

absence of anything authentic, but it is reasonable to suppose that the United States ships will either have a big fight or be at Manila before Sunday morning.

THE FIRST VICTORY.

The complete victory of the American squadron over the Spanish naval forces at Manila cannot but have far-reaching effects. With the Spanish ships demolished and the capital of the Philippines captured, the United States is supreme in the Pacific. Our ships engaged in that battle were the flagship Olympia, one of the best cruisers afloat, Captain C. V. Gridley, Rear Admiral George Dewey, commander-in-chief; the cruiser Baltimore, Captain N. M. Dyer; the cruiser Boston, Captain Frank Wildiez; the cruiser Concord, Commander Asa Walker; the cruiser Raleigh, Captain J. B. Coghlin; the gunboat Petrel, Commander E. P. Wood; the steamer Nanshan, storeship; revenue cutter McCulloch.

The Spanish ships were the following: The cruiser Reina Christina, the cruiser Castilla, the cruiser Velasco, the cruiser Don Juan de Austria, Don Antonio de Ulloa, the gunboat El Cano, the gunboat Gen. Lezo, the gunboat Marquez del Duero and some smaller boats. The details of the engagement are as yet necessarily meager, and the full account cannot be had until later, but it is quite evident from Spanish dispatches that the victory was a glorious one and that the losses of the enemy, in ships and men, were terrible.

This first defeat in the combat Spain so recklessly has engaged in should open the eyes of the people to the situation. If they have been kept ignorant as to the relative strength of the two nations, there is no longer any excuse for such ignorance. If the Sagasta government is not totally blind, they will regard the annihilation of the Asiatic squadron as an omen of what is to follow. They will seize the opportunity of retreating from Cuba with such good grace as they may be able to command, and probably be sustained by the best element in Spain, in view of the utter weakness of the country's fighting forces. If not, further disaster will befall them and a revolution at home sweep them from the positions they now occupy. Another such defeat, and Signor Crispi's forecast as to the end of Spain will come true.

This is all the more probable, because the victory off Manila is almost certain to turn the sympathy of Europe away from Spain, as the ignominious defeat of Greece in the late war did for that country. Spain's cause is weak, anyhow, and her only chance to strengthen it would be the display of the necessary power to uphold it. Without that power, she will have no friends, no allies. There is a lesson for Spain in the recent history of China. When Japan had demonstrated the weakness of the Chinese empire, the sympathy of Europe was gone. Unless the Madrid government heed the warning of the omen, the fall of Manila may be the final Hispaniae.

THE BUSINESS SITUATION.

The upward tendency in the markets, that has been noticed for some time, is believed to be due to the fact that Europe, in view of the war, has bought up large stocks of supplies. Europe has been taking wheat lately at the rate of 4,000,000 bushels a week, and this has sent the price up. Corn and oats have sympathized with the wheat. As to cotton, European stocks visible and in spinners' hands were 3,017,000 bales on April 1, as

against 2,588,000 bales a year ago, but the European consumption is larger than last year, and if every bale was available it would not supply requirements until the next crop comes. The necessity of importing largely from America is imperative and is admitted. In the last three weeks the exports from the port of New York have been almost \$28,000,000 as against a little over \$21,000,000 in the same period last year. Our imports have been \$28,643,373, as against \$35,100,650 a year ago, showing the close economy that is being practiced here.

The uncertainty caused by the war, the threatened interruption of the coastwise commerce and the prospect of a large increase in the internal taxation have caused some derangement in the internal trade. Manufacturers are still working on old orders, and but few new ones are coming in. Cancellations of woolen goods orders are reported, while the pig iron manufacturers have reported a shutdown for a fortnight. The cotton goods prices are irregular and the demand somewhat unsettled. It is the impetus given all business by a prosperous fall and winter that is carrying trade on just at the present.

It is believed, however, that as soon as any material advantage is gained by our squadrons, thereby ending the feeling of uncertainty that has been prevalent at home and abroad, a change for the better will be noticed in all branches of business. After another victory like that reported off Manila, the country should hardly realize that it is engaged in a serious war.

