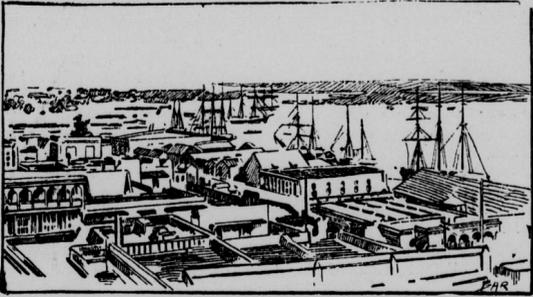


THE FEARFUL CONDITION OF THE SANTIAGO ARMY

WATER FRONT AND HARBOR, SAN JUAN



BUILDINGS OF SAN JUAN, PORTO RICO



COMING TO TERMS

Aguinaldo Merely Wants a Little Glory at Manila

He Asks That His Troops Be Formed Into Regiments to Be Officered by Americans. Gives Way to Our Army

SPECIAL TO THE HERALD.

MANILA BAY, July 30, via Hong Kong, Aug. 4.—Aguinaldo, the insurgent chief, is becoming more friendly to the Americans. He has made two propositions to Gen. Merritt, which may solve the insurgent problem in a manner highly advantageous to the United States.

In the first place, he asks the commander-in-chief of the American land forces to permit the rebel troops to march through the streets of Manila when the city surrenders. Gen. Merritt appears inclined to consent to this. It would gratify the vanity of the natives to let them indulge in what will seem to them a triumphal march, as victors, through the capital of the enemy they have been combating and besieging since the whipping of Montijo's fleet. At the same time, the native troops being thus arrayed in line and under direct orders, may be more easily controlled and prevented from committing excesses.

In the second place, Aguinaldo suggests the formation of Philippine regiments with American officers. This is considered a highly important proposition, possibly the key to the whole situation throughout the islands. The native troops would thus be constantly under the eyes and direct orders of our men.

The American troops now occupy the trenches in front of Malate, a suburb of Manila, which were constructed by Aguinaldo. The rebels withdrew to let our men take their places close to the Spanish lines. The Astor battery, supported by a battalion of the Third infantry, is now in position at the front, its guns being planted within a thousand yards of the Spanish lines.

Fathers Dougherty and McKinnon, the former being the chaplain on Merritt's staff, have gone to Manila to have an interview with Nozaleda, the archbishop of the Philippines, and to point out to him the futility of resistance to the American troops.

TWO FLOATING HOSPITALS

SAN FRANCISCO, Aug. 4.—(By the Associated Press.) Dr. W. Corbusier, medical surveyor of the expeditionary forces for the Philippines, has received word that the transports Arizona and Scandia would, when they reach Manila, be converted into floating hospitals. This relieves the Red Cross society of the burden of purchasing a ship for that purpose, and now it will provide the stores and supplies which the government does not allow, but which are conducive to the comfort and the speedy recovery of the sick.

AWAITING MERRITT'S ORDERS

SAN FRANCISCO, Aug. 4.—Advices received today at Gen. Merritt's headquarters are reliably stated to have informed the general that the secretary of war and Gen. Merritt have not yet decided as to the necessity of forwarding to Manila troops in addition to those now in this city waiting for transports. These same advices intimated that if Merritt required more men they would be sent through the Suez canal, owing to the difficulty of obtaining vessels on this coast.

The Sick at Camp Alger

CAMP ALGER, Aug. 4.—Reports reached Camp Alger today that the site chosen near Manassas is as unsatisfactory as the old camp, but it is not known whether this report is correct.

One death resulted yesterday from the march from Camp Alger to Burke station, Va. Private John Hiland, company D, Thirty-fourth Michigan, was overcome by heat, and has since died. The march yesterday was of a straggling character, the men continuing to arrive at Burke station until after midnight. The men will remain at that place until tomorrow, in order to secure rest after yesterday's hard work.

Seventeen typhoid fever patients were taken to the general hospital at Fort Meyer.

A general field hospital will be established somewhere in the vicinity of Manassas for the treatment of the more severe cases of illness.

OFFICERS MAKE PROTEST

Secretary Alger's Actions Cause an Indignation Meeting

General Shafter Appealed to—Roosevelt Writes a Letter That Gets Him a Sharp Rebuke, But It Does the Work

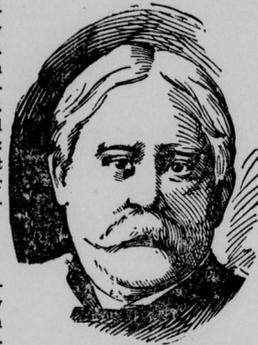
SPECIAL TO THE HERALD.

WASHINGTON, Aug. 4.—All the talk tonight is concerning the condition of the army in Santiago. Roosevelt's letter, together with the "round robin," has opened people's eyes to the true state of affairs. In addition, the medical department denies emphatically that it ever recommended to Secretary Alger anything but to get the troops away from Cuba. This statement flatly contradicts that made by the secretary of war in his letter to Gen. Shafter.



COL. THEODORE ROOSEVELT

Alger's course is condemned on every hand. His excuses are causing more criticism than ever before. Just what the outcome will be is hard to predict, but one thing is certain: The troops will be brought north at once by Alger, or, in case of further delay, by direct orders from the president to Gen. Shafter.



