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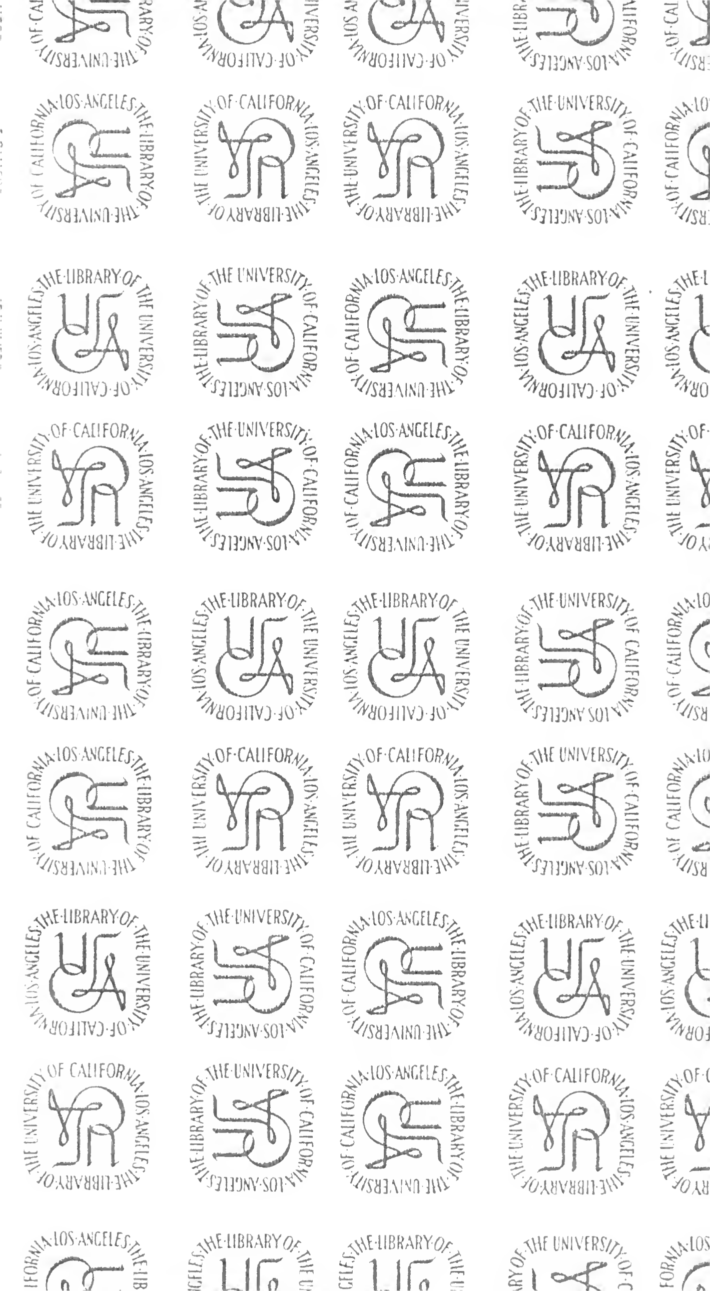
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# AMERICAN POLICY IN NICARAGUA

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## MEMORANDUM

ON THE

CONVENTION BETWEEN THE UNITED STATES AND
NICARAGUA RELATIVE TO AN INTEROCEANIC
CANAL AND A NAVAL STATION IN THE
GULF OF FONSECA, SIGNED AT
MANAGUA, NICARAGUA, ON
FEBRUARY 8, 1913

BY

GEORGE T. WEITZEL

FORMER AMERICAN MINISTER TO NICARAGUA, 1912–13

PRESENTED BY MR. LODGE

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# AMERICAN POLICY IN NICARAGUA.

Memorandum by George T. Weitzel, former minister to Nicaragua, 1912–13.

The necessity for putting an end to the constant disorders in Central America and thereby removing the liability of European interference in those republics has been generally recognized, and numerous plans have been proposed to bring about such a happy result. For many years the United States was content with making mere representations to the belligerents or expressing "grave concern" for the safety of its citizens; then naval vessels were sent to the troubled regions to look out for the protection of any Americans or foreigners that might be within reach of their guns, or to protest occasionally against barbarities committed by the combatants, but more often to carry away the vanquished chiefs in order to save them from execution by their victorious enemies. A further step in the interest of peace was taken when the belligerents were invited aboard these vessels to discuss and compose their differences with the friendly counsel of naval and diplomatic officers of the United States; and inasmuch as it was believed to be desirable to have the cooperation of a Latin-American country, Mexico was later invited to participate on such occasions. In these circumstances a conference was held in July, 1906, on board the U. S. S. *Marblehead*, attended by representatives of the Central American Republics, for the purpose of discussing terms of peace, with the aid of the good offices of American and Mexican diplomatic agents. Among the stipulations of the treaty signed on the *Marblehead* was one requiring that all future differences should be submitted to the arbitration of the Presidents of the United States and of Mexico. The terms of the treaty were not observed, and the two Presidents were accordingly called upon by Guatemala to arbitrate a controversy between Honduras and Nicaragua, but before they could take action Zelaya, the President of Nicaragua, ousted the Government of Honduras, established a friendly candidate in office, and thus closed the matter for the time being.

The first systematic and well-considered effort to seek a remedy for the disorders in Central America was made by President Roosevelt in the Washington peace conventions of 1907, which were negotiated by delegates representing all five Republics, who met under the joint auspices of the United States and Mexico, though neither of the latter Governments was a signatory of the treaties. The most important of the stipulations are those providing for the neutralization of Honduras; for the prevention of the use of the territory of one State to incite or aid insurrection in another; and for the establishment of a Central American court of justice at Cartago, Costa Rica, to settle all controversies. Unfortunately no method was then

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thought of or has since been devised to compel observance of the stipulations, and as a consequence they have been frequently violated. Each of the States, in turn, complained of aggressions by the others, and all of them appealed to the United States and Mexico for the interposition of their good offices. In the summer of 1909 no less than six American and two Mexican gunboats, on request of the several Republics, patroled the Atlantic and Pacific coasts of Central America in an effort to intercept filibustering expeditions and to preserve some semblance of order. The principal offender was President Zelaya, of Nicaragua, who was not only disturbing the peace of the neighboring Republics, but also attempting to control or abolish the Cartago court.

The conventions may therefore be said to have failed of their purpose, except in so far as they have committed the Central American countries to certain definite principles and to the recognition of the interest of the United States in the settlement of their affairs. President Roosevelt is entitled to the credit for being the first to seek the cooperation of a Latin-American Government in the settlement of a Latin-American problem, and it was no fault of the United States that difficulty arose as soon as it became necessary to put into practice the theory of united action. When the Government at Washington, under the following administration, proposed that the two Powers should cooperate to guarantee the neutrality of Honduras and compel observance of the conventions, Mexico replied that it was unwilling to go so far, as it had no interest, commercial or political, to justify interference, except in the bordering State of Guatemala. President Porfirio Diaz, frankly admitting his obligation to Zelaya, said he did not wish to do anything to embarrass his friend, but he gave in advance an indorsement of whatever the United States might see fit to do south of Guatemala. This virtually brought an end to the cooperative efforts, and thereafter the United States pursued its policy alone.

Conditions in Nicaragua and Honduras became so intolerable that the better class of people in both countries appealed to the United States in the name of humanity to intervene to restore order. It is a debatable question whether this Government would not have acted wisely to accept the invitation and to have done for Nicaragua what it did for Cuba. The justification for such a course was certainly as urgent, and prompt and thorough action would have settled the Central American problem once for all. However, nothing was done until in December, 1909, on the occasion of the killing of two Americans by order of Zelaya, the United States withdrew its recognition of him and broke off diplomatic relations. This was sufficient to cause his downfall and flight from the country, and the overthrow of his representative in Honduras.

The time then seemed favorable for making another attempt to solve the Central American problem, and therefore the Department of State determined to try to reach the difficulty by reorganization of the finances of both countries. Accordingly, a loan convention was signed in 1911, first with Honduras and then with Nicaragua. These followed the plan originally worked out by the Roosevelt administration in 1907 in the Dominican Republic. The theory back of it was to prevent disorders by taking away the principal financial incentive to revolution, namely, control of the customshouses. It involved simply the refunding of the public debt and payment of all foreign obligations by means of a loan obtained in the United States and secured by the customs revenues collected under the supervision of an American, and thus removed from likelihood of seizure by revolutionists. This plan worked with such success in Santo Domingo that the trade of that country increased within a short period of years almost threefold; and the augmented revenue, by reason of honest and efficient collection, not only adequately provided for the governmental needs but yielded a positive surplus actually greater in amount than the total revenue of the State prior to the initiation of the new system. So that with no risk to ourselves we showed how the confused finances of a country could be placed on a sound basis of credit, and peace thereby maintained through our generous action without imposing an unnecessary or unwelcome interference.

This financial plan, as applied to Nicaragua, was embodied in the Knox-Castrillo loan convention, signed at Washington, June 6, 1911, which followed closely the successful Dominican measure. It was promptly passed by the Nicaraguan National Assembly, but met with opposition in the United States, and a motion to report it out of the Senate committee was lost by a tie vote in May, 1912. Two months later a revolution broke out in Managua, headed by Gen. Mena, minister of war, who, taking advantage of his cabinet position, not only in violation of his oath of office but also of his written pledge to the United States and its minister, made a treacherous attempt to seize the Government, after the manner of Gen. Huerta, in Mexico, but without success, as the insurrection was eventually put down by the president, Adolfo Diaz.

In the absence of the Senate approval of the treaty, the United States Government did not assume any responsibilty in connection with the administration of Nicaraguan customs revenues. However, the Government at Managua, while waiting for ratification, entered September 1, 1911, into a purely private arrangement of a temporary nature with American bankers in order to obtain funds urgently needed until the large loan contemplated by the treaty should become available. As security for the temporary loan, which amounted to $1,500,000, the Nicaraguan Government pledged its customs receipts and agreed that they should be collected by a collector general, nominated by the bankers and approved by the Secretary of State. The proceeds of the loan were used to reform the currency; to retire the depreciated paper; to put the country on a gold-exchange basis; to establish a national bank; and to pay at least a pro rata on indemnity claims, which would be adjusted by a mixed-claims commission, composed of two American judges and one Nicaraguan. The commission, by a special law of Nicaragua, was also given power to pass on the status and validity of all concessions granted under previous administrations.

