

May 12, 1903, Mr. Beaupre transmitted to the State Department translation of an extract from an article written by Dr. Juan B. Perez y Sota, who had been elected a Senator from the Department of Panama, as indicative of the popular feeling against the Hay-Herran convention. In this article the Panama senator said:

"The Herran treaty will be rejected, and rejected by a unanimous vote, in both chambers. * * * The insult, however, which Herran had cast upon the Colombian name will never be wiped out. The gallows would be a small punishment for a criminal of this class."

June 2, 1903, Secretary Hay wrote to Mr. Beaupre: "You should, when the time seems opportune, in so far as you discreetly and properly may, exert your influence in favor of ratification. It is also expected that you will know what hostile influences, if any, are at work against the ratification of the treaty and whether or not there is opposition to it from European sources. The situation is seemingly a grave one, but the department has confidence that you will rise to the full measure of its requirements."

Mr. Cromwell tells of his receiving a detailed report from Charles Burdett Hart upon his return from Bogota May 30, 1903, and his sending Farnham to see Hart in Virginia later in the summer. Hart came from Bogota at this time, having been permitted to return to Colombia to remove his belongings and resign after answering charges filed against him by the Colombian Government. Hart's son was engaged in business in Bogota with the son of J. Gabriel Duque, owner of the Panama lottery and the Panama Star and Herald. Here was another close link between Panama and the diplomatic offices of Hay and Cromwell. While ex-Minister Hart was advising Cromwell, the younger Duque was lobbying in Bogota for the ratification of the treaty.

Mr. Cromwell says that on June 2, 1903, Secretary Hay received from Mr. Beaupre a cable saying that Colombia "was determined to compel the company to make a heavy payment, without which no ratification." If such a cable was transmitted, it was suppressed when the diplomatic correspondence was called for by the Senate.

Mr. Cromwell's next diplomatic maneuver was devising the Beaupre ultimatum, cabled from Washington June 9, 1903, and delivered to Dr. Luis Carlos Rico, Colombian minister for foreign affairs, June 13, 1903. Mr. Cromwell says he proposed this step to Secretary Hay because of the manifest intention of the Colombian Congress, which had been called to meet June 20, to exact an indemnity from the canal company. Mr. Cromwell thought it would serve his purpose "to have the American Government announce to the Colombian Government in advance of the meeting of its Congress, and with absolute frankness and firmness, that the United States had been led to adopt the Panama route and to make its engagements with the canal company, relying on Colombia's propositions for a treaty and upon the consent that was compromised in these propositions."

Then Mr. Cromwell puts the Beaupre ultimatum up to Mr. Roosevelt's responsibility as follows:

"The Secretary accepted these views and submitted them to the President, who a few days later sent for Mr. Cromwell for an audience on the matter, and after deliberation directed that instructions be sent to Colombia, which was done by Secretary Hay in a message, in which it was said: * * *"

Mr. Cromwell appears to have given to the French arbitrators his own original rough draft of the ultimatum, for his version, although a verbatim quotation of the most important phrases of the official text does not contain all of the following cable as Secretary Hay sent it to Minister Beaupre:

"The Colombian Government apparently does not appreciate the gravity of the situation. The canal negotiations were initiated by Colombia and were energetically pressed upon this Government for several years. The propositions presented by Colombia, with slight modifications, were finally accepted by us. In virtue of this agreement our Congress reversed its previous judgment and decided upon the Panama route. If Colombia should now reject the treaty or unduly delay its ratification the friendly understanding between the two countries would be so seriously compromised that action might be taken by the Congress next winter which every friend of Colombia would regret. Confidential. Communicate substance of this verbally to the minister of foreign affairs. If he desires it, give him a copy in form of memorandum."

The Colombian foreign minister asked for the memorandum and Minister Beaupre delivered to him the Hay cable verbatim.

June 18, 1903, Dr. Rice answered the ultimatum. He cited the long delay and the narrow margin by which the treaty had been ratified by the United States Senate. "And if it had been rejected," the Colombian foreign minister wrote, "it would have been without any diminution of the right of Colombia, just as its rejection here will be without any diminution of any right of the United States." Answering the argument that Colombia was bound to complete the negotiations because she had initiated them (a statement which is untrue) Dr. Rice said:

"Having proposed a negotiation does not necessarily imply that it is to be approved, either in whole or in part, by the legislative body of the country that began it." As a notable example Dr. Rice cited the United States' rejection of the convention abrogating the Clayton-Bulwer treaty after the project had been proposed by the United States, because it would not accept the British amendments. The foreign minister indicated that Colombia did not consider as within the bounds of possibility the seizure of Panama, which Mr. Roosevelt had confessed he did contemplate. On this point the answer to the ultimatum says: "The Colombian Government has derived the correct conclusion that the only results that can affect adversely the interests of this nation, if their Congress should reject the project of the treaty, is that the Government of the United States will cease negotiations and adopt the Nicaragua route."

"When is there such an undue delay in the ratification of a treaty which will tend to cause a serious compromise in the friendly relations with the contracting party," asks the Colombian foreign minister. "In this country there would be an undue delay if, the ratification having been ordered by the law, the executive power should show a disposition to disregard it with the evident purpose of causing injury to his own country or the other nation interested in the pact."

After citing interference in Cuba and in Venezuela as proof of America's "determination to procure and preserve the independence, sovereignty, and integrity of the American nations," the foreign minister concludes his reply to the ultimatum in the following paragraph:

"If the Congress, using its inherent prerogative of national sovereignty, rejects the pact in question because, in their judgment it is not for the benefit of the Republic, it will be, I am sure, with much regret that it can not comply with the desires of the Government and the Congress of the United States; but feeling confident for the reasons of justice that by this act it will not have altered in any particular the friendly relations which fortunately exist between the two Republics, and to the preservation of which Colombia attaches the highest importance."

Mr. Cromwell says that after this ultimatum was devised by him and approved by President Roosevelt he conferred with Dr. Herran, who "sent his Government a message by cable backing up Secretary Hay." Mr. Cromwell says that Dr. Herran "inserted in his cable the declaration to his Government that he was convinced that if the treaty was not ratified soon Panama would secede and would conclude the treaty itself."

If Dr. Herran did send such a warning to his Government it was suppressed when the Colombian diplomatic correspondence was published.

July 5, 1903, Mr. Beaupré cabled to Secretary Hay that a part of the ultimatum had been read in a secret session of the Senate, that it had created a sensation, and was "construed by many as a threat of direct retaliation against Colombia in case the treaty is not ratified. This and the statement of just-arrived members of Congress from Panama that this department would revolt if the treaty is not ratified, caused alarm, and the effect is favorable."

This threat of retaliation in the Beaupré ultimatum probably did more than any other diplomatic blunder to incense the hot-tempered Colombians who already believed that the United States was seeking to drive a canal bargain to its own advantage without reference to the welfare of Colombia. Mr. Cromwell takes cognizance of the effect of the ultimatum in the following paragraph:

"It was this attitude taken by the American Government under the circumstances which we have just set forth that furnished the basis and the justification for the subsequent events of which the consequences were so transcendent."

July 9, 1903, Mr. Beaupré cabled confidentially to Secretary Hay that Gen. Reyes suggested that the treaty could not be ratified without two amendments, providing that the canal company should pay \$10,000,000 for permission to transfer its concession, and increasing the indemnity to be paid by the United States from \$10,000,000 to \$15,000,000.

boast," but that the American Government was "open and honest, respectful of its obligations," as witness Cuba, and that "the American Government wished to be a gentleman among the nations." Mr. Cromwell also assured Gen. Velez that "if ever the day came when an administration in the United States should depart from this line of conduct, the American people would rise as one man to bring back to the paths of honesty and righteousness the disloyal men who had been misled to break with the antecedents and the irrevocable desires of the nation."

But while Mr. Cromwell was impressing his hypocritical platitudes upon the Colombian visitor he was rushing preparations to resolve the situation "in some other satisfactory manner." To this end it had been arranged that Jose Augustin Arango, attorney and lobbyist of the Panama Railroad Co., and a Senator from the Department of Panama, should meet Mr. Cromwell or his representative in Kingston, Jamaica, before proceeding to Bogota to the opening of Congress on June 20, 1903. At the last moment, according to the pre-cut recollection of his family, Senator Arango received a cable canceling this appointment.

It is, to say the least, an interesting coincidence that just when Mr. Cromwell became convinced that it would be necessary to resolve the situation "in some other satisfactory manner" his client cabled from Paris, June 13, 1903: "Are completely in accord with you on your program and we are pleased; commencement execution;" also on June 19: "We hope that the step taken will produce decisive effect."

Possibly there is significance in the fact that in the same month Capt. Chauncey B. Humphrey, Twenty-second Infantry, instructor in drawing at West Point, and Second Lieut. Grayson Mallet-Prevost Murphy, graduated from West Point June 11, 1902, and assigned to the Seventeenth Infantry, United States Army, was sent as military spies on a "four months' tour through the northern portions of Venezuela and Colombia." (Roosevelt's message January 4, 1904.)

The movements of Arango in the early part of the summer of 1903 are difficult to trace. Various persons in Panama are positive that he was absent for some time, and they were given to understand that he left for the Congress at Bogota, but were told afterward that he went to Kingston to keep the appointment, either to discuss a lobbying campaign in favor of the ratification of the treaty at Bogota or to plan the revolution. There is, however, no record discoverable of his having been in Kingston. In his own account Arango wrote that he commissioned Capt. James R. Beers, freight agent and port captain for the Panama Railroad at its western terminus, "a man of sane and clear views, of absolute probity and honor," and possessed of the confidence of William Nelson Cromwell, to go to New York. Beers left early in June, while Arango, according to his own published story, remained in Panama "to foment discontent and nurse hopes," instead of going to Bogota to exert his influence as a Senator to secure the ratification of the pending treaty.

That the object of Capt. Beers was to see whether he could enlist the active support of William Nelson Cromwell for a revolution in order to declare the independence of the Department of Panama was well known to his most intimate associates on the Isthmus before his departure. It was also known to these, especially to Herbert G. Prescott, assistant superintendent of the Panama Railroad, who was within the inner circle of the conspiracy, that Capt. Beers went as the authorized spokesman of Arango and a very few of Arango's relatives and friends. In an effort to protect Mr. Cromwell and give to the world the impression that the secession was a "spontaneous" movement, Arango suppressed Cromwell's name altogether in his "Data for a History of the Independence," published in *El Heraldo del Istmo* December 15, 1905, and referred to him only as "the responsible person who, through Capt. Beers, had opened the road to our hopes and thus stimulated the sending of a representative of the committee." Later Arango published the same "Data for a History," expurgated of much tell-tale information, in pamphlet form. This Arango story has long been one of the thorns in Mr. Cromwell's flesh—if he is not impenetrable. In this interesting pamphlet—the nearest to a complete and truthful account of the independence ever published in Panama or elsewhere until now—Senator Arango says he refused to assist in the work of the Colombian Congress, "because I had complete conviction that the Herran-Hay treaty * * * would be rejected; consequently I saw only one means of saving the Isthmus from the ruin toward which it was trending—our separation from Colombia."

Arango's emissary, Capt. Beers, in his subordinate executive position with the Panama Railroad commanded the respect and confidence of his employers and

the unbounded friendship of the natives of Panama, but he lacked altogether the influence with "persons in high position" with which Arango clothed him in his "Data for a History," excepting his acquaintance with Cromwell. The secret codes which have come into the possession of the World fully corroborate the statements of certain of Capt. Beers's associates that "the friends who there would cooperate with us," and the "persons of high position and influence" referred to in Arango's pamphlet were none other than Cromwell and Cromwell alone.

While Capt. Beers was in the States the absentee senator, Arango, was not laboring in vain "to foment discontent." On a Sunday late in July, just before Capt. Beers's return from New York, Ramon, jr., and Pedro Arias gave a luncheon at their country home outside the city of Panama to 26 or 28 guests, Americans and Panamans. If this gathering was not planned deliberately to sound the opinion of leading Americans and natives it accomplished this end of obtaining expressions of their views as to the future of the canal negotiations and the possibilities of a revolution. This luncheon recorded the first public discussion of revolutionary plans on the Isthmus; torrential libations were poured, and speeches were made in favor of free Panama.

Hezekiah A. Gudger, then American consul general in Panama, now chief justice of the supreme court of the Canal Zone, was among the speakers. Judge Gudger doesn't remember what he said; in fact, no one's memory was very clear after the last inning, and J. Gabriel Duque, proprietor of the Panama Star and Herald and one of the guests, didn't report the speeches nor even mention in his paper this noteworthy social event. Among the other guests were Herbert G. Prescott, assistant superintendent of the Panama Railroad, in charge of transportation; Maj. (now Col.) William Murray Black, United States Army, Engineer Corps, in charge of inspection of canal excavation by the French Canal Co. in behalf of the Isthmian Canal Commission; Lieut. Mark Brooke, United States Army, Engineer Corps, assistant to Maj. Black; Austin C. Harper, of Phillipsburg, Pa., an American civilian engineer under Maj. Black; Carlos Constantino Arosemena, later secretary of the revolutionary committee; Gen. Ruben Varon, Colombian "admiral," who was bought by the Panama rebels with a bribe of \$35,000 silver; Mr. Arango; and others.

The date of this luncheon at the Arias House is strangely fixed in Col. Black's diary, which the World brought into court under subpoena, as July 28, 1903, which was a Tuesday. The host and several guests fix the day positively as Sunday. This and other entries in the book lead one to suspect that Col. Black "wrote up" his diary when his memory was none too fresh; possibly after the revolution, or after he was criticized publicly by the late Senator Carmack, of Tennessee, for having, in United States Army uniform, raised the Panamanian flag of independence in Colon on November 6.

But to return to the home office of diplomacy and revolution:

Before Capt. Beers left New York, Mr. Cromwell furnished him a cable code book, with additions and special instructions for its use written in the blank pages in the back of the book. Mr. Cromwell doubtless never expected this to be shown to others, but it was, and when Beers exhibited the code upon his return to the Isthmus, August 4, 1903, he told his friends that Mr. Cromwell could be depended upon to "go the limit" with them in their revolutionary project.

On the Sunday following his emissary's return, Arango gave a luncheon at his country house in honor of Capt. Beers. Only a half dozen or so of Arango's most intimate friends were invited, with only two Americans, Prescott and Beers. Before the luncheon Beers had made his report to each conspirator, and at the table he did not go into these details again, except to say that the plan for the revolution could be carried out successfully, and that they could depend on Cromwell not only to assist them himself but to obtain other assistance which he had promised to secure for the movement.

From this Sunday the propaganda was pushed in earnest, and frequent conferences were held in the office of Arango, attorney and land agent of the Panama Railroad, or in the adjoining office of Dr. Manuel Amador Guerrero, intimate friend of Arango and physician to the railroad. Amador had been taken into the plot by Arango during Beers's absence in the States, had been told of Beers's mission, and had entered with enthusiasm into the conspiracy.

At the outset Amador promised that Arango should be the first president of the projected Republic, and Arango in turn put Amador forward as leading man in the revolutionary farce, while he, the faithful Senator, shifted scenery for the great stage director in Wall Street. Beers, with the Cromwell code, occupied the important post of prompter. Already the scenery was painted,

the press agent and director had taken counsel, and it had been settled that the curtain raiser should be put on November 3, 1903—election day—when the American papers would be crowded with political news and a revolution in Panama might attract the minimum of attention in the United States. Here Mr. Cromwell displayed his ability not only to obtain publicity but also to avoid it when disadvantageous. Roger Farnham, his chief press agent, said boastfully to a newspaper acquaintance (Samuel G. Blythe) on July 4, 1903, that there would be a revolution and secession of Panama on election day.

Taking up again the diplomatic thread in Bogota we find Minister Beaupre cabling to Secretary Hay, July 13, 1903, for instructions and recommending that another intimation be sent by the State Department for Mr. Beaupre's use upon the obstinate Colombians. This cable was not delivered in Washington until July 27, 1903. Meantime, Beaupre had been gathering information respecting the "foreign influence" of which so much has been made in the apologies for the administration's attitude toward Colombia in these negotiations. July 21, 1903, Mr. Beaupre wrote to Secretary Hay as follows:

"At times I have thought, from the tone of the conversation of certain opponents, that foreign hostile influences were at work, but I have never been able to be certain of this. If there be opposition from this source it is of too secret a nature to be discovered, and can not therefore be particularly effective. On the whole I am inclined to believe that no direct hostile influence is being used here, but that if any exists it comes through Colombian legations or consulates in Europe.

"I have certain, but private, information that Dr. Uricoechea, a member of the special Senate committee, heretofore referred to (a committee to consider and amend the canal convention), and who lived a great many years in Germany, called on Baron Grunau, the German chargé d'affaires, to inquire what would be the attitude of the German Government in case of trouble arising out of the matter, and whether it would be willing to undertake or aid the construction of the canal in case the treaty with the United States should not be ratified. Baron Grunau replied that he had no instructions bearing upon the subject, but that he was of a positive opinion that, considering how desirous his Government was at the present moment to remain on friendly terms with the United States, it would not take any steps with reference to the construction of the canal or to any controversy growing out of the present negotiations; that he would, however, submit the matter to his Government."

So much for Germany's alleged activity in the canal negotiations, of which much has been made by the Roosevelt apologists. The published diplomatic correspondence of Colombia and the United States shows no better foundation than this for the reports of German activity in the canal matter.

Mr. Beaupre adds in this letter that a Colombia congressman called on the English minister with a similar inquiry and was told that his Government thoroughly considered the question at the time of the modifications to the Clayton-Bulwer treaty, and that in view of the safeguards provided in the Hay-Pauncefote arrangement "was therefore willing now to leave the United States quite free as regards any further negotiations with reference to the construction of a canal."

July 21, 1903, the Colombian minister for foreign affairs interrogated Minister Beaupre as to the meaning of his note of April 24, 1903, when Mr. Beaupre transmitted in a letter the cabled instructions of April 7, 1903, when Secretary Hay told him to inform the Colombian Government, if the subject arose, that any change in the Hay-Herran treaty affecting the clause granting permission to transfer the concessions "would be in violation of the Spooner law and therefore not permissible." The foreign minister now wished to know whether any other amendments to the treaty would be regarded by the American Government as violations of the Spooner law. To this Mr. Beaupre responded, on July 22, 1903, with the following argument:

"I have the honor to say to your excellency that with the approval by the United States Senate of the treaty between Colombia and the United States, signed on the 22d of January, 1903, the Spooner law, which authorized the making of that treaty, was fully complied with, in the opinion of the Senate, so far as the Panama route was concerned. * * * Hence, the said law went out of active existence with reference to Panama and can only again become a subject of discussion, and then in reference to the Nicaragua route, in the event of the rejection of the treaty by Colombia. * * * I consider it my duty to inform your excellency that I have no reason to believe that my Government will consider or discuss any modifications whatever to the treaty

as it stands. * * * It would seem that the treaty itself, as the official interpretation of the law, can not be modified at all without violating that law."

The cables between Bogota and Washington were badly delayed, and on July 29, 1903, Acting Secretary of State Loomis cabled Mr. Beaupré: "Would like information as to present situation." Receiving no reply, Secretary Hay sent another cable, reiterating the views which Mr. Cromwell, in the interest of his client, had forced upon the administration. Mr. Hay's cable in full follows:

"Instructions heretofore sent to you show the great danger of amending the treaty. This Government has no right or competence to covenant with Colombia to impose new financial obligations upon canal company, and the President would not submit to our Senate any amendment in that sense, but would treat it as avoiding the negotiations and bringing about a failure to conclude a satisfactory treaty with Colombia. No additional payment by the United States can hope for approval by United States Senate, while any amendment whatever requiring reconsideration by that body would most certainly imperil its consummation. You are at liberty to make discreet unofficial use of your instructions in the proper quarters. The Colombian Government and Congress should realize the grave risk of ruining the negotiations by improvident amendment."

August 5, 1903, Mr. Beaupré cabled: "From conversation with prominent Senators, I believe the Government does not consider my opinions as final or authoritative. I beg for an emphatic statement from you or instructions, under my telegram of July 15. There is much danger that the treaty will be amended."

August 5, 1903, was a day of anxiety for Minister Beaupré. His cables, which Mr. Cromwell says were always placed by Secretary Hay at the disposition of the lawyer lobbyist of the Panama Canal Co., for this one day alone cost the United States \$992.20, at regular tariff rates now in force. In one \$600 message, which did not reach Washington until August 12, 1903, Mr. Beaupré transmitted a summary of the report of the Senate committee, recommending nine amendments to the treaty. Another cable of this date transmits the substance of Mr. Beaupré's note which he addressed to the Colombian minister of foreign affairs. In this note, dated August 5, 1903, Mr. Beaupré said to the Colombian Government:

"* * * It is clear that the committee's proposed modification of Article I (so as to provide that the canal company should pay Colombia for the privilege of transferring its concession to the United States) is alone tantamount to an absolute rejection of the treaty. I feel it my duty to reiterate the opinion I have before expressed to your excellency, that my Government will not consider or discuss such an amendment at all."

Mr. Beaupré cited as the next serious objection a proposed amendment of the form of the tribunals for the Canal Zone, and said that "the other modifications, though not equally serious in principle," were so inconsequential to Colombia that she should not place them in the way of approval of the treaty. By Mr. Beaupré's letter it is seen that he interpreted his instructions as giving first importance to the protection of the canal speculators' \$40,000,000 from the demands of Colombia. His letter to the Colombian foreign minister contains also the following:

"If the present modifications of the committee constitute really the final decision that is likely to be arrived at by the Congress of Colombia, the matter should be voted without any delay, and so give at least a slight opportunity to my Government to consider the matter before the expiration of the time for exchange of ratifications provided in the treaty. Less than this can not be expected by my Government, which in good faith signed the pending treaty more than six months ago, and promptly ratified it without amendment."

In his zeal to force upon Colombia the policy which Mr. Cromwell, in the interest of his client, had induced President Roosevelt and Secretary Hay to adopt, Minister Beaupré permitted himself to misstate the facts in his official representations. If the United States did "in good faith sign the pending treaty," it did not "promptly ratify it," and this Mr. Beaupré well knew. The treaty was signed January 22, 1903, when the American Senate was in session, and so anxious was Mr. Roosevelt to have it ratified that he transmitted it to the Senate the next day. Mr. Cromwell heads a chapter of his story, "Prolonged and bitter struggle over the ratification of the treaty in the Senate of the United States." He describes the tactics of the Nicaraguan party in attempting to overwhelm the treaty with amendments. Senator Morgan submitted more than 60, against which Mr. Cromwell says he supplied arguments for his senatorial allies. Senator Cullom made the principal speech in favor of its

ratification. Notwithstanding "personal interviews with many influential Senators," and his "giving the Senators all the assistance possible in the course of the debates," Mr. Cromwell found "the opposition was so vigorous and the discussion so prolonged that the session of Congress closed without action on the subject of the treaty."

Yet we find no record of Colombia's having threatened the United States, either through its foreign office or its minister in Washington, with retaliation because the treaty was impeded or in danger of modification; Secretary Hay was not warned that the American Senate did not "appreciate the gravity of the situation" and was putting in jeopardy the friendly relations between the two countries. Dr. Herran simply notified his Government by cable as follows:

February 22. "Obstruction of minority in Senate hampers approval of treaty, causing Government anxiety."

February 25. "Tenacious opposition to treaty in Senate continues. Many substantial modifications proposed, which again makes situation critical."

March 1. "Opposition to treaty continues; will probably prevent its approval this session, but I believe the President will at once call a special session."

March 3. "Opposition to the treaty continues; Senate sessions terminating, but to-day it will be convened in extra session to resolve urgent and important matters that are pending. We fight against introducing many substantial modifications of the treaty."

March 12 (Colombian Government to Herran). "Persist in abstaining from acceptance of modifications of the treaty. Report frequently by cable in code as to course of the matter in the Senate."

March 17. "The Senate discusses modifications of the treaty regarding absolute jurisdiction of the United States and an annual rental during only 60 years. I reject all modifications. Situation difficult, but we hope for success. The President of the United States is amenable; I will comply with orders contained in cable of the 12th."

March 18. "Senate has approved treaty without amendment."

There is no other correspondence; there were no intimations, no threats because the Senate of the United States dared to debate a treaty which its own Government had negotiated, and to delay ratifying it for nearly two months. Fifty-four days elapsed between submission of the treaty by President Roosevelt and its ratification by the American Senate, and fifty-four days between the convening of the special session of the Colombian Congress and the treaty's rejection by its Senate.

With this comparison between the diplomatic attitude of the two countries we return to Mr. Beaupre and his Cromwell-inspired threats. In his letter of August 5, 1903, Mr. Beaupre adds to his misstatement that the United States "promptly ratified" the treaty:

"I take this opportunity to respectfully reiterate what I have before expressed to Your Excellency, that if Colombia really desires to maintain the present friendly relations existing between the two countries, * * * the pending treaty should be ratified exactly in its present form, without any modifications whatever. I say this from a deep conviction that my Government will not in any case accept amendments."

Later in the same day Secretary Hay's cabled instructions of July 31, 1903, reached the Bogota legation, and Mr. Beaupre wrote another note to the Colombian foreign minister in which he said that he had received such definite instructions from his Government as to enable him not only fully to confirm but to amplify materially all his previous notes. Mr. Beaupre said in part:

"I may say that the antecedent circumstances of the whole negotiation of the canal treaty, from official information in the hands of my Government, are of such a nature as to fully warrant the United States in considering any modification of the terms of the treaty as practically a breach of faith on the part of the Government of Colombia, such as may involve the very greatest complications in the friendly relations which have hitherto existed between the two countries."

Mr. Beaupre concludes this amazing diplomatic threat with the following assurance concerning the treaty of 1846-1848, in which treaty Mr. Roosevelt found his alleged justification for ordering the United States Navy to uphold Mr. Cromwell's revolution:

"It is to be regretted that the reference to the necessity for the practical re-enactment of the treaty of 1846-1848 in the (Colombian) Senate committee's report should constitute almost a doubt as to the good faith of the intention

of the United States in its compliance therewith. I must assure Your Excellency that unless that treaty be denounced in accordance with its own provisions my Government is not capable of violating it, either in letter or spirit; nor should there be any fear on the part of Colombia that if ratified the clauses guaranteeing her sovereignty in the pending treaty, couched as they are in still more precise and solemn terms than those of 1846, will ever be disregarded in the slightest degree by the Government of the United States."

