## SHAFTER'S ARMY MOVING.

ONE TRANSPORT WITH CAPALRY LEFT SANTIAGO ON THURSDAY.

Two Others Were to Have Sailed Yesterday -The Entire Corps to Be Withdrawn from Cuba with All Possible Speed-The War Department Now Says the Order for the Withdrawal of the Troops Was Issued Before the Publication of Roosevelt's Letter-Alger Not Yet Impressed with the Seriousness of the Situation.

WASHINGTON, Aug. 5.-The Administration has become so deeply impressed with the necessity of withdrawing Gen. Shafter's army from Santiago at the earliest possible moment that all the transport vessels which the Quartermaster's Department can command have been ordered to southearstern Cuba. The expedition of eighteen volunteer regiments under Gen. Wade to Porto Rico has been postponed or abandoned in order that transportation may be provided to carry the Santiago troops to the proposed recuperative camp at Montauk Point The War Department, eager to defend itself from the criticism which has come from all parts of the country in regard to the care of the sick and wounded in Santiago and the general policy of the Administration in holding the Fifth Corps in Cuba, issued the following statement late this afternoon:

"Until quite recently it was supposed that yellow fever was epidemie in Santiago, and it was not believed that it would be safe to send shiploads north of men largely infected with yellow fever. The disease, it was believed, would spread rapidly on shipboard, and result in the death and burial of many at sea. On the 28th ult. the Secretary of War telegraphed to Gen. Shafter that as soon as the fever subsided the men of his command would be moved north to a camp that had been selected for them on Montauk Point. On the 30th of July Shafter telegraphed: "Made known Becretary of War's telegram that troops would be moved north as soon as fever subsided, and it had a very good effect upon the men.' When, however, the true condition was made known, an order was issued to Gen. Shafter to move his command north as rapidly as possible, and all ships in the Quartermaster's service possible to get to San tiago were sent there, and the great liners St. Paul and St. Louis were also ordered there. All this was done before the communication signed by Gen. Shafter and his Generals was received and before Col. Roosevelt's letter was published. Over 150 surgeons are at Santiago and 176 immune nurses have been sent there besides the usual hospital corps that always attends such an army. There have been less deaths in Santiago by yellow fever than by typhoid fever in any camp of the same size in the United States.'

Despite the fact that this official statement seems to make light of the sickness prevailing in Gen. Shafter's army, it is known positively that a despatch from Gen. Shafter was received at the War Department to-day, speaking in the strongest terms concerning the serious danger of disease which threatens the army. Gen. Shafter said in his despatch that yellow fever of the worst kind would soon berome epidemic, and that the disease would get far beyond the control of the army surgeons if the troops were not speedily removed. The General described the demoralizing effect, even on the comparatively healthy troops, of the proence of deadly disease in their camps and the scenes of death which are prevailing all around them. It appears from this despatch of Gon. Shafter that the morale of the troops is gone, The soldiers of his command are brave in the face of battle, but the fear of the deadly Yellow Jack has seized upon everybody. He disputed the idea advanced that the demoralizing mania of in its worst form, the disease known as homesickness was responsible for the demoralization of the volunteer soldiers, but asserted that the ravages of disease alone eaused the unfortunate situation.

Adjt.-Gen. Corbin sald on this subject to a reporter of THE SUN to-day:

The department ordered the withdrawal of a detachment of Santiago troops several days alry organizations be sent north on the Louisi ana. It was not the intention of the Acc inistration to withdraw the main body of Gen Shafter's army at present, for it was known that the troops would be needed in Santiago until the Spanish prisoners had been deported, and it was not believed that the sanitary situa was such as to make the immediate return of the Fifth Corps to the United States impera-tive. Now that the conditions prevailing among the officers and men in Cuba have been represented as serious, every facility will be used to carry the army to Montauk Point. The expedition of the Provisional Division to Porto Rico under Gen. Wade has been abandoned for the present because we must have the transports to carry Gen. Shafter's men to Montauk, and even now there are not enough ships."

Neither the Secretary of War northe Adjutant-General believes that the situation in Santingo is as serious as it is represented to beor, at least, they did not think so before the receipt of Gen. Shafter's telegram to-day. Singularly enough, the letter of Col. Theodore Roosevelt and the Brigade and Division Commanders to Gen. Shafter, urging the necessity of sending the troops north, falls to impress Beeretary Alger and Gen. Corbin with the seriousness of the sanitary conditions prevailing in the Fifth Corps. The Administration feels bound, however, not to disregard the opinion of the Santiago officers and the aroused sentiment of the people throughout the country. A leading army officer said this afternoon:

The army ought to stay in Santiago for some time longer, but we have to reckon with a disagreeable circumstance. That is, the which were most eager to go to the front, and in whose favor strong influences were used two months ago with the department, are carliest to ask to be brought home. The disease of homesickness, which surgeons designate by a scientific name, has attacked the army in Santiago, and the evidence is that the mulady is not confined to the ranks. Tho troops are demoralized by their hardships and the reports of serious sickness are exag-