This temporary plan has worked successfully, notwithstanding embarrassments caused by the Mena revolution, but it suffers from all the disadvantages of a makeshift measure. The Nicaraguan Government is being constantly prodded by the English and German Governments for the payment of alleged claims; it needs at least ten or twelve million dollars to refund its European debt of about five millions, and internal obligations and claims of another four millions, not to mention additional sums for railroad construction, education, and public works. This large loan can not be obtained on favorable terms without some sort of treaty which will guarantee peace and order in Nicaragua, as no one is willing to invest any considerable amount in a country of constant disorders. As there seems only slight prospect that the Knox-Castrillo convention will be approved by the Senate, some other arrangement will apparently have to be devised.

A new plan, embodied in the canal treaty, which was negotiated by Secretary Knox and signed by the American minister at Managua, February 8, 1913, proceeds on a different theory from all the preceding measures. Unlike the Washington peace conventions it regards Nicaragua, because of important strategic considerations, rather than Honduras, as the State to be neutralized and pacified; and it differs materially from the Knox-Castrillo loan convention in that it treats the financial confusion of the country as only one of the elements of danger that must be remedied, and seeks to eradicate a more deeply seated source of trouble.

A careful examination of the early and recent history of Nicaragua will show that the numerous disorders, revolutions, and foreign complications may be more or less directly traced to one cause, and that if any permanent peace is to come to that portion of the continent this cause must be removed. All of these disturbances, however confusing and unrelated they may seem, are to be classified under three general heads as international, interstate, and internal.

First. By international disputes are meant those with countries other than the neighboring republics. In early times, when Central America was yet a colony and Spain was engaged in warfare with England, France, and Holland, the territory of Nicaragua, on account of its strategic position between the two seas near the center of the narrow isthmus which connects the northern and the southern continents, suffered enormously from the depredations of British, French, and Dutch pirates drawn thither because of the easy means of communication between the Atlantic and Pacific Oceans, both of which they were searching for the gold-bearing galleons of Spain. In 1780 a young sea captain, who afterwards became the great Admiral Lord Nelson, perceiving in an early stage of his genius the importance of the territory, attempted to win for his sovereign control of the Nicaraguan canal route, and at the head of a naval expedition began the ascent of the San Juan River, but was compelled by illness to give up the effort after a bitter contest with the combined forces of Spaniards and Indians. Even after Nicaragua became an independent republic it continued to be an object of attention by the maritime nations of Europe. England seized the port of San Juan del Norte, on the Atlantic, in 1848; took possession of Tigre Island, in the Gulf of Fonseca, in 1849; and claimed the whole of the eastern coast as a protectorate, this latter pretension not being given up until 1894, during the Cleveland administration. The following year British warships occupied the port of Corinto in order to collect a claim of indemnity. Similar demands, it will be remembered, served as the pretext of the ill-fated attempt of the third Napoleon to establish Maximilian's empire in Mexico, which had for one of its objects the extension of his power to include the boundaries of Nicaragua.

> There exists in the New World—

he wrote with unrestrained enthusiasm—

> a State as admirably situated as Constantinople, and we must say up to this time as uselessly occupied. We allude to the State of Nicaragua. As Constantinople is the center of the ancient world, so is the town of Leon the center of the new, and if the tongue of land which separates its two lakes from the Pacific Ocean were cut through, she would command by virtue of her central position the entire coast of North and South America. The State of Nicaragua can become, better than Constantinople, the necessary route of the great commerce of the world, and is destined to attain an extraordinary degree of prosperity and grandeur.

The union of Nicaragua with Mexico was not original with Napoleon, as the annexation of the whole of Central America to the so-called Mexican Empire had already been once forcibly accomplished by Iturbide in 1823, and continued to be the ideal of some of the successors of that ruler until recent years, when the United States was called upon to protect Central America from Mexican encroachment.

The southern as well as the northern neighbor of Central America has entertained an ambition to secure control of Nicaragua. The Republic of Colombia, basing its action on what Nicaragua alleged was a long-forgotten and invalid decree of a Spanish monarch, set up a claim, in September, 1880, to the entire Atlantic coast of Central America as far north as Cape Gracias, the apparent purpose being to frustrate the negotiations which were then going on between the United States and Nicaragua, and which eventually culminated in the signing of the Frelinghuysen-Zavala canal treaty. Colombia followed up its formal communication on the subject by preparing, some years later, to send forces to seize Great Corn Island, at the eastern entrance to the proposed canal, but President Cleveland, desirous of preventing hostilities between the two sister Republics, dispatched the U. S. S. *Boston* to the scene of disputed jurisdiction with instructions to continue to recognize the established authority.

In all of these cases of Nicaraguan international controversies with Europe, Mexico, and Colombia the real cause of the trouble was the desire to control the interoceanic canal route.

Second. By interstate disputes are meant those which relate to the Central American Republics exclusively. Nicaragua and the other four countries—Guatemala, Honduras, Salvador, and Costa Rica—were organized in 1823 in a federation called the "United Provinces of Central America." From its inception there was constant turmoil, due to the jealousies of the several component States and to the rivalries of their respective leaders. Guatemala and Salvador engaged in a bitter warfare, the unhappy results of which may be seen even at the present day. The suffering from the chronic disorders and anarchy became so intolerable that the people of Salvador, desirous of peace (they had petitioned the United States to be annexed, during the troubles with the Mexican Empire), seceded from the Central American Union. Its action was followed by Costa Rica, the federation dissolved, and its last president, Morazan, was captured and executed. Numerous efforts have since been made without success to restore the union, notably in 1851 and 1863, not to mention Zelaya's many futile schemes. The most daring attempt, however, was undertaken in 1885 by Gen. Rufino Barrios, President and dictator of Guatemala, who sought to put his plan into effect before the ratification of the Frelinghuysen-Zavala canal treaty which had been signed by the United States and Nicaragua. A period of bloody warfare seemed unavoidable and was averted only by the death of Barrios who was unexpectedly slain in battle with the Salvadorans.

In a word, most of the conflicts among the Central American States have resulted from the ambition of the most powerful dictators to impose their rule on the adjacent countries and gradually to embrace them all for the ostensible purpose of reestablishing the union, but with the real object of controlling the canal route across Nicaragua.

Third. By internal disputes are meant those which concern the people of Nicaragua alone. These may, for the most part, be ascribed to the bitter hostility between the cities of Granada and Leon and to their bloody struggles for supremacy, the germs of which are said to be traceable back to pre-Colombian times. In colonial days Leon was the capital, the seat of a bishopric, and the site of a garrison, and as such had become the residence of the civil, religious, and military authorities sent from Spain to govern the country. On the other hand, Granada, by virtue of its advantageous position at the head of the great lake, which at one time could be visited by light-draft vessels from the Atlantic, grew to be the center of the trade and wealth of the colony, and this nobility class, as it called itself, being denied any voice in the government at Leon, raised the cry of independence. Even after separation from Spain in 1821 their mutual antagonism did not cease, and for more than 30 years following the organization of the Federal Republic of Central America, Nicaragua remained in a constant condition of anarchy, with a succession of brawling governments, against which mutiny at Leon alternated with treason at Granada, both cities being several times partially destroyed, each in turn supporting or opposing the federation whenever such action gave promise of gaining for it the ascendancy over its enemy, until finally both declared for secession in order to fight out their differences without interruption by the central authority.

For similar reasons they took opposing sides on the canal question, and when the acquisition of California made the construction of an interoceanic route across the isthmus a matter of economic as well as political importance for the United States, Granada, as the champion of commercial development in Nicaragua, favored the enterprise, while Leon, though friendly to the United States, as the better class of its people has always been, continued to oppose any measures that would supposedly contribute to the advantage of its rival. So popular, however, was the canal idea, and so strong the sentiment for trade development and for encouraging our assistance, that beginning in 1858 and continuing for 35 years the Granada faction controlled the Government, and by observing the constitutional requirements and electing a series of able Presidents, gave Nicaragua a long era of peace, which is without parallel in Central America, and which at last, because of local dissensions, was brought to an end in 1893 by Zelaya, who opposed canal construction under American auspices.

In brief, it may be said that the canal question is the principal disturbing issue in Nicaraguan affairs, whether international, interstate, or internal; and this is none the less true. even though the

Panama route has long since been chosen as the world's highway of commerce. It still offers to the cupidity of the professional revolutionist a prize as valuable as the possession of the customhouses and affords as much as ever an opportunity for intrigues among the Central American Republics and a basis for negotiation with foreign countries, if not a provocation for their interference in the affairs of Nicaragua. Thus in June, 1910, according to a consular report, the executive delegate of Zelaya proposed to the British minister at Guatemala, through an agent, that in consideration of English intervention and protest against alleged illegal interference by the United States, which, he declared, prevented the restoration of order and was therefore prejudicial to the interests of British subjects domiciled on the Atlantic coast, the Nicaraguan Government would cede Great Corn Island to Great Britain for a coaling station. Perhaps no better light can be thrown on this aspect of the matter and of the way in which the canal question was treated by a certain faction of the Leon liberals when in control of the Government than by the quotation of several paragraphs of an instruction addressed by Zelaya's minister of foreign affairs to the Nicaraguan minister at Paris on April 29, 1908, as shown by the official archives in Managua:

> You no doubt are aware of the turn of the policy of the Republic of Colombia with relation to Panama and the United States, chiefly in regard to the opening of the canal, tending at present to make closer their relations with Japan and showing overtly their intentions to enter formally into negotiations having to do with the canal south of the Panama Canal and to induce Japanese immigration into their territory, etc.
>
> We are well acquainted with the desires of aggrandizement of the Japanese Empire and the spirit of the Government of Colombia, which never will forget the secession of its important department, influenced by the United States, and which in its excited desire to win back what it has lost grasps at any project whatsoever which is offered to it as a realization of its hopes. In view of this it is not impossible that what is now considered doubtful may later be consummated if possible obstacles do not interfere.
>
> Nicaragua can not remain indifferent before such eventualities. As you know positively the canal through our country offers at all times various advantages over that of Panama, and that it was international policy which resolved the selection of this last-mentioned route; also, that the present proposal of the Colombians presents innumerable disadvantages.
>
> But even withdrawing from this point of view and supposing, as is most likely, that in the end the Panama Canal will be the only canal, yet we have to take into account that the United States fears, and rightly, that another or other powers may render null and void a great part of their tremendous labor. And in this sense it is indubitable that Colombia or Nicaragua may obtain no inconsiderable political advantage from the insecure or be it false position in which the United States finds itself.
>
> Now, through the instrumentality of a certain English consul to this country who may be well informed in the premises we have learned that Great Britain and Japan have lately concerted the idea of the canal by way of Nicaragua. * * *
>
> It is my wish, therefore, that you, in an absolutely personal character and with the greatest possible care and discretion, should talk with the Japanese ambassador in Paris, saying that, although you are not in possession of instructions from your Government to the effect, you would venture if the Government of Japan should send agents to Nicaragua the overtures which they might make in connection with this important matter would be very well received. All this without putting on paper a single word of your conversations.
>
> You are not to forget that this matter is of the utmost confidence, for as you will plainly understand that if the United States were prematurely to get wind of our proceedings, whatever we might do in the matter would cost us dear.