Both of Mr. Beaupré's notes of August 5, 1903, were read in secret sessions of the Colombian Senate and served to intensify the resentment which had been rising ever since the reading of his celebrated ultimatum of June 13, 1903.

August 6, 1903, Mr. Beaupré cabled to Secretary Hay:

"Confidential. Note reference to treaty 1846 in the committee report. Colombia dreads above all things newspaper-reported intention of the United States to denounce the treaty in the event of rejecting canal treaty. I have as additional confirmation the statement of my dispatch No. 49, June 15.

Mr. Beaupré's dispatch, No. 49, of June 15, 1903, is one which Mr. Roosevelt failed to transmit to the Senate of the United States. Presumably publicity was not "compatible with the interests of the public service."

August 11, 1903, the day before the rejection of the treaty, Foreign Minister Rico in a long letter replied to Mr. Beaupré's various threats and warnings. In part he said:

"In the opinion of the Colombian Government the view expressed by your excellency's Government that the circumstances attending the whole negotiation of the canal treaty are of such a nature as would fully authorize the United States in considering as a violation of the pact any modification whatever of the conditions of the treaty is not compatible with diplomatic usages nor with the express stipulations of article 28 of the same convention. (Article 28 provides for exchange of ratifications by the Congresses of the two countries.)

"In fact, plenipotentiaries in concluding public treaties propose and accept conditions with the purpose of facilitating the negotiations, which is not final except by means of ratification, which in republics is vested in the executive power, with the concurrence, direct or indirect, of some other high power of state.

"Your excellency tells me that when the canal convention was presented to the Senate of the United States it met there the most violent opposition; that not only were the strongest efforts made to reject it as a whole, but that many amendments more or less important were proposed for immediate discussion, and that the final and definite victory was only attained after the most strenuous efforts on the part of the friends of the administration, convinced as they were that it ought to be ratified without any alteration.

"The course of the honorable Senators who proposed the modifications make it clear that they used their constitutional rights in proposing changes in the conditions of the pact without any reason to consider that the Government of the United States was bound to approve the treaty without modification, as has been claimed in regard to the Government of Colombia.

"I suppose that your excellency's Government has never denied to the Senate the right to introduce modifications in the international pacts, and that this right has the same legal force as that of approving or disapproving public treaties, and I understand that the Senate has exercised its right to propose modifications not only in this case but also in others, as I pointed out to your excellency in my contra memorandum of June 18 in connection with the project of convention dated November 28, 1902, between the United States and Great Britain for the abrogation of the Clayton-Bulwer treaty of 1850."

Dr. Rico in this letter reiterates Colombia's confidence "that justice and equity govern the course of the United States in its relations with all powers," and his own belief that the United States must recognize the right of the Colombian Congress not only to propose modifications in the treaty but even to reject it, and that exercise of that right "can not in any manner entail complications great or small in the relations of the two countries, which, it is to be hoped, will continue on the same equal footing and in the same good understanding which has happily existed until now."

August 12, 1903, came the rejection of the treaty by unanimous vote of the Colombian Senate. Senator (later governor) Obaldia, of Panama, avoided voting. Minister Beaupré had made it so plain by his threats and warnings, all of which were read to the Senate, that the United States would accept no amendment of the treaty that it was decided to reject it entirely. The principal

argument was made by Gen. Pedro Nel Ospina, of Antioquia, who contended that the treaty was in violation of the Colombian constitution, which he proposed amending in order that the treaty could be passed as demanded by the United States.

News of the rejection was cabled on August 12, by Minister Beaupre to the State Department, but was not received in Washington until August 15. But the State Department did receive on the 12th Mr. Beaupre's cable of August 5, 1903, announcing the report of the committee recommending nine amendments to the treaty. The most objectionable of these proposed amendments, as heretofore indicated, were those to compel Mr. Cromwell's client to pay part of its \$40,000,000 to the Colombian Government for permission to transfer its concession, and altering the form of tribunals proposed for the Canal Zone. Nothing in these nine amendments suggested any change in the amount of indemnity the United States itself should pay to the canal company or to Colombia. It was simply the blow aimed at the canal speculators' profits which Mr. Cromwell had so long anticipated. Receipt of this cable was not announced at the State Department until the following day, when press despatches brought news of the committee's mutilation of the treaty.

And now appears the justification of Dr. Herran's fears, expressed in his letter of December 19, 1902, that President Roosevelt's "impetuous and violent disposition" might lead him to adopt the scheme of Senator Cullom to seize Panama "on the ground of universal public utility." Without waiting for news of the action of the Colombian Senate on its committee's report amending the treaty, and without knowing that the treaty had been rejected, Mr. Roosevelt sent for Senator Cullom, chairman of the Senate Committee on Foreign Relations. Mr. Cullom went to Oyster Bay on Friday, August 14, 1903, accompanied by his son-in-law, William Barrett Ridgely, then Controller of the Currency. Secretary Hitchcock and T. E. Burns, of Minneapolis, were also of the luncheon party this day at Sagamore Hill. Aside, the President discussed with Senator Cullom the canal situation. The conference was reported the next morning in the New York Herald under the following heading, two columns wide in large type on its front page:

"We might make canal treaty with Panama" (Senator Cullom). Illinois statesman, after a talk with President, says latter may take new step if Bogota blocks the way. But would not foment any rebellion."

The Herald's report says, in part:

"One might expect from a statement previously made by the President to the effect that he considered either canal route practicable, and from the two reports of the Isthmian Canal Commission, one of which favored Nicaragua and the other Panama, that the administration, as soon as the Colombian Congress killed the treaty by amending it, would be willing to follow out the act of Congress under which the canal is to be built and turn to Nicaragua.

"No such intention can yet be discovered. The administration is still wedded to the Panama route. It does not yet seem willing to go so far as to invade Panama, as soon as Colombia acts adversely, and with an armed force to protect the workmen, proceed to dig the canal, but there has been significant talk in administration circles of getting around the matter in some other way.

"This intention, which is not clearly defined, was voiced this evening by Senator Cullom in an interview soon after he left Sagamore Hill."

The Herald quotes Senator Cullom as saying that he considers the outlook for the treaty not encouraging, but that even in the event of Colombia's sending the treaty back mutilated with amendments, Mr. Cullom did "not think we are ready to abandon Panama yet; not by any means."

"But if the United States is being held up for greater payments than it is willing to make, how can the canal be built without the treaty?" asked the simple-minded correspondent. Senator Cullom is quoted as replying—and the correspondent was not, of record, added to the Ananias Club:

"Well, we might make another treaty—not with Colombia, but with Panama."

The report of the interview continues:

"But Panama is not a sovereign State, and is only a department of Colombia."

"Intimations have been made that there is a great discontent on the Isthmus over the action of the Congress of the Central Government, and Panama might break away and set up a government which we could treat with." was the reply.

"Is the United States prepared to encourage such a schism in a South American Republic?"

"No; I suppose not. But this country wants to build that canal and build it now. It needs it for its own defense, and it is needed by the whole world. The treaty is blocked by a country that has been treated well by us, and there are very weighty considerations which make us feel that at all hazards this great work should be undertaken at the earliest possible minute."

"Senator Cullom's talk would indicate that, if Colombia amends the treaty so that it is not acceptable to the United States, the subject may be treated in an entirely new way by the President in his message to Congress."

On the day the State Department gave out information concerning the proposed amendment of the treaty in Bogota, the New York Herald's Washington correspondent telegraphed his paper, August 13, 1903:

"Mr. Beaupre, the American minister at Bogota, has cabled the State Department discouraging news about the canal treaty. The cablegram says that amendments to the treaty have been recommended, and the minister believes one of the principal amendments, which provides for an increase in the purchase price for the canal concession, will probably be adopted."

Other newspapers were led into making the same misstatement. Mr. Beaupre's \$600 cable of August 5, 1903, which reached the State Department the day before this distressing though false information was handed to the Washington correspondents, contained absolutely no basis for such a statement or surmise. Mr. Beaupre's cable set out the proposed amendments seriatim. The part of the cable referring to this subject was as follows:

"Second. In article 1 the condition shall be introduced that the Panama Railroad & Canal Co. shall be obliged beforehand to make arrangements with the Colombian Government in which the conditions shall be established under which that Government will grant consent necessary to enable these companies to transfer their rights to the United States."

And still the State Department permitted the impression to go abroad through the press, without contradiction, that Colombia was attempting to hold up the United States for more money!

Mr. Beaupre's cable of August 12, 1903, announcing rejection of the canal treaty by the Colombian Senate reached Washington on the 15th, but the State Department held back the news until confronted with press dispatches, which did not get through until the 17th. The New York Herald's Washington correspondent then telegraphed his paper that, while the acting minister of Colombia, Dr. Herran, had about abandoned hope, "there is a reluctance on the part of the State Department to yield to what appears to be the inevitable and admit all hope is gone for a canal treaty with Colombia. This attitude of the administration—for there is no reason to believe that it is not dictated by the President himself—is difficult of explanation in view of the explicit and mandatory provision of the Spooner Canal Act, empowering the President to turn at once to Nicaragua and Costa Rica if he is unable to successfully negotiate with Colombia."

On August 14, 1903, the day Senator Cullom dropped the suggestion that "We might make another treaty, not with Colombia, but with Panama," Mr. Cromwell became very active at the State Department. The New York Herald's dispatch of August 14, 1903, says:

"Alarmed at the gravity of the situation at Bogota, William Nelson Cromwell, counsel for the Panama Canal Co., made two calls at the State Department to-day to see Acting Secretary Loomis and Mr. Adey, the Third Assistant Secretary. In a last effort to save the treaty from annihilation by amendment, Mr. Cromwell and Dr. Herran are sending detailed cables to Bogota reiterating that the United States insists upon the treaty's ratification without amendment."

Curiously enough Mr. Cromwell's own narrative becomes meager of details after his client cabled from Paris June 13, 1903:

"Are completely in accord with you on your program and we are pleased beginning execution."

He neglected to call attention to these conferences with Herran, these cables to Bogota, these visits, as frequent as twice a day, to the State Department. Two pages in his story cover the interval between the rejection of the treaty August 12, 1903, which he dismisses with one sentence, and his departure to Paris, October 15, 1903.

"We were deeply worried," confesses Mr. Cromwell in his recital. "Another crisis had arrived. What could be done? As before, the company itself

could give us no direct assistance. It encouraged us, however, by cabling us as follows:

“PARIS, August 17, 1903.

“Have received your three cables. We hope that present difficulties will be surmounted, thanks to your efforts.”

“And again, on August 25, 1903, Mr. Cromwell says the company wrote him from Paris:

“It is still a little difficult to see by what road we shall attain our end; but there is no reason that makes it permissible to admit that we can lose the fruit of your long and successful efforts.”

Already Mr. Cromwell had determined “by what road we shall attain our end.” No revolution in Panama could be successful if the governor, appointed by the national administration, were efficient and loyal. The first necessary step was to bring about the removal of the governor of the department, and to install in his place one who would close his eyes to secessionist preparations and join in the movement when it was made. Such a man was Jose Domingo de Obaldia, one of the senators from the department, and an outspoken advocate of the treaty, although he, as one of the committee, signed the report amending the treaty, thereby killing it. In spite of private and public warnings and pleadings. President Marroquin, who was but a puppet in the hands of his son, Lorenzo, agreed late in August to name Obaldia governor, and offered Mutis-Duran, the governor of Panama, a place in the cabinet of Bogota. Whether Obaldia was cognizant of the source of the influences brought to bear to secure his appointment as governor may never be known. Since 1903 the charge has repeatedly been made in Colombia and in Panama that American money was sent to Bogota for this purpose. Dr. Indalecio Camacho, of Bogota, who spent several months before his death investigating these charges, declared that he saw in Barranquilla, Colombia, a photograph of a draft or check by which part of this alleged corruption fund was transferred.

President Marroquin's excuse for appointing an avowed secessionist as governor of Panama, in face of a threatened revolution, was that Obaldia had agreed to cooperate to elect Gen. Rafael Reyes as Marroquin's successor and assure a Congress that would pass the canal treaty at the next session. At the same time Gov. Velez, of the Department of Bolivar, who had warned his Government in July, 1903, that the United States might seize Panama and that troops should be held ready to suppress any uprising, was rewarded for his loyalty, and that of his brother, who was visiting the United States, by being removed. The governor of the adjoining Department of Magdalena also was replaced, so that the three neighboring Departments of Panama, Bolivar, and Magdalena were ruled by men pledged to the Reyes program, which turned out to be a program of self-exploitation at the expense of the nation.

Minister Beaupré announced by cable of August 30, 1903, to the State Department, two days before the appointment was officially made, that Gov. Obaldia had been named; and on the following day cabled:

“I had an interview with Senator Obaldia to-day. He informed me that he is willing to remain so long as there is hope for the treaty, but he is convinced that there is none and will leave, therefore, on the sixth proximo. Confirms Gen. Reyes's statement concerning presidential candidate, and says that the next Senate was made certain for the treaty; * * * that in accepting the governorship of Panama he told the President that in case that the department found it necessary to revolt to secure canal he would stand by Panama; but he added that if the Government of the United States will wait for the next session of Congress canal can be secured without a revolution. * * * Confidential. My opinion is that nothing satisfactory can be expected from this Congress.”

Here was Mr. Roosevelt's warrant for seizing Panama; it would mean waiting a year for favorable action on the treaty in order to secure the canal without a revolution.

Mr. Beaupré's cable of August 30, 1903, concerning Obaldia and a revolution reached the State Department September 12, 1903. On September 10, 1903, Senator Perez y Soto, of Panama, made an attack in the Colombian Senate which Minister Beaupré considered so important that he cabled to the State Department:

“Fierce attack to-day in the Senate upon the appointment of Obaldia as governor of Panama. The appointment is regarded as being the forerunner of

separation. Of several senators who spoke, only the son of the President defended the action of the Government. A resolution passed by almost unanimous vote, which is equivalent vote of censure against the Government."

Amplifying this telegram Mr. Beaupré wrote to Secretary Hay:

"Senator Obaldia's separatist tendencies are well known, and he is reported to have said that, should the canal treaty not pass, the department of Panama would declare its independence, and would be right in doing so. That these are his opinions, there is, of course, no doubt, as I stated in my telegram to the department of August 30, 1903."

Meantime Mr. Roosevelt had been discussing the uglier and shorter means to his end—openly seizing the canal strip and fighting Colombia if she dared to protest with arms. The New York Herald correspondent at the Summer Capital telegraphed from Oyster Bay under date of August 28, 1903:

"Public sentiment may yet be called on to determine whether the United States shall take action which would lead to war with a sister Republic over the right to complete the Panama Canal.

"A step which might lead to war with the United States of Colombia is one of the contingencies discussed by representatives of the Administration in seeking to find some way out of the difficulty arising through the failure of the Colombian Congress to ratify the Panama Canal treaty without amendments.

"The canal question was the chief reason why Secretary of State Hay came here to see the President to-day. * * * President Roosevelt and Secretary Hay regard the treaty as probably dead. They take little interest in the dispatches from Minister Beaupre at Bogota, which purport to detail efforts being made by the Colombians to 'save the treaty' by amending it.

"The United States long ago informed the little Republic that if any amendments were made to the treaty they would not be acceptable to this Government. It is impossible for this Government to recede from this statement soberly made, and to consider talk of negotiating a new treaty which would give Colombia greater advantages and an annuity of \$500,000 instead of \$250,000, which some of the Colombians demand. This demand is termed blackmail."

It is interesting here to note that, while the Administration was misleading the press and the American public to believe that Colombia was seeking to "blackmail" the United States by demanding more money for the canal, the only official proposal to this date was the report of the Colombian senate committee transmitted by Mr. Beaupre's cable of August 5, 1903, received in the State Department August 12, 1903. The only amendment affecting monetary considerations provided that "the Panama Canal and Railroad Cos. shall previously enter into an agreement with the Colombian Government, setting forth certain conditions, which the Colombian Government shall give the necessary consent that such companies may transfer their rights to the United States." This affected the canal speculators' profits, not the price the United States was to pay.

Furthermore, the Administration had been informed before this conference of Roosevelt and Hay by Dr. Herran of the receipt from his Government of the following cable, which had also been published in Panama:

BOGOTA, August 13, 1903.

COLOMBIAN MINISTER, *Washington*.

Senate unanimously disapproved canal treaty; among other reasons advanced in the debate being the diminished sovereignty and the companies not having previously arranged for transfer of their concessions. All the notes of the American minister against the introduction of amendments and his memorandum (the Beaupre-Cromwell ultimatum of June 13) on the possible rejection of the treaty or delay in its exchange contributed to its rejection. It is considered probable that Congress will fix the bases for renewing the negotiations.

Rico, *Foreign Minister*.

Furthermore, the administration before this conference of Mr. Roosevelt and Mr. Hay at Oyster Bay had received in the dispatches from Mr. Beaupre repeated assurances that the rejection of the treaty was not, in all probability, final. On August 23, 1903, Mr. Beaupre's cable of the 17th had arrived, stating:

"The President (of Colombia) informs me that Congress will pass law authorizing him to continue and finish negotiations for canal; but what conditions will be specified he can not state at the present moment."

Before this Oyster Bay council of war, Dr. Herran had received from his Government on August 21, 1903, ad by its order had communicated to Secretary Hay the following cable, dated in Bogota, August 16, 1903:

"The Senate, considering that the people of Colombia desire to maintain the most cordial relations with the United States and that completion of the canal is of the greatest importance for universal American commerce, have named a commission of three Senators to study the manner of satisfying the desire of digging the canal, harmonizing legal and national interests."

And before this Oyster Bay council of war Secretary Hay had cabled to Minister Beaupre, on August 24, 1903:

"The President (Roosevelt) will make no engagement as to his actions on the canal matter, but I regard it as improbable that any definite action will be taken within two weeks."

On the day of the Roosevelt-Hay conference the following cable from Mr. Beaupre, dated August 24, 1903, reached the State Department:

"Nothing has been done, and very little satisfactory action, this depending upon the attitude of the Government of the United States, which is waited for in great anxiety. The report of the committee prepared."

Reverting to the Herald's report of the Roosevelt-Hay council of August 28, 1903:

"The conference of the President and Secretary Hay was to map out a plan to be pursued in view of the admitted failure of the treaty. There are three alternatives for the administration, and none will be taken until after full consultation with leaders in Congress.

"The first is to ignore Colombia, proceed to construct the canal under the treaty with New Granada of 1846, fight Colombia if she objects, and create the independent government of Panama out of the present State of Panama. This would give the United States what would be expected to be a short and inexpensive war, but would insure a permanent settlement of the question of the sovereignty of a canal zone across the Isthmus of Panama.

"The second alternative is that the President shall act in accordance with the provisions of the Spooner law, and, having failed to make a treaty of a satisfactory kind with Colombia, turn to the Nicaragua route.

"The third course is to delay this great work until something transpires to make Colombia see light, and then negotiate for another treaty. * * *

"It will doubtless be a surprise to the public that a course which is sure to involve the country with war with a South American Republic is one of the methods of procedure being soberly contemplated by the United States. * * *

"The position taken by those who are now advising extreme action by the United States is that the State Department has met Colombia more than halfway, and that her statesmen are trifling with this Government and seeking to blackmail it in a matter of great importance to the security of the United States.

"Persons interested in getting the \$40,000,000 for the Panama Canal Co. are of course eager that this Government shall go ahead and seize the property, even though it leads to war."

August 29, 1903, the day after the Roosevelt-Hay council of war, Secretary Hay cabled to Minister Beaupre as follows:

"The President is bound by the Isthmian Canal statute, commonly called the Spooner law. By its provision he is given a reasonable time to arrange a satisfactory treaty with Colombia. When, in his judgment, the reasonable time has expired and he has not been able to make a satisfactory arrangement as to the Panama route he will then proceed to carry into effect the alternative of the statute. Meantime the President will enter into no engagement restraining his freedom of action under the statute."

We are at the end of August, 1903; Mr. Cromwell has managed to keep public attention fixed on his diplomatic circus. His revolutionary side-show tent has sprung up silently overnight without attracting attention. The flap is spiked down; no barker, no press agent is in sight; but it is time to peep under the wings, for the dress rehearsal is on.

Jose Agustin Arango, the land agent, lobbyist, and local lawyer for the Panama Railroad; Capt. James R. Beers, an American, freight agent and port captain; and Dr. Manuel Amador Guerrero, the company's physician, all of them directly dependent upon Mr. Cromwell's favor, formed the nucleus of the revolutionary conspiracy in Panama. Beers, who had returned on August 4, 1903, with Mr. Cromwell's code book and instructions, was keeping his principal fully informed by cable and by letter, and time was ripe to put to the

front a native Panaman who should appear as the Moses or the George Washington.

Chief of the advisers to the conspiracy was Herbert G. Prescott, the most popular American on the Isthmus, married there, and on account of his family ties and his position as assistant superintendent of the Panama Railroad, intrusted with all that the conspirators were doing. For appearance's sake, Prescott, as well as Beers, kept in the background, for this was to be an uprising of outraged Panaman patriots.

Arango states in his booklet that before sending Capt. Beers to New York he consulted only his sons and sons-in-law, and that after the plot was well outlined he did not, for diplomatic reasons, admit any of his family to the "Patriots' revolutionary committee," but depended upon them as a family counsel for his own guidance and support. The "Patriots' committee" was composed at first of Arango, Amador, and Carlos Constantino Arosemena, later minister to Washington. To this committee were added, by the end of August, Nicanr A. de Obarrio, Ricardo Arias, Federico Boyd, Tomas Arias, and Manuel Espinosa B.

Amador, according to Arango's story, expressed a desire "to be one of the commissioners to be sent to the United States for the work that was necessary there." To allay suspicion, Dr. Amador wrote to his son, Dr. Raoul A. Amador, then acting assistant surgeon in the United States Army, stationed at Fort Revere, Mass., instructing him to send a cable: "I am sick; come." This the younger Amador did before his father embarked from Colon on the Panama Railroad Steamship Co.'s steamer *Seguranca*, August 26, 1903, for New York. Ricardo Arias, who was designated as another commissioner to accompany Dr. Amador, was obliged at the last moment to remain in Panama and Amador was intrusted alone with the mission.

The purpose of Dr. Amador's mission was (1) to confirm to the satisfaction of the native Panamans the promises of assistance brought back from Mr. Cromwell by Capt. Beers and obtain the aid of the other forces which Cromwell told Beers he could enlist for the movement; (2) to secure assurance, if possible, directly from the American Secretary of State or the President, that the revolution would be supported by the armed forces of the United States, and that the infant republic, once born, would be promptly clothed with recognition, bottle fed from the United States Treasury, and protected by American warships and soldiers from a spanking by Colombia; and (3) to secure the resources, in money and arms, necessary for the movement.

Before Amador's departure the conspirators drafted a cable code which reveals clearly what were their plans and purposes. It was in two sections, headed "From there to here" and "From here to there." Not a single name was mentioned, but in the code "X" stood for John Hay, Secretary of State; "W" was William Nelson Cromwell, and "Ministro" referred to the Colombian chargé d'affaires, Dr. Tomas Herran. "B" appears also once in the code, but the World is unable to state authoritatively whether "B" was Capt. Beers, Minister Beanpre, or some other interested person. In the code to be used by Amador in cabling from New York there were 30 expressions, providing for all manner of contingencies, even for Cromwell's turning out to be only a boastful liar. Sixteen code messages were provided for the revolutionists to cable to Amador. The code word in each case was to be a numeral.

The World presents these illuminating state documents, translated and with the names substituted for the letters, as per the key, in their entirety.

FROM HERE TO THERE.

(For Amador's advices from New York to Panama.)

- I. Have not been satisfied with Hay in my first conference.
- II. Have had my first conference with Hay, and I found him determined to support the movement effectively.
- III. Have not been able to talk to Hay personally, only through a third person; I believe that everything will turn out in line with our desires.
- IV. Hay is determined to aid us in every way, and has asked me for exact details of what we need to insure success.
- V. My agent is going with me, fully authorized to settle everything there.
- VI. Cromwell has behaved very well, and has facilitated my interviews with important men who are disposed to cooperate.
- VII. You can hurry up matters, as everything here goes well.

VIII. I am satisfied with the result and can assure success.

IX. Minister Herran has suspected something and is watching.

X. Have not been able to obtain assurances of support in the form in which I demanded it.

XI. Delay of Cromwell in introducing me to Hay makes me suspect that all he has said has been imagination and that he knows nothing.

XII. It appears that Hay will not decide anything definitely until he has received advices from the commissioner who is there (in Panama).

XIII. I understand that Hay does not wish to pledge himself to anything until he sees the result of the operation there (in Panama).

XIV. The people from whom I expected support have attached little importance to my mission.

XV. Those who are decided can do nothing practical for lack of necessary means.

XVI. I have convinced myself that Hay is in favor of the rival route, and for that reason will do nothing in support of our plan.

XVII. News that has arrived from there (Panama) on facilitating the construction of the canal has caused opinion here to shift in regard to our plan.

XVIII. The pretensions manifested in the new draft of an agreement (treaty) render all negotiations between the two Governments impossible, and for this reason I have again resumed conferences.

XIX. The new commissioner is expected here to negotiate. On this depends my future movements.

XX. I consider that I can do nothing practical here now, and for this reason I have decided to take passage for home.

XXI. Await my letter which I write to-day.

XXII. Here it is thought best to adopt a different plan in order to obtain a favorable result for the construction of the work.

XXIII. Cromwell is determined to go the limit, but the means at his disposal are not sufficient to insure success.

XXIV. Hay, Cromwell, and myself are studying a general plan of procedure.

XXV. The commissioner there (in Panama) is an agent of Cromwell's, of which fact Hay is ignorant.

XXVI. I wish to know if anything has been advanced there (in Panama) and can I fix date here to proceed.

XXVII. Delay in getting a satisfactory reply obliges me to maintain silence.

XXVIII. B communicates here (New York) that the contract can be satisfactorily arranged.

XXIX. I have considered it prudent to leave the Capital (Washington), and continue negotiations from here (New York) by correspondence.

XXX. I await letters from there (Panama) in reply to mine, in order to bring matters to a close.

FROM THERE TO HERE.

(For the conspirators' advices from Panama to Amador in New York).

