

BEFORE SANTIAGO

Negotiations Now Hitch on the Terms of the Surrender of the City.

A CONDITIONAL SURRENDER

Proposed by the Spanish Commander--Rejected by General Shafter, Who Demands Unconditional Surrender--The Strategic Board in Consultation with General Shafter--Watson's Eastern Fleet--An Unexploded Shell Stuck in the Iowa--Another Vessel to be Substituted in Her Place for this Reason.

Washington, July 9.--The great battle expected today did not take place, although the armistice expired at noon with the forces on both sides at Santiago lined up for battle. The reason was that the Spanish commander, who had been in correspondence by telegraph with his home government, was seeking to make terms with General Shafter by which he might save his army from capture. He was willing to give up Santiago without resistance if allowed to retreat with all his men and arms across the island, but this idea was not entertained for a moment by our government. On the contrary, every effort will be put forth to seal up all avenues of escape from Santiago and to compel the final surrender of the Spanish army. To have allowed them to make their way unmolested into the interior would have amounted simply to reinforcing the garrison at Havana, by these thousands of trained soldiers who had proven their courage in the fighting in the trenches. On the other hand to compel their surrender it is believed will certainly produce an enormous moral effect both in Havana and in Spain itself and thus tend to the early conclusion of the war.

Secretary Alger and Adjutant General Corbin were in communication with General Shafter at Santiago during the day. Both officials, however, declined positively to give out for publication any dispatches relating to the negotiations that are going on between General Shafter and General Linares, or to confirm any of the exciting rumors that were flying through the corridors all day. Nevertheless, it was evident from their manner that a crisis had been reached so far as Santiago was concerned, and that as matters stood at the close of the day there was no reason to be dissatisfied with the outlook. It is known that General Shafter has lost nothing by the armistice; his men are rested, and the commissary improved, the roads have been cleared and his artillery is now almost completely placed in a most effective manner. None of these things existed at the beginning of the armistice. On the other hand, the Spanish forces have largely diminished their slender stock of provisions and have steadily lost confidence. As soon as they are convinced that they will be humanely treated and fed and will not be subjected to inhuman treatment (and the war department proposes that they shall be thus protected), it is expected that there will be many desertions from the Spanish lines.

OPPOSED TO TEN DAYS' ARMISTICE.

There is the strongest indisposition on the part of the strategic board to entertain favorably the proposition said to be under consideration at Madrid looking to an armistice of ten days in order to consider terms of peace. They believe that the United States has everything to lose and nothing to gain by accepting such a proposition. During that time Camara's squadron might find safe lodgement in some strongly fortified coast town like Ferrol and thus elude Watson's pursuit.

Admiral Sampson contributed nothing further during the day to his first dispatch announcing the possibility of saving the Spanish ships Colon, Maria Teresa and Vizcaya. Telegraphic difficulties have been encountered, but it is not believed there has been anything of importance for the admiral to chronicle today.

The naval officials feel that another change may have to be made in the make-up of the eastern squadron, which is to strike a blow against the Spanish coast, as the battleship Iowa suffered some hard knocks during the recent naval battle with Cervera's squadron, and it may be necessary to substitute one of the other battleships, pending repairs on the Iowa. No decision on the change has been reached thus far, as the department has not received the report showing the exact condition of our ships after the battle. In the meantime, the Associated Press interview with Captain Robley Evans, of the Iowa, leads the naval officials to believe that the Iowa will require considerable overhauling before she can be ready for a trip across the ocean. According to Captain Evans' story of the battle, the Iowa was struck twice by Spanish shells, and one shell exploded while the other is embedded, unexploded, near the water line of the ship. This last shot may prove troublesome, as an unexploded shell near the water line is not a desirable adjunct to a battleship. From the light manner in which Captain Evans speaks of the damage it is not regarded as very serious by the officials here, yet it is probably enough to keep the Iowa from accompanying the eastern squadron to the coast of Spain. A decision as to whether she will be withdrawn will not be made until the report is received on the condition of the ship.