GEN. WILLIAM R. SHAFTER

HOW THE TROUBLE STARTED

SANTIAGO DE CUBA, Aug. 3.—5:30 p. m.—(Copyrighted, 1898, by the Associated Press.—Delayed in transmission.) Summoned by Maj. Gen. Shafter, a meeting was held here this morning at headquarters.

and in the presence of every commanding and medical officer of the Fifth army corps, Gen. Shafter read a cable message from Secretary Alger, ordering him, at the recommendation of Surgeon-Gen. Sternberg, to move the army into the interior, to San Luis, where it is healthier.

As a result of the conference, Gen. Shafter will insist upon the immediate withdrawal of the army north within two weeks.

TROOPS UNABLE TO MARCH

Maj. M. W. Wood, chief surgeon of the first division, said: "The army must be moved north," adding, with emphasis, "or it will be unable to move itself."

Gen. Ames has sent the following message to Washington: "The Hon. Charles H. Allen, Assistant Secretary of the Navy: This army is incapable, because of sickness, of marching anywhere except to the transports. If it is ever to return to the United States it must do so at once."

To a correspondent of the Associated Press Gen. Ames said: "If I had the power I would put the men on the transports at once and ship them north without further orders. I am confident such action would ultimately be approved. A full list of the sick would mean a copy of the roster of every company here."

COL. ROOSEVELT'S LETTER

As an explanation of the situation, the following letter from Col. Theodore Roosevelt, commanding the First volunteer cavalry, to Gen. Shafter, was handed by the latter to the correspondent here of the Associated Press for publication:

"Maj.-Gen. Shafter—Sir: In a meeting of the general and medical officers, called by you at the palace this morning, we were all, as you know, unanimous in view as to what should be done with the army. To keep us here, in the opinion of every officer commanding a division or a brigade, will simply involve the destruction of thousands. There is no possible reason for not shipping practically the entire command north at once. Yellow fever cases are very few in the cavalry division, where I command one of the two brigades, (Continued on Page Four.)"



GENERAL LEE AND COLONEL BRYAN IN CAMP AT JACKSONVILLE

SCORING SHAFTER

He May Have Delayed the Peace Negotiations

Sagasta Taking His Time About Answering President McKinley's Ultimatum—The Situation Is Unchanged

SPECIAL TO THE HERALD.

WASHINGTON, Aug. 4.—More complaints affecting Shafter's methods of ridding himself of sick soldiers came to Secretary Alger today. Nearly 200 wasted, pain-racked soldiers lie in the inadequate tents of the marine hospital service on Egmont reef. These men, 180 of whom escaped death in the trenches, where miasma played a fatal second to the Spanish Mauser, were taken aboard a quartermaster's transport, the Santiago, and, without proper food supply or medicines, were set afloat to die or recover how they could. One was buried in the sea. There were no physicians assigned to their care. Drs. Guiteras and Vaughan, who were aboard, were there as convalescents. How or why the Santiago was sent to Tampa no one here knows. Gen. Sternberg some time ago issued explicit orders to the medical corps to send no more convalescents to southern ports. A member of the medical staff said: "It is a certainty the order for the Santiago's sailing never came from the medical staff. The ship is under direct control of the quartermaster's department, and the orders relating to her were from headquarters or from some one directly responsible to Gen. Shafter."

THE WORST YET TO COME

"The worst is yet to come," continued the officer. "There are the San Marcos, Comala and Clinto to be heard from. They are quartermaster's transports, also started to Tampa. They have sick men aboard also. How many and in what condition there is no way of telling, and where they are is a matter of doubt."

BRUTAL CARELESSNESS

One report of the voyage received here warmly criticises the war department. Said a department official: "The brutal carelessness of the commander-in-chief who would send out a load of convalescents, as Gen. Shafter did, is something unheard of in the American army up to this time. If it was not done under his direct orders, he is cleared of the charge of unfeelingness, to stand convicted of incompetency. He should know these things."

A BAD, BAD BREAK

Gen. Shafter received another smart rebuke from the war department today. Like a bear in training, he received more cuffs than gingerbread, more reprimands than adulations. It is feared he has given out such information as may cause a break in peace negotiations. Shafter has made an error from the departmental standpoint which is unforgivable, in permitting the press to carry the request of Col. Roosevelt and other officers for transportation to more salubrious camps. The communication was turned over to the press by Gen. Shafter, and was today published, to the dismay of the administration. It is regarded at the White House and war department as simple imbecility, as it will have a direct tendency to lead the Spanish to believe that the United States desires peace more than the enemy. "If our peace negotiations were not so well along," said a member of the secretary's office, "this publication might protract hostilities for some months. Very little encourages the Spanish greatly. Shafter needs a personal censor."

Secretary Alger sent Gen. Shafter a brief but forcible suggestion that the matters set forth in the communication and the transportation of troops northward might well and easily have been settled without taking the entire world into confidence.

WON'T BE HUSTLED

LONDON, Aug. 5.—(By the Associated Press.) The Madrid correspondent of the Times says: "Though peace is regarded as assured, it may not be obtained so early as generally expected. Senor Sagasta objects to being hustled, and insists on everything being done in a