A despatch was received from Gen. Shafter to-day announcing that the first of the transports hearing troops from Santiago to Montauk Point started vesterday, and that two more vessels would leave to-day. The first transport was the Louislana. All the ships had cavalry troops exclusively on board. The Louisiana sheard arrive at Quarantine, New York, on Wednesday or Thursday next, and the troops et board will be personally inspected by Burgeon-General Sternberg of the and Surgeon-General Wyman of the Marine Hospital service rine Hospital service before they are sent on to Montauk Point. The auxiliary cruisers Yale and Harvard, as well as the St. Paul and St. Louis, will be used in the transportation of troops from Santiago. There are eight transports now off Santiago and these will be leaded with troops. These vessels have accommedations for about 5,770 men.

Rush orders have been sent to the Quartermaster's Department in New York to fit out the camp at Montauk Point with all possible sisced. Orders have been issued to send tents to the camp from all the military stations in the the equipment of hospitals for the care of the sick will be the greatest work for the eministe buildings and hospital

and the Louis of the second of the Cabinet eday were devoted principally to a discussion of the situation of the army at bantiage and

the progress of preparations for transferring the troops to Montauk Point. The sanitary reports this morning showed a more favorable condition, the sick list being smaller than usual and the recoveries more numerous.

OUR TROOPS ORDERED HOME.

Cavalry First, Volunteers Next, Then the Regulare. Special Cubis Desputch to THE SUR.

BANTIAGO DE CUBA. Aug. 4 -- In anguar to the statement signed by the Generals and medical officers of the United States troops, to the effect that the army should be sent to another climate to avert a disastrous epidemic of fevers, an order came from Washington to-day to sent back the troops to the United States, to be encamped at Montauk Point, Long Island. They will be replaced by a garrison of 8,000 men, chiefly immunes. The Cavalry will be sent first, then the volunteers, and last the regulars.

The sick among the troops here comprise 15 per cent, of the entire number. Most of the sufferers have malarial fever. There are very few deaths. The health of the city is improving. The mortality, which was as high as 75 a day, has decreased to 50.

The steamer San Juan arrived to-day from Manzanillo with thirty-eight passengers, being the officers and families of Gen. Escario's column. The San Juan entered Manzanillo under flag of truce on Sunday, causing consternation in the town. She was believed to be an American warship, and the people fled up the river.

SHAFTER EXONERATES HIMSELF.

He Says He Didn't Give Out Gen. Kent's Report or Roosevelt's Letter.

Washington, Aug. 5.-The Secretary of War eceived the following telegram from Gen. Shafter to-day, in reply to the Secretary's telegram of yesterday reprimanding him for giving to the press Gen. Kent's report and the etter of Col. Roosevelt and the brigade and division commanders, asking that the army oe withdrawn from Santiago:

SANTIAGO, Aug. 4, 1898, via Hayti, 11:42 P. M.

The Hon. R. A. Alger, Secretary of War, Was "The report (probably meaning Gen. Kent's) was given out, as I have learned since, before t reached me. I called the general officers together to tell them what I proposed to to and to express to them my views. and to ask them to give me theirs. I found we all felt alike. Some one then proposed they write me a letter setting forth their views and I told them to do so. Meanwhile I wrote my telegram, and later it was handed in and forwarded with the letter of the surgeons and the letter of these officers. It was not until some time after that I learned this letter had been given to the press. It was a foolish, improper thing to do, and I regret very much that it occurred. Rooseveit's letter I know nothing of nor of what he said; and I have been very careful about giving to the press any information, and I will continue to be so.
"W. B. SHAFTER, Major-General."

CAPT. CLARK HAS BROKEN DOWN. The Commander of the Battleship Oregon

'Condemned' and Ordered Home. WASHINGTON, Aug. 5 .- Capt. Charles E. Clark, he commander of the battleship Oregon, has peen "condemned." to use the technical term. by a board of medical survey at Santiago, and ordered to return to the United States on the first naval vessel leaving for an American port. Capt. Clark has broken down under the terrible strain to which he has been subjected in the ast four months. Leave of absence in which to recuperate will be granted him, and if his ealth has not been restored on the expiration of the leave, it will be necessary to place him on the retired list. It has been definitely settled, however, that Capt. Clark shall receive substantial advancement in his grade, and if he is ottes the Nove doubtedly recommend that he be promoted to flag rank on account of his brilliant services since he has been in command of the Oregon. His successor on the big battleship has not been selected.