Either the Massachusetts or the Indiana will be substituted for the Iowa if it be found necessary to make a change. Either of them is as formidable as the Iowa. Their four large

guns are of 13-inch type, while those of the Iowa are 12-inch. In other respects their batteries are similar to the Iowa's. They are commonly regarded as rather better sea-going ships than the Iowa. The department has not decided to increase the number of Watson's ships, as has been reported, as it is felt that the list announced yesterday is quite ample to take care of Admiral Camara's squadron now returning hastily to protect the coast of Spain. Camara's only armored ships are the Pelayo and Carlos V, the former of 9,900, the latter 9,000 tons. They are outranked in every point by the ships of the American squadron--armor, armament, speed, size and number of guns and general effectiveness.

The war department is advised that Randolph's six batteries of artillery, the District of Columbia regiment and a regiment of Illinois infantry, which left Tampa several days ago, have reached Santiago.

HAWAIIAN ANNEXATION COMMISSIONERS.

The president has appointed Senators Cullom, of Illinois; Morgan, of Alabama; Representative Hitt, of Illinois; and Sanford Dole, president of the Hawaiian republic, and W. F. Frear, of Hawaii, to be commissioners under the Hawaiian annexation resolution.

SAMPSON AND SCHLEY TO BE PROMOTED.

The president has determined to promote Acting Admiral Sampson and Commodore Schley in recognition of their services in the destruction of the Spanish fleet in American waters, but is as yet undecided to the extent of promotion.

Although Admiral Sampson ranks Commodore Schley in command of the naval forces in Cuban waters, he is subordinate to the officer by two numbers in the naval register. Commodore Schley stands number eight in the list of commodores and Commodore Sampson stands number ten, having been promoted to that grade within the past week. Commodore Watson, also on duty with the fleet at Santiago, is senior to both of the others, standing number six in his grade. When an official report is received a decision will be reached as to the extent of promotion to be made.

Friends of the Ocean

New York, July 9.--The Mail and Express today prints the following interview with one of the officers of the steamer Grecian, which carried the surviving passengers of the ill fated La Bougogne from off Sabie Island to Halifax, and which arrived at its dock here this morning. In reply to a question, the officer said: "Our company does not like to have its officers quoted, but I can't help saying that, for the most part, the crew of the La Bougogne were the poorest specimens of humanity I have ever known in contact with. It is almost a shame that decent men have to travel on the same waters with them. Personally, I avoided them as much as possible, but occasionally bits of their conversation would be wafted to my ears. These fellows spent most of their time accusing each other of murder and cowardice and instead of being devoutly thankful that their miserable souls still clung to their bodies, would pass the hours reviling and swearing at each other. They were not boisterous about it, but would hiss sentences at each other as though they were fiends. There were no blows struck by any of them, simply because they were too cowardly."

Garrison Ordered to Honolulu

San Francisco, California, July 9.--Major General E. S. Otis has received orders from the war department to proceed at once to Honolulu to assist in the ceremonies of the occupation of the Hawaiian Islands. General Otis has been ordered to take the first regiment of New York infantry U. S. V. with him to garrison Honolulu and will need a large transport. It is desired to get an additional vessel to the five secured for the fourth Manila fleet, for their transportation; but there is not now a vessel in sight.

Generals Promoted

Washington, July 9.--The president has directed the promotion of Brigadier General S. B. M. Young and Brigadier General J. F. Kent, to the grade of brigadier generals. These officers took a conspicuous part in the heavy fighting around Santiago the 1st and 2nd instant.

Work Given Up

"I had boils all over my body and I became so weak I could hardly walk. I became reduced in flesh and was obliged to give up work. I began taking Hood's Sarsaparilla and it made me sound and well so that I have been able to resume my work. I now weigh 200 pounds." Charles W. Pote, Bruce, Va.

Hood's Pills are the only pills to take with Hood's Sarsaparilla. Be sure to get Hood's.

THE DELAWARE LOST

This Clyde Line Steamer Burned off Barnegat--Her Seventy Passengers All Safely Taken From the Steamer.

