

constitution, and on the 27th, at three in the morning, came to an agreement, almost unanimous, upon the following additional constitutional clauses:

1. The government of Cuba will not make a treaty or agreement with any foreign power which may compromise or limit the independence of Cuba, or which may permit or authorize any power to obtain by means of colonization or for military or naval purposes, or in any other manner, any foothold or authority or right over any portion of Cuba.

2. The government will not permit its territory to be used as a base of operations for war against the United States or against any foreign nation.

3. The government of Cuba accepts in its entirety the treaty of Paris, in which are affirmed the rights of Cuba, to the extent of the obligations which are explicitly indicated in these, and especially those which the international law imposes for the protection of life and property, and substitutes itself for the United States in the pledge, which they assumed in that sense, according to articles 12 and 162 of the treaty of Paris.

4. Cuba recognizes as legally valid all acts of the military government during the period of occupation; also the rights arising out of them, in conformity with the joint resolution and the Foraker amendment and the existing laws of the country.

5. The governments of the United States and Cuba ought to regulate their commercial relations by means of a treaty based on reciprocity, and with tendencies toward free trade in natural and manufactured products, mutually assuring ample special advantages in their respective markets.

In a preamble it is explained that in so far as security for the independence of Cuba is sought by the American demands other than those thus conceded, there is ample security in the constitution; and that the demand for coaling stations militates against independence, while that for sanitary regulation should be subject to future adjustment.

Concurrently with the precipitation of the question of Cuban independence in the senate the question of conferring upon the president unlimited power in the Philippines—civil as well as military, and legislative and judicial, as well as executive—was in the same way introduced in the same body, the Spooner bill being offered as an amendment to the army

appropriation bill. This Philippine provision is in these words:

That all military, civil and judicial powers necessary to govern the Philippine islands, acquired from Spain by the treaties concluded at Paris December 10, 1898, and at Washington November 7, 1900, shall, until otherwise provided by congress, be vested in such manner as the president of the United States shall direct for the establishment of civil government and for maintaining and protecting the inhabitants of said islands in the free enjoyment of their liberty, property and religion; provided, that all franchises granted under the authority hereof shall contain a reservation of the right to alter, amend or repeal the same.

Mr. Vest moved to amend by making all action on the part of the president's representatives in the Philippines subject to the constitution and laws of the United States. This was defeated, 45 to 25. Mr. Rawlins offered an amendment denying any intention of holding permanent sovereignty over the Philippines, and limiting such sovereignty to the pacification thereof and the establishment of a stable government therein. This was defeated, 45 to 24. Mr. Bacon proposed to limit the operation of the president's unlimited power to March 4, 1905. This was defeated, 46 to 26. Mr. Pettus proposed that every appointee under this presidential power be required to take an oath of office to support the constitution of the United States. It was defeated, 41 to 25. Mr. Teller proposed that the civil government to be established in the Philippines should allow the inhabitants the fullest participation consistent with safety. It was defeated, 39 to 23. He then moved to guarantee to the Filipinos our own bill of rights—no ex post facto laws, etc. It was defeated, 41 to 23. Mr. Hoar moved that none of the Philippine officials to be appointed under this authority should exercise more than one kind of the three great powers—legislative, executive and judicial—"to the end that the government might be one of laws, not men." It was defeated, 43 to 26.

Two amendments were offered by the majority, as follows:

Provided that no sale or lease or other disposition of the public lands or the timber thereon or the mining rights therein shall be made.

And, provided, further, that no franchise shall be granted which is

not approved by the president of the United States, and is not in his judgment clearly necessary for the immediate government of the islands and indispensable for the interest of the people thereof, and which cannot, without great public mischief, be postponed until the establishment of permanent civil government; and all such franchises shall terminate one year after the establishment of such permanent civil government.

So amended, the Spooner clause was adopted on the 27th at 10:30 in the evening, after a session from 11 in the morning, by a vote of 45 to 27. Hale voted for it. Hoar and Teller voted against it. Mason did not vote. After midnight, as already stated, the Cuban clause having been meantime inserted, the army appropriation bill passed with these Philippine and Cuban clauses by a vote of 43 to 18, and now depends upon the action of the lower house.

While the fate of the Philippines is thus hanging in the balance in congress, soothing reports of conditions in the archipelago come from Manila. They are to the effect that the Filipinos in large numbers are becoming convinced that the United States sincerely intends to confer upon them the blessings of civil liberty, and so are welcoming the organization of provinces under American sovereignty. The latest provincial organization reported is that of the province of Bulacan, in which Malolos, the old Filipino capital, is situated. Local government here was organized by the American commission on the 26th. Jose Serapio was made governor, and Capt. Ernest A. Greenough, treasurer. Salaries in this case are not stated in the dispatches. This province is not yet fully cleared of hostile Filipinos, Col. Morel, with a force of 300, being reported as operating from Santa Isabel.

A skirmish took place on the 22d near Santa Cruz, in the province of Cavite, in which several Filipinos were killed. Another hard fight occurred on the 25th near Cavinta, province of Laguna, and six Filipinos were killed. The same report tells of two others in the province of Albay, and still another in the island of Panay. In the first, 18 Filipinos were killed; in the second, nine; and in the third six. No American casualties are reported.

We turn now to China. The indications of the note of the 20th from

the Chinese plenipotentiaries, mentioned at the close of last week's report, were confirmed on the 21st, when the plenipotentiaries notified the foreign ministers of an imperial decree conceding their preliminary demands as far as possible, namely:

Gen. Tung Fu Sian, to be degraded and deprived of his rank; Prince Tuan and Duke Lan, to be disgraced and exiled; Prince Chuang, Ying Lien, and Chao Shu Chiao, to commit suicide; and Hsu Chen Yu, Yu Hsien, and Ki Hain, to be beheaded.