When the Navy Department decided in March ast to order the Oregon to Key West from San Francisco Capt, Alexander H. McCormick was her commanding officer. Capt. McCormick was examined by a board of medical officers at about that time and "condemned," as Capt. Clark has been. He was suffering from neryous prostration, and six months' leave in which to recuperate was given him. The Navy Department was much embarrassed over the necessary action of the Medical Board. is an exceptionally good commander was desired to conduct the battleship on the uppre edented voyage for vessels of her class from San Francisco down the western coast of North nd South America, through the Straits of Magellan, up the Atlantic side of South America and through the West Indian Islands to Key West, a series of runs aggregating about 15,000 miles. The right man was found in Capt. Clark, then in command of the monito Monterey at San Diego, Cal. He hurried to San Francisco, superintended the preparations for the voyage, and on March 10 sailed away on his 15,000-mile journey. The wonderful record made by the Oregon on that long voyage is generally conceded to be due to the efficiency of Capt. Clark and Chief Engineer Milliken. The Oregon reached the east coast of South Amerca at a time when Cervera's fleet was believed to be lying off the Brazilian shore, waiting to intercept and destroy her. But Capt, Clark was not frightened by the anticipated attack from an enemy superior in number, armor and arma ment to his own ship, and it has passed into a legend in naval circles that he responded to a warning sent him by the Navy Department with the announcement that he didn't want to be bothered with instructions and hoped he

would have the good luck to meet the Spanish The magnificent steaming record of the Ore gon attracted attention throughout the world, and brought additional business to her builders from European nations. In the naval battle off Santiago, when Cervera's six vessels were destroyed or driven ashore, the Oregon was in the thickest of the fight. In his report of the engagement Admiral Sampson gives the greatest praise to the Oregon and the Gloucester, and Commander Schley also paid a high tribute to Capt. Clark's ship. Naval officers agree that Clark and Walnwright were the heroes of that great American victory. Whatever disputes may have arisen over the comparative merits of other vessels and their commanding officers in the battle, everybody agrees that Capt. Clark and the Oregon made the most brilliant record of any armorelad engaged. The Oregon exceeded her trial speed in chasing the Cristobal Colon and threw the shells which compelled the fleet Spanish cruiser to turn in to the shore and go aground.

4,000 Immunes to Sail from Savannah troops will arrive in Savannah to-morrow to embark on transports for Santiago. The transports Rio Grande, Leona and Minnewaska which left New York yesterday, are expected to arrive to-morrow. The troops are all immunes the Third Georgia Regiment from Macon and the Third and Fifth regiments from Columbus, Miss.

Camp Black-Infantry and Artitlery. See L. I. R. adv., excursion column, - Adv.

TEEN MILES BEYOND PONCE.

Captain-General Macias Says We Have Also Landed on the Northeast Coast-Gen. Wilson Moves His Hendquarters to the Front - A Reconnoissance to Cosmo. Where We Find Spanish Troops in a

Blockhouse-The Troops in Good Health. Special Cable Despatch to THE BUR.

Power, Porto Rico, Aug. 4, via St. Thomas Aug. 5.-The American army of invasion advanced five miles this afternoon from Juan Diaz, to a bridge across the Descalabrados River. The bridge is an important strategic position

It is flanked by high hills. The Sixteenth Pennsylvania went into camp there at 6 o'clock. The rest of the men of Gen. Ernst's brigade, consisting of the Second and Third Wisconsin regiments, are to advance to-morrow.

Last night a few mounted men under command of Major Reed of the Sixteenth Pennsylvania advanced to Coamo. They were fired upon by some Spanish troops in a blockhouse to the southwest of the town. They returned the fire and then retired. To one was hurt.

Gen. Wilson's headquarters is to be moved from Ponce to the front to-morrow. The weather is delightful. The semy is in

good health and spirits. There has been no firing at Arroyo since the cruiser Cincinnati sent a few shells into the woods on Wednesday afternoon.

This appears to have had a good moral effect, and there was no occasion for the infantry to fire last night, there being no signs of Spaniards in the neighborhood.

The transport Roumania, which was aground at Guanica, got off and has arrived at Arrovo. With the exception of the artillery, all of Gen.

Brooke's force has now been landed at Arroyo, The sanitary authorities at Ponce have taken hold of their work with much vigor. They have caused the cemetery to be sealed, and hereafter burials inside the city limits will be forbidden.

A plot of ground a distance from the city will be condemned for burial purposes and will be consecrated by the Bishop.

MORE AID FOR CUBANS LANDED. The Wanderer Lands Supplies in Pinar del

Rio and Santiago Provinces. KEY WEST, Aug. 5.-The steamer Wanderer. which left this port some days ago with a Cuban expedition, arrived at Pinar del Ric, where it landed several horses and other supplies, Col. Pena, and Adela Ascuy, a nurse, who some days ago was sent here with the wounded in the fight between Col. Carrillo and the Spanish forces, while aiding the expedition landed in Pinar del Rio on July 22. Col. Pena was unable to land more than the horses and supplies because Gen. Hernandes de Velasco with forces 300 strong attacked the Cubans who were protecting the landing, obliging them to retreat. The expedition on the Wanderer requested protection from the ships of the blockade, but it was impossible to obtain this help.