Atlantic City, N. J., July 9.--The Barnegat, N. J. life saving station reports at 8 o'clock this morning that the Clyde Line steamer Delaware, from New York for Charleston and Jacksonville, was abandoned off Barnegat at 10:30 o'clock last night, the steamer at the time being on fire. The passengers and crew left the burning vessel in boats and on life rafts. There were seventy persons in all and they were rescued by the members of the Cedar Creek life saving station with the aid of the fishing smack S. P. Miller.

New York, July 9.--Advices from Barnegat say that the life saving crew on nearing the Delaware found that the passengers had been driven from the steamer by flames and heat and were floating on the surface of a calm sea in small rafts and on life rafts. The Cedar Creek life saving station had appeared in the darkness, and some fear was felt for her safety. The Miller cruised about in search for her without success for many hours; she was found when day light came.

At dawn the Luckenbach Towing Company's tug Ocean King steamed up, drawn to the spot by the appearance of disaster. The passengers and some of the crew were transferred to her, and she continued on her voyage to this city. The captain and twelve of the crew were taken ashore in the surf boats, and boarded a train for New York. The rest of the crew were taken to the life saving station.

John H. Mabie, of Hackensack, N. J., who was on the Delaware, said: "I had retired at about 9:45 o'clock on Friday night and had barely dozed, when a steward began hammering at the state room door shouting 'All up!' The members of the crew were in the cutting holes in the saloon flooring with axes and hatchets and from every hole thus cut great flames burst forth and began consuming the cabin furniture. It was apparent at a glance that the vessel was doomed. Preparations were quickly made for taking to the boats. The transfer was made safely, showing the complete discipline under which Captain Ingram had his crew. No boat capsized, neither man nor woman got wet and the transfer was conducted in a manner most praiseworthy to the officers and crew of the ship."

Thomas H. Wholes, of Austin, Texas, a correspondent of The Galveston News, said there were three loud explosions and two minor ones on the ship. Mr. Wholes said: "It was a moon light night, there was very little wind and the surface of the water was by no means rough. These conditions enabled the ship's officers and crew to effect the transfer of the passengers to the boats with almost military precision. The captain was the last man to leave the ship. He lowered himself over the side by a rope into a raft, boat No. 2, in which I had left the ship, was rowed up to this raft, a line thrown out and we towed the raft clear of the ship out of danger and away from the fierce flames and terrible heat. The passengers escaped, many only partially dressed. Passengers and crew alike lost their baggage and effects. The passengers and crew were saved by means of our life boats and the two rafts, all of which were provisioned and watered. The women behaved splendidly and indeed, there was no excitement among passengers or crew."

The Delaware was formerly a freighter, but recently when the government secured some of the Clyde Line's passenger ships, the Delaware had to be used for passenger service. She was a wooden ship, built in Philadelphia in 1880, and was valued at \$125,000. The vessel was insured, though for what amount could not be ascertained. The superintendent of the life saving station at Point Pleasant reported this afternoon that the Delaware had sunk about three and a half miles off that place.

At Camp at Chickamauga

Chickamauga National Park, July 9.--Owing to the disorders in Chattanooga that have followed the payment of the soldiers at this camp, General Brooke has issued a stringent order allowing only two men from one company, troops or battery, to be absent from camp at one time. This order is being rigidly enforced.

Last Sunday it is stated that the saloons of the city were wide open from the rear doors and several keepers of such places had been arrested that they made hundreds of dollars during the day. General Brooke will stop this enterprise tomorrow.

The First Ohio cavalry today received orders to prepare to move on Tuesday next and proceed to Tampa, where they will embark for Santiago. Major Nye, commissary of subsistence of the supply depot at Chattanooga, received notice today that 350,000 "travel rations" had been purchased and had been shipped to this point. It is understood that this supply is for the First corps which is under waiting orders to move to the front as soon as transports can be secured.

There are now at the park almost 55,000 men. There are only about 200 ill at the latter hospital where the most serious cases are taken. The paymasters completed their work today, the Third Tennessee and the Ninth New York being the last regiments to be paid. They estimate that they have paid out nearly \$2,500,000.