> If success is ours we shall procure at the very least most enviable political advantages, above all greater consideration and respect from the United States, and it may be an enviable position in respect to Central America.

The Chamorro-Weitzel treaty, as the Knox measure signed at Managua is called, has been drawn on the theory that it would not only set at rest for all time the control of the canal route, and thus remove it from being a possible cause of international complications, but also that it will afford a solution of the interstate question of a Central American Union, and tend to allay the internal troubles growing out of the animosities between Leon and Granada.

By the treaty a perpetual and exclusive option is conceded to the United States to build an interoceanic canal across the territory of Nicaragua, the details and terms of the construction, operation, and maintenance of such canal being left for determination later by mutual consultation between the two Governments and until such time as the actual construction should be decided upon. There is further granted to the United States the right to maintain a naval station in the Gulf of Fonseca, should this be deemed expedient, and the lease for 99 years of Great and Little Corn Islands in the Caribbean; and to stimulate commerce it is provided that American ships shall enjoy the privileges of Nicaragua coastwise trade. In consideration of the foregoing the United States Government undertakes to pay $3,000,000, in trust, to be used for general education, public works, and for the advancement of the welfare of Nicaragua, all disbursements being made subject to the joint supervision of the secretary of state at Washington and the minister of finance in Managua.

The benefits to Nicaragua, besides the cash payments, are the guaranty of the peace and independence of the Republic, the development of its great resources through capital drawn to the country, the prospect that some day the canal may be constructed, and finally the removal of a constant incentive to disorders. Corresponding advantages to the United States are the elimination of foreign political influence in Nicaragua, the prevention of any issue arising under the Monroe doctrine or the Lodge resolution, the service of a caveat against any more canal concessions or territorial privileges, and the preparation for the future growth of our coastwise commerce by shortening the interoceanic route. Furthermore, an American naval station in the Bay of Fonseca, the safest and most strategic harbor on the Pacific south of San Francisco, would be not only an important element in the defense of the Panama Canal but would also, through the power of publicity thus given to Central American affairs, afford the most effective means of guaranteeing the observvance of the Washington conventions.

It goes without saying that our policy in Nicaragua as thus outlined has met with criticism. Some of it comes from those who sincerely but lightly believe that the Central American States should be left to the fate which Bismarck so generously suggested for France when he said: "Let her cook in her own gravy." There are moreover a few critics whose opinions are not of such a negative character, and who declare with great positiveness that "vested interests," monopolies, and concessions should not be disturbed by the new order in Nicaragua; there are others, having European affiliations, who can see no good purpose whatsoever in extending American influence on this continent; and finally there are the partisans of Zelaya who are loudest of all in their complaints, for reasons that will hereinafter appear.

The criticisms of our policy, so far as they can be ascertained from pamphlets and prints of various kinds, are about as follows: (1) That the United States to cover its design of ousting Zelaya and the Liberals from the Government of Nicaragua made use of the frivolous pretext of seeking redress for the killing of two Americans; (2) that Madriz, another Liberal, the successor of Zelaya, was the constitutional President and should have been recognized as such by the United States; (3) that the conservative Government which followed the Zelaya-Madriz régime was corrupt and despotic, and the program of financial reorganization for which it was sponsor worked injustice to Nicaragua; (4) that the landing of marines at the time of the Mena revolution was an unprecedented violation of territory, and their retention in Managua is the only thing that prevents the downfall of the Diaz administration; (5) that the Liberals are in an overwhelming majority in Nicaragua and would win the presidency if guaranteed honest elections under United States supervision; (6) that at least they are entitled to share in a coalition government and obtain half the offices; (7) that the pending canal treaty is against public interest not only because it is unpopular in Nicaragua, but also in that it violates the rights of the other Central American States; (8) that the canal treaty is further objectionable because it will prevent a union of Central America into a single strong republic; (9) that the whole policy of the United States is an offense against the sovereignty of Nicaragua and an affront to all Latin America.

Should have

These complaints, if founded on a basis of truth and not on a mere distortion of facts, which were intended to influence the uninformed for ulterior purposes, would constitute a serious reflection on the good faith of the United States and would deserve careful consideration and appropriate action. Taking them in order, a brief examination may be made of each to determine the merits of the case.

The first is that the United States, to cover its design of ousting Zelaya and the Liberal Government in Nicaragua, used as a pretext for accomplishing this purpose that it was seeking redress for the killing of two Americans, when, as a matter of fact, the latter were mere soldiers of fortune, who deserved the treatment they received.

In reply, it may be said that the United States needed no pretext for its action in taking measures to safeguard American life and property, for a condition of such barbarism prevailed in Nicaragua as would have justified absolute intervention on the ground of simple humanity, as in Cuba, and the complete occupation of the country to restore order. Instead of taking such thorough action, the Department of State rested content with giving the Nicaraguan chargé d'affaires his passports after the facts of the execution had been verified.

Could have

The details of that celebrated case, as gathered from the Nicaragua court records, are as follows: In October, 1909, a revolution against Zelaya, then president, of Nicaragua, was proclaimed by Juan Estrada at Bluefields. Two Americans, Cannon and Groce, joined the revolutionists, and were commissioned as officers. Both had suffered from Zelaya's persecution, and as one was a civil engineer and the other an experienced miner, they together with a man named Couture, a French citizen, were put in charge of the work of defending the San Juan River by submarine mines against expeditions sent from the capital to the Atlantic coast. In the course of their operations the three men became lost in the forest, and after wandering several days gave themselves up to the opposing forces as prisoners of war. Zelaya at once ordered a summary court martial, and issued strict commands that they be not allowed to communicate with any one. To prevent notice of their plight reaching the public, and to forestall any interference by American naval vessels, the prisoners were removed from Greytown on the coast to an inland village, and within 40 minutes of their arrival put on trial. They were charged with exploding mines, but the records were afterwards doctored so as to make it appear that they had been convicted of "rebellion," whatever that may mean. Even though nobody had been injured by their alleged offense, the two Americans were condemned to death and the Frenchman given a year in jail. Zelaya evidently considered it a much more serious offense to be an American than to be a Frenchman.

The United States consul at Managua, hearing at 2 a. m. of the plight of his fellow countrymen, communicated with Zelaya, and asked that the execution be delayed until he could make an examination of the case and report it to the department. Zelaya replied at 2 p. m. that he knew nothing of the matter but would investigate. He had already determined to frustrate any action by the United States, and two hours before, at 12.11 noon, had sent a telegram ordering that the sentence should be carried out at once. The records also show that Gen. Toledo, who was the proper officer to have conducted the trial, and, as such, authorized to reduce the sentence, telegraphed to Zelaya requesting that the lives of the condemned men be spared. This plea for clemency evidently caused the dictator to believe that Toledo might endeavor to delay the result, so he sent a second telegram at 6.30 p. m. to Gen. Medina, the trial judge, ordering him to proceed with the execution of the two Americans. There was still a short delay, because the captain of the firing squad denounced the proceedings and declined to give the command of execution. He was flogged and threatened with death, but resolutely refused to carry out the order. Another captain was chosen, the two Americans were quickly shot, November 16, and their bodies thrown into a ditch. The fiscal, or prosecuting officer, thereupon telegraphed the result to Zelaya, and added, "I shall continue to carry out the law, and above everything your orders." He was, in truth, carrying out "orders," for there is no law, municipal or international, against an alien taking arms with either side engaged in warfare; the United States welcomed the assistance of foreigners in its own revolution, and all civilized nations recognize the principle that such aliens when captured must be given the same rights as other prisoners of war. Even confessed criminals would have been entitled to greater consideration than was shown to the two Americans by Zelaya. Their summary execution, when the facts were made public, aroused the greatest indignation throughout the United States.

A joint resolution was introduced in the Senate December 10, 1909, by Senator Rayner, of Maryland, reciting that—

> Whereas the execution of prisoners of war * * * is contrary to the military code of Nicaragua, is in violation of international law, and constitutes the crime of murder under every code of military warfare now recognized by civilized communities; * * * resolved * * * that the President of the

> United States be, and he is hereby, authorized to take all necessary steps for the apprehension of Zelaya, the alleged perpetrator of the crime, and to bring him to trial therefor; and that he be further authorized to use whatever methods and process may be necessary to accomplish this purpose.

The Senator characterized Zelaya as a highwayman, a tyrant, a usurper, and an assassin.

> In the school of corruption, dishonor, perfidy, and crime he stands without a peer. * * * Now, as the culminating infamy of his administration, trampling upon every instinct of humanity, in violation of universal law, in defiance of those precepts of the international code that have been recognized ever since the night of barbarism receded before the rays of civilization, he has put to torture and then to death two American citizens. * * * This act was not only the act of a fiend, but was an insult to the honor of this Republic, and can not remain unavenged. * * * The proper step to take is, therefore, in my judgment, that which is embodied in the language of the resolution, and that is, by every process and method that may be necessary to apprehend the murderer and bring him to trial. This Government is a cowardly Government if it does not make an example of Zelaya before the eyes of the civilized world. This case will not admit of any trifling or concessions. If two American citizens—I care not who they were or what they were; citizens in high standing, as they have been reputed to be, or soldiers of fortune—have been murdered by Zelaya, then he must be made to pay the penalty of his crime.

Senator Lodge, of Massachusetts, commenting on his colleague's argument, thus expressed himself:

> I am very glad that the Senator from Maryland approves so strongly the attitude and the course of action taken by the administration. I myself cordially and heartily approve it, and I am sure that it meets with general approval and support. I do not think anyone will differ with him materially as to the character of Zelaya, but the practical question which is presented to me is one of very great difficulty. How can we separate the criminal from the innocent country and people whom he has involved in his crimes, and how can we best exact the reparation due to us for what can only be called the murder of our citizens?

Not only in the United States, but also in Nicaragua and throughout Central America, Zelaya's act of barbarity was condemned. Even Madriz, who succeeded him, the ablest lawyer among the Liberals, in a letter of January 7, 1910, regarding the execution of Cannon and Groce, said:

> After a personal study of the circumstances in which that deed was committed I deplore it as illegal, and I consider as just the resentment which for that reason is felt in the minds of the Government and of the people of the United States. The Nicaraguan Government will do everything necessary to give complete satisfaction for that resentment and will await with a spirit entirely friendly and rigorously observant of justice of the demands of the American Government, and will make reparation with the best good will as soon as possible for the evil caused by that unfortunate event.