Then it was decided to land in Santiago province and the party sailed to Puerto Padre, on the north coast of that province. At Manar River they found a Cuban who gave them indications how to enter Puerto Padre, which port is under Cuban control, with Miguel A. Estrada as port commander, appointed by Gen. Garcia. They landed the expedition in three days' time.

Many Cuban families were waiting for food and they heartily cheered the United States and Cuba Libre. Three hundred Cubans were garrisoning the town. Gen. Garcia sent a tugat recently captured by the Cubans to meet and Marti, aides of Gen. Garcia.

There were in the port several other captured vessels, and all had Cuban flags hoisted The Spaniards who manned them are kept prisoners until a Cuban court is appointed to take some determination. Gen. Garcia has published a proclamation to

the effect that all Spanish and Cuban merchants are relieved from taxation at present Nuevitas and Gibara are in Cuban hands.

The Wanderer will sail to-morrow for the quarantine station at Mullet Key, near Tampa, The Wanderer landed 7,500 rations of food, 800 Springfield rifles, 600,000 rounds of ammunition, thirty cases of dynamite, 400 mnchetes and twenty-five Cubans.

RELIEF FOR GEN. GOMEZ. An Expedition to Start on Monday with

Clothing and Provisions. WASHINGTON, Aug. 5.-The last Government elief expedition for Gen. Maximo Gomez will leave Tampa on Monday on the Government auxiliary Wanderer in charge of Lieut, George R. Ahearn of the Twenty-fifth Infantry. Gen. Nufiez and Dr. Mendez Capote, Vice-President of the Cuban Republic, who have been in Washington for several days, will accompany the expedition. No arms or ammunition will be taken, but quantities of clothing and provisions of all kinds. Twenty-five regular soldiers go on the Wanderer, which will be convoyed by an American man-of-war.

Lieut. Ahearn will assume command of egulars in that part of Cuba on his arrival, relieving Lieut. Johnson, who is now in the camp of Gen. Gomez, in charge of about fifty United States troops. He is thoroughly familiar with that section of Cuba, having commanded a pre vious relief expedition to Gomez and made himself acquainted with the people and the country. He left Gomez only a few weeks ago to return and fit out the present expedition. At the time of his departure nothing had been neard of the surrender of Santiago or any of the battles there, owing to the difficulty of getting

anything through the trocha-Dr. Capote has been in Washington severa days holding daily conferences with Assistant Secretary Meiklejohn and other officials relative to the existing Government of the island Another important matter which was discussed was the disposition of the Cuban Army after the war. The army amounts in the aggregate to a large body of men, and unless they are officially recognized and some official standing given them in the army of occupation it will beme a serious problem how to care for them.

The landing place of the expedition is kept a ecret, as there are many Spanish regiments in the western part of the island who would like nothing better than to swoop down on a shipload of much needed provisions.

ACCIDENT TO THE MACKENZIE. Blows Out a Boiler Tube on Her Trial Trip, Injuring Four Men.

PHILADELPHIA, Aug. 5.-The torpedo boat Mackenzio blew out a boiler tube on her trial trip to-day, injuring four men of her erew, two of them seriously. The boat was in charge of Government officers and was given her trial test of speed over a mile course in the Delaware River between Marcus Hook and Wilmington. She made a speed of nearly 23 knots and had just crossed the finish line when the accident occurred. She was towed back to Himan's shipyard, where she was built, for reLANDED IN NORTH PORTO BICO.

Macins Soys We Have Captured the Lighthouse at Cape San Juan-This Is 30 Miles East of the Capital, San Juan-He Admits That the Natives Side with Us.

Special Cable Desputch to THE SUR. Madnin, Aug. 5 .- Captain-General Macian today sent a despatch from San Juan, Porto Rico. to Gen. Correa, Minister of War, saying that a body of American cavalry, accompanied by a number of natives, has entered the towns of Adjuntas and Utuardo. [THE SUN'S corre-

spondents have already announced this fact.] The despatch adds that the natives have risen at Anneo. (This means that they have sided with the Americans.]

Yesterday an unimportant skirmish took place on the River Descalabrado, which crosses the main road to San Juan, five miles east of Juan Diaz.

The Americans have disembarked and captured the lighthouse at Cabesas, Cape San Juan.

The Cabezas de San Juan are a group of four islands. The point of the mainland on which the lighthouse is situated, about a mile from the most distant Island, is the extreme northeastern point of Porto Rico. It is evident, therefore, that a part of our force, military or naval, has landed in that part of the island. from which San Juan, the capital, is distant thirty miles to the west.

BOYS TO BUILD A BATTLESHIP.

The President Receives the Promotors of the Enterprise and Gives Them a Letter. WASHINGTON, Aug. 5 .- W. Rankin Good of Cincinnati, President of the National American Boy Fund and originator of the plan to raise \$3,000,000 among the school children of Ameren with which to replace the battleship Maine, and Harry J. Price, also of Cincinnati, called at the White House yesterday to see the President regarding their enterprise. The lads are only 17 years old each. They waited at the White House all the morning, but were finally turned away. They persevered, bowever, and returned this morning, refusing to be put off any longer. Their cards were then taken to the President and he granted them an interview. After the boys told him their errand the President said;
"Boys, I have heard all about your enter-

You are engaged in a very praiseworthy undertaking, and I wish you success. How much money have you already raised?" "Nearly thirty-five thousand dollars," re-

"What can I do for you?" asked the Presi-

"We came here to secure your indorsement in the form of a letter." "You shall have it," said the President. "Call here this afternoon at 3 o'clock and I will have the letter ready."