Lighters Reach Cuban Coast

Washington, July 9.--The war department today received information showing that one 250 ton double deck lighter, one open lighter and a tug had arrived off the southern coast of Cuba for General Shafter's use.

The department today secured the steamship Roumania which is to be stepped up for transport purposes. She is a twin screw vessel and has a large carrying capacity.

GROSS NEGLIGENCE

Permits the Escape of Convicts.

SUPPLIED WITH TOOLS.

Only Twenty Recruits Needed by the Second Regiment--Marriage of One of the Privates--Populist Candidates for Congress in the Raleigh District--Railway Commissioner Caldwell Refuses to Pay Tax on Telegraph Messages.

Messenger Bureau Raleigh, N. C., July 9.

The escape of Gettings, alias Merritt, the Petersburg-Raleigh-Atlanta burglar, and of Aaron Cox, the western North Carolina moonshiner, from the penitentiary here night before last was due entirely to carelessness. A raw guard permitted Gettings to go to Cox's cell. The men then cut off two 3/4 inch steel bars and bent these upward. They got out of the opening 9x16 inches, thus made, and thence through a trap door to the roof. They evidently had several saws and a jimmy, two saws were found. No doubt they had money and citizens clothing near at hand.

W. W. Ashe, state forester of the Adirondacks, N. Y. state, to do special work for several months.

The Second regiment now lacks only twenty men of having full complement. Tomorrow fifty more recruits are expected.

Rev. Baylus Cade, Governor Russell's private secretary, is a populist and has an intense desire to get the populist congressional nomination from this district. Other populists who are talked of in connection with the nomination are Congressman Strowd, Sheriff Jenkins, of Chatham; John F. Mitchell, of Franklin; Otho Wilson, of Wake; Zach Garret and James Amos, of Vance. It is understood on high authority that Governor Russell is using his influence with Senator Butler to induce the latter to get the populists to concede to the republicans this district and to permit J. C. L. Harris to get the nomination, on the ground that Harris will have great influence in congress as a friend of republicans and of Butler.

Chairman Caldwell of the railway commission notifies the telegraph companies that he will not pay the 1 cent tax on messages. The adjutant general today completed the negro regiment at Fort Macon, by ordering there forty men from Asheville, forty from Chapel Hill, twenty from Oxford and sixteen from Greensboro, the latter being the band. The rifles for the first contingent of the negro regiment (226) arrived yesterday.

A white tramp was brought here today from Cary and placed in jail. Yesterday while he was riding on a freight train there, he drew a revolver on a brakeman. The latter fled, but the town constable captured the hobo and the latter will get at least a year on the public roads.

Private A. Boone, of the Nantahala company of the Second regiment, was married here yesterday to Miss Jane Graham, of Philadelphia, who came here to become his wife. Company K, of the Second regiment, from Wilmington, yesterday afternoon had a rifle match for a gold medal offered by the reserve corps. David W. Green was the winner.

The fund for a monument over the grave of Ensign Bagley is now \$2,030. Strange to say, no news comes as to the departure of the Second regiment from this point, nor has the paymaster arrived. Washington telegrams last week quoted the secretary of war as saying the regiment would certainly be sent away this week. Officers and men are ardently desirous to go.

It is said that the flags captured by the cruiser Raleigh, from the Spanish admiral at Manila, are to be sent to Mayor Russ of Raleigh, as a memorial.

The new Carrollton hotel here is to open on the 16th instant.

Balloons to Designate Positions of our Troops.

Tampa, Fla., July 9.--A gas plant is just being completed by the government here. Gas will be made here and placed in cylinders and sent to Cuba for use in the balloons, it having been determined that this can be done better than by taking the portable part over. Besides the big thirty foot observation balloon, a number of small 7x3 foot balloons are to be sent over. These small ones are not for observation, but for signaling. Each one will be painted a different color and one will be anchored over each division of the army, so whereabouts of each will be known to the other, and there will never be any possibility of one firing on the other. This method of keeping track of the different commands is very highly regarded by army officers.