Forty. The situation here is the same as when you left, in every respect.

Fifty. The object of your trip is suspected here and in consequence you must be circumspect.

Sixty. New military commander expected here shortly.

Seventy. Letters received. All is well. You can proceed.

Eighty. We write at length on variation of plan, as the one outlined has certain drawbacks.

Ninety. We accept indications contained in cable.

One hundred. Cable received. Go ahead.

Two hundred. Forces coming from Bolivar will arrive shortly.

Three hundred. Forces coming from Cauca will arrive here soon.

Four hundred. From Bogota they ask what has been done in the matter.

Five hundred. The matter is being much talked about. In consequence much precaution is necessary in acting.

Six hundred. Newspapers of there (Panama) give account of object of your journey.

Seven hundred. Strong opinion shown in favor of the plan, but this may hamper its realization.

Eight hundred. Here nothing has been done awaiting what you have to communicate.

Nine hundred. Without our being able to tell how; the Government has discovered the secret and is on the watch.

One thousand. We must have the resources asked for to proceed with probabilities of success.

From this cable code it is manifest that—

1. Panama looked, not to itself, but to the United States, to William Nelson Cromwell, and Secretary of State Hay for the "general plan of procedure;" in fact for all the sinews of war, material and moral; success depended entirely upon the attitude of Washington and the financial assistance furnished in New York.

2. There was a mysterious "commissioner" on the Isthmus; the Panamanians suspected he was a secret agent of Cromwell and that Secretary Hay was ignorant of this supposed connection.

3. They believed respecting Cromwell (a) that he might be bluffing and that all he had told Capt. Beers might have been from his imagination; (b) that Cromwell would be ready, as reported by Beers, to "go the limit," but that he might lack resources to carry the revolution through successfully.

4. They feared that Secretary Hay might already be committed to the Nicaragua route.

5. They were prepared for a turn in the negotiations (a) by shifting of opinion in the United States on account of developments "facilitating the construction of the canal;" (b) by "pretensions" in the draft of a new treaty at Bogota which would render further negotiations with Colombia impossible and require a revolution; (c) the sending of a new minister from Colombia to reopen canal negotiations—a step which Colombia did propose and which the United States rejected; and (d) that, as a last hope, the negotiations might be brought to a satisfactory conclusion, in which event no revolution.

6. They expected Amador to conduct his negotiations for American assistance in the dismemberment of Colombia right in the shadow of the Capitol at Washington.

7. They were already aware of the plan to send a new military commander and soldiers from the interior, and they feared discovery of their plot by the Government.

8. Some one in Bogota, evidently working toward their same ends, might inquire as to the progress made; therefore Colombian treason was not confined to the Isthmus.

9. They feared that if public opinion on the Isthmus should manifest itself strongly in favor of the plan it might hamper its own realization—there where they "rose as one man."

Thus provided with means of secret communication—a copy of the code being left with Arango, Boyd, and Arias—Dr. Amador embarked for New York. An indication of the financial condition of the "Patriots' committee" of, if not of its own poverty, at any rate of its determination that the Americans should pay the costs of the movement, is the fact that Amador was not supplied with even enough money to pay the expenses of his trip. This he had to borrow later in New York on his personal credit from Joshua Lindo, a Panamanian banker. Fortunately, Dr. Amador was a good poker player and on the voyage won from his fellow passengers enough to tide him over several days.

Sailing on the *Seguranca* with Dr. Amador were J. Gabriel Duque, proprietor of the Panama Lottery and the Panama Star and Herald, and Tracy Robinson, both American citizens, old and influential residents of the Isthmus. Mr. Duque looks back now with pride to his having been the "goat" of the *Seguranca's* poker party, thus making him the first contributor to the expenses of the separation.

"Dr. Amador bade me good-by at the pier in New York," says Mr. Duque, "and I never suspected that he was on any other mission than to see his sick son, as he told me then. I did not see him again until he returned to Panama." Mr. Robinson says he was likewise without Dr. Amador's confidence. From the steamer Dr. Amador went to the Hotel Endicott, Columbus Avenue and Eighty-first Street, where he registered on September 1, 1903. He retained room No. 152-C from his arrival till departure for Panama on October 20, 1903.

Mr. Duque insists to this day that he came to New York on one of his customary business trips, and that he had no appointment to see Mr. Cromwell about manufacturing a republic. But upon arriving at the exporting office of Andreas & Co. Mr. Duque met Roger L. Farnham, man Friday of the Panama Canal lobbyist, who told Mr. Duque that Mr. Cromwell wished to see him,

and together Farnham and Duque went to No. 49 Wall Street. Mr. Duque had met Mr. Cromwell two or three years before *this time*, but had no intimate acquaintance.

Mr. Cromwell told Mr. Duque that there was no prospect of favorable action on the pending treaty by the Colombian Congress, and that the department of Panama should make a revolution and declare its independence. He asked Mr. Duque whether the leading men of Panama would or could furnish the necessary funds for a revolution, and Mr. Duque replied that he did not think so. Cromwell said that if Mr. Duque would advance the necessary \$100,000 he, Cromwell, would furnish the security for such a loan, to be repaid after independence, and that if Mr. Duque would make the Republic of Panama he, Cromwell, would make Duque its first president.

Mr. Cromwell, after thoroughly discussing the situation in Panama and Bogota, said that Secretary of State Hay wished to confer with Mr. Duque in Washington. He made an appointment accordingly and gave Mr. Duque a note of introduction to the Secretary of State.

Mr. Duque was not positive how Mr. Cromwell made this engagement, but was led at the time to believe that Mr. Cromwell simply called the State Department on the long-distance telephone.

Now we come to a fair sample of the craft of the fox of Wall Street in covering his tracks by wading streams and jumping over chicken coops.

Farnham cautioned Mr. Duque not to remain over night in Washington, and suggested that, in order to avoid registering at a hotel and leaving a record of his visit, he take the night train from New York, arriving in Washington at 7 o'clock in the morning, see Mr. Hay and come promptly away. This suggestion Mr. Duque followed.

Before leaving New York, however, he met Charles Burdett Hart, former American minister to Bogota, in the office of Andreas & Co., and Hart said he would introduce Mr. Duque to Secretary Hay. They therefore journeyed to Washington together on the night of September 2, 1903, and after breakfasting at Harvey's went to the Department of State at half past 9 o'clock and waited until the arrival of Secretary Hay about 10 a. m. Hart then presented Mr. Duque, and shortly afterwards left them in a conference which lasted until between 12 and 1 o'clock.

In this conference the Secretary of State made no promise of direct assistance to the revolutionists of Panama, saying that he would not cross that bridge until he got to it, but he did say distinctly that the United States would build the Panama Canal and that it did not purpose to permit Colombia's standing in the way. Mr. Duque's recollection is furthermore clear and distinct of another statement by Secretary Hay, that should the revolutionists take possession of the cities of Colon and Panama they could depend upon the United States to prohibit Colombia's landing troops to attack them and disturb the "free and uninterrupted transit" which the American Government was bound by treaty with Colombia to maintain. This assurance Mr. Duque communicated to his friends in Panama before the 3d of November.

If this was not encouraging a revolution, what was it? And what was it but encouraging a revolution for the American Secretary of State to ask Mr. Duque, as representative of a plot against the Colombian Government, to remain in Washington or return to confer with the President when Mr. Roosevelt should come back from Oyster Bay the day after Labor Day? This was Mr. Hay's proposal, but it was impossible of acceptance because Mr. Duque had arranged to sail on September 7, 1903.

Having conferred two hours and more, during which he says Mr. Hay tried his best to pump him of all the information he possessed relative to the situation in Panama and Bogota, Mr. Duque left the State Department to call on his friend Dr. Herran, the Colombian chargé d'affaires. So highly did Mr. Duque prize the counsel of Mr. Cromwell's man Friday that he avoided even appearing in a public dining room in Washington at midday, and went without luncheon altogether.

Mr. Duque, although a Cuban by birth and an American citizen by adoption, had the kindest feelings for Colombia; his son had prospered in business in Bogota and married into one of the foremost families of that capital, and Mr. Duque had no desire to see the bonds between Panama and the national Government severed. His intentions, therefore, were of the best when he went to Dr. Herran, thinking that a friendly warning might be communicated to Bogota in time to be effective. He told Dr. Herran that if the treaty was not ratified Panama would revolt and Colombia would lose everything.

According to Mr. Cromwell this was no news to Herran, who had communicated the same warning to his Government in June, 1903. The day after Duque's visit, Dr. Herran sent his Government the following cable:

"Revolutionary agents of Panama here. Yesterday the editor of the *Estrella de Panama* had a long conference with the Secretary of State. If treaty is not approved by September 22 (date Hay-Herran treaty expired by limitation), it is probable that there will be a revolution with American support.

On the same day that he sent this cable to Bogota, September 4, 1903, Dr. Herran wrote to the Colombian consul general in New York, Arturo de Brigard:

"Yesterday Mr. J. G. Duque, editor and proprietor of the *Star and Herald*, had a long interview with the Secretary of State, and I understand that the plan for a revolution which he brought with him has been well received by the Government here, and it is most probable that in the event that the canal treaty is not approved before the 22d of this month there will be a revolutionary Separatist movement on the Isthmus with the powerful support of this country.

"Besides Duque, there have come from Panama the following persons, and some of them, if not all, are compromised on this projected revolution: Tracy Robinson, G. Lewis, Amador, Arosemena. It appears that the headquarters of the revolution in New York is in the offices of Andreas & Co., whose address you know.

"The canal and Panama railroad companies are deeply implicated in this matter.

"Duque will return to Panama on Tuesday next.

"I have already informed our Government of this matter by cable, but you may perhaps be able to discover something more with the information I give you.

"The situation is exceedingly critical, and I fear we shall not be able to ward off the blow which threatens us if the treaty is not approved in time and without substantial modifications."

Dr. Herran immediately put detectives on the track of Amador and wrote to Mr. Cromwell and to the canal company in Paris, warning them that Colombia would hold them responsible for any secessionist plot on the Isthmus.

In a letter to his Government confirming his cable of September 4, 1903, and amplifying the information concerning Duque's interview with Secretary Hay, Dr. Herran wrote:

"As long as our Government preserves its authority in the cities of Panama and Colon, American intervention will contribute powerfully to preventing the realization of the revolutionary plans; but in the event that the conspiracy should succeed in taking possession of the city of Panama, recapture of that place would be exceedingly difficult, because, probably, our forces would not be able to use the railroad, nor would they be permitted to begin in the terminal cities operations which would suspend or obstruct traffic. This is the indirect aid which the conspirators hope for."

Mr. Duque, upon his return from Washington to New York, did not see Mr. Cromwell, but again conferred in the office of Andreas & Co. with Farnham, who spoke for Cromwell in all their conferences. He reported that he had been unable to obtain any positive assurances from Secretary Hay other than that the rebels would be protected in their possession of the two principal towns of the seceding Department.

Colombia can plead no lack of warning of what might be expected from the United States; it has only to thank the venal perfidy of its own Marroquin-Reyes Government, corrupted by American influences or American money. Only men purposely blind could have failed or refused to act on such advices and warnings as the following:

[Cable.]

BOGOTA, August 29, 1903.

COLOMBIAN MINISTER, *Washington*:

Please inform me by cable and in code what effect the rejection of the treaty has produced on the Government of the United States.

[Cable.]

RICO.

WASHINGTON, September 6, 1903.

FOREIGN MINISTER, *Bogota*:

Disapproval of treaty has produced a bad impression, but the Government of the United States awaits a favorable reaction before September 22. Otherwise it is probable that the President of the United States will assume a hostile attitude.

HERRAN.

[Cable.]

BOGOTA, *September 10, 1903.*COLOMBIAN MINISTER, *Washington:*

Tell me in what hostile attitude will consist.

RICO.

[Cable.]

WASHINGTON, *September 15, 1903.*FOREIGN MINISTER, *Bogota:*

Hostile attitude will consist in favoring indirectly a revolution in Panama.

HERRAN.

Dr. Herran explained his statement respecting the probable hostile attitude of President Roosevelt in the following paragraph of a letter to the Colombian foreign minister, written in Washington September 11, 1903:

"The warning that I gave relative to the probable future attitude of the President is founded on threatening statements which he has uttered in private conversations and which by indirect means have come to my knowledge. Special reference is made to the promptness with which the independence of our Department of Panama will be recognized. President Roosevelt is a decided partisan of the Panama route and hopes to begin excavation of the canal during his administration. Your excellency already knows the vehement character of the President, and you are aware of the persistence and decision with which he pursues anything to which he may be committed. These considerations have led me to give credit and importance to the threatening expressions attributed to him."

We must now go back to September 1, 1903, and pick up the trail of Dr. Manuel Amador Guerrero from his revolutionary headquarters in the Hotel Endicott. Like Arango, Amador possessed an ambition to perpetuate his name in history, and from his original manuscript, written within a year of his death in 1909, it has been possible to forge many of the missing links in this story of conspiracy. Amador, after his service as first President of the Republic, realized how necessary it was "for the honor of Panama" as well as for that of his "friends of the north" to suppress certain facts and to distort others. This manuscript, which was never published, is in Dr. Amador's own handwriting, and was edited most carefully by him. Its misstatements, its contradictions of truths recorded in some of his confidential correspondence during the days of the conspiracy, its careful editing out of statements damaging to his friend Roosevelt, as well as all that is expressed between the lines, make this manuscript a rare contribution to history. But all that Dr. Amador wrote or said for publication, and even much that he told his fellow conspirators, should be considered in the light of the confidences which he kept, even to his death. During his long last illness Dr. Amador was asked to tell the real story of the independence. Referring to this request, he said to his son, Dr. Raoul A. Amador:

"I am a dying man and beyond need of the help or friendship even of the American Government; but my children here (meaning the Panaman people) some day may need the good will of the great people of the north, and if I should tell all I know the United States would discover that we do not keep our political secrets and would no longer trust us. Therefore, I am not going to tell all that I know of our history."

As an employee of the Panama Railroad, Dr. Amador reported, after his arrival on September 1, 1903, to the company's offices in New York, and with the vice president, E. A. Drake, went to call on Mr. Cromwell. He presented a letter to Mr. Cromwell from Jose Augustin Arango. Dr. Amador in his manuscript describes the meeting this way:

"The first interview was most cordial, and Mr. Cromwell made me a thousand offers in the direction of assisting us. But nothing could be done, he said, except when the Herran-Hay treaty has been absolutely rejected, for in the end we believe it will be approved in spite of the great opposition of the houses of Congress. Vain were my efforts to convince Mr. Cromwell that no hope whatever should be entertained, and we continued the appointment to go on discussing the matter on the following day."

Here is the first palpable misstatement in Dr. Amador's unpublished history, for Mr. Cromwell was conferring at this same time with Duque, telling him that the treaty was dead, that Panama should make a revolution, offering

security if Duque would finance the movement, and arranging for Duque to go by night to the State Department to discuss revolutionary plans with Secretary Hay. Furthermore, we have Mr. Cromwell's own word for it that neither in June nor at any subsequent time did he have any doubt of the unsuccessful outcome of the treaty negotiations.

Arango in his history describes Amador's first meeting with Cromwell as follows:

"At the beginning Dr. Amador Guerrero found no difficulty in the way of his mission, because the initial interview with the responsible person who, through Capt. Beers, had opened the road to our hopes and thus stimulated the sending of a representative of the committee, caused the first news which we received to be very satisfactory. Later came an unexpected and unfortunate incident which, for the moment, discouraged Dr. Amador Guerrero, who, as a consequence, sent us a cablegram containing the word 'disappointed' and, after various fruitless efforts, advised us that he would shortly leave New York to return here. We prevented this by begging him to remain there and write us details."

Arango attributed this "unexpected and unfortunate incident" to Mr. Duque's blunder in going from Secretary Hay's office to warn Dr. Herran that Colombia stood in danger of losing Panama, and Herran's consequent warning to Cromwell and the canal company. Arango's history continues:

"This (warning of Herran) influenced so unfavorably the soul of the responsible gentleman with whom our representative had come to an understanding, that he evaded from that time, on various occasions, a meeting with Dr. Amador, and there was produced a notable change in his conduct. This was sorrowfully observed by Amador Guerrero at the time, and was only explained when later our friend of North America said that it was caused by the indiscretion above set forth, which inspired him with a great fear. Not knowing our commissioner, he supposed that the latter might be guilty of indiscretion and compromise him in an adventure of doubtful outcome."

Dr. Amador's manuscript washes Cromwell's hands of the revolutionary conspiracy in this fashion, parenthetical phrases having been crossed out by Amador:

"After the first two satisfactory conferences with Mr. Cromwell I noticed that he excused himself (although he was in his office and did not give fulfillment to the appointments which I made with him—I obliged him to receive me) from discussion of the matter. On my insisting he received me, and I told him plainly that I was pained to see that he had changed his course, and that consequently I would do the same thing. I took leave of him and had no further news of him except several weeks after the 3d of November in New York. I understand that, cowed by the threats of the Colombian minister, he had shaped his course for Europe."

For the interest, if not the accuracy and completeness of history, it is unfortunate that Mr. Cromwell did "not judge it necessary to enter into the details of the events of this period"—August 12 to November 3, 1903. We might, if these events were given their true Cromwellian proportions, have even more brilliant sidelights on the method in Mr. Cromwell's mad scramble to disavow connection with the Panaman conspirators.

It is true that Mr. Cromwell did go through the formality of shoing Dr. Amador out of his office; there were witnesses to prove it; and doubtless Mr. Cromwell was frightened, for men who know him best, under trying circumstances, know him to be an arrant coward when the fight is going against him.

It is true that on September 10, 1903, Mr. Cromwell did cable to Col. James R. Shaler, superintendent of the Panama Railroad on the Isthmus, as follows:

"While there may be no real foundation for newspaper statements of possible revolution at Panama, I advise and request that you take extra and every precaution to strictly perform our obligations to Colombia under concession and instruct officials and employees to be careful, as heretofore, not to participate in any movements or hostilities whatever, and that you make at once your attitude known to Government officials there, and make careful record of your acts in this regard, in order to prevent even a pretext for complaint or claims by Bogota or Panama Governments; also take every precaution to protect the property in your care from possible damage or interruption of service.

"CROMWELL, *General Counsel.*"

Earlier in the summer a notice of like tenor had been posted in the railroad offices in Panama for the protection of the company's interests. Both Col.

Shaler and Capt. Beers had been to New York and received instructions direct from Mr. Cromwell. They considered that the sincerity of Mr. Cromwell's cabled instructions of September 10, 1903, was in keeping with that of his statement therein that "there may be no real foundation for newspaper statements of possible revolution"—the same revolution which Mr. Cromwell had been promoting and discussing with them himself! They had reason to believe that Cromwell had sent the cable solely for the purpose of protecting the company in the event that the revolution should fail; they well knew that he didn't want it to fail, and consequently they acted as they did, and they were neither reprimanded nor discharged therefor. In this relation there is the following significant sentence in Mr. Cromwell's own story:

"The protection of the concessions and the property of the company against confiscation or difficulties on the part of Colombia presented a subject which exacted and obtained from us vigilance, care, and energetic services."

Further on Mr. Cromwell says:

"The canal and railroad companies * * * were publicly accused of encouraging and aiding the revolutionary movements; and it was only too evident that Colombia would seize on the least indication of such a fact to confiscate and take possession of their property, or to make them suffer serious complications. We exercised incessant care, and in September, seeing that a tempest was approaching, we cabled to all the officials on the Isthmus explicit instructions to be careful to avoid furnishing a cause of forfeiture or seizure, which was supplemented by personal interviews which we had with the general superintendent of the railroad, who came to New York partly to confer with us about the situation on the Isthmus."

In respect to his personal interview with the general superintendent in New York, Mr. Cromwell's statement is untrue. Col. Shaler, the general superintendent, returned to the Isthmus from New York on July 28, 1903. The incident upon which Mr. Cromwell bases his statement was the visit of Herbert G. Prescott, the assistant superintendent. The facts were these:

Mr. Prescott came up on his regular leave of absence, without any suggestion that it was partly or wholly to confer respecting the revolutionary situation. On the same boat came Hezekiah A. Gudger, the American consul general in Panama, who made a speech at the first luncheon where independence of Panama was publicly discussed, in July, 1903. They arrived in New York on the steamer *Saratoga* on September 8, 1903, and after luncheon at Miller's Hotel went to the offices of the Panama Railroad, where Judge Gudger said he wished to make a call before leaving that night for his home in Asheville, N. C. At the railroad offices they met Cromwell, and while Gudger had a long conference in an inner office with him Prescott remained outside with Vice President Drake.

Judge Gudger declares that neither he nor Mr. Cromwell discussed the revolutionary situation. On the other hand, Prescott was talking nothing but revolution to Vice President Drake. He knew that Capt. Beers's cables to Cromwell were transmitted through Drake, so he freely discussed the plans. Drake's attitude was plainly favorable to secession, which he believed was the only solution for the problems confronting Panama and the canal and railroad companies. Drake mentioned the first official warning which had been sent down to the Isthmus and posted and asked Prescott if he had seen it. He spoke of it only in a casual and perfunctory manner. Gudger was engaged so long in his conference that when he left Cromwell asked Prescott to come to his law office the following morning at 10 o'clock, there being no more time for conferences that evening.

Arriving at Cromwell's office, as per appointment, Prescott was met by Roger L. Farnham, who said Mr. Cromwell was busy. In a few minutes Edward B. Hill, one of Cromwell's firm, came out and invited Prescott into his office after Farnham had introduced them. Hill talked very frankly. He said that the Panamanians must be fools if they expected the United States to give them any guarantee before the revolution took place; that they must make the movement themselves, but that they surely could understand that once they had established their independence the United States would never permit Colombian troops to land to attack them, as there was precedent for such a course. Hill also called Prescott's attention to the order to the employees on the Isthmus and said that of course the railroad could not afford to take any chances of forfeiting its concession in the event of the movement failing. Neither Hill nor Drake gave Prescott any official instructions concerning the

revolutionary situation. Hill asked Prescott's opinion as to whether the Panamans had enough "sand" to carry the movement out successfully, and Prescott replied that he did not believe they would take such risks unless they felt sure of protection from the United States, as otherwise the Colombian troops would overrun them.

During this conversation, which lasted from 10 o'clock until nearly noon, Farnham came in and out of Hill's office several times, joined freely in the discussion, asked many questions, and expressed his desire to go to the Isthmus and help pull off the revolution himself. No reason was offered for Cromwell's failure to keep the appointment, and supposing that Cromwell was occupied, and having no reason of his own to confer with him, Prescott left when Hill was through.

Cromwell's attention was called several times to Prescott's being in Hill's office, but he excused himself from seeing him. Prescott had committed himself to the cause of the revolution in his conversation with Drake. Whether Drake had communicated this fact to Cromwell overnight is not known. But at any rate there was no necessity for Cromwell to see him after what Drake had learned, and Cromwell was "playing safe." If the revolution failed, and it became necessary to use the State Department to collect the Panama Railroad's claims against the Colombian Government for forfeiture of its concession, Cromwell could swear—and so could Prescott—that the general counsel had not conferred with him nor suggested that he assist the rebels.

We are now come to the point where we are asked to believe that Mr. Cromwell, his soul possessed of terror, washed his hands of the revolutionary conspiracy, shunned it thereafter as he would a plague, and fled away to Europe, taking no part in promoting, financing, or making successful the fake "revolution" in Panama; that he left the fat he had fried so assiduously for seven long, lean years to fall, if it might, in the fire, without so much as knowing what hand might be near to save it or what hostile breath might smother or fan to uncontrolled fury the seditious sparks he had nursed into a revolutionary flame; that he, who had managed thus far to rescue the bankrupt French canal from every situation where "for the company it was a matter of life or death"; he who had proposed plans "different, open, audacious, aggressive"; who had been reinstated as general counsel with the admonition that he must not use "methods as dangerous as they are unlawful"; he who "had not then (June, 1903) and did not have later any doubt of the result"—being Panama's secession—that this same master lobbyist, Cromwell, his political ambition unsatisfied, his \$800,000 fee unpaid and uncollectible if this revolution failed, abandoned his client's interests—and his own—to the hands of Providence!

Philippe Bunau-Varilla, discredited French speculator, one of the "penitentiary crowd," as were known in France the penalized shareholders who helped rob and wreck the old canal company, now appears upon the scene. We have crossed his trail in Dr. Herran's describing him "interfering officiously" in the canal negotiations. The World has quoted Mr. William Nelson Cromwell's telegram, in which he thanked this same Bunau-Varilla profusely for having assisted in securing his reinstatement as general counsel a year and a half before this time. Now Bunau-Varilla comes from Paris, on the 23d of September, 1903, some two weeks after Amador has sent his cable "Disappointed" to the Isthmus—or just in the time needed for Mr. Cromwell, seeing that he must get under cover after Herran's warnings, to cable his cry from Macedonia to Paris and for that worthy engineer-speculator and would-be diplomat to take the first steamer to America.

Whether there was or was not an understanding between Mr. Cromwell and M. Philippe Bunau-Varilla is more or less inconsequential. The circumstantial evidence points strongly to Mr. Cromwell's having sent, directly or indirectly, for this able proxy. If there was no understanding, as both these gentlemen state, at any rate there remain some questions to be answered.

Why did Bunau-Varilla arrive so opportunely in New York three weeks after Cromwell had told Amador that he could not, himself, be seen assisting the revolutionists?

Why did Amador seek Bunau-Varilla at the Waldorf-Astoria Hotel on the very night of his arrival, and why do the stories told by Amador, Bunau-Varilla, and the man who says he introduced them differ by two weeks on the date of this meeting?

Why did Amador lie and lead every man who has attempted to chronicle these events to misstate the facts concerning the hope on which was built the Panama Republic?

Why did he conceal the truth even from his fellow conspirators and lead them, not only as in Arango's case to write the story falsely, but with other "patriots" to swear in court to statements which were false?