The President then instructed the doorkeeper as follows: "When these two boys call this afternoon, let them in. I want to see

The President then chatted about the American boy enterprise and astonished his juvenile visitors by his thorough knowledge of the school children of the country taking such an interest in the matter, and showed that he was fully informed on the progress of the work by telling the boys what they had already accomplished. This afternoon Good and Price returned to the White House, was admitted to the President's room again, and a letter was given them, of which the following is a copy: "EXECUTIVE MANSION,

"Washington, Aug. 5, 1898-Master W. Rankin Good, Cincinnati, O.
"My DEAR SIR: The circular which you have presented to me outlining your plan for raising a fund with which to build and present to the Government a battleship has greatly interested me. Love of country and devotion to the flag were never more conspicuous in America than hey are to-day, and I am sure our boys and girls will deem it a privilege to be numbered among the contributors to this patriotic undertaking. Very sincerely yours,

"WILLIAM MCKINLEY." Good and Price leave to-morrow for Baltimore, where Good will address the Baltimore Chamber of Commerce. Then they proceed to Philadelphia, New York, and Boston.

OFF FOR HONOLULU.

Five Companies of the First New York and a Battalion of Engineers Sail To-day.

San Francisco, Aug. 5.-The departure of troops for Honolulu was a little variation from the army which has been marching and sailing for Manila and there was a slight additional thrill of excitement as the battalion of engineers and five companies of the First New York Volunteers started from the Presidio to the dock. The two commands, 571 men and 18 officers of the First New York Volunteers, Major James T. Chase commanding, and the Third Battalion of the Second Regiment of Volunteer Engineers. 13 officers and 326 men, Capt. F. J. Heickor commanding, broke camp at 7 o'clock this morning and marched through the Presidio gate at about 9 o'clock. Small gatherings cheered them on the way down and waved encouraging flags. They were in heavy marching

order and had no band. The engineers had always been proud of their orderly and well disciplined camp, where no serious disease had penetrated. It was therefore a circumstance of particular sadness that one man whom they were compelled to leave behind died within one hour of the time they broke camp. He was Private Frederickson of Company L. Second Volunteer Engineers, and he died of heart disease at the Presidio Hospital.

Major T. Chase and Companies C. I. K. L. and M of the First New York and the Third Battalion of the Second Regiment of Engineers have been assigned to the station at Honolulu It took nearly eight hours from the time the New Yorkers reached the dock before they were stowed away on the coaster Charles Nel

Lakme dropped into the stream and will sail at daybreak. The outlook is not cheerful for a pleasant voyage. About thirty engineers were transferred from the Lakme to the Nelson to relieve the overcrowded condition of the steam schooner. Shortly before the Nelson dropped into the

Shortly after 7 P. M. both the Nelson and the

stream the firemen of the vessel said they would take the vessel into the bay, but would not go any further on account of lack of sleep-The engineer, to palliate them, had the master transfer the firemen to the quarters originully intended for the engineers and troops

and the latter were compelled to accept quarters unsuitable even for firemen accustomed to hot and stuffy quarters. Bome of the engineers and New York troops are quartered next to the uncovered steam pipes that carry power to the winch. The heat is at times almost unbearable. There is almost absolutely no place on the

at Washington as soon as islands.

The Arizona and Scandia will probably be able to sail a week from to-morrow. They will be used in future as permanent Government transports. Washington as soon as they reach the

esied that if peace was concluded the people

SPAIN

She Yields to the Terms Offered by America

## CABINET'S DECISION.

## It Was Reached Last Night and Submitted to the Queen.

There Is No Doubt That It Will Be Approved by Cristian-The Government Accepts the Peace Proposals of the United States Without Prejudice, However, to Certain Considerations Relating the Philippines-Minister Gamaro Says He Believes That Better Peace Terms May Be Secured-Sagasta Met with Much Opposition in His Conference with Party Leaders, but It Is Now Probable That He Will Remain in Office. Special Cuble Despatch to THE SUR

Madrid, Aug. 6-4:40 A. M .- At the Cabinet meeting last night the Ministers agreed upon reply to the United States, accepting the principle of the American terms without prejudice to the discussion of certain essential points regarding the Philippines. They will

communicate their decision to the Queen Regent to-day. Her agreement is considered learned. It is now believed that Sagasta will continue

total issue of bank notes to 2,500,000,000 pesetas. Senor Gamazo, Minister of Public Works,

The Council approved a project to raise the

n power.

believes that peace will be made on easier conditions than those announced. LONDON, Aug. 6.-THE SUN correspondent in

Madrid telegraphs that the Ministerial Council last night decided practically to accept the conditions of peace laid down by the United The despatch occupied a little over an hour

in transmission. It arrived here concurrently with a telegram filed in Madrid six hours previously, the contents of which were nullified by THE SUN's despatch.