Austrian Sympathy for Spain

London, July 10.--The Observer's Vienna correspondent says: "The Spanish reverses have caused here a fresh outburst of sympathy for Spain, and there is a great prospect of intervention now than at any previous period of the war."

THE AMERICAN NAVY

Its Status Among the Navies of the World Recognized in Complimentary Terms by the British Press.

London, July 9.--The weekly newspapers today, discussing the war, all pay glowing tributes to the American navy. Even the Saturday Review says: "It is impossible not to feel a certain pride in these achievements of men of our own race. Every Englishman will remember that it was men of the same quality and fine marksmanship which the Americans display which gave us victory both on land and sea, from Crete to the Crimea, and something peculiar and noble happened in this fight which, showed in a far higher kinship between the two peoples. 'Don't cheer,' shouted Captain Phillips, 'the poor devils are dying.' It seems to us this expression of tender sympathetic humanity is just as fine as the 'Kiss me, Hardy,' of the dying Nelson."

The Spectator, in a long article on the same subject, says: "The first thought of all Englishmen is that the American fleet did its work splendidly. The whole performance of Admiral Sampson's fleet was in accordance with the best traditions of Anglo-Saxon navies and every Englishman has read of their doing with a flush of pride. There was the same old, hard pounding as the 'Elizabethan' used; the same curious mixture of steadiness, daring, coolness, and reckless dash. The moral aspect of what was almost the first and of what may be the last fleet action between the Spanish and English navies is very much alike. In both cases it was the man behind the gun who, at the last resort, won the battle. The battle shows that the American navy is a most efficient fighting machine. We did not need to be told that here. We knew it already and realized of what stuff the lion's whelps are made. They, however, did not know it on the continent, though they apparently know it now. For ourselves, we have little doubt that the American fleet could face even that of France without any great risk of disaster, in spite of the fact that, by the rules, the French fleet is ten times stronger. We believe this could be done if it were not for the fact that the American fleet won't be attacked by France without our taking a hand in the game. Sampson, Dewey and the officers they have the happiness to command are able to destroy French ships of vastly superior power, just as we did 100 years ago."

As for the German and American navies, there can, of course, be no comparison. The Germans are fine sailors and brave men, but a naval struggle between the United States and Germany would be very short and very complete. The Speaker says: "The greatest credit is due to the American navy for the manner in which this operation has been carried out. Like the exploit of Dewey, the sea fight at Santiago has proved that the British sailor has in his American kinsman a worthy ally and rival. So far as the fleet is concerned, America need not fear comparison with any country in the world."

CHARLESTON'S HOSPITALITY

To the Troops There Awaiting Transportation to Cuba--Miles Sails With Some of the Soldiers.

Charleston, S. C., July 9.--The people of Charleston have been doing everything in their power to make the troops here comfortable. The quarters supplied for them by the city are the best to be had and are cool and commodious, and each day Mayor Smyth supplies each regiment in the camp with 1,000 pounds of ice for the drinking water. Appreciating these and many other courtesies extended his command, General Wilson today sent a letter of thanks to the mayor and council, thanking Charleston for all that was being done for his men. In it he said that the city had established its claims as a most acceptable place for the embarkation of soldiers. It was learned today that the Yale and the Columbia left their anchorage off the lightship at 1 o'clock this morning. General Miles was safely aboard the Yale and the transfer of troops and baggage was made without an accident of any kind.

A TEN DAYS' ARMISTICE

This Question Being Discussed by the Spanish Cabinet.

Madrid, July 9.--The Liberal says the Spanish cabinet is considering the question of signing a ten days' armistice, in order to facilitate peace. The Rome correspondent of The Impartial telegraphs that a ten days' armistice is coming, but he adds that he thinks the powers, with the vatican, are engineering the movement and are considering the proper form which the armistice should assume.

Senor Sagasta, however, declared after the cabinet meeting that the rumors of an armistice were without foundation, adding that the government is only discussing the means of prosecuting the war.