The second criticism is that Mr. Madriz, who was the successor of Zelaya, became the constitutional President of Nicaragua and should have received recognition as such by the United States.

To this claim the department responded that his Government was neither de jure nor de facto, and it refused to recognize either faction in Nicaragua, but announced its determination to hold each of the leaders responsible for the protection of American life and property in the territory under his immediate control.

Unfortunately for the contention made by his partisans, Madriz, before he had any expectation of becoming the heir of Zelaya, had proven conclusively in a vigorous legal treatise "that Zelaya is a dishonest public official who has trampled upon the laws of the Republic; that he has been guilty of treason to the constitution; that he is not the legitimate President, but a usurper of the public power; and that his government perturbs and dishonors Central America." By the same reasoning Madriz's title was also invalid, because he was never elected, and his only claim to office was based on the action of his predecessor in "depositing the power" in him. Furthermore, he was clearly ineligible to receive the "deposit" because he was not a member of the national assembly, as required by the constitution then in force; he was not the Vice President, nor a cabinet minister, and, in fact, had not lived in Nicaragua for 14 years. Zelaya just willed the office to him like personal property.

His title was defective de facto as well as de jure. He never showed the slightest possibility of putting down the revolution or causing his authority to be obeyed. He surrounded himself with the same corrupt leaders and indulged the same cruel practices as Zelaya, with the result that he forfeited whatever good will the people might have felt for having been freed from tyranny; and the revolution which at first was confined to the Atlantic coast spread across the country, and after overcoming the almost insuperable obstacles of mountains and swamps, reached the capital. To excuse his failure to check it, Madriz charged that American Navy officers had interfered with his military operations. As a matter of fact they had only taken the customary step of prohibiting bombardment or fighting by either faction within the unfortified and ungarrisoned commercial city of Bluefields, thus protecting the preponderating American and other foreign interests, just as the commander of the British cruiser had done a few days previously at Greytown where there were large British interests. In the Greytown case it happened that the action taken favored the Madriz forces, while at Bluefields the result was quite the opposite; but the real test of strength between the two factions took place inland, far removed from both the British and American naval vessels, and there Madriz was overwhelmed by force of arms and fled from the country. The new leaders established their authority and suppressed all organized resistance without having at any time received de facto recognition from the United States. Formal diplomatic relations between the Washington and Managua Governments were not restored until after the people of Nicaragua had passed on the merits of the revolution by holding a general election.

The third criticism is that the "conservative" government of Estrada-Diaz, which followed the "liberal" régime of Zelaya-Madriz, was corrupt and despotic, and the program of American financial reorganization which it adopted worked great injustice to Nicaragua.

The words "conservative" and "liberal" have no meaning and give a totally erroneous impression, for not all the solidity and wisdom of the country are found in the group which bears one label, nor all the turbulence and corruption in the other; and, inversely, not all the narrowness and fanaticism are in the first, nor all the progress and honesty in the second. There is a mixture of good and bad in both, but neither deserves to be called a political party. Nicaraguan politics are difficult to grasp, for the reason that there are no parties in the American sense of the word, and that the people, instead of being aligned in two groups known as conservatives and liberals, are divided into many small factions, the number and size depending on the influence and ambition of petty leaders or the vengefulness of disappointed office seekers.

To understand the complete absence of political issues or principles it is sufficient to recall a few recent incidents. When the "conservative" government came into power after the flight of Madriz, it was made up of President Estrada, the leader of the revolution, who was a liberal, and a cabinet composed of Moncada, also a liberal, Diaz, Chamorro, and Mena, conservatives. The title of president was merely nominal, for all real power was exercised by Mena, who was in control of the army, as minister of war. The latter with the aid of certain conservatives ousted Estrada, the liberal president, by forcing his resignation and exile from the country; when Diaz, the conservative, succeeded to the presidency, a coup d'état against his government was attempted by Mena, a conservative, with the support of the liberals. In such a mess it is idle to try to discover any distinction between liberals and conservatives, and when the terms are used hereinafter they are to be understood as having only an approximate meaning.

The charge of corruption made against the Estrada-Diaz administration is based on the issue of some millions of paper money and the payment of large sums in the guise of claims to various members of the faction in power.

It is unfortunately true that there were great issues of paper money. This is an evil practice which exists not only in Central America but also in Mexico. During Estrada's administration about 24,000,000 pesos were forced into circulation as compared to 32,000,000 issued by Zelaya and Madriz. There is this difference to be noted, that President Diaz reformed the monetary conditions in Nicaragua by retiring the depreciated bills and placing the new currency on a gold exchange basis, which is guaranteed by the maintenance of an ample gold reserve fund.

It is very likely true that large sums were paid to prominent members of the Government, but as they were for the most part persons who had been compelled to submit to "forced loans," exacted by Madriz and Zelaya, there is something to be said on their side of the case as to the justice of their claims for reimbusement, even if not for the method of their payment, against which the department protested. In further understanding of these matters it ought to be remembered that all during the time of the corrupt or irregular practices, Mena was in control of the treasury department, and it was because of the effort to eliminate him from the cabinet and thereby suppress the evil, that both Estrada and Diaz, in turn, met with misfortune, Estrada being obliged to resign the presidency, and Diaz forced to contend with an insurrection. In other words, the same element in Nicaragua, which is now making the loudest complaint, is the one which supported Mena, who was responsible for the dishonest practices.

In this connection it may be added that it was for the very purpose of preventing the payment of any exorbitant or unjust demands that the Estrada government favored the program of control of finances by the United States, and the appointment of a mixed claims commission, composed of two American judges and one Nicaraguan, to pass on domestic as well as foreign claims under the provisions of the Knox-Castrillo loan convention which failed of approval by the Senate.

The importance of this claims commission has never been fully understood, because the principal functions contemplated for the commissioners were never put into operation on account of the absence of treaty sanction. It was an entirely new idea in our diplomacy and was intended to supply a deficiency which has long been recognized, namely, that there is no machinery in the Department of State for determining the validity or for apportioning equitably the extent and nature of claims which our Government is frequently called upon to urge against certain Latin-American countries, and as their courts are often mere tools in the hands of a dictator neither our own nor foreign Governments are willing to submit to such decisions as final. It was to meet this need for a competent and impartial tribunal that the claims commission was organized. It is not to be confused with the ordinary mixed-claims commission, because, although its members are of two different nationalities—American and Nicaraguan—yet it is not an international but a national court, appointed by and under the laws of Nicaragua.

The British and German Governments declined to recognize it or to submit their claims to its jurisdiction, and there was no way to bring pressure to bear on them to change their attitude, because of failure of Senate approval of the loan convention. The British Government threatened in May, 1912, that it would force payment of its claims unless Nicaragua was prepared to enter into a treaty conceding certain fishery rights, which were objectionable because of territorial privileges carried by them. Later on German interests attempted to get from the Nicaraguan Government a concession to canalize the San Juan River and to navigate the river and lakes in connection with a scheme for the colonization and exploitation of certain banana plantations in Costa Rica.

Another important function contemplated for the commission was the examination of the validity of all the contracts or concessions granted by preceding administrations in Nicaragua and the assessment of damages in cases of cancellation, amendment, or expropriation of such contracts. Secretary Knox was thus putting into practice the idea afterwards so earnestly advocated by President Wilson in his Mobile speech, in which he declared that the system of granting "concessions" was responsible for "a condition of affairs always dangerous and apt to become intolerable"; that the States suffering from them are in need of "emancipation from the subordination," and "we ought to be the first in assisting them in that emancipation."

The fourth criticism is that the landing of marines at Corinto at the time of the Mena insurrection was an unprecedented violation of territory, and their retention in Managua is the only thing that prevents the downfall of the Diaz administration.

It is a well-established principle of international law that any Government has the right to land and use forces on foreign territory to protect its own nationals. This practice has been observed not only by the United States, but also by the British, French, and other European Governments. As many as two score instances may be mentioned of such action in Latin American countries, and that the precedent will continue to be followed, when circumstances require, is shown by the recent case of Haiti, not to mention Vera Cruz. The landing at Corinto may be further distinguished in that it was at the express invitation of the Nicaraguan Government; and in this respect there is also a precedent, for in 1896 President Cleveland disembarked forces at the same port, on official request of the Zelaya Government, by note of February 25, to protect property and to support the Government against revolutionists. The two cases have a surprising resemblance, further accentuated by the circumstance that President Cleveland also directed, through the Secretary of the Navy, that the marines should proceed inland to Leon, if necessary and expedient, to rescue a messenger of the American Legation who was reported to have been arrested or detained by the revolutionists; and by the further circumstance that the commanding officer served a notice on the lawless element that he was prepared to prevent by force, if necessary, pillaging of the English bank at Leon. Three years later marines were again disembarked on Zelaya's request at Bluefields, and held possession of the port for some time until the arrival of his troops.

Perhaps a possible distinction in the two cases of landing United States Marines at Corinto is that in 1896 it was British property, principally, that was to be protected, while in 1912 American interests were preponderant. It must also be remembered that the present Nicaraguan Government had been firmly established in power two years before the marines arrived to protect American property against Mena's lawlessness; it had long since driven out the Madriz usurpers, overcome all armed resistance to its authority, and confirmed its right to exist by popular elections. The Diaz Government has thus shown that it not only controls sufficient force to maintain itself in power, but also that it rests on the will of a majority of the people.

In the statement that if the marines should be withdrawn from Managua the Diaz administration would succumb there is an intimation that the presence of the American forces is against the wishes of the Nicaraguan people. Experience, however, has shown quite the contrary. Even Leon, after the Mena disturbance was suppressed and the city returned to Government control, requested and urged that the marines be kept there in preference to Nicaraguan troops, because of fear of reprisals from their late opponents. Many of the leading Liberals declared to our officers that they had more confidence in the Americans than in their own countrymen. At Chinandega, the fourth largest town, the most prominent citizens, irrespective of party, expressed the desire to have an American naval officer rule them permanently. At Granada the citizens in mass meeting adopted resolutions of thanks and transmitted a memorial to Admiral Southerland, the commanding officer, in just recognition of his remarkably successful handling of a difficult situation, saying:

troops welcomed

> Because of the highly marked benefits that we have received from the protection of the Americans, we send to you and those serving under you, in the name of this community, an expression of our sincere gratitude, asking that you present these sentiments to the Government of your generous country, and our hope and desire that the sacrifices made by you will give as result an established and enduring peace in Nicaragua.