IT LOOKED WARLING MARLIER.

LONDON, Aug. 5,-A message of grave significance was received at THE SUN'S London office to-night from THE SUN'S Madrid correspondent. It should be explained that twice only since the outbreak of the war has a press telegram been permitted to pass the cens rship without delays that sometimes amount to from twenty-four to thirty-six hours. The first exception was a brief message sent to THE SUN by permission of the Cabinet on July 20, announcing that the Ministry had unanimously voted to seek peace. The second is the following despatch, which was received by THE SUN's representative here two hours after it was filed in Madrid:

The result of the conferences has not benefited the Government, and has endangered the negotiations. Sagasta's early resignation is mooted."

The conferences referred to in the despatch are the consultations which have been progressing for the past thirty-six hours between Prime Minister Sagasta and the leaders of the other parties and groups, including Senor Robledo, who, as told in last night's despatches to THE SUN, vehemently denounces the Amer-

Inasmuch as the above message was sent by the consent, and, probably, at the desire, of the Spanish Government, it may, perhaps, be surmised that the underlying motive of the Spanish Cabinet is to induce the American Government to modify some of its demands by indicating that the domestic situation in Spain renders it impossible for Señor Sagasta to yield to the present terms. Even if this is not the reason why the Spanish authorities were anxious to facilitate the transmission of the intelligence to the United States, it may be assumed that the facts justify THE SUN correspondent in telegraphing in the above terms.

There is no question that the Sagasta Government is anxious to conclude an immediate peace, but it is not yet clear whether it has the power to do so.

A despatch to the Central News from Madrid says it is reported that the Cabinet has decided not to send an answer at present to the demands of the United States. The Ministers are extremely reserved.

Madrid, Aug. 5 .-- In an interview to-day with Prime Minister Sagasta, Senor Silvela, the leader of the dissident Conservatives, advocated peace, but he thinks that reserve is ecessary until the negotiations shall have been completed and the Cortes shall have met. Gens. Polavieja, Chinchilla, and Azearraga are naturally inclined as soldiers to support

war. Should the Cuban Army persist in continuing the war, it possesses the means to Señor Barrio, a Carlist leader, and Gen. Weyler have declined to confer with Señor Sagasta.

There was a meeting of the Cabinet this afternoon. Although Gens. Azearraga and Chinchilla in their conferences with Señor Sagasta person-

ally favored war, they admitted that its prosecution depended upon the means that could be furnished. They guaranteed that the army, despite its disappointment, would obey the Government. Señor Nocedal, the ultramonte leader, said

tion would avenge Spain and give her an opportunity of gaining more than the proposed shameful peace allows. In an interview to-day Señor Robledo proph-

would soon have eause to repeat. He added | WATSON'S FLEET IS READY that Señor Fagasta had told Lim that the United States demanded possession of Manila and Subig Bay, M. Cambon, the French Am-bassador at Washington, acting in behalf of Spain, had induced President McKinley to substitute another word for "possession," but it

had the same effect. Seftor Robledo's statement caused somewhat of a sensation. It had been believed that the United States had only asked for the temporary pecupation of Manila pending a settlement.

Señor Salmeron, one of the Republican lead-ers, refused to confer with Señor Sagasta. He says that he will speak his views in the Cortes Gen. Martinez Campos and the Duke of Tetuan do not regard the present Cabinet as equal to the task of achieving peace on good conditions. They advocate the formation of a

stronger Ministry. Señor Robledo deems the Cabinet incapable of prosecuting the war and recommends a national Cabinet, in which he and Gen. Weyler should have prominent places.

Sefior Castelar is too unwell to visit the Prime Minister. He instructed Sefior Silvela to recall to Sefior Sagasta the Virginius affair in 1873, when the energy displayed by Spain saved he

Every effort ought therefore be made to save Porto Rico. Nevertheless, he believes it is expedient to make peace.

Señors Silvela and Salmeron insist that the Cortes should be immediately convoked. It is reported, but the report lacks confirmation, that Senor Sagasta has yielded to Senor Silvela's pressure and agreed to convoke Parliament.

Gen. Weyler's refusal to confer with the Prime Minister was conveyed in a char-acteristic curt note. He expressed surprise that Señor Sagasta desired to consult with him concerning peace when he did not consult with him regarding war. He added that the nation had been disappointed in what it was entitled to look to its leaders for, namely, success in war.

CABINET HOPEFUL OF PEACE.

Has Learned of No Intentions on Spain's Part to Resist Our Demands.

