively referring to the sovereignty relinquished or ceded that may exist in the archives of the peninsula. Where any document in such archives only in part relates to said sovereignty, a copy of such part will be furnished whenever it shall be requested. Like rules shall be reciprocally observed in favor of Spain in respect to documents in the archives of the island above referred to.

In the aforesaid relinquishment or cession, as the case may be, are also included such rights as the crown of Spain and its authorities possess in respect to the official archives and records, executive as well as judicial, in the islands above referred to, which relate to said islands or the rights and property of their inhabitants. Such archives and records shall be carefully preserved, and private persons shall, without distinction, have the right to request, in accordance with law, authenticated copies of the contracts, wills and other instruments forming part of notarial protocols or files, or which may be contained in the executive or judicial archives, be the latter in Spain or in the islands aforesaid.

Article IX. Spanish subjects, natives of the peninsula residing in the territory over which Spain by the present treaty relinquishes or cedes her sovereignty, may remain in such territory, or may remove therefrom, retaining in either event all their rights of property, including the right to sell or dispose of such property or of its proceeds; and they shall also have the right to carry on their industry, commerce and professions, being subject in respect thereof to such laws as are applicable to other foreigners. In case they remain in the territory, they may preserve their allegiance to the crown of Spain by making, before a court of record, within a year from the date of the exchange of ratifications of this treaty, a treaty, a declaration of their decision to preserve such allegiance; in default of which declaration they shall be held to have renounced it, and to have adopted the nationality of the territory in which they may reside.

The civil rights and political status of the native inhabitants of the territories hereby ceded to the United States shall be determined by the Congress.

Article X. The inhabitants of the territories over which Spain relinquishes or cedes her sovereignty shall be secured in the free exercise of their religion.

Article XI. The Spaniards residing in the territories over which Spain, by this treaty, cedes or relinquishes her sovereignty, shall be subject, in matters civil as well as criminal to the jurisdiction of the courts of the country wherein they reside, pursuant to the ordinary laws governing the same; and they shall have the right to appear before such courts, and to pursue the same course as citizens of the country to which the courts belong.

Article XII. Judicial proceedings pending at the time of the exchange of ratifications of this treaty in the territories over which Spain relinquishes

(Continued on Eighth Page.)

## FILIPINOS MAY GIVE BATTLE.

### Americans Will Be Resisted by Force of Arms

### If They Insist Upon Occupying the Principal Cities in Philippines.

**Aguinaldo Goes to Iloilo to Place Himself at the Head of the Insurgents There, With the View of Their Fighting With United States Forces.**

PARIS, Jan. 5.—An official dispatch received from the Filipino Junta, dated Manila, January 4th, says that Aguinaldo has gone to Iloilo, at the request of insurgents there, to place himself at their head, with the view of their fighting with the Americans.

The dispatch also gives a list of the members of the new Filipino Cabinet, with facts as to their antecedents. The following have accepted office:

President of the Cabinet and Minister of Foreign Affairs—Mabini.

Minister of the Interior—Teodoro Sandico, a civil engineer, educated in England and Belgium and taken to Manila from Hongkong by Rear Admiral Dewey.

Minister of War—General Baldomero Aguinaldo, a cousin of Aguinaldo, the President of the so-called Filipino Government, a leader of the insurrection from the beginning. He is described as a large land-owner of Cavite.

Minister of Finance—General Trias, a close ally of Aguinaldo.

Minister of Public Works—Gregorico Gonzaga, a lawyer, until recently the Filipino agent at Hongkong and formerly Spanish Attorney General in the Visayas.

The Cabinet is described as homogeneous, and every member is pledged, according to these advices, to resist the military occupation of the Philippines.

A member of the Filipino Junta here explains that Aguinaldo did not run away, but "left Manila for the mountainous region behind Cavite, in order to make secret arrangements for his voyage to Iloilo."

The Filipino who furnishes this information also categorically and specifically asserts that the latest telegraphic advices declare that if the Americans insist upon the occupation of the principal cities by the American troops, all the Filipinos will resist by force of arms.

Senor Tuason, who has been appointed agent at Paris and London, is expected to arrive here shortly.