A pathetic letter was sent by the women describing the—

> state of horror and fright in which mothers, daughters, wives, and sisters saw themselves, each moment threatened with the loss of all they held most dear;

> * * * we celebrated with enthusiasm your arrival on the shores of Nicaragua as an omen that soon our ills would cease. Our hopes were fulfilled, inasmuch as you have given with wonderful rapidity the peace and tranquillity that we so much longed for.

On a march which the marines made through the country and over the mountains they were met everywhere by reception committees and escorted to the cities, where they were received with enthusiasm, most notably at Matagalpa and Rivas. That such friendly feeling prevailed was due in great part to the confidence and respect aroused in the people by the exemplary conduct of the marines and bluejackets officered by men of such tact, firmness, and common sense, as shown, for example, by Maj. Smedley Butler, whose battalion, being the earliest to arrive in Nicaragua, was responsible for first impressions.

In a letter of appreciation to the commanding officer November 10, 1912, the American manager of the railroad wrote from Managua:

> Speaking of the interests I have the honor to represent, their property, comprising all the steamers and most of the railway, was in the hands of bandits, vandals, and miscreants; our very lives were in jeopardy, and our confidence in the governing powers badly shaken when your opportune arrival brought order out of chaos, restored property to its rightful owners and freedom to many a despairing prisoner, for all of which the country owes to you a debt of gratitude which can never be paid.

effect

A like sentiment prevailed on the Atlantic coast. The Press, of Bluefields, in an article of October 13, said that it—

> desires to express in the name of the foreign colony its hearty and sincere appreciation of the orderliness, propriety, and universal good conduct observed by the *Takoma's* boys; and, further, to assure the bluejackets and men of the Marine Corps that their fellow countrymen here are proud of them and consider them a credit to the uniforms they wear.

This favorable opinion was held not only by natives and foreigners alike but it was given official expression in a note to the American legation from the foreign office and in a special act of the National Assembly, indorsing what had been done. In fact, it may be said that the mass of the Nicaraguan people welcome any influence that gives promise of releasing them from barbarous persecution and of permitting them to live in peace. The only complaint against the Americans comes from the dissatisfied politicians, the Zelayistas, and those who live on revolutions. This truth has been testified to again and again by naval officers who have visited the country. Thus Commander Benson of the *Albany* reported in April, 1909, during a visit at Corinto in Zelaya's time:

> There is a bitter and contemptuous feeling of the governing [Zelayista] class toward the United States, but the general mass of the people are most heartily in sympathy with the United States and its policies. The country is practically under a reign of terror; everyone seems afraid of doing or saying anything that might reach the President.

The Associated Press correspondent, sent to Nicaragua at the beginning of the Madriz régime, reported in the dispatch which was published on January 27, 1910:

> I expect trouble here when Madriz arrives. Leon alone is for him, and the garrisons of Managua and Granada are being made up afresh of soldiers from Leon. * * * There is no genuine hostility toward Americans and no chance of a spontaneous uprising against them; but there is every likelihood of an organized uprising of armed resistance commanded to docile soldiers by politicians bent upon diverting public indignation from themselves and resorting to the simple trick of summoning the specter of foreign invasion and annexation by people of another race.

Admiral Kimball, who commanded the squadron in Nicaraguan waters at the time of Zelaya's flight, reported that he could control the situation without any show of force. The reason that this would be possible, he added, was because while there is a theory that the Nicaraguans hate and detest Americans and everything American, "they actually have a childish and unquestioning faith in the kindness, helpfulness, innate fairness, and boundless power of the people of the United States and the Government that represents them."

If then the Diaz government is strong enough to sustain itself, and there is no unfriendly feeling on the part of the Nicaraguan people against the United States, the question may quite naturally be asked why the marines are retained as a legation guard.

There are several reasons for not withdrawing them at this time. In the first place it would be construed as an invitation to resume disorders. The mass of the people, while ordinarily peaceably inclined, are uneducated and easily misled. If our forces were removed, the impression would be created that the United States had lost confidence in President Diaz and desired his elimination from office. A similar belief as to Zelaya, it will be remembered, caused his flight from the country, with hardly a struggle, by the mere severance of diplomatic relations.

There is another reason. Insurrections in Nicaragua, as elsewhere in Central America, are nothing but military uprisings and not popular movements in any sense. The only exception to this rule that can be recalled was the Bluefields revolution which drove out the Zelaya-Madriz régime, and which, though it started with an insignificant defection of troops on the Atlantic coast, met with such popular support that it crossed the mountains, spread throughout the country, and engulfed all three cities of Managua, Leon, and Granada. But this was an unusual case. The trouble ordinarily starts with the mutiny of a garrison or the seizure of the arsenal, sometimes accompanied by the capture of the President. To guard against these perils, two alternative practices have generally been adopted: Either collect all the war munitions and a majority of forces in one central garrison, or else distribute them in the three leading cities of Managua, Leon, and Granada. The first method possesses the merit of limiting the danger of disloyalty to one locality, but it has the corresponding disadvantage of leaving the Government without means of defense in case of its loss; the second gives the ruler two bases of defense in the event of mishap to the third, but increases the hazard of treachery threefold. Now, by retaining the marines at the capital, all military supplies can be concentrated at that one point under their control without the necessity of having any army at all except for police purposes, as in Panama. Therefore the presence of only a few marines serves a purpose in guarding against disorders which would otherwise require the maintenance by Nicaragua of several thousand troops, and the restoration of the objectionable system of militarism; at the same time their presence exercises a strong moral influence in preventing abuses and reprisals by subordinate Government authorities. Under present conditions the Government can devote itself to working out its numerous economic problems and to encouraging peaceful pur- effect suits without the constant anxiety of preparing against the attacks of malcontent politicians or against treachery by ambitious generals, like Mena, unable to resist the temptation of using for selfish purposes the power confided to them.

cost benefit

Possibly the most important reason of all is that if disorders break out again in Nicaragua they will undoubtedly spread to Honduras and Guatemala. It is better to keep a few marines where they are, especially during the continuance of uncertainty in Mexico, rather than to run the risk of having a condition of turbulence in all the region from the Rio Grande to the Canal Zone.

option

If it be asked how long the marines are to be continued in Managua, the answer is, until some equally good arrangement is made that will assure the maintenance of peace. One such arrangement, of course, is the negotiation of a treaty that will leave no doubt that the United States discountenances military conspiracies and favors constitutional order. There has been no war or revolution in Panama since the signing of the canal treaty with that Republic, and Panama has been able to disband its army and save the expense of a military establishment. Furthermore, there has been no necessity for using the American forces on the Isthmus. The belief that they would be used to preserve order if occasion required has been sufficient.

The fifth criticism is that the Liberals are in an overwhelming majority and would win the presidency if guaranteed free, honest elections, under the supervision of the United States.

Whether their claim of supremacy and their proposal for testing it are sincere or not may be judged by the attitude assumed by them when in control of the Government during the Zelaya-Madriz régime.

After Madriz had been engaged for three months in a futile and bloody attempt to suppress the Bluefields revolution, during which more lives were lost than in any equal period of a similar disturbance, Estrada, the leader of the revolution, having demonstrated by force of arms the power of his following, made an offer on March 3, 1910, in which he proposed that the United States should be invited to mediate, and to supervise elections for the choosing of a President and Vice President of the Republic. Madriz responded that he was the legitimate successor of Zelaya, and that patriotism prevented him from admitting a foreign nation to act as intermediary in internal conflicts. Four months later, when the victorious revolutionists had arrived at the gates of the capital, he changed his mind, and appealed to the department to interpose on behalf of peace, expressing his willingness "to follow every indication which the Government of the United States may be pleased to make," and when it was too late he requested mediation by the foreign consular corps in order that he might make a dignified and safe exit from the country.

During the 18 years of liberal government under Gen. José Santos Zelaya and Dr. Madriz, not even the form of an election was gone through with, unless an exception may be made of the occasion when three candidates, José, Santos, and Zelaya, were put up and were voted for—a cynical bit of humor on the part of the dictator.

liberals not majority

If the "liberals" were in the majority it is surprising that they never demonstrated the fact by holding an election while they were in control of the machinery. To anyone who understands the situation in Nicaragua, the reason of their refusal is very simple. No party has a majority; there is no political cohesiveness whatsoever. When one faction is in office, the other factions form a sort of temporary combination to overturn the administration, and in the confusion which follows each leader seizes what he can. When Zelaya was in power, a faction of so-called liberals attempted to throw him out by the revolution of 1896; then when Madriz succeeded him, other liberals constantly intrigued for their own advancement and against the administration, as shown by the records of our legation in Managua. Again when Mena attempted his revolution against the present Nicaraguan Government, he was pledged the support of the liberals, but as soon as there was a bare prospect of success three or four "presidents" were proclaimed in different parts of the Republic.

Admiral Kimball made a very interesting report December 31, 1909, of the visit he paid Madriz at the executive mansion, in Managua. Madriz explained why he had accepted the presidency from Zelaya, whom he had denounced as a usurper, and from a Congress which he had proved to be illegal, on the ground that he thought this was the best way to avoid bloodshed; he was disappointed in that he had expected the best men of Nicaragua to come to his aid, but so far only a few personal friends and a horde of self-interested people had approached him; discussing elections, he called attention to the fact that—

> there is at present absolutely no registration upon which to hold an election, that practically a generation has passed away and a new one had come up since elections were abolished by Zelaya; that he would endeavor to establish a satisfactory registration of voters, and an election that would be respected; that of course laborers on the coffee fincas and plantations would vote much as their patrons desired, but this was also the case during the 30 years of peace.

The admiral, who had formed a friendly attachment for Madriz, continues:

> I asked him who, in his opinion, would be elected if such an election as he had outlined could be held. He said that Juan Estrada or Espinoza would probably be successful since their revolt against Zelaya would give them prestige; possibly a man of his (Madriz) faction of the liberal party might succeed, and that there was nothing impossible in supposing that a nominee of the conservatives might develop sufficient strength.

That Madriz's estimate of the possible strength of Estrada was correct, was shown by the elections held in 1910 after the restoration of order, when the ticket composed of Juan Estrada, a liberal, for president, and Adolfo Diaz, a conservative, for vice president, both leaders of the the Bluefields movement, received a majority of the votes. Two years later, in November, 1912, at a direct popular election Diaz for president and Solorzano for vice president, were the successful nominees. Thus the candidacy of Diaz was passed upon twice within a very short period. His tenure in that respect will compare very favorably with that of the other presidents of Central America; and it is hard therefore to understand why there should be any necessity for an American supervision of the election in Nicaragua and not in the other Republics.