Spanish Army the Obstacle to Peace

London, July 10.--The Madrid correspondent of The Observer says: "The army is the obstacle to peace. It is unwilling to yield without further fighting. General Blanco and the other military leaders are ashamed to ask for peace without testing their fighting capabilities with the Americans. If they are deprived of the opportunity they will rise and fight in Spain against the government and in Cuba against the Americans. This is the explanation of the perplexity and irresolution of the government."

Spain's Complaint to London Foreign Office.

Washington, July 9.--As was anticipated by the authorities here, the conduct of some newspapers in crediting to Lieutenant Colwell, United States naval attaché at London, certain statements relative to the probability of peace being declared, has resulted in disagreeable action. The Spanish ambassador at London has lodged with the British foreign office an official protest against the continuance in London of Lieutenant Colwell, and the conduct by him, as a secret news system. It is doubted that the matter can be explained satisfactorily by the state department.

We presume that Dr. Cleveland and Colonel Bryan have been thoughtful enough to exchange messages of condolence.

ROYAL BAKING POWDER



CARRIERS MUST AFFIX STAMPS

An Important Ruling Received in Regard to Express Receipts.

(New York Tribune.) The fight of the express companies to force the senders of packages to affix the stamps prescribed by the war revenue law has received a severe blow in the ruling which Collector of Internal Revenue Charles H. Treat received yesterday from Commissioner Scott, in Washington. The ruling was in reply to a query from an express company, sent through Collector Treat, as to who should affix the stamps. Commissioner Scott rules as follows: Each bill of lading made out by any common carrier for transportation of goods for the United States under the eighth paragraph of Schedule A of the Act of June 15, 1898, requires the one-cent stamp, as does also each duplicate thereof. Notwithstanding the rule adopted by such common carrier, it is the duty of such common carrier to affix the stamp to such bill of lading and duplicate.

Collector Treat said at first that the telegraph companies were undoubtedly included in the ruling, as they came under the head of common carriers. Later he said he did not wish to be quoted on this point, but would rather have the ruling come from the commissioner. The question as to whether telegraph companies are common carriers or not has been raised several times in the courts, and it was decided by the supreme court of the United States in the case of Primrose against the Western Union (No. 154 United States Rep.) that telegraph companies are not common carriers.

William H. Baker, vice-president and general manager of the Postal Telegraph Company, said yesterday that in his opinion the ruling of the commissioner of internal revenue had nothing to do with telegraph companies. It is held by President King, of the Merchants' Association, that the ruling of Commissioner Scott is a strong point in favor of the association and of the business men who are engineering the fight to compel the express companies to pay the tax. Mr. King said yesterday: "Evidently, in the commissioner's opinion, the aim and intent of the law was to compel the payment of the tax by the companies."

Collector Treat said yesterday afternoon that he would put as many men as he could spare to work today to see that the law was enforced. Except where special arrangements had been made with firms or individuals permitting them to transport goods without stamps until they could be supplied, all articles falling under the law must be properly stamped.

A ruling was also received from Commissioner Scott yesterday in regard to mineral waters, to the effect that if they are used alone as beverages they are not taxable, but if advertised as possessing medicinal qualities then they must be classed as medicines and pay the tax. The commissioner also reiterated his former ruling that samples of taxable articles are subject to the stamp tax.

Peace Agitations

Paris, July 9.--The Temps this afternoon published a dispatch from Madrid which says: "The rumors of peace are universal. They fill the press and all feel that high political circles are inclined to end the struggle on the morrow of new reverses or after a land victory, which will satisfy military and national honor. It is beginning to be understood that the loss of the squadron means much increase of the difficulties of communicating with the colonies that are being jeopardized by death and provisions and munitions. The government is conferring with the British cable companies for the re-opening of communication with Cuba, including Santiago de Cuba and Manila. It is thought the Americans will not object to the government being placed in a position to consult with the governors of the colonies without loss of time on the means of defense left them and on the disposition of the troops and the loyal inhabitants."

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