Amador's own written version of his meeting Bunau-Varilla says:

"The vacations of Secretary Hay appeared to me to be lasting a century, when, one night, Mr. J. J. Lindo, of Piza, Nephews & Co., who was aware of all that was taking place, said to me: 'Why don't you see if Bunau-Varilla can do something?' 'Where shall I meet him,' I said—'in Paris?' 'Nothing of the sort,' he said to me; 'he has just arrived and is at the Waldorf-Astoria.' For me, who knew the energy of B. V. and his interest in bringing to a head the canal undertaking, this gave me such renewed strength that from then on I augured the most complete success of my business. Mr. Lindo left me at 10 p. m. in the Endicott, and I forthwith went to see Bunau-Varilla at the Waldorf-Astoria. At 11 p. m. this gentleman was not in the hotel, and I left my card giving him an appointment for the following day at his residence (apartment). I found him in my first conference so enthusiastic that I gave him a memorandum of what in Panama we needed in order to proclaim and uphold our independence."

Amador here commits himself to having first discussed Bunau-Varilla with Lindo at the Endicott; Mr. Lindo declares it was in his office at No. 13 Broadway, when Amador came, despairingly, to bid him good-by and say he was going back to Panama, having failed to arrange anything. Mr. Lindo even points out the chair in which Amador sat.

Amador says they met when Bunau-Varilla had "just arrived," and Bunau-Varilla arrived at the Waldorf on September 23, 1903; Bunau-Varilla corroborates this story, but Mr. Lindo fixes his bringing together of Amador and Bunau-Varilla not longer than 5 to 10 days before Amador's departure for the Isthmus, which was October 20, 1903. Amador's own story tends to corroborate Mr. Lindo, for he says: "After some three days of conferences everything was arranged to my satisfaction, and I so informed my friends, announcing to them my early return and giving them complete assurance of the triumph of our project."

Arango's "Data for a History," written when the desirability of hiding the real story of the independence, so far as Americans were concerned therein, had not been impressed upon Panama, says:

"The setback (Cromwell's alleged refusal to help) to Amador Guerrero was prejudicial to our cause; he found himself obliged to set a date for his return if in the meantime something unexpected did not happen. In the interim he received a suggestion from a good friend of Panama, Mr. Joshua Lindo, of the commercial house of Piza, Nephews & Co., to the effect that Bunau-Varilla, at that time in the Hotel Waldorf-Astoria, was very favorably inclined toward the canal treaty and could do much for us, etc."

Thus reanimated, without delay Amador Guerrero went to the hotel mentioned but found that Bunau-Varilla was away; finally he saw the latter gentleman, and after various interviews they agreed upon a plan which should be adopted and which would give as a result the satisfying of our agent. He then cabled us the word "hopes."

Arango in his original story solemnly avowed that all his data departed not from the strict truth. His family declare now that if his account of Amador's visit to the States is untrue—as it is—then Amador deliberately misled him.

And finally we have the administration-O. K'd version of the Amador-Bunau-Varilla negotiations in Mr. Willis Fletcher Johnson's "Four Centuries of the Panama Canal," dedicated to William Howard Taft and frontised with Mr. Taft's portrait. This version was furnished to Mr. Johnson by Dr. Amador in Panama when Mr. Johnson visited the Isthmus as Secretary Taft's guest. Mr. Cromwell also is acknowledged gratefully as a contributor to the information this book contains. Mr. Johnson says:

"On reaching New York Dr. Amador first called upon Mr. William Nelson Cromwell, the counsel for the Panama Railroad Co. and for the French Panama Canal Co., who, of course, was deeply interested in securing the ratification of the treaty. To him he broached the plan of the revolutionists, and of him solicited aid. Mr. Cromwell, despite his earnest desire to see the United States secure the canal route and enter upon the undertaking, was strongly disinclined toward anything like a forcible revolution. He told Dr. Amador frankly that he could not and would not have anything to do with the scheme, and warned him that, in his opinion, the United States would not countenance anything of the sort."

Mr. Johnson then tells of the sending of the cable "disappointed" and at the same time of Mr. Cromwell's departure for Europe. "Disappointed" was cabled before September 7, 1903, and Mr. Cromwell went to Europe on October 15, 1903. This is not meant to asperse Mr. Johnson; he never aspired to be a "muckraker"; he simply accepted without question what Cromwell, Amador, and the administration told him as facts. His narrative continues:

"More for sake of consolation in sympathetic talk than in hope of material advantage, he (Amador) went, immediately after his last call at Mr. Cromwell's, to the office of a Panaman friend and sympathizer, Joshua Lindo, of the firm of Piza, Nephews & Co., in New York. To him he related the failure of his errand and bewailed the apparent hopelessness of the Panaman cause.

"'There is one man would help us, I am sure,' he said, 'and that is Bunau-Varilla. But he is in Paris, and I can not go thither and see him in time to do anything. It would then be too late.'

"While the two were speaking of him and deploring his absence from America at that critical time, the telephone in the office rang. Señor Lindo answered the call, and then uttered an ejaculation of amazement and delight.

"'Santa Maria! Amador!' he cried, turning to his guest, 'it's Bunau-Varilla, now!'

"It was quite true. The French engineer had just arrived in New York from Paris, and had telephoned down to the office from his hotel to ask what had been happening at Panama and at Washington while he was on shipboard. Dr. Amador sprang to the telephone:

"'Is that really you, Bunau-Varilla? For heaven's sake, wait right there until I come up!'

"Within half an hour they were closeted together, and M. Bunau-Varilla was committing himself to the revolutionary cause."

What a pretty fairy story! Further on, a little way, we find this:

"Raised from despair to exultant confidence by his interview with M. Bunau-Varilla, Dr. Amador cabled to the junta at Panama the one word 'Esperanzas,' 'hopes.'"

We have set forth the principal versions, all in accord, as to the central facts of the story long ago agreed upon, which in brief is:

That Amador came to New York, saw Cromwell, and that Cromwell, frightened by the warnings of Dr. Herran, refused to have anything to do with the revolution and went to Europe, whereupon Amador cabled "Disappointed"; that he then was put in touch with Bunau-Varilla, purely by accident, through Joshua Lindo, whereupon he cabled "Hopes"; and that Bunau-Varilla, alone and with no understanding between himself and Cromwell, took up the revolutionary propaganda where Cromwell had dropped it.

All very good, if it were not built on a lie; and all very good at that—for the Roosevelt-Cromwell purpose—"had not Cromwell's man in Panama been an ass and left so much evidence uncovered," as one of the Roosevelt-Cromwell gumshoe brigade expressed himself in confidential disgust.

This lie about the source that inspired Amador's "hopes" is the keystone to the whole structure of falsehood and deception upon which the heretofore-accepted history of the Panama Republic is written.

The Roosevelt prosecution depended upon this lie to help convict the World of "libeling the American Government" when testimony was taken by a rogatory commission sent at the World's expense to Panama in June, 1909. All the surviving members of the "patriots' revolutionary committee" who were called to testify swore to the truth of this historic falsehood. Confronted later by proof that their stories were untrue, the friends of the late Dr. Amador threw up their hands in real or simulated astonishment and declared that Amador lied to them.

And why should Amador lie to his fellow conspirators, even at the time when failure of the plot would put his own and his friends' necks in the noose? Why did he tell them that Bunau-Varilla's roseate promises in his first interview inspired his cable "hopes," when Bunau-Varilla was still in Paris and did not reach New York until two weeks after this cable was sent? Why lie as to what Bunau-Varilla did if Bunau-Varilla alone accomplished all that Amador tried to lead his friends to believe he did unless Amador was lying under instructions, and for the purpose of concealing some one else's responsibility or criminality or malfeasance?

Irrefutable proof that Amador did lie appears in the following letter written in Spanish by Arango to Amador in New York, the original handwritten manuscript of which came into the World's possession in the summer of 1909:

[Translation from Spanish.]

PANAMA, September 14, 1903.

MY DEAR FRIEND: As to-morrow, Tuesday, the *Seguranca* should arrive at Colon (sailed from New York Sept. 8) I trust that during the day we shall receive your expected letter which will give us the explanation of your discouraging cablegram "Disappointed; await letters." Since then we have received the cable saying "Hope" and ——— nothing more; so that we are in a position of fearful expectancy, as we are ignorant of what has happened to you over there, and of the reasons for the profound silence which Mr. Cromwell maintains.

Tired of so much incertitude, we decided to send the following cables to that gentleman; they are as yet unanswered, but which we trust he will give attention and reply to within two or three days:

On September 10, in cipher:

"Confidential. Regret Capt. Beers letters and cables are not replied. Opportunity now excellent to secure success provided United States promptly recognizes our independence under conditions with our agent there, who is fully authorized to contract for us. Should Congress concede contract, although improbable, will be through fear of our attitude. Congress controlled by enemies of contract. Answer by wire in cipher through Beers. Tell our agent that to use all caution possible must send his cables through Beers, not to use Brandon again. Arango."

On the 12th of September, also in cipher:

"Our position being critical we must have immediate answer to act promptly or abandon business."

The recommendation made to you in the first cable set out above, not to use Brandon, is because your cable "Disappointed" was made quasi public, and I suspect that the other one also has been known to several persons, which doubtless comes from the cable having been known to young Brandon and by him communicated to Gustave Leeman, who must have divulged it; but be that as it may, it is better for you to communicate through Capt. Beers, even when using Arias's or Boyd's cipher.

You already know of the change of governor; and this afternoon there arrived in Colon Gen. Baron (Varon), bringing news that Obaldia and Sarria are already in Barranquilla with 15 officers and officials, which is explained by the fact that as Sarria is on bad terms with Huertas, he has asked to be allowed to bring fresh officials, which is a *contretemps* for us, even if everything can be arranged. Anyhow we shall see if "they burn our bread in the door of the oven."

The opportunity which is being lost is a brilliant one—here the whole country will rise as one man. Since you left the desire for independence with a protectorate has greatly increased. Everyone in town and country ask for it openly. It would be a pity to lose this brilliant opportunity.

I suppose that Maria and your son Manuel will give you general news, therefore I have only referred to urgent matters which are incumbent upon me.

Against my custom I am writing this in plain language and without reserve, confident that you will tear up this letter as soon as you have read it and taken note of its contents.

I can think of nothing more to say and take leave, wishing that our efforts may not be fruitless.

Your unswerving friend,

J. A. ARANGO.

Relatives of Arango, being shown this letter, tried to save the situation by suggesting that Arango unintentionally wrote "September 14" where he should have dated his letter in October. The context of the letter, especially that part about Obaldia's arrival disproves this hopeless assumption many times over. Obaldia reached Panama September 18, 1903. Finally the Arango family representatives had to express the conclusion that Amador, on his return from New York, had deceived even Arango, who had put him forward as the leader of the independence.

In another important particular in which the testimony given in Panama before the World's commission is at variance with the facts, the Panamans now excuse their misstatements by saying Amador deceived them. This is in the accounts of his movements in New York and his visits to Washington. The surviving members of the "patriots' revolutionary committee" declare that Amador reported upon his return from New York that he had not been

to Washington, and that he did not see Secretary Hay nor President Roosevelt. Ricardo Arias, examined by the World's counsel on June 12, 1909, testified:

"Q. Did he (Amador) go to Washington on that trip (to the United States before the revolution)?—A. He did not.

"Q. Did he not see President Roosevelt?—A. He did not see President Roosevelt.

"Q. So any negotiations he may have had with the American Government he must have had through what men?—A. He had no actual negotiations with the United States Government.

"Q. That is directly, you mean?—A. Directly or indirectly; no, sir."

Frederico Boyd, who became one of the three members of the Provisional Government after the revolution, testified:

"Q. (By United States attorney.) You never received any assurance from any official of the United States or from any other place; is that a fact?—A. No. Our representative, Dr. Amador, didn't even go to Washington because the inquiries he had made—he didn't think he would be either received or satisfactorily——"

The truth is that Amador went to Washington at least twice. If he denied this to his fellow conspirators upon his return to Panama, as they testified and still declare is true, he deceived them at whose suggestion? By his deception he nearly lost the support of several of his most influential followers, who confess that they would have dropped out of the movement had that been possible, because Amador said he had no assurances from Washington except what Bunau-Varilla had promised after going there alone.

But Amador, after the revolution, did tell various persons that he went to Washington himself. He did not tell them that he went with William Nelson Cromwell in a compartment of the Congressional Limited train from New York; that Cromwell on his trip drafted the manifesto of independence for the proposed Republic of Panama; that they, like Duque, when advised by Cromwell's man, Farnham, avoided going to a Washington hotel, where a record of their visit would be left, but went to the White House near midnight and remained in conference with Roosevelt until nearly daylight, in time to catch a morning train back to New York. Yet this is the report of Amador's visit which was received by the late United States Senator John T. Morgan, of Alabama, on the morning Amador is alleged to have come away from the White House.

F. F. Whittekin, of Medellin, Colombia, an American civil engineer, furnishes partial corroboration of this statement. He was told of the Cromwell-Amador trip to Washington on the following day by the conductor of the Congressional Limited train on which they traveled.

Amador also told Arango, in the presence of Arango's son-in-law, Ernesto T. Lefevre, of Panama, that he went to Washington with Bunau-Varilla and was kept waiting in a hotel lobby until nearly midnight while Bunau-Varilla was at the White House. He also made the statement to Dr. Eusebio A. Morales, later secretary of state of the new Republic, that he had been to Washington.

To Prescott, in New York, on October 7, 1903, Amador said that he had been to Washington alone, but had been unable to accomplish anything definite, but was going to be taken down by Bunau-Varilla the next day and was sure of getting all the promises he required.

Still further, there is the following account of Amador's movements by Mr. Johnson, the administration historian, and which Mr. Johnson verifies as having come to him direct from Amador's lips.

"He then presently (after meeting Bunau-Varilla and cabling 'Hope' to Panama) revisited Washington and sought a conference with the Secretary of State. * * * His aim was to learn what the United States would do in case of a revolution on the Isthmus. * * * The replies given by Mr. Hay were diplomatically discreet and guarded. * * * Dr. Amador made only a few calls at the State Department. * * * He was then told, kindly but firmly and plainly, that, as he was confessedly and notoriously the would-be organizer of a revolution against a power with which the United States was at peace, any further visits at that office would not be proper. At that, he gracefully took his leave, with the proverbial 'mingled emotions.' He had received no direct encouragement or promise of aid, but, on the other hand, he had been assured of the benevolent neutrality of the United States, and that, he thought, would be sufficient for the purpose. * * * He at once returned to Panama to complete preparations for the revolution and to report to his associates the result of his mission."

ment in any form, the Colombian Senate appointed a special committee to devise a canal program satisfactory to Colombia and within that country's constitutional limitations, and acceptable to the United States. This committee's report had been prepared but not presented. Mr. Beaupre obtained and cabled to the State Department September 5, 1903, a synopsis of this committee's report, but the cable did not reach Washington until September 11.

This report proposed a project of law, which passed first debate, but went no further. It was the only definite expression of Colombia's desire to "black-mail" the United States. It expressed the views of Colombia's leading statesmen on the terms under which they believed the canal treaty should be negotiated. The rejection of the Hay-Herran treaty by the Senate was approved in this project, and President Marroquin was authorized to negotiate a new treaty without subsequent ratification, subject only to limitations set forth in the proposed law. The monetary limits were:

The Panama Canal Co. would be permitted to transfer its concession and receive cancellation of the 50,000 shares of canal stock owned by Colombia upon payment of \$10,000,000 to the Colombian Government.

The Panama Railroad Co. would be permitted to transfer its concession if it agreed to continue the payment of its \$250,000 annual subsidy to Colombia until expiration of its concession in 1967, when the United States might exercise the privileges of purchasing the railroad at arbitrators' price from Colombia, to which the property would revert by terms of the concession.

The United States should pay \$150,000 a year rental until 1967, and after that \$400,000 a year for use of the canal; lease to be renewable every 100 years at 25 per cent increase over the last period.

The United States should pay Colombia \$20,000,000 for the concession upon ratification of the canal treaty.

The chairman of the committee appointed to prepare this project of law for second debate became ill and delayed action. Another senator finally was appointed in his place and this committee proposed indefinitely postponing consideration of the bill, thus leaving the Government free to begin negotiations anew, subject to ratification by Congress. This is what was eventually done.

Meantime Minister Beaupre was keeping the State Department fully advised by cable and letter. In a letter of Mr. Beaupre's to Secretary Hay on September 25, 1903, we find this interesting sidelight on affairs in Bogota:

"It is a positive fact that some of the most prominent senators avoided me because of the charge frequently made that bribery was being resorted to by the United States and the consequent fear that if seen in conversation with the American minister they would be under suspicion. This was admitted to me after the rejection of the treaty."

In this letter Mr. Beaupre complained bitterly of the unreliability of the information obtainable and the many lies told him.

Gov. Obaldia left Bogota September 3, 1903, and, arriving in Panama, took up his duties on the 18th. He made his home in the house of Dr. Amador, the revolutionary conspirator, and proceeded to be ignorant of the conspiracy.

Just at this time we find the first trace of the presence of Mr. Roosevelt's military spies on the Isthmus. Capt. Chauncey B. Humphrey, Twenty-second Infantry, United States Army, and Second Lieut. Grayson Mallet-Prevost Murphy, Seventeenth Infantry, United States Army, registered at the Hotel Central, Panama, as "C. B. Humphrey, New York," and "G. Mallet-Prevost Murphy, New York." They remained at the hotel from September 16 to 20, 1903. Capt. Humphrey, a son of Gen. Charles F. Humphrey, then Quartermaster General, United States Army, was instructor in drawing at West Point. Lieut. Murphy was graduated from West Point June 11, 1903, a few days before being dispatched with Capt. Humphrey on this expedition. Returning from Panama, they arrived in New York on the Red D Liner *Caracas* on October 12, 1903. This steamer sailed from Laguayra September 30, 1903, and from Curacao October 5, 1903. Mr. Roosevelt, in his message to Congress January 4, 1904, says of this expedition:

"On October 16, at the request of Lieut. Gen. Young, I saw Capt. C. B. Humphrey and Lieut. Grayson Mallet-Prevost Murphy, who had just returned from a four months' tour through the northern portions of Venezuela and Colombia. They stopped in Panama on their return the latter part of September. At the time they were sent down there had been no thought of their going to Panama, and their visit to the Isthmus was but an unpremeditated incident of their return journey; nor had they been spoken to by anyone at Washington regarding the possibility of a revolt. Until they landed at Colon

they had no knowledge that a revolution was intended save what they had gained from the newspapers. What they saw in Panama so impressed them that they reported thereon to Lieut. Gen. Young, according to his memorandum:

"That while on the Isthmus they became satisfied beyond question that, owing largely to the dissatisfaction because of the failure of Colombia to ratify the Hay-Herran treaty, a revolutionary party was in course of organization, having for its object separation of the State of Panama from Colombia, the leader being Dr. Richard Arango, a former governor of Panama; that when they were on the Isthmus arms and ammunition were being smuggled into the city of Colon in piano boxes, merchandise crates, etc., the small arms received being principally the Gras French rifle, the Remington, and the Mauser; that nearly every citizen in Panama had some sort of rifle or gun in his possession, with ammunition therefor; that in the city of Panama there had been organized a fire brigade which was really intended for a revolutionary military organization; that there were representatives of the revolutionary organization at all important points on the Isthmus; that in Panama, Colon, and the other principal places of the Isthmus police forces had been organized which were in reality revolutionary forces; that the people on the Isthmus seemed to be unanimous in their sentiment against the Bogota Government, and their disgust over the failure of the Government to ratify the treaty providing for the construction of the canal; and that a revolution might be expected immediately upon the adjournment of the Colombian Congress without ratification of the treaty."

"Lieut. Gen. Young regarded their report as of such importance as to make it advisable that I should personally see these officers. They told me what they had already reported to the lieutenant general, adding that on the Isthmus the excitement was seething, and that the Colombian troops were reported to be disaffected. In response to a question of mine they informed me that it was the general belief that the revolution might break out at any moment, and if it did not happen before, would doubtless take place immediately after the closing of the Colombian Congress (at the end of October), if the canal treaty were not ratified. They were certain that the revolution would occur and before leaving the Isthmus had made their own reckoning as to time, which they had set down as being probably from three to four weeks after their leaving. The reason they set this as the probable inside limit of time was that they reckoned that it would be at least three or four weeks—say not until October 20—before sufficient quantity of arms and munitions would have been landed."

If the visit of these young officers to the Isthmus "was but an unpremeditated incident of their return journey," why did they return in the roundabout way by Curacao? If they had not been spoken to by anyone at Washington regarding the possibility of a revolt, why their amazing initiative in acquiring the wealth of detailed military information, part of which is contained in Document No. 217, War Department, Office Chief of Staff, a book of 286 pages bearing the stamp of the Government Printing Office of November, 1903, under the heading "No. 1, Notes on Panama"? This document was marked "Confidential. For the sole use of the officer to whom issued."

Before quoting some of the observations made by Capt. Humphrey in his report on his entirely "unpremeditated" expedition into the rebellious department of a Government with which the United States was then on friendly terms, conducting supposedly honorable diplomatic negotiations, it might be well to note that Capt. Humphrey's father, on September 15 and September 17, 1903, while his son was in Panama, came up from Washington and occupied rooms adjoining that of Dr. Amador, the revolutionary conspirator, in the Hotel Endcott, New York. Gen. Humphrey after his retirement as Quartermaster General became the recognized lobbyist in Washington of the Du Pont powder crowd, whose earlier connection with Mr. Cromwell's efforts is noted in the financial chapter of this story.

Where Capt. Humphrey and Lieut. Murphy spent their time from June to October in their "tour through the northern portions of Venezuela and Colombia" was not volunteered to Congress by President Roosevelt; neither did he say why they were sent there. The extracts from Capt. Humphrey's report published in the "Confidential Notes on Panama" contain an astonishing wealth of information concerning interior points in Panama which never could have been obtained in the four days these military spies remained at the Hotel Central, in Panama city.

"About 40 miles southeast of the city of Panama is a fine anchorage for a fleet of at least 10 large vessels" is the first quotation from Capt. Humphrey's report, found on page 143 of the "Notes on Panama."

The next extract refers to "Ports, breakwaters, etc." Of Colon, Capt. Humphrey said in part: "No timber exists in the vicinity of Colon, yet a small amount of large pine timber could be found in the railroad yard. Small boats could be landed along the shore about one-half mile south of the wharves. The anchorage in the harbor off Colon is sufficiently large for almost any number of vessels."

Concerning the fortification of Panama City, Capt. Humphrey's report says: "The harbor at La Boca (at the mouth of the canal) and the harbor of Panama might be commanded perfectly by artillery placed on the hills between the two places. La Boca is also commanded by a hill to the east, shown in the charts, about 1,000 yards away."

On the military possibilities at Colon, Capt. Humphrey reported as follows: "The other chief buildings are the stations and the storehouses of the railroad and steamship companies. These could be used as excellent barracks for troops to the number of 1,200."

After enumerating the sources of supplies Capt. Humphrey's report continues:

"The buildings which may be used as barracks for troops have already been mentioned. Near Colon there are really no suitable locations for camps, the country being generally too swampy about the city. The climate is hot; the rainfall during the rainy season is very heavy

"Troops should not be landed from ships in Colon, for any length of time before operations were to begin. It would be preferable to keep them aboard ship. * * *

"There is an old frame building, covered with galvanized iron, two stories in height, about 50 by 70, along the railroad in the southern part of the town which was used as a railroad station, but it is now occupied by about 75 Colombian troops.

"The railroad trains all have good, energetic American conductors and engineers."

On page 162 of Notes on Panama we find quoted from Capt. Humphrey's report:

"Panama is a city of about 30,000 inhabitants. * * * A garrison of about 450 well-drilled Colombian troops is stationed in the cuartel in the 'Plaza des Armas,' in the city of Panama. These troops, commanded by a Colombian general, drill according to Upton's tactics and use the same bugle calls as those used by the United States Army."

Notes on Panama describes all the roads and trails of the Isthmus in great detail, the main authority being the report of the Intercontinental Railway Commission. Capt. Humphrey's report is called upon for the following detail:

"The country between Panama and 'Panama Viejo' (Old Panama) is very rolling and grown with grass, affording fine pasturage for cattle. Along this road the country would also afford excellent camping facilities for large bodies of troops. The water supply of Panama at the present time is very poor, the only good water being stored in cisterns in the city. Water is also drawn from wells along the railroad near the city, but this is exceedingly impure."

The next contribution in the 'Notes on Panama' by Capt. Humphrey is a reproduction of his map of La Boca, the mouth of the canal, and Ancon Hill, which Admiral Glass, on November 2, 1903, was ordered by cable to "occupy strongly with artillery" if necessary to prevent the landing Colombian forces.

Among the data accumulated by these two young Army officers on their "unpremeditated" and incidental sojourn on the Isthmus was an estimate of the number of mules that "may be obtained in numbers and in localities and in one week's notice, as follows: Pedregal, 100; Puerto Mutis, 30; Mensable, 50; Aguadulce, 50; Chepo, 10; Chorrera, 10; Panama, 50."

All of the forementioned settlements outside of Panama are far in the interior, without means of communication, and no reliable information could have been obtained therefrom without going there.

One feature alone of Capt. Humphrey's "unpremeditated" investigations in Panama must have consumed a week's time. The resulting detailed information is set forth in Notes on Panama, pages 186-189. It is a report on each of the 25 stations between Panama and Colon on the railroad. Distance from Panama, population, topographical features, and capacity of sidetrack at each

station are given. Typographical sketches of several of the principal stations are reproduced in the War Department handbook for the campaign on the Isthmus. Concluding this section of his report, Capt. Humphrey says:

"About 2 miles south of Colon, along the railroad, is a small station of five or six frame houses, near the foot of a small hill about 150 feet in height, known as 'Monkey Hill.' Artillery placed here would command all approaches to Colon from the south. It would also command the city of Colon and, were the artillery of sufficient power, would command both the harbors of Manzanilla and Limon Bay.

"The north entrance to the canal is located about one-half mile west of 'Monkey Hill' and can be plainly seen from the top of the hill. All along the railroad and canal line between Colon and Panama the country is overgrown with a dense underbrush, rendering communication along the trails very difficult. There is no wagon road or cart road across the Isthmus, only a narrow trail 2 feet wide, with low-hanging vines and underbrush overhead, quite impracticable during the rainy season for travel. There is absolutely no land communication either from Colon or Panama, along the neck of the Isthmus, with the interior of Colombia. The only communication had with Bogota or the interior of Colombia from the State of Panama is by steamship from Buenaventura Harbor on the west coast of Colombia to Panama, while the only communication on the Atlantic side is by steamship from either Cartagena or Savanilla.