The Department of State, however, did consider the question of such a supervision in 1912 and inquired the views of its legation on the subject. In his reply the American minister said:

> I think that the general public in Nicaragua understand that the policy of the United States is not hostile to the liberal party as such nor to the conservative party, but is directed against the corruptionists, the intriguers, and

Cost

> criminals of all parties, be they conservatives like Mena or liberals like Zelaya * * *. The ban should include also professional revolutionists. It is safe to say that there is not a single general on either government or rebel side who has not designs on the presidency. * * * It seems inadvisable to raise the question of elections until the army * * * has been disbanded. It would be unwise for the United States to supervise elections; the Panama precedent is hardly applicable (because the right of the United States to interfere in that country is recognized by treaty and by the constitution of the Republic, notwithstanding which, the defeated party charged fraud). There has never been a registration of voters in Nicaragua. If we undertook the work we should have to do it thoroughly, and this would require more time and men than we have available. Neither party would willingly acquiesce in an adverse result, however fair, and we should have to bear the burden of criticism without the power to justify our course by assuring the honesty of the administration after it enters office. The fact is the cry of fair elections just now is not sincere. The majority of the people are satisfied with President Diaz, and the malcontents are more desirous of securing the presidency than of having honest elections. The Mena rebellion, which was supported by the Zelayistas, affords conclusive proof of this assertion. Mena never questioned the validity of Diaz's title to office, and he never even pretended that he himself was the popular choice. On the contrary, he denied the right and the capacity of the people to hold an election. Diaz stood for the principle of direct popular elections; Mena opposed that principle and yet the liberals supported Mena. Of course, the purpose was to create strife among the members of the administration, and in the confusion seize the power, thus eliminating both Diaz and Mena. There is a small coterie in the two parties which feels each against the other the bitter hostility inherited from Spanish colonial days to such an extreme that they would both prefer to have the United States govern the country rather than see the opposing faction in office. This feeling is one source of Diaz's strength. Almost every military leader who is unable to conquer the country for himself prefers Diaz or some equally peaceful civilian to any rival general. Many prominent government officials and a great number of influential liberals have privately expressed the opinion that the only hope for peace in Nicaragua is to be found in government of the country by the United States. My own opinion is that this is not at all necessary and that on the contrary we should not interfere in local affairs at all except in so far as may be necessary to insure order and protection to life and property. The matters covered by this exception could most probably hereafter be controlled as in Panama by moral influence.

The last election held in Nicaragua produced some interesting results. Diaz was nominated for the presidency by the conservatives, and Gen. Chamorro, generously waiving his own candidacy in a commendable spirit of harmony, pledged himself to support that nomination, and honorably lived up to his pledge, but many of Chamorro's followers proved recalcitrant and insisted on voting for him, with the result that although not elected, nevertheless he carried the city of Granada. This fact has its interest because it tends to show that if the people of any district really favor a candidate they can carry the election for him, notwithstanding the administration's control of the machinery, recognition of which circumstance probably influenced Zelaya and Madriz in refusing to call elections when they were in power. The liberals did not put up any candidate against Diaz, either because they could not agree upon one or else they preferred to let the contest go by default and then attempt to oust him by raising the cry for new and fair elections. But many of them fearing that Chamorro might defeat Diaz voted for the latter. A final canvass of the ballots showed that for president Diaz received 23.467, Chamorro, 2,229; and Baca, 34; for vice president Solorzano, 25.667; Espinoza, 32; and scattering votes for Gen. Saenz and Manuel Lacayo. If these figures may be taken as true, and there is no reason to believe the contrary, they seem to indicate that the vote of the whole country in a contested campaign would be almost equally divided between the so-called conservatives and liberals. It will be noted that the combined vote of Diaz and Chamorro is 26,000, not counting conservatives who did not go to the polls. There has never been an accurate census of the Republic, but the population is generally estimated at 500,000, and allowing one-eighth as the proportion of male voters would give slightly over 60,000, indicating how evenly divided are the two parties. It is doubtful, however, if any Liberal leader could poll the full strength of his party because of the many factional fights in Leon and elsewhere, and the absence of any real party principles or political issues. For similar reasons it is equally difficult to determine in advance the vote-getting ability of any Conservative candidate.

The sixth criticism is that the Liberals are at least entitled to share in a coalition government and obtain half the patronage. option

This proposal sounds suspiciously like the one they made in 1893, when President Sacasa was in power, and which resulted in an agreement signed on May 31 of that year at Sabana Grande, whereby it was provided that Machado should become President and select his cabinet from among the members of the two parties. The written document contained this binding clause, signed by the American diplomatic representative: history says No

> The minister of the United States interposes in the agreement his official mediation and his moral guaranty for the good faith and the compliance by both sides.

Within six weeks therefrom, or, to be exact, on July 11, the Liberals at Leon seized President Machado, who had been invited to pay a visit there, and during the confusion which resulted from his imprisonment, Zelaya with a small force marched on Managua, and after barbarously bombarding the unfortified capital, against the vigorous protest of the American minister, who had signed the Sabana Grande agreement, proclaimed himself President—and was duly recognized. Zelaya began his régime by defying the United States and ended by murdering two of its citizens.

The coalition government of Machado did not last two months. Hardly any better success has been obtained by the more recent efforts at this sort of compromise. As soon as a member of an opposing faction is given an important office in the administration he at once begins to use it to overthrow the Government in the interest of himself and his faction. Mena is the most recent example of the futility of this sort of compromise. In the present uncertainty in Central America it would be especially dangerous to give a cabinet appointment in Nicaragua to any of the Zelaya faction because he would use his office to aid or incite revolution in Honduras and Guatemala. A division of power in Nicaragua, as elsewhere, means lack of efficiency, absence of responsibility, and utter confusion.

The seventh criticism is that the pending canal treaty is objectionable not only because it is unpopular in Nicaragua, but also that it violates the rights of the other Central American States.

When the treaty was being negotiated it came up for general discussion in Nicaragua, and was debated both in the National Assembly and by private individuals. Many of the leading citizens favored the inclusion of stipulations in the nature of a Platt amendment, but it was thought by the legation that such an amendment might lessen the chances of approval by the United States Senate, so it was dropped. A "junta de notables," or conference of prominent men, was called and urged the prompt passage of the measure.

The assembly considered the treaty at length, made a slight change which was accepted by the department, and then voted approval by more than the necessary majority. Nor was their action without precedent, for Nicaragua has entered into innumerable contracts and treaties, such as those signed by Ministers Squier and Hise, and Secretaries Cass, Dickinson, and Frelinghuysen, relating to the construction of a proposed canal and to the navigation of the San Juan River as a part thereof. Zelaya and the present complaining liberals negotiated several such agreements, principally with Europeans, among which may be mentioned a contract of June 5, 1897, with the Atlas Steamship Co., a British corporation, for the exclusive navigation of the San Juan River and Lake Nicaragua; and another of October 27, 1898, conceding a canal option to the Grace-Cragin Syndicate, in consideration of the payment of $100,000 cash and $400,000 on time. Remonstrance against this speculative concession was made without avail by the Department of State, but fortunately the contract lapsed on account of failure to meet the later installments.

The canal treaty signed at Mangua is reasonably generous to the interests of Nicaragua. It provides for the payment of $3,000,000 in trust, to be used for purposes of general education, public works, and for the welfare of the country. It was at the suggestion of President Diaz himself that the clause was inserted that no disbursements should be made except with the consent of the secretary of state, thus doing away with any opportunity for a dishonest or improvident use of the funds.

If this convention has caused any dissatisfaction in the other States of Central America, it must be due to a misunderstanding of its terms. The text of the treaty, that is to say, in its original form, has never been made public, and it is therefore difficult to understand on what grounds objection has been raised. As a matter of fact the treaty, so far as the canal feature is concerned, concedes merely an option and not the title to a canal strip as in Panama, the idea being that when the actual construction becomes necessary a new contract will be negotiated, but that in the meanwhile, if the treaty is ratified, the whole canal agitation will cease because of the exclusive option given to the United States. When a new contract for actual construction is to be negotiated it will then be time enough to consider any rights or interests of the neighboring States; and it will then, but not before, become necessary for Nicaragua, according to the terms of a convention now in force, to consult with Costa Rica, that country being interested because its territory is partly bounded by the San Juan River, which would most likely become a link in the canal system when built.

Speaking historically, it is a grave error to assume that the other States in Central America are opposed to the construction of a canal across Nicaragua by the United States. They have frequently expressed their approval of such a policy, most notably at the time the United States was engaged in the negotiations which eventually resulted in the Frelinghuysen-Zavala treaty. In the early part of 1883 Mr. Hall, the American minister to Central America, then residing in Guatemala, was instructed to sound out the five Governments to which he was accredited. On May 4 he reported the result of a visit to Salvador, where the President, the minister of foreign affairs, and other prominent men expressed the hope that the canal would be constructed across the territory of Nicaragua and owned and operated by the United States. In an official note the foreign office confirmed this understanding, calling especial attention to the importance of the project to Salvador, because of it being the only country in Central America without a port on the Atlantic coast, and therefore deprived of the advantages of direct communication with the eastern section of the United States. Not contenting itself with these cordial and earnest expressions (for which no compensation was asked in those days), Salvador displayed great activity with the other Republics in bringing influence to bear on Nicaragua for the signing of such a treaty with the United States, and President Zaldivar visited Managua to use his personal influence in that behalf. The Honduran and Guatemalan foreign ministers, acting for their respective Governments, likewise sent official notes indorsing the project most enthusiastically. The Costa Rican Government went even further and addressed a note to Secretary Frelinghuysen appealing to the United States in favor of the Nicaraguan canal on the ground of American fraternity and joint interests.

If any of the present political leaders in these republics are opposing the pending treaty because of the cession of territory for naval purposes in Fonseca Bay, they are certainly flying in the face of precedent in their own countries. Each and all of the States of Central America have at one time or another offered to make similar grants of land to the United States. In May, 1881, Guatemala proposed to cede Ocos Bay for a coaling station; in December, 1901, Costa Rica entered into similar negotiations for a lease of 200 years of Port Elena, and in April, 1906, offered to sell Cocos Island for a naval or wireless station; on September 28, 1849, a treaty was signed with Honduras by Mr. Squier, the American minister, granting to the United States valuable stretches of land for naval stations on Tigre Island, also known as Amapala, in the Gulf of Fonseca, and for fortifications along the shore of the bay; again, in September, 1885, the Government of Honduras made a formal proposal to grant to the United States the right to establish and maintain coaling and naval stations on both the Atlantic and the Pacific coasts, namely, in the Bay Islands and the Gulf of Fonseca, the purpose being "that the presence on its coast of vessels of the United States would favor the interests of both countries and would create new ties of friendship."