This decree was a concession of all the lives the ministers had demanded, except that of Tung Fu Sian, whose followers are so loyal to him that the Chinese authorities are unable to molest him. Yet it required the Chinese to execute only one person, Yu Hsien, the other two who were sentenced to decapitation—Hsu Chen Yu and Ki Hain—being in the custody of the Japanese. Nevertheless the ministers expressed their satisfaction, and on the 20th Hsu Chen Yu and Ki Hain were beheaded upon the spot in Peking where four members of the Chinese foreign office had been put to death during the siege for favoring foreigners. The execution took place in the presence of a large crowd. French, German and American troops guarded the streets. Just prior to his decapitation Ki Hain said to the military attache of the Japanese legation:

I do not know what I have done to make me deserving of death, but if beheading me will make the foreign troops evacuate Peking and my emperor return I am satisfied to die. I will die a patriot.

There is as yet no report of the execution or suicide of the other condemned Chinamen; but Field Marshal Waldersee has postponed indefinitely the military expedition into the interior, of which we told last week.

The day before the two executions mentioned above, the American minister, Edwin H. Conger, turned over the affairs of the legation to W. W. Rockhill, the American special commissioner. Mr. Conger expects soon to come home upon a six months' vacation. He has already been granted a 60 days' leave of absence.

When we closed our report of the South African war last week, De Wet was dashing through Cape Colony with Lord Kitchener and six flying

columns on his heels trying to surround him. That was on the 18th. On the 24th Lord Kitchener reported that Plumer had De Wet in full retreat, and that his "attempt to invade Cape Colony has evidently failed." This was supplemented by an Associated Press dispatch of the same date which told of the defeat of De Wet by Plumer near Disselfontein, on the south bank of the Orange river. But De Wet split his force in two, sending one detachment east and the other west, and Plumer spent the 24th and 25th trying vainly to find them. On the 26th De Wet's own detachment was heard from to the south of Hopetown, which is on the Orange river in Cape Colony, several miles west of the western boundary of the Orange Free State. Nothing has since been heard of him, though the British war office believes that he will be caught in a trap between the British pursuing columns and the rising river.

In the eastern part of the Transvaal, where the British general, French, is trying to drive the Boer general, Botha, over the Swaziland border (see page 711), much progress is claimed by the British and but little shown. The latest report tells of Botha's having with 2,000 men broken away from French's pursuit, in the direction of Komatipoort, which is where the northern railroad line from Pretoria crosses into the Portuguese territory.

A terrible indictment of the British was issued on the 20th over the signatures of Steyn and De Wet. It is in the form of an address to the civilized world, and declares that the war "still rages over South Africa;" that the British disregard the laws of civilized warfare; that they "capture doctors and ambulances and deport them in order to prevent our wounded from getting medical assistance;" that they "send out marauding bands to plunder, burn and damage burghers' private property;" and that "they have armed Kaffirs and natives and used them against us in the war." This address is still further specific, but so circumstantial that it does not lend itself to condensation. The last charge quoted above derives confirmation from one of Lord Kitchener's reports, in which he mentions the service of "Victorian bushmen." The British government

has not yet made any denial of Steyn and De Wet's accusations.

The great steel trust, of the formation of which we gave probable details last week, has since been perfected. This authoritative announcement was made on the 26th by J. Pierpont Morgan:

The following offer is to be made for stock of the several companies named:

	New Pfd.	New Com.
Federal Steel preferred.....	110	107½
Federal Steel common.....	4	107½
Am. Steel and Wire pfd.....	117½	102½
Am. Steel and Wire com.....	8	102½
National Tube preferred.....	125	115
National Tube common.....	8	115
National Steel preferred.....	125	125
National Steel common.....	125	125
American Tinplate pfd.....	125	125
American Tinplate com.....	20	100
American Steel Hoop pfd.....	100	100
Am. Steel Hoop common.....	100	100
American Sheet Steel pfd.....	100	100
American Sheet Steel com.....	100	100

As to the stocks of the last four companies, the aggregate amount of stocks so to be offered was arranged with the principal stockholders of those companies who have requested the distribution of such amount among the four companies to be made in the percentages as stated.

Mr. Morgan personally explained that the capital of the consolidated trust will be \$1,100,000, of which \$300,000,000 will be in bonds, \$400,000,000 in preferred stock, and \$400,000,000 in common stock. The name of the trust is the United States Steel corporation. It was incorporated in New Jersey on the 25th. The charter is reported to permit the corporation—

to do almost every line of business that can be imagined, with the exception of building a railroad in New Jersey. It is a blanket charter and its framers have taken advantage of the liberal New Jersey laws. The principal object of incorporation is to manufacture iron, steel and manganese, coke, copper, lumber, and other materials, and all or any articles consisting or partly consisting of iron, steel, copper, or other materials, and all and any other products thereof. It can buy and sell and market these commodities. It can build bridges, boats, cars, engines, railroads, docks, elevators, water works, electric works, viaducts, canals, and all manner and means of transportation, and sell the same. A liberal provision is also made for the register, purchase and development of patents and inventions. Four paragraphs are devoted to the acquirement of stocks and bonds of other companies and the investment of these securities.

NEWS NOTES.

—John M. Mitchell was on the 24th elected a senator from Oregon.

—Ex-Senator Stephen M. White, of California, died at Los Angeles on the 21st, aged 48 years.

—The second annual convention of