Washington, Aug. 5.-When the Cabinet net in regular session to-day Secretary Day furnished the information that noth ing additional had been received from Spanish Government through French Ambassador. There was some talk about the peace negotiations, but there was nothing said to show the prevalence of any belief among the Cabinet officers that Spain will not accept the American terms. On the contrary the Administration officials generally appear to be confident that Spain will not reject the demands of this Government. She has already accepted them in principle, and the interrogations communicated through M. Cambon were of a character that indicated no intention on Spain's part to dispute the right of the United States to insist on such radical concessions as those contained in the note handed the French Ambassador at the White House.

GIFT TO OUR SOLDIERS.

German Firm Offers 10,000 Bottles of Washington, Aug. 5.—The generous act of a German firm was appropriately recognized to-day in a telegram to Ambassador White at Berlin, directing him to convey the thanks of the Government for the firm's offer to furnish for the use of the sick and wounded soldiors of the American Army 10,000 quart bottles of a natural mineral water. Liemen's Company is the name of the philanthupple business house. Ambassador White telegraphed its offer to Secretary Day, who informed the War Department. Mr. Meiklejohn, the Assistant Secretary of War, has directed that shipment be made to the surgeon in charge of the United States Medica! Supply Depot in New York city, all expenses to be borne by the Government. The officials of the State and War departments are immensely pleased at the thoughtful kindness of Liemen's Company, particularly so on account of the statements that the German peo-

ple have a feeling of hostility toward the THE STANDING ARMY AFTER PEACE.

hairman Hull Thinks 100,000 Men Will Be Needed in Cuba, Porto Rico and Manila. Washington, Aug. 5.-Chairman Hull of the House Military Affairs Committee thinks a standing army of 100,000 men will be necessar after peace is brought about. The status of the regular army will be one of the important subjects to be determined by the next session of Congress, and during the recess Mr. Hull will frame a measure for submission to his committee as soon as it meets in December, so that early action may be had by the two houses He thought when the Army Reorganization bill passed last session that 50,000 men would be the proper number for the standing army of the future, but within the last three months conditions had arisen which would put an entirely different face on the situation. Troops rould be needed in Cuba, Porto Rico and the Philippines, and he now doubted if 50,000

regulars will be needed for some time to come PHILIPPINE INSURGENTS.

would be enough. In his opinion 100,000

They Are Paule-Stricken at the Report That We Will Abandon the Islands Special Cable Despatch to THE SUR.

LONDON, Aug. 5.-A despatch to the Daily Mail from Hong Kong says that the prospect of the United States abandoning the Philippines has caused a panic among the insurgent leaders, and greatly dissatisfies the Americans and British in Hong Kong.

A Rome despatch to the Daily News says that the Vatican has cabled to the Archbishop of Manila, directing him to place himself and the clergy under the protection of the United States in view of the threatened massacre of

priests by the insurgents. These instructions place the Archbishop in an odd position, in view of the pastoral issued by him some time ago, in which he violently denounced the Americans, and said that God had revealed to him that the Spaniards would inflict crushing defeat on them.

ROOSEVELT'S LETTER TO ALGER. The Secretary Criticised for Publishing

Confidential Communication. WASHIMOTON, Aug. 5,-The surprise in Wash ngton official circles caused by Secretary

Alger's publication of a private letter from Theodore Roosevelt has not subsided, but has even increased since yesterday, when it was not so generally understood that Col. Roose veit's letter was not only a personal but confi dential one. The result to-day was some very severe criticism of the Secretary of War, and in this criticism the propriety or impropriety of Col. Roosevelt's remarks seems to have been

That the letter was a personal one is not denied by the Secretary, but he has not yet given an explanation to any one of his purpose in publishing a confidential communication which might injure its author, and from the publicaion of which no general good could possibly result.

Himpson's new loan office and safe deposis vaults. 143 West 42d st., near broadway.—Adv.

PRICE TWO CENTS.

WILL SAIL IF SPAIN'S ANSWER IS LONG DELAYED.

Admiral Sampson to Be in Command, with Commodore Watson in Command of a Division-The Armored Cruisers New York and Brooklyn and the Battleships Oregon and Massachusetts Will Sail.

WASHINGTON, Aug. 5. Spain's delay in new septing the demands of the United States, sent response to the peace overtures presented by the French Ambassador, has apparently caused arenewal of the intention to send the Eastern squadron to conduct operations against he enemy.

It is understood that Admiral Sampson was lirected by telegraph to-day to hold himself in readiness to proceed with a strong force to wherever the Government deemed it desirable to make a demonstration or strike a blow that would teach Spain that her cause is hopeless. That action following a conference at the White House to-day beween the President, Secretary Long and the three members of the War Board-Admiral Sicard, Capt. Mahan and Capt. Crowninshieldwas taken presumably on the advice of the

For several days past there has been more or less talk at the Navy Department about the significance of the work at Guan-tanamo of overhauling and cleaning the big ships under Admiral Sampson's command, and considerable gossip was caused by the orders sent to Capt. Higginson of the battleship Massachusetts to return to Guantanamo from Porto Rico, where the powerful armorelad had participated in the lemonstration to cover the landing of Gen. Miles's troops. The Massachusetts is one of the vessels assigned to the Eastern squadron.