Salvador has no coast on the Atlantic side, and though having a frontage on the Gulf of Fonseca, possesses little territory of strategic value. The people, however, have always been extremely friendly to the United States, and at the time, when they were more united in political sentiment than ever before or since, they appealed to the United States for annexation, and sent two commissioners to Washington to urge their petition.

The eighth criticism is that the pending canal treaty is further objectionable because it will prevent a union of Central America.

When the colonies proclaimed their independence of Spain and severed the bonds that united them to the mother country, there arose a strong popular sentiment that they should emulate the example of the United States and organize themselves into a single, vigorous Republic, that would be able to withstand foreign aggression and to win for itself a position in the family of nations. Accordingly in 1823 a federation was established with its capital at Guatemala City, but almost immediately dissensions broke out, several of the States seceded, the union came to an end, and its president, Morazan, was executed in 1842. Since that time there have been numerous attempts at restoration, which not only proved futile, but also have served to increase the jealousies and enmities among the several States.

The attitude toward the question of confederation which the United States adopted at the outset and has continued ever since, was expressed by Secretary Seward in 1863, as follows:

> The President regards the agitation of the question of a reunion of the Central American Republics with favor, not, however, because he is prepared to say that the measure is practicable or expedient, but simply because it indicates a conviction that there are some common evils existing in the several States of Central America which are constantly reproducing civil and international wars, and a will and a purpose on the part of American statesmen there to correct them, but—

He adds—

> there is no desire on the part of the President to seem to favor coercion in the matter, and on the contrary, the United States will remain equally the friend of the Central American powers whether they reunite or prefer to remain distinct and independent.

After repeated unsuccessful attempts to restore the union an impression began to be held in the United States that certain of the Republics were not so much interested in the federation as they were in establishing their own ascendancy at the expense of their neighbors, and that in particular Nicaragua, which controlled the canal route, appeared to be menaced by acts of aggression. Early in 1880 Secretary Evarts instructed the American minister at Guatemala that the United States would not look with favor on any "schemes of aggrandizement" by which "the individuality of any of the States of Central America would disappear in turmoil or conquest," but he reiterated the settled policy of the United States that it would regard with approbation "such an intimacy of union between the States of Central America as would not only secure their domestic interests but render them outwardly strong against the rest of the world."

Very similar views were expressed by Secretary Bayard in an instruction of March 10, 1885, that while the United States "deems advisable a voluntary combination of interests of the Central American States, no display of force on the part of any one or more States to coerce the others can be countenanced." And when it began to be made clear that the plan of restoring the union was a mere pretext on the part of ambitious tyrants to maintain themselves in office and extend their power to control the valuable possessions of neighboring States, the attitude of the United States, while none the less friendly to the idea of confederation, nevertheless became more insistent in discountenancing the use of force to bring it about. Thus, on February 27, 1888, Secretary Bayard instructed our minister in Guatemala as follows:

> I learn that much disquietude is felt in Nicaragua by reason of rumors that the plan of consolidation or amalgamation of the Central American Republics, which received so serious a check when undertaken by Gen. Barrios a few years ago, is proposed to be revived by his successor, Gen. Barillas. * * *
>
> The great interest expressed in the proposed construction of the interoceanic canal by citizens of the United States, under charter granted according to the

> laws of the United States, and the concern naturally felt for the security of the vast capital necessary for the accomplishment of such a work under effective guaranties of stability and order, should serve to advise the statesmen of Guatemala of the new and important enterprises thus inaugurated, and lead them to realize the magnitude of the concern which would necessarily be felt should any ill-counseled plans of domination or control cast a doubt upon the capacity of the independent Central American States to maintain orderly and local self-government, and to observe relations of good will toward each other. * * *
>
> You will carefully inquire whether any ground exists for the apprehensions to which I have adverted, and will likewise take an early and discreet occasion to convey to the Government of President Barillas the views of the Government of the United States which are consistently and strongly in disapproval of a coercive union of the Central American Republics and favorable to their independent, tranquil, and harmonious continuance under the reign of constitutional law.

The question might well be asked why it is that so little progress toward a permanent union has been made, notwithstanding the evident advantages of a single strong Republic, the popular sentiment favoring the idea, and the moral support which the United States has always been willing to lend to its peaceful achievement. Experience gives a reply by referring to the sanguinary struggles that mark the abortive federation from 1823 until the execution of Morazan in 1842. Those 20 years witnessed such immense loss of life, destruction of property, paralysis of commerce and agriculture that the mass of the people, who in the beginning had believed that confederation would solve the problem of peace, never desired to repeat the experiment, and took no genuine interest in any of the subsequent attempts, regarding them as mere schemes of aggrandizement by military rulers. As a matter of fact, the only reason or justification for a union of Central America is that under its government the people will have a greater assurance of stability of institutions, maintenance of order, and peaceful development of the resources of the country, without danger of foreign interference. For a State to lead successfully in the movement of federation it must first establish peace and order within its own confines, and not depend as heretofore on the power of militarism. If the pending canal treaty is put into effect and Nicaragua by reason thereof is guaranteed against future turbulence, the lesson will not be without its effect on the neighboring States. Such of them as maintain stable governments and peaceful conditions will soon find it to their common interests to unite, and the advantages of peace will strengthen Nicaragua and perhaps extend its influence, or even its limits, just as disorders weakened the Republic and caused it to lose territory to its neighbor in 1825, when the inhabitants of the district of Nicoya petitioned for annexation to Costa Rica in order to escape from the anarchy then prevailing in their own State.

Because of the strategic position of the Central American Republics, commanding the northern approaches of the Panama Canal on both the Atlantic and the Pacific, some observers have expressed the opinion that our interest is too great not to impose on our policy the desirability of continuing the present system of small independent States, and of preventing their union in what under a powerful dictator might become a strong nation, possibly antagonistic to our policies and able to invoke the intervention of foreign powers. Whatever might otherwise be the force of this argument, no such danger would be likely if the United States were in control of the canal route across Nicaragua, together with the naval base in Fonseca

Bay, and on the contrary our interests and those of Central America would both be best served by encouraging a union of the five Republics, a result that should be decided by popular vote instead of military force, and that might be brought about by voluntary coalescence with Nicaragua, which, with peace guaranteed, would become the strongest and most important, because of its geographically strategic position.

The ninth criticism is that the whole present policy of the United States is an offense to the people of Nicaragua, and is condemned by the public sentiment of all Latin America.

There is abundant evidence to disprove this statement, even though some of the competent witnesses may not wish to testify in public. Perhaps this may be made clearer by a few extracts from an interesting report to be found in the legation files, giving the substance of a conversation, in December, 1911, with a prominent Costa Rican, which was characterized with more than usual frankness. At that time Gen. Mena was using his position as a cabinet officer to overthrow President Diaz, and this conspiracy caused considerable unrest in Nicaragua, which threatened to spread to the neighboring republics. Discussing the American policy, the speaker declared that "from the point of view of Costa Rica, it would be of distinct advantage for the United States to be responsible for the preservation of order in Nicaragua and Honduras. At present conditions in those countries were 'chaos,' and likely to continue irrespective of the party in power. Costa Rica was obliged to protect herself against this, and at the same time watch those plotting revolution (against Nicaragua) within her (Costa Rica's) confines. The present movement of Señor X against the Mena-Diaz government was due to his openly proclaimed belief that the United States would not interfere." In reply the minister said:

> I stated our reluctance to interfere, to which he retorted "that we could not have our cake and eat it. Either we should keep away entirely from Central America or else make ourselves effectively responsible for the preservation of order. Having overthrown the Zelaya régime it would be illogical to allow one of his adherents to recover it." The speaker, who is one of the best informed and most influential public men of Central America laid great stress on our pending treaties with Honduras and Nicaragua, which he regarded as the salvation of the situation. He thought it necessary for us to do there as in Santo Domingo, though stating that if these views were known as coming from him they would be regarded as treason. I remarked that our great desire had always been to avoid direct interference, and we had once hoped that the Central American Court of Justice might prove a powerful factor in promoting peace. * * * As he aptly stated, what force would it invoke other than that of the United States, and, if so, our direct intervention would be far preferable. His entire argument which he expounded logically and with force was in favor of this, which is all the more remarkable as the violence of his attacks against the United States while he was in * * *, is still remembered.

The great mass of the people of Nicaragua are friendly to the policy of the United States. Public meetings have been held to indorse the various measures, and the national assembly has passed the required legislation by reasonably ample majority. This official action fairly represents popular sentiment.

Statements occasionally appear in print which seem to indicate the contrary and purport to express a widespread opinion of unfriendliness, but on careful examination they may be traced to European sources antagonistic to the spread of United States influence or to persons not authorized to voice Latin-American sentiment. We are so earnestly desirous of the good will and friendship of the peoples of the southern Republics that in matters which concern them we become supersensitive to unfavorable comment without inquiring from whom it proceeds and are apt to ascribe an exaggerated importance to random and irresponsible "protests." Every bandit leader along the Mexican border would have us believe that any interference with his lawlessness is resented by the public sentiment of Central and South America. During the recent disorders in Nicaragua, when Mena and some of his alleged generals were compelled by United States marines to desist from plundering and destroying American property, he threatened to bring down on our heads the vengeance of "all Latin America."

A characteristic example of the same kind of arrogance and effrontery appears in a recent pámphlet dealing with Nicaraguan affairs, as follows:

> The Monroe doctrine, as we have related before, was willingly accepted by the peoples of all Latin America; but when later on an amplification was invented to signify the right of tutelage of the United States of North America over the other Republics of the continent this interpretation, odious, arbitrary, and pernicious to all Latin America, met with vigorous protest in all Latin America, where public opinion was unanimous in expressing itself, etc.

Fortunately for our peace of mind, this pronouncement did not emanate from the A B C powers, but investigation showed that the self-constituted spokesman of "all Latin America" was a Russian. Centers of propaganda for the dissemination of this sort of stuff are established in Central America and at New Orleans. They originated the Root forgery which caused so much annoyance to the then Senator from New York. A document pretended to quote him as favoring a policy of territorial aggression and a military overlordship of the entire continent by the United States. It was so manifestly a forgery that a denial of it by Senator Root was hardly necessary, although he did deny it in January, 1913, so that those circulating the libel might have no pretense that its authenticity was questionable. Of course they continued to circulate it after its falsity was established. In New Orleans the junta is composed of a Honduran revolutionist, a German, and a Russian, all of them beneficiaries of Zelaya.