The members of the Junta assert that the new Cabinet will bring forward the "most energetic policy." Mabini, it appears, claims the recognition of the independence of the Philippines, and will not consent to the release of the Spanish prisoners, but, it is added, he is willing to come to an understanding with the Americans as "allies for the surrender of the Spanish military and civil officials and others which will only be made on the following conditions:

"First—the negotiations to be opened formally between Spain and the National Filipino Government, Spain nominating a delegate to treat therewith.

"Second—In the exchange of prisoners, Spain to repatriate, first, all the Filipinos held prisoners for having been directly or indirectly connected with the insurrection; second, all prisoners of war condemned as traitors, revolters or deserters, or for having in any manner seconded by the Filipino movement during the present century to be surrendered to the Filipino Government, surrender to be made before the Filipinos release the Spanish prisoners, and Spain to grant amnesty to all Filipinos and Spaniards accused of conspiracy in the insurrection.

"Third—Spain to defray all the expenses of repatriating the Filipinos, and also the cost of maintaining and repatriating the Spanish prisoners held by the Filipinos, such payment being considered a war indemnity; the national Filipino Government consents to pay the expense of repatriating those Filipinos captured in formal action, although, it is added, as a matter of fact, the Filipinos are also entitled to demand the payment thereof of Spain."

Friars taken prisoners, it is further asserted, will not be included in the exchange, "seeing that they acted as papal agents during the war, but their surrender will be made on the condition, firstly, that the Apostolic Delegate will ask their liberty in the name of the Pope; secondly, that all bulls and pontifical decrees granting special privileges to the religious orders be revoked; thirdly, that all rights of the secular clergy be respected; fourthly, that no friar hold any parish, cathedral, episcopate or diocesan preferments; fifthly, that all such preferments be held by native or naturalized Filipino clergy, and sixthly, that rules for the election of Bishops be fixed."

INSURGENTS REFUSE TO LIBERATE PRISONERS.

MADRID, Jan. 5.—The following official dispatch has been received from Manila: The insurgents refuse to liberate the prisoners on the demand of the Americans, claiming that this might be construed as an act of submission to the United States. With regard to liberating the monks, the insurgents intend to negotiate with the Vatican directly. General Rios has now opened direct negotiations with the insurgents concerning the prisoners.

THE PRESIDENT'S INSTRUCTIONS TO GENERAL OTIS.

WASHINGTON, Jan. 5.—The following is the text of the instructions sent to General Otis, in command of the United States forces in the Philippines, to be proclaimed to the Filipinos as expressive to the purposes of the United States with respect to them:

Adjutant General's Office, Washington, D. C., Dec. 27, 1898.

General Otis, Manila—By direction of the Secretary of War, I have the honor to transmit herewith instructions of the President relative to the administration of affairs in the Philippine Islands:

"Executive Mansion, Washington, Dec. 21, 1898.

"To the Secretary of War—Sir: The destruction of the Spanish fleet in the harbor of Manila by the United States naval squadron commanded by Rear Admiral Dewey, followed by the reduction of the city and the surrender of the Spanish forces, practically effected the conquest of the Philippine Islands and the suspension of Spanish sovereignty therein.

"With the signature of the treaty of peace between the United States and Spain by the respective plenipotentiaries at Paris on the 10th inst., and as the result of victories of American arms, the future control, disposition and government of the Philippine Islands are ceded to the United States. In fulfillment of the rights of sovereignty thus acquired and the responsible obligations of government thus assumed, the actual occupation and administration of the entire group of the Philippine Islands becomes immediately necessary and the military government heretofore maintained by the United States in the city, harbor and bay of Manila is to be extended with all possible dispatch to the whole of the ceded territory.

"In performing this duty the Military Commander of the United States is enjoined to make known to the inhabitants of the Philippine Islands that, in succeeding to the sovereignty of Spain, in severing the former political relations of the inhabitants and in establishing new political power, the authority of the United States is to be exerted for the security of the persons and property of the people of the islands and for the confirmation of all their private rights and relations. It will be the duty of the commander of the forces of occupation to announce and proclaim in the most public manner that we come not as invaders or conquerers, but as friends, to protect the natives in their homes, in their employment and in their personal and religious rights. All persons, who, either by active aid or honest submission co-operate with the Government of the United States to give effect to these benefits and purposes, will receive the reward of its support and protection. All others will be brought within the lawful rule we have assumed, with firmness if need be, but without severity, so far as may be possible.