"There is at present communication from Porto Bello Harbor across the Isthmus with Panama by means of the old Spanish mule trail. This trail was at one time in very good condition, having been paved with cobblestones by the Spanish, but it is now in very bad repair, and during the rainy season almost impassable for mules and horses."

November—when the Roosevelt-Cromwell revolution was to be pulled off—is in the rainy season.

Porto Bello, being at the Atlantic end of the old trail from Panama City, was duly kept in mind when blockading orders were sent to the American fleet, as we shall soon see.

The compiler of "Notes on Panama," Capt. H. C. Hale, of the General Staff, illustrated his guidebook with photographs of numerous topographical field maps of the various towns and villages along the line of the Panama Railroad. The latest time-table of the railroad is printed in full, and there are complete statistical data of political divisions, population, telegraphs, and distances from place to place. The last observation quoted from Capt. Humphrey's report is as follows:

"An advance across the Isthmus from Colon toward Panama would be, of course, easiest by the railroad line, as the trails are all generally very difficult and overgrown with brush. There is a telegraph and telephone line which runs across the Isthmus along the railroad. The railroad is ballasted with rock nearly the whole distance from Colon to Panama. Light artillery could be taken along the railroad on trains or could be taken along the railroad track, when necessary amount of boards or planks would have to be carried to lay over the bridges. Three equipped men on foot could march abreast along the railroad line.

"There is water communication from the mouth of the Chagres River to Gatun, which has already been spoken of.

"The railroad is generally straight, with no more than the ordinary number of curves. Vegetation on both sides of the track grows most luxuriantly, there being a great many bamboo and banana trees.

"There are several hills which could be occupied to prevent advance along the line. The railroad is quite well equipped with plenty of rolling stock. There are about 65 bridges, principally steel, the most important and longest crossing the Chagres River at Gatun.

"About 150 small cart mules and horses could be obtained in the city of Panama; about 75 pack mules could be obtained in Chorrera, while not more than 50 or 60 animals could be obtained in the city of Colon.

"Guns mounted upon a point near the lighthouse in the city of Colon could protect both harbors against a hostile fleet. Fresh water is obtainable at Colon for vessels, but is of poor quality.

"About one-half mile west of the city of Panama is a large hill about 600 feet in height (Ancon). On the northeast side of this hill are located large hospital buildings of the French Canal Co. This hospital has 18 wards, each ward having 40 beds, and has very modern equipment. The drainage system.

however, is not very well arranged, and at present the sanitary condition of the hospital is not good. Modern artillery could be placed upon this hill and command the city of Panama and both the harbors; also the anchorage near the island of Culebra. Other hospitals are the Hospital de Estranjeros, having room for 75 patients, and the Hospital of Santo Tomas, with 11 nurses, Sisters of Charity.

"The other points where troops could be landed near Colon on the Atlantic side of the Isthmus are Portobelo Harbor, Manzanillo or Limon Bay, at Boca del Toro, or, in favorable weather, at the mouth of the Chagres River. The only place where troops could be landed on the south side of the Isthmus is at the harbor of Panama or La Boca, or at the mouth of the Camito River, near Chorrera."

The Isthmus is strangely devoid of information as to the operations and presence of these military spies. It is remembered that Humphrey and Murphy traveled as civilians, and the purpose of their sojourn was known only to the representatives of the American Government. Whether they, like other United States Army officers on the Isthmus, posed as mining engineers and timber-concession hunters, under assumed names, is not known. Whether they did what they did without instructions, and whether, as Mr. Roosevelt told the Senate, "their visit to the Isthmus was but an unpremeditated incident of their return journey," must be left to the sanity of the reader to determine, in the light of other events of this period which Mr. Cromwell and others have not deemed it necessary or advisable to relate.

Curiously enough, on the very day Capt. Humphrey and his assistant landed in the United States to report the result of their four months' secret making of war against a friendly country, there appeared in the Outlook an article by John D. Long, former Secretary of the Navy, telling of Mr. Roosevelt's desire, while Assistant Secretary of the Navy, to pursue a similar policy before the War with Spain. Mr. Long said:

"His (Roosevelt's) activity was characteristic. He was zealous in the work of putting the Navy in condition for the apprehended struggle.

"His ardor sometimes went faster than the President or the department appreciated. Just before the war he, as well as some naval officers, was anxious to send a squadron across the ocean to sink the ships and torpedo-boat destroyers of the Spanish fleet while we were yet at peace with Spain."

The memorandum of Lieut. Gen. Young, quoted in Mr. Roosevelt's message of January 4, 1904, contains statements requiring illumination before we return from Panama to the intrigue in Washington and New York.

"When they (Capt. Humphrey and Lieut. Murphy) were on the Isthmus, arms and ammunition were being smuggled into the city of Colon in piano boxes, merchandise crates, etc."

This official report, quoted by Mr. Roosevelt, corroborates the statement of Dr. Federico Lopez Pomareda, Colombian consul at Kingston, Jamaica, that in the summer of 1903 he was offered by a mysterious agent a \$3,000 bribe if he would issue manifests for shipments of arms as pianos to the port of Colon. It was represented to him that the movement was another revolution in Colombia, and that the arms were to be sent to the interior from Panama. He refused to listen to the offer, and as early as September 18, 1903, reported officially to his Government that a secession plot was well organized, and that Kingston was being made the base of communication between the United States and Panama.

Still, the witnesses called to testify in Panama swore that no money was supplied before the revolution, and that the arms on which they depended in the event of being compelled to fight for their independence were none other than those in the barracks belonging to the Colombian Government, and that none were imported.

Lieut. Gen. Young's memorandum says:

"That there were representatives of the revolutionary organization at all important points on the Isthmus; that in Panama, Colon, and the other principal places of the Isthmus police forces had been organized which were in reality revolutionary forces; that the people on the Isthmus seemed to be unanimous in their sentiment against the Bogota Government; * * * that a revolution might be expected immediately upon the adjournment of the Colombian Congress without ratification of the treaty."

There were no representatives of the revolutionary organization at any points on the Isthmus outside the city of Panama when Capt. Humphrey and Lieut. Murphy were on the Isthmus, nor even when they were reporting to Mr. Roosevelt in the White House three weeks later. The so-called "patriots' revolu-

tionary committee," fearful of making any decisive move until Amador should return from Washington and New York, was waiting for cable advices through Mr. Cromwell's personal representative, Capt. Beers, before attempting to start any revolutionary movement. Porfirio Melendez, who was intrusted with organizing and leading the movement in Colon, was not taken into the conspiracy until November 1, 1903. As to the villages of the interior, Arango's original story, from which the following paragraph was carefully expurgated when he put it out in pamphlet form, tells the real situation:

"Mr. Ramon Valdes Lopez was commissioned by Dr. Amador Guerrero (after his return from the United States on October 27), by agreement with the committee, to go to the interior and be ready; that when he had once received notice that the movement (revolution) had been effected, he should proceed to propagate the idea of independence in those provinces, which he did in satisfactory fulfillment of the program agreed upon."

Mr. Roosevelt says further in his message of January 4, 1904:

"Lieut. Gen. Young regarded their (Capt. Humphrey and Lieut. Murphy's) report as of such importance as to make it advisable that I should personally see these officers. They told me what they had already reported to the lieutenant general, adding that on the Isthmus the excitement was seething, and that the Colombian troops were reported to be disaffected. * * * They were certain that the revolution would occur, and before leaving the Isthmus had made their own reckoning as to the time, which they had set down as probably being from three to four weeks after their leaving. The reason they set this as the probable inside limit of time was that they reckoned that it would be at least three or four weeks—say not until October 20—before a sufficient quantity of arms would have been landed."

The secret cable code between Amador and Bunau-Varilla and Joshua Lindo, which will soon come into our story in its entirety, tends strongly to corroborate the testimony of various Panamans that, so far as they knew, no arms, except 50 revolvers, were bought by Amador or his agent, Bunau-Varilla. If they did arrive in Panama, they must have been furnished by other agencies of whose existence the military spies of the United States had knowledge when they reported to the White House.

Of the multiplicity of reports concerning the shipment of arms for the revolution, the most definite was published by the New York Tribune on November 5, 1903, stating that several weeks before the revolution 4,000 stands of arms and a quantity of ammunition had been shipped from Morgan City, La., 50 miles below New Orleans, on a lumber schooner bound for a Mexican port; that at an agreed point in the Gulf the war munitions had been transferred to another schooner and landed on St. Andrews Island (San Andres), a Colombian possession off the coast of Nicaragua about 100 miles, and thence sent ashore in small boats to the Department of Panama. Another report has persistently coupled a United States warship with the transportation of these arms to St. Andrews.

The auxiliary cruiser *Dixie*, which arrived at Colon with United States marines with such "intelligent anticipation," was recommissioned at League Island Navy Yard on October 1, 1903, two days after the *Nashville* put out for St. Andrews Island from Pensacola, Fla.

Revolutionary supplies actually did reach St. Andrews and 3,000 Marlin carbines were seized there immediately after the revolt in Panama, by a Colombian expedition sent from Cartagena under command of Dr. M. Lara Cordoba to prevent the execution of the plan to have this island secede along with Panama. Dr. Cordoba was in Panama in October, 1903, and heard of the plot concerning St. Andrews Island as early as October 13, 1903, after the arrival of the *Nashville*, under command of Capt. John Hubbard, and he hastened to Cartagena and warned the governor of his department, Insignares, who had been appointed by Marroquin at the same time Obaldia was made governor of Panama. Insignares refused to act, and not until after the revolution had taken place in Panama was Cordoba sent with a battalion to protect St. Andrews. Dr. Cordoba, in a letter, says:

"Ten days later there arrived an American man-of-war; the purpose of its officers was to bring about uprising among the people of San Andres, as I learned from the priest, Father Livingston, who had been told this by the commander. I put the priest in jail for having communicated with the ship in spite of a decree of prohibition. I had gathered from among the inhabitants

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matter at all. He therefore concludes, so he told me, that the United States Government and the French company have arrived at some satisfactory understanding."

October 13: William Nelson Cromwell wrote a letter to President Roosevelt, to which Cromwell refers in a cable to Roosevelt from Paris, October 31, 1903. This letter, as well as the conference at the White House on October 7, 1903, appears to have been in relation to Mr. Cromwell's inducing Mr. Roosevelt "to extend the conditional agreement while awaiting new negotiations with Colombia, or until such time as it should be possible to resolve the new situation in some other satisfactory manner."

October 13: Dr. Amador saw Bunau-Varilla at night at the Waldorf-Astoria, and, according to Bunau-Varilla's statement, demurred to Bunau-Varilla's proposal, then outlined for the first time, to confine the revolution to the Canal Zone. Bunau-Varilla says Amador called the next morning and agreed to the plan.

October 14: The State Department received Mr. Beaupre's cables of October 9 and 10, forecasting an unfavorable report on the Senate committee in Bogota.

October 15: "Happenings in Washington, Bogota, and Panama made it 9 and 10, forecasting an unfavorable report of the Senate committee in Bogota, sailed for Paris on October 15, to confer rapidly and return."—Mr. Cromwell's confessions.

October 16: Mr. Roosevelt received in person the reports of the military spies, who, as an "unpremeditated incident of their return journey," had reported every detail that might be useful in a campaign on the Isthmus, even to the best positions for artillery to command Panama and Colon, and the number of mules that might be procured in far-interior villages.

October 16: "As a consequence of Gov. Obaldia's quieting dispatches, the fears formerly felt in Bogota regarding a secession of the Isthmus has been entirely dissipated, and public opinion is now assured that no further danger is threatened."—New York Herald dispatch from Bogota.

The bank account of the American minister in Bogota for this period shows that the Herald correspondent, Luis Halberstadt, from time to time received checks for various amounts ranging up to \$30. In 1909 the then secretary of the American legation in Bogota stated that he had paid Halberstadt \$25 to spy on a representative of the World, and that he had long been in the pay of the American minister.

October 17: Capt. Humphrey and Lieut. Murphy, having reported in person to President Roosevelt on the 16th, it was found advisable to detail military attachés to the American legation in Bogota. Capt. Sidney A. Cloman, whose detail to the military information division had been announced on September 16, 1903, and Capt. William G. Haan were assigned, though only Cloman's detail appeared in the press dispatches from Washington. The reason for Cloman's assignment to Bogota announced at the State Department was that the United States was going to pursue a new policy and send Army men to all the American legations in South America to forearm this country with military information on account of the activity of Germany there and its evident purpose to oppose us in enforcing the Monroe doctrine. Notice of the return of Capt. Humphrey and Lieut. Murphy inconveniently found its way into the papers, and a Washington dispatch explained that they had been exploring northern Venezuela to this purpose, estimating carefully the sized army that country could put in the field to back up the United States in a crisis, and that these officers "also went to Panama and studied it from a soldier's point of view."

October 17: Bunau-Varilla says that on this day he gave full instructions to Amador and told him to sail on the first boat, October 20, for Panama, and pull off the revolution not later than November 3.

October 17: Dr. Raoul A. Amador, son of the revolutionary conspirator, was refused a leave of absence from Fort Revere, Mass., where he was acting assistant surgeon in the United States Army. He wrote to his father in New York and also telegraphed, saying that on this account it was impossible for him to come to New York as per his father's request.

October 18: Dr. Amador wrote from the Hotel Endicott, in answer to his son Raoul's letter and telegram. Aside from personal affairs, the letter, of which the World obtained the original, said:

"The object of your coming was for you to see Bunau-Varilla, to whom I have talked of you. He says that if all turns out well you will have a good position on the medical (sanitary) commission, which is the first that will

begin the (canal) work; that my name is in the office of Hay, and that certainly nothing will be denied you.

"The plan appears to me good. A portion of the Isthmus will be declared independent, on which the United States will not permit forces of Colombia to arrive to attack us. They will convoke an assembly, which will invest with authority a minister who will be named by the new Government to make a treaty without necessity of later ratification by that assembly. The treaty, being approved by both parties, the new Republic will already be protected by the United States, and they will add the other settlements which were not forming part of that Republic, and which will also remain under the protection of the United States.

"The movement will be delayed a few days; we want to have here the minister that they are going to name, so that when the movement has been made he will be named by cable and will occupy himself with the treaty. In 30 days everything will be concluded.

"We have certain resources on the movement being made, and this has already been arranged with a bank.

"As soon as everything is arranged I will tell B. V. to occupy himself about you. He says that if you do not want to go he will look for a position here in New York. He is a man of great influence. * * * Your affectionate father, Amador."

The foregoing letter of Dr. Amador to his son was one of the exhibits introduced by the World in Panama, which caused the remark by one of the horde of secret agents that "Cromwell's man on the Isthmus was an ass and left too much evidence uncovered." From this letter it is apparent that—

1. Bunau-Varilla was in Secretary Hay's office, notwithstanding his efforts later to make it appear that when he went to Washington he saw neither the President nor the Secretary of State, but secured the dispatching of American warships to Panama simply "by spreading from the New Willard Hotel a report that was not 15 minutes in reaching the White House." Wayne MacVeagh, former Attorney General of the United States, and brother of President Taft's Secretary of the Treasury, saw Bunau-Varilla with Acting Secretary of State Loomis before the Panama revolution.

2. The plan was cut and dried to take only that part of Panama which Mr. Roosevelt and Mr. Cromwell wanted for their purpose, and prevent, by use of the armed power of the United States, the reassertion of Colombia's sovereignty over it. Anticipating protests and possible complications, it was decided to have Panama's diplomatic representative on the ground so that the canal treaty could be rushed through and ratified by the minister without further authorization.

3. The finances of the revolution, at least in part, had "already been arranged with a bank."

Young Dr. Amador was given the choice of a place on the sanitary commission, or the Panaman consular post in New York. As soon as he received his father's letter of October 18, 1903, he resigned, in order that he might be in New York to accept at once the consular post, which he chose. His resignation not being accepted, he deserted on November 1, 1903, and came to New York. Finding Bunau-Varilla absent in Washington, young Dr. Amador, afraid to confide in any other person, walked the streets the 2d and 3d of November, nervously watching the newspaper bulletin boards for announcement of the revolution.

October 18: The State Department received Minister Beaupré's cable of the 15th stating that the Colombian Senate committee had proposed a project of law to ratify the extension of the canal concession. Minister Beaupré added that the tone of the committee's report "gives to understand that Colombia would greatly benefit by canceling of the extension" of the concession, thereby coming into full possession of the canal company's property within another year, and becoming free to negotiate for its sale direct to the United States.

October 19: The State Department received the following message from Minister Beaupré, dated October 17:

"Have received information, confidentially, that there was a meeting of the cabinet yesterday to discuss the question of renewing canal negotiations with the United States, and that the adjournment of Congress "will be followed by the mission of special envoy to Washington for that purpose. The President's message dissolving Congress will be delivered probably before 30th instant."

October 19: "Orders were given on October 19 to the *Boston* to proceed to San Juan del Sur, Nicaragua; to the *Dixie* to prepare to sail from League

Island; and to the *Atlanta* to proceed to Guantanamo."—Mr. Roosevelt's message, January 4, 1903.

Several days before this it was announced at the Navy Department that the Pacific Coast Fleet had been ordered to Acapulco, Mexico, for tactical drill, and reference to the Washington Navy reports shows that the fleet had been moving gradually southward for a month or more.

October 20: Dr. Amador sailed from New York for Panama. He was provided with cable codes, of which the World was given the originals in Panama, where again "Cromwell's man was an ass." Following are the translations from Spanish of these codes, complete:

CODE WITH LINDO.

(In Dr. Amador's handwriting.)

The plan is accepted; minister will start.....abete.
 Ask Bunau-Varilla for the \$4,000.....abbot.
 Ask Bunau-Varilla for the balance up to 100,000.....ably.
 Send the 50 revolvers, not very large ones, with 1,500 cartridges;
 must behandy but not small Smith & Wesson's.....abode.
 Meet minister on the wharf.....abrupt.
 Pablo Arosemena.....accuse.
 J. A. Arango.....absurd.
 Tomas Arias.....accent.
 Federico Boyd.....account.
 They do not accept the plan.....accord.
 I have received of B. V. the 4,000.....adult.
 I have received from B. V. the balance up to 100,000.....advent.
 The minister will negotiate loan.....adept.
 This word in your cable to Maduro means that it is for me.....obscure.
 Cables with this word are for B. V. trausmit them (to him).....fate.
 Minister sailed from Colon the 3.....three.
 Minister sailed from Colon the 10.....ten.
 Minister sailed from Colon the 17.....seventeen.
 Minister sailed from Colon the 24.....twenty-four.
 Minister sailed from Colon the 1st of December.....first.
 Code of Liebert (Lieber).

Read the sixth word, counting that of the cable as the first.

ADDITION TO CODE WITH LINDO.

(In Dr. Amador's handwriting on the back of a sheet of letterhead of the Hotel Endicott.)

Send 500 Remington rifles and 500,000 cartridges.....sorry.
 Movement delayed for lack of arms.....truble.
 Movement delayed for six days.....sin truble.
 B. V. agrees to the delay.....O. K.
 (The following was written and crossed out by Amador:)
 For the 100,000 loan they charge 5 per cent-10 per cent.....5-10 per cent.

CODE WITH (JONES) BUNAU-VARILLA.

(Heading written in ink in the handwriting of Jose Augustin Arango.)

(Typewritten by some one who did not know Spanish, and evidently copied from Amador's manuscript.)

Tomorrow at daybreak the movement will take place.....Galveston.
 We have great hopes of good result.....Mobile.
 The movement is effected with good success without casualties.....safe.
 The movement is effected with losses of life of small importance.....serious.
 The movement is effected with losses of life of grave importance.....grave.
 From 1 to 10 killed or wounded.....Belgium.
 From 10 to 20 killed or wounded.....France.
 From 40 to 80 killed or wounded.....Turkey.
 More than 80 killed or wounded.....Russia.
 We have taken several Colombian warships.....take.

Warship <i>Bogota</i>	wood.
Warship <i>Padilla</i>	crowd.
Warship <i>Boyaca</i>	female.
Warship <i>Chucuito</i>	small.
They have left for the Cauca.....	south.
Rendered useless.....	spoiled.
They are in Buenaventura, or absent from Panama.....	laugh.
We have news of the arrival of Colombian forces.....	news.
The Pacific.....	good.
The Atlantic.....	bad.
One day.....	word.
Two days.....	ton.
Three days.....	weight.
Four days.....	heavy.
Five days.....	powerful.
All the friends approve plan and we are proceeding to carry it out.....	sad.
Enthusiasm.....	faithful.
Discouragement.....	great.
Met troops disembarking, or disembarked.....	tradition.
One hundred.....	rabbit.
One hundred and fifty.....	cat.
Two hundred.....	lion.
More than 200.....	tiger.
The great number of troops prevents us making the movement.....	elephant.
This cable is for Jones New York.....	fate.
This cable is for Smith Panama.....	obscure.
Tell me if anything had happened which obliges them not to fol- low plans agreed upon.....	content.
Nothing has occurred which necessitates modification.....	boy.
Something has happened which compels abandonment of all idea of movement.....	heaven.
We have issued the declaration of independence with the six declarations without changing a word.....	London.
Repeat your cable where occurs the word X, in order to be per- fectly certain.....	plus X.
I repeat the word X, which is perfectly correct.....	X plus.
I think it is extremely dangerous to refuse that which the United States desires.....	India.
I think that to arrive at our ends it is necessary to show some resistance.....	Japan.
It is impossible to resist longer; you accept.....	China.
Here is that which they desire to change.....	Mongolia.
I think these changes extremely advantageous and that they should be accepted.....	Indochina.
I think these changes acceptable.....	Manchuria.
I think it can not be accepted.....	Liberia.
Accept everything that you think just.....	Arabia.
Do not be worried by the delay, all is well.....	Canada.

(Added in Amador's handwriting.)

The movement will take place within.....	United.
Days.....	River.
One.....	Kentucky.
Two.....	Ohio.
Three.....	Mississippi.
Four.....	Hudson.
Five.....	Missouri.

Amador's codes indicate that—

1. Amador had not agreed when he left New York that Bunau-Varilla should be the minister from Panama. This is corroborated by statements of members of the "patriots' committee" in Panama that Amador desired this place himself.

2. There was an understanding about a specific \$4,000 for a purpose which Mr. Lindo does not explain. This, or some other \$4,000, was cabled to Bunau-Varilla's New York bankers on November 17, 1903, by Credit Lyonnais. The \$100,000 in the code is the sum which Lindo and various other Panamans declare Bunau-Varilla promised to contribute to the revolution, and of which they

say he only gave \$25,000; Mrs. Amador, widow of the revolutionary leader, corroborates the World's information that this was the price Bunau-Varilla was willing to pay to be named Panama's first minister to the United States. It was testified before the World's rogatory commission in Panama that Bunau-Varilla never contributed more than half of the sum he had promised. Mr. Lindo declares that when he, authorized by Amador, called on Bunau-Varilla after the revolution to make good his promise, Bunau-Varilla said he could not do so, but finally advanced \$25,000, which he secured upon Mr. Lindo's signing his note for that amount. Bunau-Varilla says he gave the \$100,000 gladly, as he was a "man of large affairs," and what was \$100,000 to him? New York, however, saw little evidence of Bunau-Varilla's large estate. While he retained his \$5-a-day room at the Waldorf-Astoria as his diplomatic headquarters, where his wife also was registered on October 8, 1903, he moved his family on October 31 to the modest and moderate-priced New Amsterdam Hotel in Fourth Avenue, where he registered with Mme. Bunau-Varilla and Mlle. Herzog, a guest. He kept his family there until his diplomatic mission ended in January, 1904.

3. Amador and Bunau-Varilla anticipated borrowing \$100,000 in New York and having to pay 5 to 10 per cent interest therefor, but abandoned this idea.

4. Amador anticipated the need of 50 revolvers and 500 rifles, but Lindo says he was sent none until after the Republic of Panama was established and feared invasion from Colombia. Amador was seemingly ignorant of the arms which Mr. Roosevelt's military spies reported as being shipped into the country in piano boxes and feared that the movement would fail for lack of munitions.

5. Fighting, with possible casualties, was anticipated, though they had hopes of a bloodless independence.

6. As early as October 20 Amador had reason to expect the arrival of Colombian forces, which might be encountered disembarking or disembarked, and he recognized the possibility of their great number making impossible the revolution.

7. The movement was planned originally to take place at dawn instead of sunset.

8. The declaration of independence of the Republic of Panama was written in New York or Washington.

9. The Panama rebels recognized their dependence upon the United States to the extent that they knew it might be "extremely dangerous to refuse that which the United States desires," but thought it would be well to "show some resistance."

10. The plan, entirely in embryo when Amador came from Panama, was so well cut and dried before he left on October 20 that several code expressions referred to possible changes to be proposed.

"Smith" and "Jones" were the code names of Amador and Bunau-Varilla, respectively. All cables to Bunau-Varilla were addressed to "Tower," the cable address in New York of Joshua Lindo, and by him were transmitted to Amador's agent, while those to Amador were directed to Capt. Beers, in Panama.

Besides the declaration of independence, Dr. Amador took with him to Panama when he sailed from New York on October 20, 1903, a flag for the proposed republic, designed and made by Mme. Bunau-Varilla. For greater safety Amador carried the flag wrapped around his waist beneath his clothing and the declaration of independence and other valuable papers he deposited in the purser's safe. The purser was George K. Beers, son of Cromwell's agent on the Isthmus.

October 20: The following cable was transmitted from Washington to Minister Beaupre at Bogota:

"Have been designated military attaché Colombia. Please obtain customs courtesies baggage Capt. Sidney A. Cloman, General Staff; Capt. William G. Haan, General Staff. Sail New York 24th.

"S. A. CLOMAN, *Military Attaché.*"

Nothing more was heard of the new policy of obtaining military information in South America. Capts. Cloman and Haan did not arrive at Bogota, so far as the roster of the legation shows, although the names of clerks, secretaries, ministers, and military attachés appear thereon. Shortly after the outbreak in Panama three officers appeared on the Isthmus, Capt. Cloman disguised as "S. A. Otts, lumberman," and Capt. Haan as "H. E. Howard, mining man," both of New York. They were accompanied by Maj. Guy L. Edie,

now physician to President Taft, who passed as plain "Mr. G. E. Edie, of New York."