CHILE AND THE UNITED STATES.

There is of course nothing in the report that Chile intends striking a blow at the United States, but if the government of the little South American republic ever entertained an idea of joining Spain in the present struggle, that idea will be carefully concealed on the receipt of the news from the Philippines.

Chile may not have any particularly friendly feelings for the United States. Many years ago some Chilean miners were driven out of California. Later our government interfered between Chile and Peru and prevented the former country from annexing some rich provinces belonging to the neighboring country, and then in 1891, when the United States refused to recognize the belligerent rights of the provisional government which finally carried the victory, the Chileans exhibited very bad temper towards the United States minister, Mr. Egan, and arrested some American citizens. During this unpleasantness, as will be remembered, sailors of the U. S. Baltimore were attacked by a mob, and two died from injuries received. The demanded satisfaction was slow in forthcoming, and war was threatened.

The Chileans do not forgive and forget, and probably they would embrace an opportunity of revenging themselves, but the Spanish war will not afford that opportunity.

THE PASSING OF SPAIN.

If the United States is not today recognized as the most powerful military power on the globe, it must be in places which contain large numbers of the races which have not kept pace with the march of events. It was the greatest piece of fatuity for a nation almost entirely peopled in this way, itself wholly bankrupt, discredited everywhere, clinging to mediaeval conditions and instincts, to permit itself to be drawn into a contest with the most populous enlightened power of the

world, a nation which has its chief greatness as the result of cultivating the best principles and effects, diffusing intelligence and banishing to their own caves of darkness all the influences that support or tend to the oppression of the human family. It was all the more significant that the issue should be on these very lines and not merely on anything temporary or recent, that the great Republic should make the demand that barbarities cease and inhuman principles be banished from the foreign territory nearest us, and not much to be wondered at that the tyrants of that territory should refuse compliance. Those who know their stolid, sullen, animal nature were was fatal fatuity, for the better classes, who have education and experience in the world's affairs, to permit a crowning misfortune to follow so hard upon the heels of a long series of steadily increasing disasters. They have done so, however, and where do they and the populace to which they pandered stand today in the contemplation of the powers, or for that matter in their own estimation?

Humiliated to the very dust, with the ashes of defeat dire and dreadful poured out upon her head, with no money, no credit, no friends, her property passing from her not piece by piece but province by province, Spain prepared for this, and yet, as stated, it still affects a composure and determination which, all things considered, may entitle her to some little sympathy—the same kind and degree of sympathy that was extended to the great Bonaparte when, without a crown, without country, without a following, he contemplated the frailty of human greatness and mortal power as a prisoner on board the enemy's ship, pacing back and forth and hearing no voices but the murmur of the waves as they broke against the sides of his floating prison. The somnambulist of an ended dream, the nightmare of a disenchanted realm, the man whom the phantom of hope had lured into ambush to be stricken down at last by that lurking enemy, destiny—who would withhold commiseration?

Were Spain other than what she is there would still be some remnant of hope for her. Did her statesmen consult the best and brightest exemplars of the world's progress and learning, instead of blindly clinging to traditions hoary with antiquity and pregnant with precepts at variance with the best interests of mankind; did she rely upon the common law as a guidance for the common people and ignore the more obsolete and barbaric codes; did she seek to improve the minds and morals of all Spaniards instead of keeping them where they have been for centuries; did she even now realize that in grappling with a strictly modern nation and an altogether progressive people she has received such a shock that to continue as she has been going means absolute disintegration, and resolve firmly to change her policies altogether in the interest of what is yet left her people, there might be a healthful growth started up about the nucleus that remains and in future days there could be something that is Spanish to attract the attention and even admiration of the world. But this, for reasons previously stated, is not likely to be done. That Spain will cling to her idols and with them pass into history seems altogether certain.

RUSSIA'S BIG CANAL.

Russia is the European country where perhaps the least excitement on account of the present war exists. With the exception of an occasional brief utterance in the press, no notice seems to be taken of the fact that events are taking place that are likely