Despite reports to the contrary the Eastern squadron was not dissolved. In fact, the period of inaction after the surrender of Santiago has been devoted to putting the vessels comprising it in better shape for active service. The reason underlying the formation of the

equadron was the threat of the Spanish Government to send Camara's fleet to the Philippines. and Commander Watson was on the point of departing for European waters to follow Camara when the orders were sent from Madrid for the Spanish fleet to retrace its course.

Since then there has been much uncertainty as to the future of Watson's command. According to information obtained tonight Admiral Sampson is to succeed Commander Watson in command of the eastern squadron, the latter being placed in charge of a second division of the formation, with the armored cruiser Brooklyn as his flagship. Commander Watson's present flagship is the Newark, and it is re-ported that he will turn that vessel over to Commodore Schley, who will remain in command of the naval force in southern Cuba and he eastern part of the West Indies. This report, however, lacks verification from an authoritative source.

The reported reorganization of the squadror will make it much stronger. The New York, Admiral Sampson's flagship, and the Brooklyn were not included in the original force to be ent after Camars. They are both armored vessels, and with the

vill form the nucleus of a powerful fleet. The other vessels assigned to the squadron are the auxiliary cruisers Yankee, Dixie, and Yosemite, manned by naval reserves. They are inprotected, but are considered excellent ships

Oregon and the Massachusetts, battleships.

The Yosemite is now at Newport News, Va., where she has just been placed in prime condiion for further service. The other vessels of the squadron are being

for fighting purposes.

leaned and otherwise put in serviceable shape at Guantanamo Bay.

THIRTY MEN DROWNED. A Steamer and a Dredge and Scows Lost im

a Storm Off Cape San Blas. PENSACOLA, Fla., Aug. 5.—The steamers William J. Keyser of this port and Nimrod of Mobile, towing the dredge Herndon and seows from Mobile to Dry Tortugas, while fifteen miles off Cape San Blas on Tuesday night emcountered a terrific storm. The Nimrod's

hawser parted and the dredge and a crew of wenty-six men were lost. The Keyser foundered and Capt. Allen and three of the crew were lost. The survivors of the Keyser reached shore in an open boat and

were picked up and brought here by a fishing

The Nimrod is now helpless in St. Joseph harbor.

COMPLAIN OF OUR CRUELTE ladrid Says 6,000 Sick and Wounded Span ish Soldiers Are "Inhumanly Treated."

Special Cubis Despatch to THE SUR. Madrid, Aug. 5.-An official despatch from Santiago says that there are 6,000 sick and wounded Spanish soldiers in the town, and that they are inhumanly treated by the American officials, who deny them proper food and medicine, and compel them to sleep out of

doors. SMORELESS POWDER FOR THE NAVE.

The Department to Establish a Factory for Its Manufacture Without Delay. WASHINGTON, Aug. 5.-The lesson taught by the war that smokeless powder was a powerful and almost absolutely necessary factor in modern naval engagements has been followed by a decision of the Navy Department to establish a factory for the manufacture of the powder without delay. The money required is available, but the department was hastened in its etion to construct the factory on account the excellent results attained from the use of smokeless powder by the cruiser New Orleans, which was enabled to fire with greater rapidity and accuracy in the several bombardments of Santiago's defences on account of the exclusive use of the improved explosive. The Spaniards also used smokeless powder, and while their poor marksmanship spoiled the effect of their fire, it might have been worse from a Spanish point of view if they had been restricted to the use of brown powder, as all the American vessels were, with the exception of the New Orleans. The factory will be established at the naval proving ground at Indian Head, Md., thirty miles below Wash-

ington, on the Potomac River. TO RAISE CERVERA'S SHIPS.

Merritt-Chapman Wrecking Company Starts

The tugs William E. Chapman and Plymouth eft the dock of the Merritt-Chapman Wrecking Company at Clifton, S. I., yesterday morning with a wrecking expedition for Santiago Two sixty-foot pontoons and the barge F. R. Sharp were in tow of the tugs, and a large supsharp were in tow of the tugs, and a sarge sup-ply of wrecking appliances, including diving apparatus, was on board the boats. The expe-dition will stop at Narfolk and two ninety-foot pontoons will be taken in tow there. Capt. Charles Nelson, the commander of the expedi-tion, will meet the boats at Norfolk. If good weather prevails during the trip the expedition will reach Bantiago inside of three weeks.

Nelson where men may be decently fed. that the war must be carried on a outrance, even There were murmurs of indignation from the officers, who promised to flie emphatic if the Yankees should capture the Spanish ports. Perhaps then an international conflagra-Worth Seeing. complaints from Honolulu with the authorities

Newport Ex., vin L. I. B. H., @1.50, Aug. 7th Musicon boat. T'Hote Dinner, 76s. See Hr., solumb