October 20: On the same day that Dr. Amador left New York, and the day after Mr. Roosevelt had ordered warships to proceed within striking distance of Panama and Colon, the American minister to Colombia wrote the following letter to the Secretary of State:

No. 185.]

LEGATION OF THE UNITED STATES.

Bogota, October 20, 1903.

SIR: I have the honor to inform you that it would be of great utility and satisfaction to me to be kept posted as to the course of events on the Isthmus, and, if not inconsistent with the rules, I would be glad to have it arranged so that our consular officers at Panama and Colon could send me copies of their dispatches to the department on the political situation, and that the consul general at Panama could telegraph me whenever anything of unusual importance occurs.

I am, sir, your obedient servant,

A. M. BEAUPRE.

October 21: The *Nashville*, having sailed from Colon October 18, arrived at Caimanera (Guantanamo, Cuba).

October 21: Minister Beaupre wrote to Secretary Hay:

"I have the honor to inform you that there is no disguising the alarm existing as to the possible action of the Government of the United States should the feeling of disaffection undoubtedly existing in the Department of Panama find expression in overt acts. The alarm took the form of a heated debate in the Senate yesterday, when the Government was again attacked for the appointment of Señor Obaldia as governor of Panama. The reply elicited from the minister for foreign affairs was rather significant. He read an extract from the treaty of 1846, in which the United States guaranteed Colombian sovereignty on the Isthmus, and assured the Senate that, in case of an insurrection in the Department of Panama, the United States would be bound to support the Government."

October 22: Secretary Hay cabled to Minister Beaupre:

"Referring to your telegram, 17th, if you find disposition on the part of Colombia to ask terms more favorable to Colombia than those heretofore negotiated you may intimate orally, but not in writing, that it will be useless to send a special envoy."

October 22: The *Dixie* sailed from New York for League Island Navy Yard to load marines for the campaign on the Isthmus.

October 23: Mr. Cromwell arrived in Paris. According to his own story, he discussed and explained to the administrators, the director, and the liquidator of the old and new canal companies "the situation in Bogota, that in Washington, and that in Panama, as well as the proposition he had made to the President."

October 24: The State Department received Minister Beaupre's cable of October 22, stating that the Colombian Congress appeared to him to be playing a waiting game, and that the minister for foreign affairs had informed him that at its next meeting the cabinet would consider a proposal to send a new minister and a special commission of three prominent men to renew canal negotiations.

October 24: The *Dixie*, having secretly loaded 450 marines and munitions of war, sailed from League Island Navy Yard, Philadelphia, with her announced destination Guantanamo, Cuba. The official Army and Navy Journal reported her next stop at Kingston, Jamaica, whence she proceeded under rush orders to Colon. The New York Herald's Washington correspondent telegraphed his paper on October 30, under the heading of "Movements of Navy vessels." "The *Dixie* is at Guantanamo." But in the Herald's cable reports of arrivals and departures at foreign ports, the presence of the *Dixie* at Guantanamo or Caimanera was not noted. The secret order under which the 450 marines were embarked at League Island has never been published, either in the Army and Navy Journal or in the official reports of the Navy Department.

October 25: Governor Obaldia, furthering a revolutionary scheme to divide the Colombian garrison and remove from Panama 100 men under Col. Tascon, a loyal Colombian who, the conspirators feared, could not be bribed to join the revolution, telegraphed to the governor of Cauca: "Nicaraguan invasion has disembarked north of Veraguas; command of Federico Barrera. I have sent forces to attack them. * * * Bolivar [and] Magdalena tranquil."

The report of this fake "invasion" was cabled at great length the same day to the New York Herald by its Isthmian correspondent, Samuel Boyd, brother of Federico Boyd, of the "Patriots' revolutionary committee." The Bogota foreign office, in alarm, cabled to Dr. Herran in Washington for information concerning the "invasion," and what attitude the American Government would assume.

October 25: President Roosevelt, within the shadow of the peace cross on Mount St. Albans, Washington, addressed a missionary meeting. Pleading for aggressive Christianity he said it was faint praise to say a man is harmless; he should be not only harmless as a dove, but wise as a serpent. "In our civil life," the President continued, "although we need that the average public servant shall have far more than honesty, yet all other qualities go for nothing, or for worse than nothing, unless honesty underlies them—not only the honesty that keeps its skirts technically clean, but the honesty that is such according to the spirit as well as the letter of the law."

October 26: Three days after Mr. Cromwell's arrival in Paris the Credit Lyonnais, by cable to Heidelbach, Ickelheimer & Co., of New York, opened in favor of Bunau-Varilla a credit of \$100,000. The president of Credit Lyonnais was Marius Bo, also president of the New Panama Canal Co. and Cromwell's chief instrument in France in its manipulation. Bo's election as president of the canal company, December 24, 1901, was followed the next month by Mr. Cromwell's reinstatement as general counsel. Later Cromwell appears in the United States as attorney for Credit Lyonnais.

October 27: Dr. Amador arrived at Colon in the morning and was met at the pier by Herbert G. Prescott, assistant superintendent of the Panama Railroad. He told Prescott that Bunau-Varilla had promised to have American warships on hand to protect Panama from Colombia, and expressed implicit confidence in the outcome of the revolutionary project. That night in Panama he reported to his fellow conspirators, who were disappointed because Amador had not brought back "some secret treaty with a sovereign." Amador told his fellow conspirators that he had not been to Washington; that Mr. Cromwell had failed them; that Bunau-Varilla was their sole dependence; and that no money was promised until after the blow was struck, when Bunau-Varilla would give them \$100,000. At least this is the story the surviving conspirators now tell.

October 28: The *Nashville*, Commander John Hubbard, sailed from Kingston, Jamaica, under sealed orders (officially verified at the Navy Department). In his message of January 4, 1904, Mr. Roosevelt says: "On October 30 the *Nashville* was ordered to proceed to Colon." Colon being only 48 hours' steaming from Kingston, if the *Nashville* sailed on the 28th she had ample time either to call at the island of St. Andrews or cruise down the Panama coast toward Colombia and keep a lookout for any Colombian warships coming with soldiers to suppress the revolution, and still arrive, as she did, at Colon on the night of November 2.

October 28: Dr. Herran wrote to his Government, in part, as follows:

"In the event that Colombia should abstain from reopening negotiations, and in case our demands should not be considered acceptable, I judge that negotiations will be definitely terminated and that the French Canal Co. will immediately give added impulse to its work with the assistance of a powerful American syndicate which will be partly owner of the enterprise. In this manner there will be no necessity for official action on the part of Colombia or of the United States * * *. Mr. William Nelson Cromwell, with general power of attorney for the Panama Canal Co. in this country, is at present in Paris conferring with the directors of that enterprise. I have been informed that he is occupied in organizing the American syndicate to which I have made reference."

October 29: Minister Beaupre cabled to Secretary Hay at 1 o'clock p. m.:

"Please give instructions to consul general at Panama keep me advised by cable matters of consequence. Canal situation unchanged."

October 29: Dr. Amador cabled from Panama to "Tower" (Joshua Lindo's cable address), New York: "Fate news bad powerful tiger urge vapor Colon." Translated by the Amador-Bunau-Varilla code, this cable reads:

"This cable for Bunau-Varilla. We have news of the arrival of Colombian forces by the Atlantic in five days, more than 200. Urge warship for Colon."

Mr. Lindo delivered this cable in person to Bunau-Varilla at the Waldorf-Astoria Hotel, and Bunau-Varilla went at once to Washington. Returning, he stopped at Baltimore to cable the assurance, "Thirty-six hours Atlantic, 48

Pacific," being the number of hours before American warships might be expected on the Atlantic and Pacific sides of the Isthmus.

October 29: The State Department received, at 10.15 p. m., Minister Beaupre's cable of October 27, announcing that the Colombian Congress would adjourn on October 31, probably without action on the renewal of treaty negotiations.

October 29: Answering a cable inquiry from his Government respecting the report of the fake "invasion" of the Isthmus which Gov. Obaldia had sent to Bogota, Dr. Herran cabled: "The Government of the United States is unaware of the character of the invasion of the Isthmus. The Secretary of State declared to me to-day that the Government of the United States will only intervene to maintain traffic."

October 30: Secretary Hay cabled to Minister Beaupre: "You may avail yourself of leave of absence under authorization cabled to you July 9." The only other reference to Mr. Beaupre's leave, found in the published diplomatic correspondence, is the following paragraph in Mr. Beaupre's letter to the State Department, under date of September 5: "I think my previous reports have given the department a very good idea of the situation, but there are some phases of it which I should like to discuss personally when I next visit the United States. This will be in March of next year, I think, if I can get the department's permission, and circumstances permit of it."

On the day of the "revolution" in Panama—November 3, 1903—the New York Evening Telegram published the following dispatch from its Washington correspondent:

"As a mark of the United States' dissatisfaction with the attitude of Colombia in regard to the Panama Canal, the United States minister, Mr. Beaupre, has been withdrawn from Bogota. Ostensibly he is coming home for his official annual leave of 60 days, but it is learned at the State Department that unless canal negotiations are resumed with favorable prospects within that time the leave will be extended by Secretary Hay, and he will be withheld from his post.

"Notwithstanding all this show of frank dissatisfaction, the administration shows no outward sign of obeying the mandate of Congress to turn to the Nicaragua route."

October 31: William Nelson Cromwell cabled from Paris to President Roosevelt that he was authorized, in the name of the president of the canal company (Marius Bo, also president of Credit Lyonnais, which had cabled \$100,000 to finance the independence of Panama), and in the name of other canal officials, "to give you and the Government of the United States the assurance of loyal adherence, which they firmly maintain, and to express to you their entire confidence in the outcome of your masterly policy. I have received plenary power to complete all details on my coming return."

October 31: Minister Beaupre cabled to the State Department:

"Congress adjourned to-day. No action has been taken upon the last report concerning the canal. Therefore nothing more than the vote of August 12, rejecting treaty, done. The people here in great anxiety over conflicting reports of secession movements in the Cauca and Panama."

October 31: The Panama Railroad officials, in league with the native conspirators, refused coal to the Colombian warships in Panama, thus preventing their leaving for Buenaventura to bring troops.

November 1: Mr. Beaupre cabled:

"The Government issued manifesto to the nation to-day, severely criticising acts of Congress. * * * With regard to canal, states that Colombian chargé d'affaires has been instructed to inform the Government of the United States that the Colombian Government would consider new negotiations, which, it is believed, will be accepted by the next session of Congress. Therefore, if the Government of the United States still desires to open canal, which, it is presumed that it does, as neither by act nor word has it shown any other intention, it is to be hoped that the great work will be carried out in the end through Colombian territory. I took the opportunity of informal visit to the President yesterday to inform him of substance your cipher telegram, October 22." (That no special mission need be sent if Colombia demanded better terms.)

November 1: Amador received Bunau-Varilla's cable, sent from Baltimore, where Bunau-Varilla stopped off on his way from Washington to New York, assuring the conspirators that American warships would be at Colon in 36 hours and at Panama in 48.

November 1: The first steps were taken in Panama to organize the revolutionary movement in Colon and points in the interior.

November 2: The *Nashville*, as per Bunau-Varilla's promise, arrived at Colon at 5.30 p. m.

November 2: By direction of President Roosevelt, Acting Secretary of the Navy Darling cabled to the commander of the *Nashville*, care of the American consul at Colon, and to the commander of the *Dixie* at Kingston:

"Maintain free and uninterrupted transit. If interruption threatened by armed force, occupy the line of railroad. Prevent landing of any armed force with hostile intent, either Government or insurgent, either at Colon, Porto Bello, or other point. Send copy of instructions to the senior officer present at Panama upon arrival of *Boston*. Have sent copy of instructions and have telegraphed *Dixie* to proceed with all possible dispatch from Kingston to Colon. Government forced reported approaching the Isthmus in vessels. Prevent their landing, if in your judgment this would precipitate conflict. Acknowledgment is required."

And to the commanders of the *Marblehead* at Acapulco, Mexico, and the *Boston* at San Juan del Sur, Nicaragua:

"Proceed with all possible dispatch to Panama. Telegraph in cipher your departure. Maintain free and uninterrupted transit. Prevent landing of any armed force, either Government or insurgent, with hostile intent at any point within 50 miles of Panama. If doubtful as to the intention of any armed force, occupy Ancon Hill strongly with artillery. If the *Wyoming* would delay *Concord* and *Marblehead*, her disposition must be left to your discretion. Government force reported approaching the Isthmus in vessels. Prevent their landing, if in your judgment landing would precipitate a conflict."

November 2: Before these orders were delivered to the commanders of the American warships the Colombian troops, 500 strong, under command of Gens. Juan B. Tovar and Ramon G. Amaya, arrived at Colon aboard the Colombian gunboat *Cartagena* at 11.30 p. m.

In setting forth the orders issued to the Navy on November 2, 1903, Mr. Roosevelt is not exactly accurate in his statement in his message to Congress January 4, 1904 (S. Doc. No. 53, 58th Cong., 2d sess.). He says:

"On November 2, when, the Colombian Congress having adjourned, it was evident that both sides were making ready forces whose meeting would mean bloodshed and disorder, the Colombian troops having been embarked on vessels, the following instructions were sent to the commanders of the *Boston*, *Nashville*, and *Dixie*:

"Maintain free and uninterrupted transit. If interruption is threatened by armed force, occupy the line of railroad. Prevent landing of any armed force with hostile intent, either Government or insurgent, at any point within 50 miles of Panama. Government force reported approaching the Isthmus in vessels. Prevent their landing, if in your judgment the landing would precipitate a conflict."

"These orders were delivered in pursuance of the policy on which our Government had repeatedly acted."

The foregoing comprises part of the order sent to the *Nashville* and *Dixie* on the Atlantic side, and part of the order sent to the *Marblehead* at Acapulco, and the *Boston* at San Juan del Sur, on the Pacific. Neither order was reproduced in full by Mr. Roosevelt in his message. Mr. Roosevelt omitted from the hybrid order in his message that part in the order to the *Nashville* and *Dixie* referring to landing at "Porto Bello, or other point," and also the most significant words, which were in the order to the *Marblehead* and *Boston*, as the orders appear in Foreign Relations, 1903, and Senate Document No. 51, Fifty-eighth Congress, second session, as follows:

"If doubtful as to the intention of any armed force, occupy Ancon Hill strongly with artillery."

The possibilities of fortifying Ancon Hill had been reported by the two military spies who were called to the White House by Mr. Roosevelt on October 16. See their report and Mr. Roosevelt's message.)

The order to prevent landing of Colombian troops at Porto Bello, 20 miles east of Colon, meant, in effect, blockading the entire Atlantic seaboard of Panama, since that port was the only one outside of Colon where a landing could be effected and a march commenced against the city of Panama. Capt. Humphrey noted in his report the existence of an old trail from Porto Bello to Panama city, and this report was within Mr. Roosevelt's knowledge, if not in his hands, when the blockading order was issued.

Meantime the Colombian officials at Bogota were reposing peacefully in the faith that the United States, under its obligations in the treaty, of 1846-1848,

could be depended upon to uphold Colombian sovereignty in the Isthmus of Panama. Their confidence was shown in the following cable from the minister for foreign affairs to Acting Minister Herran, dated Bogota, November 2, 1903:

"Congress has adjourned without legislating about the canal. Reiterate to the Secretary of State declarations in telegram of September 8. Advise him to maintain order on the Isthmus and safety of traffic."

November 3: The revolutionary farce, booked in the early summer for election day, was duly put upon the boards, as had been announced on July 4 by Mr. Cromwell's press agent. The plans could not have been better laid to escape with the minimum of publicity. In the course of the day the Associated Press received a cable from its correspondent in Colon, and some of the afternoon papers in the United States considered it sufficiently important to print the dispatch, which follows:

"COLON, COLOMBIA, November 3.

"It is rumored here that startling developments, pointing to the independence of the Isthmus, are on foot. Everything, however, is quiet here.

"The United States gunboat *Nashville* arrived here late last evening.

"The Colombian gunboat *Cartagena* arrived here this morning from Savannah with several hundred troops on board."

This dispatch was the only inkling of the pending revolution permitted to get out of Panama until after the blow had been struck on the evening of the 3d, so carefully had the conspirators understood themselves with the native newspaper correspondents. In Colon this was looked after by the superintendent of the Panama Railroad, Col. James R. Shaler, who personally cautioned the newspaper representatives there before the end of October to be careful what they sent to the United States.

When the House of Representatives asked President Roosevelt for "all correspondence and other official documents relating to the recent revolution," the following uncalled-for explanation was sent as a preface to the cables exchanged between the State Department and the consulates in Panama:

"A press bulletin having announced an outbreak on the Isthmus, the following cablegram was sent both to the consulate general at Panama and the consulate at Colon:

DEPARTMENT OF STATE,
Washington, November 3, 1903.

(Sent 3.40 p. m.)

Uprising on Isthmus reported. Keep department promptly and fully informed.

LOOMIS, Acting.

But when Mr. Loomis sent this cable to the Isthmus the State Department already had received, one hour and five minutes earlier, the following cable from the American consul at Colon, far more enlightening on the revolutionary situation than the "press bulletin," which the administration cited as the excuse for its action:

COLON, November 3, 1903.

(Received 2.35 p. m.)

Revolution imminent. Government force on the Isthmus about 500 men. Their official promised support revolution. Fire department Panama, 441, are well organized and favor revolution. Government vessel *Cartagena*, with about 400 men, arrived early to-day with new commander in chief, Tobar. Was not expected until November 10. Tobar's arrival is not probable to stop revolution,

MALMROS.

This cable shows how intimately the United States consul, Oscar Malmros, who is now dead, was in touch with the revolutionists, being informed even of the understanding with Gen. Huertas, who sold his loyalty and that of his battalion. Late in October, 1903, Consul Malmros said to a friend in Colon (J. W. Humphreys, editor of the Colon Telegram and correspondent of the New York Sun in 1903): "These fellows have asked us to recognize them, but we have told them they must fight for their independence."

No positive news of the revolutionary conspiracy was allowed to reach the American press until late on the night of November 3, when the Metropolitan morning papers were going to press with their first editions. Editors sweating over election tables were called on at the last minute to make room for announcement of the birth of a republic. In some papers the news found a

minor position on the front page, but in most cases it was "buried" with election returns and attracted little attention on the morning of November 4.

The news that did come from the Isthmus was written to suit the purposes of the revolutionists. Samuel Boyd, correspondent of the New York Herald, brother of Federico Boyd, of the "Patriots' revolutionary committee," cabled his paper very briefly, stating that "There were 3,000 armed men in the uprising." There were not to exceed 1,200. Ernesto T. Lefevre, son-in-law of Jose Agustin Arango, of the "Patriots' committee," supplied the Associated Press with information equally devoid of the real facts. After the Colombian soldiers had been paid their bribes and the "Patriots" came in for their share of the canal millions, the useful correspondents were duly recognized, along with the American officials of the railroad and others whose assistance enabled the Republic to be born.

All of this time the guiding hand of Mr. Cromwell was on the helm. According to his own story, "During his stay in Paris Mr. Cromwell was in constant communication with the United States, giving his advice and instructions."

On the morning of November 4, 1903, his assistants in New York held council and telegraphed to Washington formally requesting the American Government to use whatever means might be necessary to protect the property of the Panama Railroad Co., an American corporation. The press dispatches from Washington announced that this request had been made, and Mr. Cromwell, in his story, gives the statement substantial verification. Nevertheless, after the prosecution of the Roosevelt libel suit was dismissed in the Federal court in New York, Roger Farnham declared (March 1, 1910, to Sam Williams) that he went to Secretary Hay two months before the revolution and asked that warships be sent to Panama to protect the property of the canal and railroad companies, and that again, shortly before the revolution, Mr. Hill, of Cromwell's firm, asked for naval protection, and was assured by Acting Secretary Loomis that no damage would be permitted, though Farnham said Loomis did not immediately order the ships sent.

On the morning of November 6, 1903, preceding the formal recognition of Panama's independence that day by President Roosevelt, the World said in an editorial:

"It is natural that we should take a deep interest in the country of the proposed canal and our treaty rights there. Anything further, any taking sides or casting of obstacles in the way of Colombia's retaining her territory, would be an invasion of a sister nation's rights, for which our excusable irritation at the Bogota Senate for failing to pass the canal treaty would furnish no excuse whatever."

November 6: At 11.55 a. m. the State Department received official notice from Felix Ehrman, Panamanian banker and the acting American consul general in Panama, that Bunau-Varilla had been appointed confidential agent of the new Republic at Washington, and that "Colon and interior Provinces have enthusiastically joined independence."

The truth was that the independence had not been even heard of in important parts of the interior, and that very day, as shown by a cable from the American consul in Colon, received in the State Department at 4.50 p. m. of November 6, they were just sending an expedition to Bocas del Toro to proclaim the revolution. Bocas del Toro is the fourth most important town of the Isthmus, and the center of the banana industry. The Province of Chiriqui, with its capital, David, the third most populous and important place, and the center of the cattle business, held out against the independence until a letter from the Provisional Government warned the commander of the Colombian forces that if he did not join the revolution a white ship of the North Americans would appear in those waters.

November 6: At 12.51 p. m. Secretary Hay dispatched the cable to the American consuls in Panama announcing that "the people of Panama have, by an apparently unanimous movement, dissolved their political connection with the Republic of Colombia, and resumed their independence," and instructing the consular representative to enter into relations with the new Government. At the same time Secretary Hay cabled Minister Beaupre in Bogota to notify Colombia that the United States had recognized the revolutionists. The hour of sending this cable is not indicated, but it was repeated for the information and guidance of the acting consul general in Panama at 2.45 p. m. of November 6.

November 6: Bunau-Varilla, having received by cable his appointment as minister, appears to have delivered to Joshua J. Lindo, of the firm of Piza, Nephews & Co., No. 18 Broadway, New York, a check for \$25,000. This left him

a balance of \$75,000 in the account of \$100,000 which Credit Lyonnais had opened by cable to his credit with Heidelbach, Ickelheimer & Co., on October 26, 1903. On the same day in Panama, Mr. Lindo's Isthmian firm of Piza, Lindo & Co. sold to Isaac Brandon & Bros. bills of exchange for \$17,000 and \$8,000 against New York. Meantime the Brandon banking house in Panama had advanced funds to the revolutionary committee on the morning of November 4 to meet the immediate needs for bribing the Colombian soldiers.

This \$25,000 transaction is the first recorded after the making of the independence, and the Panamans wish to have it believed that it was the first money secured for the movement from any source. On the other hand, Dr. Amador's confidential note to his son, written a fortnight before the movement, said the financial arrangements already had been made in a bank. Then, too, Mr. Lindo contradicts the record by declaring that Bunau-Varilla never gave to the revolution the amounts he claims, and that the only sum which Bunau-Varilla did contribute—\$25,000—was at a later date and secured by Lindo's signing Bunau-Varilla's note for that amount. Federico Boyd, who testified that he was one of the four authors of the independence, swore that the first \$100,000 for the cause was procured by Bunau-Varilla from J. P. Morgan & Co. on the day of the revolution on Bunau-Varilla's personal guaranty. Boyd swore that Bunau-Varilla had been guaranteed reimbursement by a letter given to him by Dr. Amador before the revolution.

November 7: Mr. Cromwell's partner, William J. Curtis, "had an audience with the President, who demanded that the company declare formally that it consented to the application of the existing agreement to the new situation as it had been generally set forth by cable on October 31"—the cable in which Mr. Cromwell expressed, in behalf of the canal company, "entire confidence in the outcome" of Mr. Roosevelt's "masterly policy."

November 7: Bunau-Varilla telegraphed from New York to Secretary Hay, formally notifying him of his appointment as minister and making the following frank acknowledgment of the Rooseveltian parentage of the Republic of Panama:

"In extending her generous hand so spontaneously to her latest born, the mother of the American nations is prosecuting her noble mission as the liberator and the educator of the peoples. In spreading her protecting wings over the territory of our Republic the American Eagle has sanctified it."

And yet the treaty by which the United States was to guarantee the sovereignty of the new Republic had not been drafted—unless, like the declaration of independence of the Republic of Panama, it had been written before the fake revolution. Bunau-Varilla and Secretary Hay could have held no meetings up to this time in their official capacities to negotiate the treaty. Is this not an admission that it was agreed before the "revolution" that the American Eagle would "spread her protecting wings" over the proposed Republic?

November 7: Secretary Hay issued a statement in which he said: "The action of the President is not only in the strictest accordance with the principles of justice and equity and in line with the best precedents of our public policy, but it was the only course he could have taken in compliance with our treaty rights and obligations."

November 8: Press dispatches from Washington stated that the constitution of the new Republic was already prepared, and that in the canal treaty which would be concluded Panama would be given the same indemnity—\$10,000,000 cash and \$250,000 a year—which Colombia was to have received under the Hay-Herran treaty.

November 9: Having been advised by cable—after Mr. Curtis's conference with President Roosevelt November 7—that there must be a formal stipulation, Mr. Cromwell cabled from Paris to the President that he could "have the most absolute confidence in the good faith of the company, whose attitude remains the same."

November 9: Gen. Rafael Reyes was dispatched from Bogota with Gens. Pedro Nel Ospina, Lucas Caballero, and Jorge Holguin as special commissioners to Panama and Washington to negotiate a settlement with the Panama rebels and a new canal treaty satisfactory to the United States. Rioting began in Bogota as news of the secession was amplified, and the populace stoned the house of Lorenzo Marroquín, blaming him and his father's government for the loss of Panama.

The instructions to Gen. Reyes, as published in the Colombian "Blue Book," were that he should ascertain upon what bases the United States would renew negotiations; that if modifications of the treaty were expected, he should at-

tempt to provide that Colombia's jurisdiction should be integrally preserved and that the indemnity should be augmented; but if the special commission found that it was necessary to sign the treaty as it stood in order to save Colombia's integrity, it should do so, subject to ratification by Congress.

November 10: Dr. Amador and Federico Boyd, as special commissioners to assist Bunau-Varilla in negotiating the treaty and in arranging to finance the Republic until it could receive its canal millions, left Panama for New York. On the following day Mr. Cromwell, according to his own story, "having accomplished the object of his brief stay" in Paris, "embarked for the United States on November 11, to be present at the conference previously arranged with the special delegates of the new Republic of Panama upon their arrival in New York."