"Within the absolute domain of military authority, which necessarily is and must remain supreme in the ceded territory until the legislation of the United States shall otherwise provide, the municipal laws of the territory, in respect to private rights and property and the repression of crime are to be considered as continuing in force and to be administered by the ordinary tribunals, as far as possible. The operations of civil and municipal government are to be performed by such officers as may accept the supremacy of the United States by taking the oath of allegiance, or by officers chosen so far as may be practicable from the inhabitants of the island.

"While the control of all the public property and the revenues of the State passes with the cession, and while the use and the management of all public means of transportation are necessarily reserved to the authority of the United States, private property, which belongs to individuals or corporations is to be respected except for cause fully established. The taxes and duties heretofore payable by the inhabitants to the late Government become payable to the authorities of the United States, unless it be seen fit to substitute for them other reasonable rates or modes of contribution to the expenses of government, whether general or local. If private property be taken for military use it shall be paid for when possible in cash and at a fair valuation, and when payment in cash is not practicable, receipts are to be given. All ports and places in the Philippine Islands in the actual possession of the land and naval forces of the United States will be opened to the commerce of all friendly nations. All goods and wares, not prohibited for military reasons by due announcement of the military authority, will be admitted upon payment of such duties and other charges as shall be in force at the time of their importation.

"Finally, it shall be the earnest and paramount aim of the military administration to win the confidence, respect and affection of the inhabitants of the Philippines by assuring to them in every possible way that full measure of individual rights and liberty, which is the heritage of free people, and by proving to them that the mission of the United States is one of benevolent assimilation, substituting the mild sway of justice and right for arbitrary rule. In the fulfillment of this high mission, supporting the temperate administration of affairs for the greatest good of the governed, there must be seriously maintained the strong arm of authority to repress disturbance and to overcome all obstacles to the bestowal of the blessings of good government upon the people of the Philippine Islands under the free flag of the United States.

"WILLIAN McKINLEY."

Acknowledge receipt.

H. C. CORBIN, Adjutant General.

GENERAL OTIS ISSUES A PROCLAMATION.

MANILA, Jan. 5.—Major General Otis, military commander of the United States forces in the Philippines, has issued a proclamation to the Filipinos based upon instructions received by cable from President McKinley. The proclamation, which consists of 700 words only, appeared to-day in all the papers simultaneously.

General Otis, after reciting briefly President McKinley's instructions, expressed the opinion that it is the intention of the American Government, while directing affairs generally, to appoint representative men, forming the controlling element, to civil positions. He also expresses himself as convinced that the United States Government intends to seek the establishment in the islands of a most liberal government, in which the people will be as fully represented as the maintenance of law and order will permit, susceptible of development, on lines of increased representation and of increased powers, into a government as free and independent as is enjoyed by the most favored provinces in the world. To this end, he invites the full confidence and co-operation of the Filipinos.

Nothing is said in the proclamation regarding the disarmament of the rebels.

General Otis asserts his belief that the United States Government intends, so far as is consistent, to draw upon the Filipinos military force.

Although the Government at Malelos has been reconstructed, Aguinaldo is still President of the Filipino republic.

A dispatch from Malolos says that a majority of the members of the new Cabinet belong to the militant wing of the party. Mabini's address to the Congress, however, was more pacific than had been anticipated. It was chiefly a series of meaningless phrases, outlining no definite policy.

## OPEN DOOR POLICY.

### Senator Frye Says It Is to be Observed in the Philippines.

WASHINGTON, Jan. 5.—Senator Frye of the American Peace Commission said in the Senate Committee on Commerce that it was an understanding of the American Commissioners that an absolute open door policy was to be observed by the Government of the United States with reference to trade with the Philippines, and that other countries were to be given the same facilities as the United States in that trade. The question came on account of the formal decision of the coast trade policy of this country and its extension to the Philippines. Senator Frye also said that the policy of excluding textile fabrics would not, according to his understanding, be applied as in this country.

### Health of Emperor William.

BERLIN, Jan. 5.—Acting upon the instructions from President Faure, the French Embassador here, the Marquis de Nomilles, has paid a special visit to Potsdam, in order to make inquiries regarding the health of Emperor William of Germany. The Embassador was received by his majesty, who informed him that he was progressing favorably.