In Central America the self-appointed defenders of Nicaraguan sovereignty are mostly fugitive Cubans, Colombians, and Venezuelans. One of them, Masso Parra, a Cuban, was brought to Nicaragua by interested parties, and started a disturbance on March 6, 1913, near Managua, to ascertain if the new administration at Washington had changed the Taft policy in regard to discountenancing revolution. After the marines had suppressed him the legation became interested in his case and looked up his record, with the following results: Masso Parra was director of police under Zelaya, who sent him to the United States to be cured of a wound which had left him lame. There he was convicted and sent to Sing Sing for counterfeiting, whence he escaped and returned to Central America. At Managua he was arrested for obtaining money under false pretenses while ostensibly raffling a mule. During the Mena revolution he was commissioned as an officer under Baca. By birth he is a Spaniard and began his military career in Cuba, being enrolled in the Spanish forces that from 1896 to 1898 attempted to put down the Cuban revolution. Spain having lost, he remained for a time in Cuba, then went to the United States, where he had a precarious existence. In 1906 he was engaged in a piratical expedition organized in New York against Costa Rica. He entered into an agreement with Capt. Boynton, a notorious adventurer who had figured in many Cuban and Venezuelan filibuster enterprises, to arm and equip a merchant vessel in a harbor of the United States and then to seize Port Limon, in Costa Rica, which had only a small garrison, to rob the customhouse, then surprise the capital and after cracking the banks make their escape, realizing of course it would be impossible to maintain themselves for any length of time. The plan became known and was easily frustrated.

Masso Parra then returned to Cuba and during the second American occupation formed a plot to assassinate Gov. Magoon and other prominent persons. It was said the object was to restore Spanish rule, but, of course, Spain disavowed the attempt. Those implicated were arrested and tried, Masso being sentenced to five years in the penitentiary. But he remained there only two years, his sentence being commuted on the departure of Mr. Magoon. He was afterwards taken to Nicaragua and started on a career of looting in undefended villages, and when at last driven out, resumed connection with the propaganda to defend the sovereignty of Nicaragua against the United States.

Effect

Whatever criticism may be made of the Knox policy in Nicaragua, it stands the one true test of diplomacy—success; and the Department of State must be given credit for affirmative, energetic, constructive action, free from all traces of opportunism. The United States took a stand squarely and without compromise on the side of peace and constitutional order in Central America and for the protection of American citizens abroad. A declaration of policy was made from time to time in formal dignified terms; then words were followed by deeds. In view of our attitude toward Zelaya, and the whole of our relations to Nicaragua and Central America, we could hardly have done otherwise than earnestly discountenance the conspirators who had adopted such methods as had Mena and his followers. The origin and conduct of their plot gave to the participants the character of bandits raiding American property, rather than revolutionists fighting for a principle, and created on a small scale a situation in Nicaragua not without analogy to the outbreak of the Boxers in China. In these circumstances it became the duty of the United States not to leave American life and property at the mercy of such lawless elements. It was none the less our duty to restrain the offenders with force of arms, if necessary, instead of collecting indemnities after the damage was done, and thereby inflicting punishment on the innocent and helpless mass of the people. This was all the more imperative as the conspirators had proclaimed, with amazing insolence, that the United States would be compelled to accept "hechos consumados," or, in plain language, that our Government would meekly submit to accomplished facts, irrespective of considerations of honor and justice.

Hence, on the invitation of the Nicaraguan Government to land marines to protect our citizens, the first moderate measures were taken which it was hoped would speedily have the effect of putting an end to disturbance, and would have the indirect result of enabling the lawful Government, thus freed to a great extent, not from the responsibility but from the work of actual protection of Americans, to bring most of its forces directly to bear upon the suppression of the uprising. In order that foreign life and property might enjoy complete safety at the earliest possible time, that our forces would be able to retire after the least delay, and the moral effect upon the whole revolution-ridden region of Central America and the Caribbean should be the greatest, it was especially desirable to stimulate the efforts of the constitutional government of Nicaragua to restore its authority throughout the country. It was further believed that if the United States did its duty promptly, thoroughly, and impressively in Nicaragua it would strengthen our hand and lighten our task not only in Nicaragua itself but throughout Central America and the Caribbean. We were having so much trouble in some of those countries, and we had been obliged for so long frequently to express "grave concern," to lodge protests, and to threaten with personal and "strict accountability" the numerous bandit leaders, that the authority of our words seemed weakened. The lesson needed to be taught to Central America that the good faith of the United States was not to be treated lightly, and that the solemn pledges given to its representatives must be respected. To have sat idly by after Mena had affronted the American Government by breaking faith with its minister, and to have seen his treachery triumph would have been a blow to our prestige in all the neighboring Republics. Moreover, the downfall of the lawful government and the inauguration of another Zelaya régime by Mena would not only have given rise to further contentions in Nicaragua, but it would also have caused the spread of disorder throughout Central America, and a condition of chaos such as has prevailed in Mexico since Huerta by similar treachery seized the power in that country.

It is customary to say of certain of the turbulent Latin-American Republics that what they need is a "strong" man at the helm, meaning a ruthless despot of the type of Zelaya, who maintained himself in power for a great many years by military tyranny, and so long as he prevented the people's cry of discontent from reaching the outside world, was given credit for preserving "peace"; and after he succeeded in enriching himself and a favored few among the natives and foreigners at the expense of the people, who were kept in a condition of servitude called peonage, was praised by his sycophants for promoting the "prosperity" of the country.

A different type of President is represented by Don Adolfo Diaz. He is a civilian of mild manner, without military training, and though a plain man of affairs, was called a dreamer and visionary because he believed in the principle that the people could be fitted by education to have a voice in the affairs of government rather than forced by violence to submit to the rule of a few.

He not only freed Nicaragua from the corrupt Zelaya régime, which had fattened on the people for 17 years, but also prevented the infliction of an equally detestable system sought to be imposed by Gen. Mena, another of the "strong" type of men. Although Diaz was only 31 years of age when he first undertook the task of eliminating Zelaya, he had already made a name for himself as a successful well-to-do business man in Bluefields, on the Atlantic coast,

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where he first came into contact with Americans and learned to admire their energy and progressive methods. He is one of the few Central American leaders in recent memory who, representing the real sentiment of those people, is fearless and outspoken in his friendship and admiration for the United States, though there are many, as the records of the department will show, who profess their good will, but for political reasons prefer "not to be quoted." Real friendship should be reciprocated and not penalized by us.

Diaz's successful leadership has been a source of surprise to casual observers, who have seen Zelaya and the other generals like Mena give way in turn to a mere civilian, who has no large military following but is dependent for his power on his ability and the confidence which he inspires in the people. Willing to listen patiently to the counsel of those around him, some of whom no doubt are self-seeking, he has endeavored to select the best they had to offer, though, unfortunately, not always able to counteract the worst. Yet by tact and perseverance he has accomplished remarkable results of a decidedly constructive character; but it must be admitted that much remains to be accomplished and many abuses are yet to be corrected before Nicaragua can be said to have recovered from the 17 years' blight of Zelaya.

Under the Diaz administration financial reorganization has progressed in the face of adverse circumstances; the new currency system has been put into effect on a sound-money, gold-exchange basis; the fluctuations in the unit of value, so prevalent in some of the Latin-American countries, and so injurious to our commerce with them, have been abolished, and the new standard of money, called the "Cordoba," has been placed on an exact equivalent basis with the gold dollar of the United States; a national bank, the only institution of the kind in the whole country, has been organized and branches opened in the leading cities of the Republic; the customs have been collected with such efficiency that the receipts, notwithstanding the Mena disturbances, increased over all past records; part of the public debt has been refunded at a more favorable rate of interest; the tariff, which, like the currency, had previously differed on the Atlantic and Pacific coasts, was revised and made uniform throughout the country; thousands of claims have been adjusted by the mixed-claims commission; political amnesty has been granted and militarism abolished; the army has been subordinated to its proper functions by the appointment as minister of war of a trained officer and civil engineer, who is a Nicaraguan graduate of West Point and highly respected for his integrity and ability; common-school education has been extended and liberty of speech and press inaugurated; the railroad management has been improved to such an extent that the 49 per cent of the shares held by the Government produced more revenue for the public treasury than the total shares under the old system, and this notwithstanding betterments of roadbed and installation of new rolling stock, including oil-fuel locomotives to replace the old, dilapidated wood-burning engines; and, finally, a new transcontinental railroad has been projected to connect Bluefields with Managua.

To appreciate what this railroad means, it is necessary to bear in mind that the east and west coasts of Nicaragua, owing to differences of climate and physical features, are populated by different races, having a different history, speaking a different language, professing a different religion, and, until recently, being governed under different tariff and currency systems. Bluefields has more interests, commercial and otherwise, with the United States than it has with the interior of Nicaragua, owing to good shipping facilities with New Orleans and the lack of inland communication. It is pervaded with a strong American influence and is free from the bitter political feeling that exists in the western part of the country. Diaz, who was for many years a resident of Bluefields, having property interests there, believes that the construction of a transcontinental railroad would bring about the unification of the Atlantic and Pacific sections of Nicaragua, and, by introducing new commercial interests as the result of direct communication with the United States, would tend to the development of a national spirit in place of sectionalism and to the lessening of the animosities which exist between Leon and Granada.

The beauty and natural advantages of those two cities are surpassed only by the evil of their politics and the bitterness of their feuds. But these very qualities are indicative of strength that is misdirected, and if the people, with their many admirable traits of character, could be brought to work in harmony they would prove capable of building a strong Commonwealth. It is the politicians who find selfish advantage in keeping alive the rancors and hatreds of a dead past, and their influence must be overcome by education and by making commerce and industry more attractive than politics. When the people have outgrown their narrow provincialism the two cities will rapidly become the largest and most prosperous in Central America. Construction of the transcontinental railroad would greatly contribute to this result, and is one of the purposes contemplated by our present policy, merely awaiting the necessary funds that will become available with the passage of the canal treaty now pending in the Senate.

It is not without significance that this treaty, originally negotiated by Secretary Knox, was afterwards adopted in a modified form by Secretary Bryan, and is now being urged by Secretary Lansing. Such unanimity of opinion on the merits of a measure has not always marked the handling of international affairs, but is quite in keeping with the history of the development of our policy in Nicaragua, which has been consistently adhered to except in 1885, when President Cleveland withdrew from the consideration of the Senate the Frelinghuysen-Zavala canal treaty, negotiated during his predecessor's administration, and even that exception related to the method and not to the principle, for he afterwards supported the proposed construction of the interoceanic waterway by American citizens under charter granted by act of Congress.

The pending treaty is, therefore, in harmony with our historical policy, and signifies not only an option on a canal strip and the acquisition of a naval station in Fonseca Bay as a measure of preparedness for the protection of the Panama Canal, but also affords the means for the preservation of order in Nicaragua, for the peaceful development of its resources, unvexed by foreign interference, and for its attainment of a higher place in the family of American Republics.

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