Apprised of the coming of the special commissioners, who might interfere with his freedom of action, Bunau-Varilla, who already had been received informally by Secretary Hay at luncheon on the 9th, made haste with his diplomatic mission. On the 13th he was formally received by President Roosevelt, and by the 18th—the day after the arrival of the special commissioners in New York—he was prepared to sign the treaty, and did so before the envoys reached Washington.

Bunau-Varilla's signing the treaty, unsatisfactory as it was to Panama, has been from that day, and always will continue with the Panamans to be, a subject for recriminations. Within a year it was necessary for President Roosevelt to send Secretary Taft to Panama to adjust differences and pacify the new Republic, which complained bitterly that it had been betrayed by its alien minister and led into a very disadvantageous canal bargain.

Many lies have been told about the relations of the special commissioners and Bunau-Varilla and their responsibility for this bargain. The special commissioners reported upon their return to Panama that they went immediately to Washington upon their disembarking in New York and were shocked to learn that Bunau-Varilla had signed with Secretary Hay while they were on the train between New York and Washington. Called to testify before the World's rogatory commission in Panama in June, 1900, Federico Boyd swore to this same misstatement. With Mr. Cromwell's confessions, as well as the public records in his possession, the World's counsel went over this ground again and again, attempting to compel Mr. Boyd to tell the truth, but without success. Boyd declared and reiterated under oath that the special commissioners made no appointment with Mr. Cromwell; that they did not know he was returning from Europe; that they did not see him nor confer with him in New York; that they went immediately to Washington and found that Bunau-Varilla had signed the treaty behind their backs. Not until Mr. Cromwell met them, while stopping at the same hotel in Washington, testified Mr. Boyd, did they get into communication with him.

But Mr. Cromwell, in his account to the French arbitrators, says:

"Before leaving Panama those persons (Amador and Boyd) had arranged by cable to meet Mr. Cromwell in New York for a conference, Mr. Cromwell being on his way at the same time from Paris to New York. They arrived before him, but awaited his arrival in New York a few hours later, on November 18 (November 17 is correct). An important conference, which lasted a whole day, followed. * * * At their request we met these persons in Washington to help them in taking up pending questions."

Mr. Boyd's testimony, which was corroborated by other Panaman witnesses, was intended to bolster up the old story that Mr. Cromwell ran away to Europe at the critical time, left his Panaman friends to face the consequences of a possible failure of the revolution which he had fomented, and failed altogether to keep his promise to finance the independence. In order to clear his skirts it was necessary to make it appear that Amador and his compatriot, Boyd, were angry with Cromwell when they came to New York and did not have anything to do with him. Mr. Boyd would not admit that his testimony was false, even when confronted with Mr. Cromwell's own confession and the cited records to prove that what he testified was untrue. He insisted that Mr. Cromwell lied to the French arbitrators, and that the hotel and shipping records in New York must be incorrect.

The facts are that the Panaman special envoys arrived in New York on the steamer *City of Washington*, which reached the bar at 6.45 a. m. of November 17, 1903. Cromwell's Man Friday, Farnham, went down the bay on a revenue cutter, met them and escorted them to the old Fifth Avenue Hotel, where they remained from the morning of the 17th to 3.30 o'clock in the afternoon of

the 18th before taking the train for Washington. Had they gone at once to Washington, as they afterwards falsely reported to their Panaman constituents they did do, and as Boyd swore they did, they would have arrived before Bunau-Varilla could have rushed through the treaty to the detriment of Panama.

Mr. Cromwell arrived from Paris also on November 17, 1903, on the *Kaiser Wilhelm der Grosse*, which reached the bar at 12.12 p. m. Farnham, having taken care of the Panaman envoys, met his chief at the pier. Amador spent that night at the home of his son, Dr. Raoul A. Amador, No. 216 West One hundred and twelfth Street. The next day, November 18, 1903, occurred the "all-day" conference of which Mr. Cromwell tells in his book. Current newspaper reports said Cromwell was closeted with the special commissioners at their hotel for an hour. He and Mr. Boyd were quoted as saying that his call was purely social; simply to congratulate the patriots.

Mr. Cromwell says in his own story that, in order to secure the ratification of the Hay-Bunau-Varilla treaty he "brought about conferences between the special delegates and Senators Hanna, Fairbanks, Kittredge, Platt, and other Members of Congress"—the same friends who stood by him in turning Congress from Nicaragua to Panama—and that during their stay in Washington Amador and Boyd "conferred daily with one or several of our partners, asked and followed our counsel and advice as to all phases of the unique situation, which had thus been recently created. I may be mentioned that these relations have been maintained even to the present day."

Before the return of Mr. Cromwell from Paris, Bunau-Varilla had taken up with J. Pierpont Morgan the finances of the new Republic. On Sunday, November 15, desiring an immediate reply, Bunau-Varilla sent the following telegram to Mr. Morgan's residence:

WASHINGTON, November 15, 1903.

PIERPONT MORGAN, Esq.,

219 Madison Avenue, New York City:

I beg to be excused to trouble you to-day, but am obliged to have an immediate decision on financial plan which I submitted to you and to know from you by telegraphic message addressed to me, New Willard Hotel, Washington, whether you agree or disagree with it.

I repeat as follows said plan: I would name your firm agent of the Republic of Panama in the United States in virtue of the full powers I have received from my Government for said object. You would immediately have full and exclusive power to collect from the United States Treasury any sum which would have to be delivered to the Republic of Panama, and you would have to place said sums to the credit of the Republic on the account opened in your firm and dispose of them according to the orders of my Government. You would immediately open a credit to the Republic for an amount of \$300,000, of which the Government could dispose at different periods as follows:

Hundred thousand would be placed at the immediate disposition of the Republic and delivered for the account of the Republic according to the orders I shall give to your firm in the name of my Government; \$50,000 would be placed at the disposal of the Republic immediately after the signature of the canal treaty and its consequent ratification by my Government; the rest, \$150,000, immediately after ratification of the canal treaty by the Senate of the United States.

I add that, to limit your risk, I am willing to guarantee you personally against any loss to the extent of \$100,000, and to make such guarantee effective I would have to-morrow \$75,000 placed with the hands of your firm and twenty-five thousand two or three days after, it being understood that such guarantee shall cease as soon as the account of the Republic will be credited on your books.

BUNAU-VARILLA.

November 16: The Panama banking house of Isaac Brandon & Bros., which claims the credit for having nourished the infant Republic during its suckling period, charging no interest for its loans and having no security in this philanthropy outside of the "credit" of the new Government, bought a \$75,000 draft on Piza, Nephews & Co. from Mr. Lindo's Panama house of Piza, Lindo & Co. This draft was stamped with Piza, Nephews & Co.'s acceptance on November 23, payable at the Mechanics & Traders' Bank. November 30, but was paid, according to Piza, Nephews & Co.'s books, on November 24. Thus the Brandons received no "security," but the cash equivalent for their advances, in the form of drafts of a reputable fellow banker, for the first \$100,000 they contributed.

November 16: Bunau-Varilla announced in Washington that J. P. Morgan & Co. had been appointed fiscal agents of the Republic of Panama.

November 17: Heidelberg, Ickelheimer & Co. placed with J. P. Morgan & Co., to the credit of Bunau-Varilla, \$75,000, thereby exhausting the original credit of \$100,000 cabled by Crédit Lyonnais to his account on October 26. Morgan & Co. transferred the \$75,000 the same day to Piza, Nephews & Co. On the same day Heidelberg, Ickelheimer & Co. received a cable from Crédit Lyonnais instructing them to pay to Bunau-Varilla, upon his application, \$4,000, the same amount referred to specifically in the Amador-Bunau-Varilla code. This \$4,000 was disposed by Bunau-Varilla's bankers on November 23 by sending \$1,500 to the New Willard Hotel, Washington, and \$1,000 to the Waldorf-Astoria Hotel, leaving a balance of \$1,500.

November 23: According to Joshua J. Lindo's story, on November 23 Bunau-Varilla, who had pleaded that he was not able to make good the promise to give \$100,000 to the revolution, arranged with Lindo to sign his note for \$25,000, whereupon Lindo gave Bunau-Varilla check No. 4507 for \$25,000, dated November 23, and made on the Mechanics & Traders' Bank by the firm of Piza, Nephews & Co. Bunau-Varilla indorsed the check to Heidelberg, Ickelheimer & Co., and it was paid through the Importers & Traders' National Bank. Heidelberg, Ickelheimer & Co., on the following day, transferred the \$25,000, by instruction of Bunau-Varilla, to J. P. Morgan & Co., who in turn paid it over on November 25 to Mr. Lindo's firm.

November 25: Amador and Boyd signed an agreement with the Bowling Green Trust Co., pledging the first moneys received from the United States, or the customs revenues of the ports of Panama and Colon, to repay a loan of \$100,000, which the trust company made at 6 per cent per annum, payable in four months, and renewable for four months, upon payment of 3 per cent bonus. Mr. Boyd, on the witness stand in Panama, swore that Amador arranged this loan, having been introduced by Mr. Brandon, and that no security was given. Mr. Brandon says he had nothing to do with it. Mr. Cromwell, who had reorganized the Bowling Green Trust Co., and was its attorney and one of its directors, takes the credit before the French arbitrators for having secured this loan for the new Republic. It was amply secured by \$90,000 par value of Northern Pacific bonds and \$10,000 par value of Baltimore & Ohio bonds, which were deposited in the name of William Griffiths, jr., whose signature was witnessed by E. B. Hill, of Mr. Cromwell's firm. Notice of failure to pay the interest was sent, not to the representative of the Panama Republic, but to Mr. Cromwell. (Authority of Thomas S. Fuller, who inspected correspondence and documents in trust company.)

The financial arrangements for the revolution "already made with a bank," as referred to by Dr. Amador in the letter of October 18, 1903, to his son, are believed by the younger Dr. Amador to have been made also in the Bowling Green. Mr. Lindo has referred to the second Bowling Green loan in speaking of the \$100,000 secured by Amador and Boyd on Mr. Cromwell's bonds on November 25, but does not state what was the first Bowling Green loan or when it was made.

A commission of 3 per cent on the Bowling Green loan appears on the debit side of the books of Piza, Nephews & Co. as of December 27, but it does not appear to whom it was paid.

The \$100,000 received from the Bowling Green was transferred to Piza, Nephews & Co., \$50,000 on November 27 and \$50,000 on December 1. Then appears on Piza, Nephews & Co.'s books debits of \$30,384.67 on December 4 for an invoice of supplies sent to the new Republic on the steamer *Alliance*, and \$9,932 for an invoice on the *Yucatan*, December 14. On December 22 the Brandon banking house was paid \$46,000 through Piza, Nephews & Co. This makes a total of \$340,000, at then prevailing exchange, repaid to the Brandons of the \$450,000 silver which they say they lent the new Republic without security and partly without interest.

November 30: Bunau-Varilla by this time had served the purposes of Mr. Cromwell and was treading on his toes, so it was deemed advisable to have him removed as the Panamanian minister to Washington. Accordingly Mr. Cromwell, in the name of E. A. Drake, vice president of the Panama Railroad, on November 30, 1903, sent to the Isthmus a cable in cipher, of which the following is a translation:

NEW YORK, November 30, 1903—6.10 p. m.

BEERS, Panama:

Several cables urging immediate appointment of Pablo Arosemena have been sent to the junta since Friday. We are surprised that action has not been taken and suppose it is only because the minister of the Republic of Panama is trying

to disturb the junta by cabling that there is great danger that Washington will make a trade with Reyes and withdraw warships and urge his retention because of his alleged influence with President Roosevelt and Senators. This is absolutely without foundation. Mr. Cromwell has direct assurances from President Roosevelt, Secretary Hay, Senator Hanna, and other Senators that there is not the slightest danger of this. Evidently the minister's pretense of influence is grossly exaggerated. We have fullest support of Mr. Cromwell and his friends, who have carried every victory for past six years. Junta evidently do not know that objection exists in Washington to the minister of Republic of Panama because he is not a Panamanian, but a foreigner, and initially has displeased influential Senators regarding character of former treaty. He is recklessly involving Republic of Panama in financial and other complications that will use up important part of indemnity. Delegates here are powerless to prevent all this, as minister of Republic of Panama uses his position as minister to go over their heads. He is sacrificing the Republic's interests and may any moment commit Republic of Panama to portion of the debts of Colombia, same as he signed treaty omitting many points of advantage to Republic of Panama—and which would have been granted readily—without waiting for delegates who were to his knowledge within two hours of arrival, with discretion. Inform junta and cable me immediately synopsis of situation and when will junta appoint Pablo Arosemena. Answer to-day if possible.

DRAKE.

Later, when the scheme suits his own purposes, Mr. Cromwell secretly becomes the negotiator for all three Governments and the author of the tripartite treaty—still unratified by Colombia—whereby Panama proposes to pay Colombia \$2,500,000 toward the foreign debt. But in 1903 such a suggestion is grounds for removal of Bunau-Varilla.

Although at one time Mr. Cromwell considered it advisable to ignore Capt. Beers and decline to reimburse him for several hundred dollars of cable tolls Beers had paid out of his own pocket, leaving that to the Panama Railroad Co. finally to pay; at this time Beers was most useful in supplying Cromwell with information. Another cable, of which the date is missing, was sent soon after Admiral Walker went to the Isthmus, in November, by Mr. Drake to Capt. Beers, as follows:

"Your telegram received; is of utmost importance. Your telegraph as soon as possible reply Walker gets from Washington; also action junta takes on same. Subject of minister of Republic of Panama is of vital importance, and we rely on you to keep me well posted promptly and fully by cable on action junta or anyone else regarding same." (Cable unsigned, but Prescott recalls it as translation of message from Drake to Beers.)

November 30: Herbert G. Prescott, intrusted immediately after the revolution to transmit to President Roosevelt the first flag raised by the Republic, had forwarded it to Mr. Cromwell, and on November 30 he received the following cabled answer, costing somebody \$81 to gratify Mr. Cromwell's vanity:

[S. J. 26 Date, 30-11-03. Number of words, 162. From New York. Time, 7.15 p. m.]

H. G. PRESCOTT, *Panama*:

Inform municipal council and junta I had honor and pleasure presenting to President Roosevelt the flag of the Republic forwarded through you. Among other things, I remarked that while the United States would never part with its historic treasure, the Liberty Bell, which first rang out the independence of this Nation, and the reverberation of which continues to be an inspiration to all liberty-loving people, yet so fond was the gratitude and affection of the Republic of Panama to the President that they gave into his hands their most precious treasure—the sacred and historic flag, the first raised upon the declaration of independence. The President accepted the gift in most enthusiastic and grateful terms, and requested me to convey his unbounded thanks and pleasure, and to say he designs having a suitable inscription woven upon its surface to perpetuate its historic character and the grateful acts of its donors. I greet you all.

WILLIAM NELSON CROMWELL.

December 9: President Roosevelt in his message confronted Congress with his dictum: "The question now, therefore, is not by which route the Isthmian Canal shall be built, for that question has been definitely and irrevocably

decided. The question is simply whether or not we shall have an Isthmian Canal."

In his efforts to calm the storm of criticism which was sweeping the country, Mr. Roosevelt told the Congress that the canal treaty "was entered into at the urgent solicitation of the people of Colombia," when just the contrary was the truth. He further said: "In drawing up this treaty every concession was made to the people and to the Government of Colombia. We were more than just in dealing with them."

"When it became evident that the treaty was hopelessly lost," Mr. Roosevelt told the Congress, "the people of Panama rose literally as one man. * * * The Colombian troops stationed on the Isthmus, who had long been unpaid, made common cause with the people of Panama, and with astonishing unanimity the new Republic was started."

The truth was that the Colombian troops on the Isthmus had been paid promptly up to date, and the pay roll vouchers and receipts up to October, signed by Gen. Huertas and his paymaster, are on file in the war department at Bogota. The October salaries were disbursed, but the receipts were never forwarded. There was, however, an account carried over from the last civil war which was charged to the war indebtedness and remains to this day upon the books of the Colombian Government unpaid. This furnishes the only possible pretext for justification of Mr. Roosevelt's statement that the troops had been long unpaid. Even this was not the explanation advanced by Mr. Roosevelt's little brothers in Panama when the World had them on the witness stand. They swore that the bribe money paid to the Colombian troops wasn't bribery at all but simply the payment of salary immediately in arrears. Col. Tascon, second chief of the forces in Panama, who was sent by Gov. Obaldia, and Huertas, with his 100 loyal men, into the bush just before the "revolution," testified that the men were paid promptly up to date and that there was no dissatisfaction with the arrangement of the few months' arrears of the civil-war time, as the men had been paid promptly after the war and were confident that the Government eventually would be able to pay up the war debt.

In Mr. Roosevelt's message there also appears a "partial list of the disturbances on the Isthmus. * * * as reported to us by our consuls" since the making of the treaty of 1846. This list was attacked by Colombian historians, and so completely riddled for its inaccuracies that one involuntarily associates it with Mr. Cromwell's false and inaccurate data furnished to Senator Hanna, and with Cromwell's declaration to the French arbitrators that his firm "arranged and directed" conferences between Amador and Boyd and Republican Party leaders in the Senate, and that "we prepared a thorough résumé of the unjust wrongs from which Panama had suffered for a period of 50 years, a statement which we communicated to the officials of the Government and to the Members of Congress to justify the revolution, and we created an opinion favorable to the new Republic and to a treaty of allegiance with her."

December 10: Mr. Cromwell, through Vice President Drake, cabled Capt. Beers to obtain a leave of absence from Superintendent Shaler and come to the United States. Beers accordingly embarked on December 15 and for the next two months was Mr. Cromwell's assistant in Washington and New York in a campaign to undermine the influence and official position of Bunau-Varilla.

Capt. Beers had not been promoting a revolution without hope or promise of reward, but was interested in plans which had been under discussion even before the creation of the Republic for the exploitation of its territory and resources in connection with the profits which were expected from construction of the canal by private contract.

One expectation was that the United States could be induced to abandon the steamship business of the Panama Railroad, and the promised reward for Capt. Beers's faithful aid in pulling off the "revolution" was that he should be the general manager on the Isthmus of the transportation line which Mr. Cromwell should organize. It will be recalled that, in his annual report for 1904, Maj. Gen. George W. Davis, United States Army, retired, governor of the Canal Zone and member of the Isthmian Canal Commission, recommended strongly that the United States abandon the steamship line and leave the business to private enterprise. It was Gen. Davis who recommended also that the United States buy the outstanding shares of the Panama Railroad Co.'s stock held by individuals, and that for this work Mr. Cromwell was specially commissioned by Secretary Taft.

Capt. Beers, under the direction of Cromwell, wrote to 8 or 10 of his friends on the Isthmus urging them to exert their influence to secure Bunau-Varilla's

removal and the appointment of Pablo Arosemena as minister to Washington. In these letters, all of similar tenor, Capt. Beers said that he was having daily conferences with Mr. Cromwell. In reference to the financial scheme he said, in a letter to his friend, Herbert G. Prescott, assistant superintendent of the Panama Railroad: "I am of the opinion that Mr. Cromwell has several enterprises in view for the Isthmus, in which you and our Panama friends will be considered. I can not at this writing give you any details, but if I should not return by the *Allianca* will be able to write you fully in regard to the same."

One of the business ventures whereby Mr. Cromwell's friends were to be rewarded for their participation in the revolution was in transferring the Panama gambling concession. A few years before, Gov. Alban, of Panama, granted the concession to the American consul general, Hezekiah A. Gudger, who transferred it to Pratt & Seymour, Americans, for a fee which Prescott and John Popham, a Central American railroad builder, declared was \$5,000. Prescott, Beers, and Jesse Hyatt, American vice consul at Colon, arranged immediately after the revolution to obtain the gambling concession in their own names and sell it back to Pratt & Seymour for \$60,000. They considered this would be quite as legitimate as for the American consul general to act as a broker in the same transaction. Unfortunately for the triumvirate of Americans, Uncle Sam "intimated" that it desired no public gambling concession to corrupt canal diggers, and consequently no concession was granted by the new Republic.

The public utilities corporation in the city of Panama, manufacturing light and ice, was a smaller issue. Mr. Cromwell invested \$45,000 in that, becoming the largest individual stockholder. It has been immensely profitable.

A land and lumber syndicate also was projected, but did not take definite form until 1908, when an attempt was made to grab all the Atlantic watershed of the republic in the names of Jonas Whitley, of Mr. Cromwell's press agency; Vice President Drake, of the Panama Railroad; and another supposed "capitalist." Farnham took the contract for the timber grab to the Isthmus and attempted to put through the deal. The late Dr. Amador publicly accused Farnham of attempting to bribe him, as the first president of the republic, to sign this concession, promising that he and all his family should be made rich thereby.

The other important source of revenue in prospect was the handling of Panama's \$10,000,000. To get this prize into his office it was necessary to remove the influence of Bunau-Varilla. In this he was successful, and Bunau-Varilla was replaced by J. A. Arango. How Mr. Cromwell got himself appointed fiscal agent and how he has administered Panama's funds, pretending that he did so because of his love for Panama, and at the same time taking enormous profits for himself and his friends, is a chapter in itself.

Going back now to Gen. Rafael Reyes and his committee of Colombian generals, dispatched from Bogota on November 9: News of Reyes's appointment was received in Panama with enthusiastic celebrations, for the reason, given by the correspondent of the Associated Press, who was one of the revolutionary conspirators, that it was "looked upon as assuring the independence of the Isthmian territory."

Arriving at Barranquilla, on the Colombian coast, Gen. Reyes issued a decree prohibiting the recruiting and mobilization of troops to retake Panama. Colombia by this time was seething with war spirit, and in every town in the country men were volunteering to march overland to subdue the rebellious department. To meet such an attack United States Army officers, disguised, penetrated all of the southern end of the Isthmus exploring and mapping rivers and trails; and a United States warship patrolled the San Blas coast, and in one of its scouting expeditions penetrated what was then recognized as Colombian territory.

November 19: The Reyes commission reached Colon, but was denied permission to proceed to Panama. A committee of Panamans met them on the 20th and rejected all offers of settlement.

November 22: From Port Limon, Costa Rica, en route to New Orleans, Reyes cabled to Central and South American Republics in the hope of arousing sentiment and enlisting aid to oppose the policy of the United States.

At Port Limon, where Colombians, exiled from Panama after the revolution, were stranded, Reyes was visited aboard ship by two Colombians (Calderon and Del Valle; see their affidavits) who, before realizing the extent of the revolutionary conspiracy, had been in the confidence of Amador and Huertas and had abstracted from Dr. Amador's archives three letters addressed to Amador

by Secretary Hay before November 3. These letters, with a list of Colombian soldiers who had been bribed, they delivered to Reyes, who suppressed them. From this time on the tone of Reyes's dispatches to his Government is noticeably changed.

November 28: Reyes and his commission reached Washington, via New Orleans, and he cabled his Government:

"All armed conflict with Americans should be avoided. Do not occupy territory of Panama, including Isle of Pines. Forty war vessels will meet in Panaman waters; they will look for an opportunity to make war through Cali, Medellin, to Bogota. By agreement with an attorney Holguin goes to-day to Paris. Send him the credentials requested. Situation is bad.

"REYES."

Gen. Reyes very quickly saw that his advantage would come through playing with the American administration. He at once affronted Grover Cleveland, who had agreed to preside at a mass meeting in Carnegie Hall, New York, to protest against the breaking of faith with Colombia, and who was ready to lead a delegation to Washington to voice directly to Mr. Roosevelt public disapproval of the policy that had been adopted. Through a committee of Colombians in New York who were preparing the demonstration Reyes curtly notified Mr. Cleveland that he desired no interference with his diplomatic mission.

The Colombian Government from Bogota demanded that the commission should make a campaign through the American press and arouse public opinion. Reyes made it appear in his financial accounts that this campaign was carried out. To his fellow commissioners he talked about a mysterious Mr. Morgate, whom he said he had employed because of his great ability and influence, to make a campaign through the press and among the Senators, and on February 9, 1904, just before he was leaving for Europe, Reyes signed an order to pay "Mr. W. Morgate" \$20,100 American gold for such services. This order is on file in the court of accounts in Bogota, together with a voucher for receipt of the sum, dated February 10. From the original documents, which the World photographed in Bogota, it appears that Reyes, with the same pen and the same ink, signed both the order to pay and the receipt, forging, or manufacturing, the signature "W. Morgate." There was not, nor has there been since Gen. Reyes's mission, any press agent or lobbyist, or so far as it is possible to discover, any other person in Washington of that name. Certain it is, according to the other members of the commission, that no one performed for Colombia any services of the nature whatsoever.

The attorney for the Reyes mission was Mr. Wayne MacVeagh, former Attorney General of the United States in President Cleveland's Cabinet. He accepted the duty of counseling the Colombian Government with the stipulation that he should be paid no fee; that he would take no case against his own Government, and that what he did do, he did because he believed that the honor of his own country demanded that a great international wrong should be righted. Mr. MacVeagh continued to fight Colombia's case on international legal grounds until he became convinced that Reyes was simply "trading" with the Roosevelt administration, when he gave up in disgust.

While at Colon the Reyes mission was informed by Admiral Coghlan that the United States would not permit Colombia to land troops anywhere on the Isthmus.

December 8: Under cabled instructions from his Government, Reyes inquired of Secretary Hay: "What attitude would be assumed by the Government of the United States in the event which may take place of Colombian troops or forces under the Colombian flag making their appearance on the Isthmus, or attempting a landing on that territory, for the defense of the sovereignty and integrity of Colombia, and respecting the railroad line and the terminal points in accordance with the stipulation of the treaty of 1846, which my country is ever ready to observe."

Receiving an indefinite reply, Gen. Reyes again, on December 29, 1903, pressed Secretary Hay for a prompt categorical answer as to "whether military action of the Government of Colombia to subjugate the Panama rebels would be held by the Government of the United States to be a declaration of war."

December 30: Secretary Hay replied, reiterating his former answer that "the Government of the United States would regard with grave concern any invasion of the territory of Panama by Colombian troops," because already the treaty whereby the United States was to guarantee Panama sovereignty had been signed, although not ratified by the Senate, and its signing entailed moral obligation to protect the new Republic.

The statement of Colombia's grievances, prepared under the counsel of Mr. MacVeagh, was presented to Secretary Hay by Gen. Reyes on December 23, 1903.

January 5, 1904: Severely criticizing Gen. Reyes for citing newspaper reports as bases for accusations, Mr. Hay declared, in his answer to the statement of grievances:

"Any charge that this Government or any responsible member of it held intercourse, whether official or unofficial, with agents of revolution in Colombia is utterly without justification.

"Equally so is the insinuation that any action of this Government prior to the revolution in Panama was the result of complicity with the plans of the revolutionists. This department sees fit to make these denials, and it makes them finally.

"The origin of the Republic of Panama and the reasons for its independent existence may be traced in certain acts of the Government of Colombia, which are matters of official record."

Secretary Hay then cited the various diplomatic representations of Colombian ministers to Washington in the early stages of the canal negotiations—the representations which Mr. Cromwell had caused to be made by the ministers whom he had caused to be sent to the United States. Then Mr. Hay made the following misstatement:

"After the Spooner Act was approved negotiations were duly initiated by Colombia."

The Spooner Act was approved June 28, 1902. Already Mr. Hay had the draft of the Concha treaty, made by Mr. Cromwell, and the first step after the approval of the Spooner bill was the revising of the draft by Cromwell, at Secretary Hay's request, and its presentation to Minister Concha by Secretary Hay, "unofficially" through Cromwell on July 9, 1902.

Further on Mr. Hay said that "before entering upon any dealings with the New Panama Canal Co." the Government of the United States negotiated and concluded the convention with Colombia. The Government entered upon dealings with the New Panama Canal Co. as early as April 10, 1900, when the Isthmian Canal Commission formally asked for a price on the canal, and the Government held the Canal Co.'s option when the Spooner bill was introduced.

Without any reference to Mr. Cromwell's being responsible for bringing the question of transfer of the canal concession "within the domain of international relations," Mr. Hay reminded Colombia that in Article I of the treaty as proposed by Minister Concha on March 31, 1902, consent to the transfer was formally given.

January 6: Gen. Reyes, in a letter to Secretary Hay, preferred formal and specific charges against the United States, among them being "That it is known, from sworn statements, that the garrisons of Panama and Colon were bought with gold brought from the United States toward the end of October by the Panama revolutionists." Two years after the revolution Jose Agustin Arango declared in confidence to Gen. Carlos Vallarino (see his affidavit) that when Dr. Amador Guerrero came back from the United States in October, 1903, he brought with him the funds supplied by Mr. Cromwell to finance the revolution, January 9: Replying to Reyes, Secretary Hay said:

"I do not consider that this Government is called upon to take notice of your statement as to the sources from which the revolutionary government obtained its funds. As this Government had no participation in the preparation of the revolution, it has no concern with the details of its history."

January 4: Mr. Roosevelt sent his special message to Congress, defending his Panama policy. His flat denial of complicity in the Panama revolution was generally accepted and was sufficient to turn the tide that had been setting against the ratification of the Hay-Bunau-Varilla treaty since publication of the correspondence of the State and Navy Departments. The House of Representatives, by resolution of November 9, 1903, had called for "all correspondence and other official documents" relating to the revolution if not, in Mr. Roosevelt's judgment, "incompatible with the interests of the public service" to make them public. This was supplied in part on November 16, and a second lot was sent on December 18. Mr. Roosevelt did not, however, transmit all of the correspondence. In the cables exchanged between the State Department and Minister Beaupre several bearing on Panama were not included. (Comparison of the published cables and the cipher dispatches in possession of the World show that at least 11 were withheld.) A bundle of correspondence

was marked by Mr. Roosevelt, "Not to be sent to Congress—T. R.," and was put away in the secret archives of the State Department.

In his message of January 4, 1904, Mr. Roosevelt reiterated that "it is no longer possible, under existing legislation, to go to the Nicaragua route as an alternative."

Flatly contradicting both himself and Secretary Hay as to the origin of the canal negotiations, Mr. Roosevelt said:

"When this Government submitted to Colombia the Hey-Herran treaty three things were, therefore, already settled."

And again Mr. Roosevelt declared:

"Having these facts in view, there is no shadow of question that the Government of the United States proposed a treaty which was not merely just but generous to Colombia."

Mr. Roosevelt saw fit to quote at great length from newspaper reports to uphold his own position before Congress, while at the same time Secretary of State Hay was censuring Gen. Reyes for citing press dispatches to sustain his charges against Mr. Roosevelt.

Denying complicity in the revolution, Mr. Roosevelt said:

"I hesitate to refer to the injurious insinuations which have been made of complicity by this Government in the revolutionary movement in Panama. They are as destitute of foundation as of propriety. The only excuse for my mentioning them is the fear lest unthinking persons might mistake for acquiescence the silence of mere self-respect. I think proper to say, therefore, that no one connected with this Government had any part in preparing, inciting, or encouraging the late revolution on the Isthmus of Panama, and that save from the reports of our military and naval officers given above, no one connected with this Government had any previous knowledge of the revolution, except such as was accessible to any person of ordinary intelligence who read the newspapers and kept up a current acquaintance with public affairs."

Mr. Roosevelt told the Congress that the people of Panama "with a unanimity hardly before recorded in any similar case" declared their independence; he accused Colombia of scheming to annul the canal company's extension and take all of the \$40,000,000 for itself, and concluded his message with his oft-reiterated dictum "that the question actually before this Government is not that of the recognition of Panama as an independent Republic; that is already an accomplished fact. The question, and the only question, is whether or not we shall build an Isthmian Canal."

Even the World, editorially, accepted the statements of Mr. Roosevelt as truthful, and said that his message "makes out a very good case for our Government."

January 17: The World published the first account of the financial motive of the separation of Panama, of the operations of a syndicate of New York and Paris bankers, of the negotiations of Amador and Duque in Washington, of Bunau-Varilla's arrangements for the warships and his cables to the Isthmus promising that they would arrive on time to protect the revolutionists. The facts were brought to the World by Jonas Whitley, of Mr. Cromwell's staff of press agents, and the World holds Mr. Whitley's receipt for \$100 for the "tip." Mr. Whitley did not mention Mr. Cromwell as the instigator of the revolution, nor did he tell the most incriminating facts concerning the complicity of the Roosevelt administration. But in its essential truth, that the revolution was "a stock jobbers' plan to make millions," the story was accurate. It did not contain the names of the American speculators nor suggest that American politicians or statesmen were compromised. The World was not, consequently, denounced as a libeler and villifier of the American people for making this publication. Bunau-Varilla, who was made by Whitley to appear as the master plotter in the conspiracy, believed that Cromwell inspired the story and furnished Whitley with the framework of fact, dressed with enough fiction to conceal Cromwell's own handiwork.

February 9: Capt. Beers sailed for Panama, after having held his "daily conferences" in Washington with Mr. Cromwell, where he was maintained at the New Willard Hotel at Mr. Cromwell's expense. We must turn to Cromwell's narrative to the French arbitrators for an explanation, as follows:

"Having failed in his mission, Gen. Reyes left Washington and came to New York. Through the intermediary of mutual friends he and Mr. Cromwell met for a series of conferences, which had ultimately a great deal of importance, and in the course of which a warm friendship was created, a friendship which still lasts."

Mr. Cromwell and Gen. Reyes's "mutual friends" at this time included J. Pierpont Morgan and Theodore Roosevelt. Reyes, before the Panama revolution, came through the United States on his way between Bogota and his former diplomatic post in Mexico. His fame as a soldier and explorer caused him to receive an invitation to meet the strenuous President, and they swapped tales of adventure. On the same trip, in May, 1903, Reyes, instead of going direct from New York to Colombia, stopped off at Cuba and conferred with J. Pierpont Morgan, who was yachting there.

Mr. Cromwell, in his relation, tells of the compromise between the United States, Colombia, and Panama which he says he proposed and adds:

"We do not consider ourselves free to describe here the details of these conferences, but we may mention that Gen. Reyes gave them such serious consideration and encouragement that we immediately sent to the Isthmus Capt. Beers, of the Panama Railroad Co., who was charged to explain the plan to the Panama Government, which promptly authorized its consideration."

Mr. Cromwell says he advised the canal company of this compromise plan on February 3, 1904, by cable. This was the beginning of Reyes's power. His election as President of Colombia followed the same year, and during the period when he was despoiling his country of millions, before his flight to Europe, he was in close communication with Cromwell. Mr. Cromwell modestly tells the French arbitrators that he brought about the acceptance of his compromise proposition, but he omitted the details, elsewhere related, of his sharing in Reyes's plunder.

February 13: The convention of the Republic of Panama adopted the national constitution.

February 23: Dr. Manuel Amador Guerrero was inaugurated the first President of the Republic of Panama. On the same day, in celebration of that event, President Amador's son, Dr. Raoul A. Amador, gave a luncheon at the Waldorf-Astoria Hotel to the men in New York to whom he and his father considered the new Republic most indebted. Their names appeared on the menu card in the following order: William Nelson Cromwell, George H. Sullivan, E. B. Hill, William J. Curtis, R. L. Farnham, E. A. Drake, Charles Paine, R. L. Walker, S. Deming, Dr. M. J. Echeverria.

Cromwell, Sullivan, Hill, Curtis, and Farnham were of Mr. Cromwell's staff; Drake, Paine, Walker, and Deming were officers, directors, or employees of the Panama Railroad. Dr. Echeverria was the only Panama guest. In his office in New York, Dr. Amador spent much of his time between his trips back and forth to Washington, negotiating for American support of the revolution. The World introduced this menu in evidence in Panama after the surviving members of the "patriots' committee" had sworn in Mr. Roosevelt's libel suit that the revolution received no assistance from the Panama Railroad nor from Mr. Cromwell.

February 23: The Senate, accelerated by Mr. Cromwell's lobbying, voted to ratify the Hay-Bunau-Varilla treaty, and ratifications were exchanged on February 26.

March 30: The Wilson suit to restrain the Secretary of the Treasury from paying the \$40,000,000 was instituted in Washington, based on the ground that the Spooner law did not apply to a treaty with Panama.

March 31: The civil tribunal of the Seine decided in favor of the canal company the suit brought by the Colombian Government to enjoin the transfer of the canal to the United States.

April 30: It was announced in press dispatches from Washington that President Roosevelt had made peace with the house of Morgan, and had agreed to the selection of J. P. Morgan & Co. as disbursing agents for the \$40,000,000. Mr. Cromwell says in his account that he procured their appointment in order to transfer the \$40,000,000 directly into the Bank of France, where it could not be reached by creditors of the canal company.

May 3: The cabinet meeting confirmed the selection of Morgan & Co. as disbursing agents of the United States. On the same day Mr. Morgan left Paris after having agreed with Mr. Cromwell on the details of the method of transfer.

May 4: A check was issued of the following tenor:

NEW YORK, May 4, 1904.

MORGAN, HARRIS & Co., Paris:

Pay to the order of Philippe Bunau-Varilla five hundred and fifteen thousand francs.

No. 31537.

J. P. MORGAN & Co.

Thus Bunau-Varilla, on the face of the transaction, appears to have received back the \$100,000 which was deposited with J. P. Morgan & Co., according to the records of Heidelbach, Ickelheimer & Co., \$75,000 on November 17, 1903, and \$25,000 on November 24, and originally cabled from Credit Lyonnais, October 26, 1903.

May 4: Physical possession of the canal property on the Isthmus was delivered to the United States.

May 5: Secretary of the Treasury Leslie M. Shaw conferred with various bankers at the New York subtreasury concerning the financial operations. The security of Morgan & Co., as disbursing agents, was agreed upon.

May 7: The Treasury warrant for \$40,000,000 was signed in Washington by Secretary Shaw.

May 9: Secretary Shaw, having in person brought the warrant to New York, delivered it to Charles Steele, of J. P. Morgan & Co.

May 13: President Amador signed law No. 48 of 1904, of the National Assembly of Panama, whereby the financial transactions of the revolution were concealed. This law legalized in lump sums the expenditures up to and including June 30, 1904, as follows.

Liquidated accounts of the extinct department of Panama up to and including Nov. 3, 1903.....	\$400,000
Expenditures of the junta, or provisional government, between Nov. 4, 1903, and Feb. 20, 1904, when the first President was inaugurated.....	1,200,000
Expenditures of the organized government between Feb. 21 and June 30, 1904.....	1,400,000
Total, in Panaman silver.....	3,000,000
American gold equivalent at then prevailing exchange.....	1,365,000

J. Gabriel Duque, proprietor of the Panama Star and Herald, declares that the accounts showing how this money was disbursed were burned by agreement in a secret session of the national assembly. All efforts to obtain an accounting of the entire sum have failed. Ernesto T. Lefevre, correspondent of the Associated Press in Panama and son-in-law and executor of the late Jose Agustin Arango, admits having in his custody all of the original vouchers signed by Arango, as one of the junta. He refuses to permit their inspection, frankly stating that the persons who would thereby be compromised would cause his ruin politically if he did so.

In the Official Gazette of the new Republic, which first appeared on November 14, 1903, there is no account of the operations of the treasury general of the Republic for November, 1903. The first accounting published was for December, and that did not appear until March 10, 1904. From the court of accounts of Panama, after long delays and various refusals, the World obtained a certified statement of the operations of the treasury general of the Republic for the period not included in the public accountings. This shows:

Balance in the treasury of the old Department of Panama, Nov. 1, 1903.....

1,903.....\$162,330.45

The president of the court of accounts assured the World that the books do not show whether this balance consisted of cash or documents, but from preceding records it is clear that the greater part of this balance was "documentos por legalizar y avances varios" and that there was little actual cash.

The certified account shows:

Expenditures from Nov. 1 to 3, inclusive.....	\$22,629.65
Leaving a balance Nov. 3, 1903.....	139,812.70
Receipts, Nov. 4 to 30, inclusive.....	53,553.40
Expenditures from Nov. 4 to 30, 1903, inclusive.....	4,819.15
Balance in treasury Nov. 30, 1903.....	188,546.95

This certified accounting gives the lie to all the pretensions of the Panamans that the first costs of the revolution were paid out of the funds found in the treasury when the rebels took possession. The treasury balance of \$188,546.95 at the end of November agrees with the balance reported in the public accounting for the beginning of December. This accounting shows:

Treasury balance Dec. 31, 1903.....\$161,486.80

But this apparent balance, as shown in the published accounting, consisted in only \$4,158.15 actual cash and \$157,328.65 of paper.

It is apparent from these figures alone—and there is ample corroboration for the statement—that the first costs of the revolution were not paid out of the treasury, excepting the \$22,029.65 which would cover the sums disbursed on the night of November 3, when a cart was backed up to the treasury and the money taken out to pay the Colombian “admiral,” Ruben Varon, the first installment on his \$35,000 bribe.

In the certified accounting the expenditures for November, amounting to a total of \$27,448.80, are not classified. The published accountings for the remaining seven months of the period for which the expenditures were legalized by the National Assembly in lump sums show the following apportionment:

	For the Army.	Other expenses of Government.	Actual cash balances.
December, 1903.....	\$103,997.65	\$23,808.35	\$4,158.15
January, 1904.....	204,506.70	13,681.55	1,688.10
February, 1904.....	95,954.20	31,859.20	11,470.00
March, 1904.....	217,051.15	115,028.20
April, 1904.....	71,579.50	104,829.60
May, 1904.....	132,224.30	106,264.50	11,050.60
June, 1904.....	14,927.00	34,461.30	31,857.85
Total.....	840,240.50	429,932.70

The equipment of the army had cost virtually nothing, since the arms, according to Panaman accounts, had all been taken from the Colombian garrisons. According to Mr. Roosevelt's military spies, the arms came from abroad before the revolution, and may have been paid for after the independence with part of the money appearing on the accounts as expenditures for the military.

It is certain that the “patriots” received their reward, and no one in Panama questions that a good share of it came out of the funds that appear on the public accountings as having gone to the army. After the “patriots” were rewarded, the expenditures for the military arm of this great Republic fell off suddenly from \$100,000 or \$200,000 a month to \$14,927 in June, 1904, and \$11,504 in July, instead of costing twice as much as the rest of the Government.

Gen. Esteban Huertas, for selling himself and his soldiers, was paid \$30,000 silver soon after the revolution. Then, on May 30, 1904, President Amador approved law No. 60, placing at Huertas' disposal within 30 days \$50,000 gold, ostensibly for a trip to the United States, France, and Germany, “on special mission to study the military organizations of those countries.” Accompanied by a party of the parasites who preyed upon his generosity, he went as far as England, and came back to enjoy what he and his friends had not squandered of the reward for his treason.

The American officials of the Panama Railroad, likewise “patriots” in the Panaman sense, received their pay in the spring of 1904, in sums approximating \$15,000 to \$25,000 silver per “patriot.” Considering their services, which were the principal factor, aside from warships and money, in giving the Panamans their independence and opportunity for “graft,” the American railroad men were underpaid. Native “patriots” whose assistance on the 3d, 4th, and 5th of November did not approach in usefulness that of the Panama Railroad men, were paid as much, or more, if current accounts in Panama are not incorrect.

Simple addition of the total expenditures of the treasury general of the Republic for the period during which expenditures of \$3,000,000 were legalized gives some idea of the extent of the “graft.” The public accountings show expenditures for all purposes up to June 30, 1904, of \$1,255,963.35. Add to this the \$27,448.80 shown in the court of accounts for the missing month of November, 1903, and the \$734,245.25 in obligations to be legalized at the end of June, and the total outgo accounted for is \$2,017,657.40, against expenditures legalized of \$3,000,000.

Present-day officials of the Republic, while making no explanation of where the money went, point out that the operations of the “treasury general of the Republic,” as reported in 1904, did not include the provincial treasuries outside the Province of Panama. This could not, however, account for the missing \$982,342.60. Who got it?

When Isodoro Hazera, minister of finance, prepared his first comprehensive report to the national assembly for 1908, he was instructed by the late President Amador not to attempt to straighten out the tangle. Dr. Amador remarked that the less said the better concerning the first million of the \$10,000,000 paid to Panama for the canal concession. Of this first \$1,000,000, it appears from the statement Mr. Cromwell submitted to the Senate committee, February 26, 1906, that \$622,615.52 went to pay drafts on J. P. Morgan & Co. (P. 1043, S. Doc. No. 407, 59th Cong., 2d sess.—the Morgan hearings.) The remaining \$377,384.48 of the first \$1,000,000 approximates the sum unaccounted for by the treasury reports of Panama.

None of the loans which the Brandon banking firm says it made to the revolutionists in November appears in the accountings for that month or for December. The total receipts from all sources, including import duties and the lottery for December, 1903, are given as \$99,155.85.

The account for January, 1904, shows the following item under receipts:

Received of Isaac Brandon & Bros. the value of the loan of \$100,000, American gold, made by Messrs. J. P. Morgan & Co., and the Brohring Grem Fruit & Co. (Bowling Green Trust Co.) to the Government of the Republic as follows:

	Silver.
\$25,000 at 145 per cent premium-----	\$61,250
\$75,000 at 137 per cent premium-----	177,750
	239,000

In the account of the treasury operations for February, 1904, appears the receipt of \$103,500 silver from the Brandons, "the value of one telegraphic draft for \$46,000 American gold, which was sold at a premium of 125 per cent." There is also a loan from the Brandons of \$11,000 silver.

The March account shows loans from Brandons for \$100,000 and \$20,000 silver, and the receipt from them of \$183,000 silver from the balance of a loan of \$90,000 American gold.

April shows another loan from the Brandons of \$82,000 silver.

The May account shows \$36,222.50 silver from J. P. Morgan & Co. in small drafts drawn in favor of various Panaman merchants; also advances of \$10,000 and \$40,000 silver on loans from the Brandons, and \$104,441 silver, which they delivered to the Army.

The June account shows \$107,000 silver received from a draft of \$50,000 gold by J. P. Morgan & Co., payable to Gen. Huertas; and two other drafts against the same firm, one payable to J. A. Arango, netting \$5,356.35 silver, and one payable to O. Holde, netting \$34,500.35 silver. A loan of \$10,000 gold from Brandons to the Junta, made on January 20, 1904, and another for \$25,000 silver, made January 25, by the Junta, appear in the June account; also a current loan from the Brandons for \$50,000 silver.

In the July accounting appear \$200,000 gold received from J. P. Morgan & Co., a Morgan draft in favor of Gov. J. D. Obaldia for \$8,566.66 gold, and five Morgan drafts payable to various Panaman merchants for sums aggregating \$25,550 gold.

After July the founders of the Republic deemed it inadvisable to publish treasury statements, although they had been for many years a feature of the Official Gazette of the Department of Panama.

Mr. Roosevelt's fear of exposure of his alliance with Harriman and the corporate source of his campaign funds in 1904, which caused him to call Judge Alton B. Parker publicly a liar, was not the only ghost that stalked his political house. He feared even more the laying bare of his Panama record, even to the point of paying political blackmail to the Panamans. His alarm became a panic when Dr. Eusebio A. Morales, one of the Panaman commissioners who was assisting Mr. Cromwell in carrying out the advice of Mr. Roosevelt to invest the canal millions in America, opened fire through the New York newspapers. The Panamans, disappointed and angered by the interpretations placed upon the canal treaty by the United States, were clamoring against the application of the Dugley tariff rates to the Canal Zone, and were generally dissatisfied with the bargain made for them behind their backs by Bunau-Varilla. We will let Dr. Morales introduce the story as he put it in writing, with a brief preface.

When the World's rogatory commission arrived in Panama, Dr. Morales, who was secretary of public instruction of the Republic, was about to return to the

capital from a tour of inspection of the rural schools. Immediately the late President Obaldia sent him a message suggesting that he continue his trip until further notice. At the same time Gen. Estaban Huertas departed from Panama for the interior, and Gen. Herbert O. Jeffries, a third witness the World very much desired to examine, received a card from Obaldia suggesting that it would be convenient if he should visit his hacienda in the interior and remain until he heard of developments. A representative of the World later went into the interior and saw Jeffries, and upon his return to Panama found Dr. Morales at his post. Under the Panaman procedure a member of the cabinet can not be subpoenaed, but he is obliged to answer interrogatories in writing, and they were presented June 28, 1909. The first two questions were:

"1. Will you kindly relate in detail the circumstances which prompted you to write for the North American Review the article on the Hay-Bunau-Varilla treaty and the reasons that led to its withdrawal?"

"2. Who suggested the withdrawal of the article, and with whom did you consult as to the advisability of publishing it?"

Dr. Morales replied June 29, 1909, as follows:

"1. In September of 1904 there was pending between Panama and the United States a diplomatic question originating in the diverse interpretations which the two countries gave to the canal treaty, in matters referring to the enforcement of the Dingley tariff in the zone, to jurisdiction over the ports of Panama and Colon, and to other points of minor importance. I, interested on behalf of my country in making known the issue to the level-headed and just people of America, published several articles in the New York newspapers, and doubtless for this reason the editor of the North American Review solicited my collaboration, asking me to prepare an article on this subject, which was to be handed to him on October 20.

"Happily for Panama, President Roosevelt convinced himself of the justice of our claims, and on the 18th or 19th of October addressed to Secretary Taft the celebrated letter in which he gave the latter instructions to come to the Isthmus and effect a settlement with the Panaman Government of the pending questions.

"As my only aim in publishing the article already prepared for the North American Review was to favor the interests of my country, the publication no longer had any object. Furthermore, I received from Mr. Obaldia, then minister of Panama in Washington, a communication pointing out to me the profitableness of withdrawing my article, and this I gave expression to in a letter which I addressed to the editor of the Review on the 19th of October.

"2. I did not consult with anybody about the publication of my article, and as to its withdrawal, Mr. Obaldia alone intervened in the manner I have stated. Nevertheless, I ought to say that some distinguished persons were at my hotel to beg of me not to publish the article, thinking, doubtless, that it might contain revelations against President Roosevelt in connection with the independence of Panama; but it is the fact that in my work there was nothing which was not a dispassionate and calm exposition of the international question which was being debated, as is shown by the title of the article, which was: 'The Panama Canal treaty; its history and interpretation.'"

Dr. Morales later amplified this statement by giving to a representative of the World the names of the "distinguished persons" who called on him at his hotel and begged him not to publish anything about the history of the canal treaty. He said they were the late George A. Burt, formerly superintendent of the Panama Railroad, and another American whose name Mr. Morales understood to be Mr. Anson. They represented themselves, said Dr. Morales, as the direct spokesmen for Cornelius N. Bliss, the Republican campaign collector, and his chief, George Bruce Cortelyou, Republican national chairman. They told Dr. Morales frankly that they feared an exposure of the history of the Panama revolution would defeat Mr. Roosevelt for the Presidency, and declared that they were authorized to reimburse the author for his article if he would suppress it, and further declared that President Roosevelt would sign any order desired for the adjustment of the differences with Panama if Dr. Morales would acquiesce.

As Dr. Morales explained in his written statement, his object was to compel the United States to recognize the rights which the Panamans contended were their due, so he consented to withdraw his article, but would accept no compensation, and on the following day President Roosevelt wrote his letter to Secretary Taft ordering him to go to the Isthmus and adjust the differences. Secretary Taft went to Panama accompanied by Mr. Cromwell, and together

they were **feted** as Panama's two best friends. **Arm** in arm with two of the belles of **Panama**, Cromwell and Taft had their **photographs** taken together. (See photograph.) They were so inseparable **that** the chief engineer of the canal could find no opportunity to confer **privately** with the Secretary of War during all the trip from New York nor while **Taft** was on the Isthmus.

At the **banquet** to Secretary Taft in the Hotel Central, Panama, December 1, 1904, Mr. Cromwell made a characteristically **flamboyant** speech, starting off by declaring himself a citizen of Panama. At the **next** meeting of the municipal council of the city of Panama, December 29, 1904, Mr. Cromwell was voted, because of his great services to the Republic, a meritorious son (hijo benemerito) of the city.

In his **speech** at the banquet to Taft, Mr. Cromwell started off with this rare specimen of "orating":

"Mr. President and fellow citizens of Panama, what must have been the emotions of the Roman soldiers as, after years of absence in foreign wars, they reentered the capital city following their victorious generals, and bearing the trophies of their valor and the symbols of fresh conquests?

"All the weary marches, the pain of wounds, the sacrifices and privations of battle were forgotten in the glad acclaim of welcoming hosts, the flower-strewn paths, the glory of their empire.

"Does not this suggest something of the sentiments which possess me, an humble soldier in the Panama cause, as I come to greet you after the years which have separated us while I have been battling at the front for the canal—the hope of the Isthmus, and upon the fate of which, indeed, hung its very existence?"