

Commercially Oriented



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MANILA, July 2, 1900.—The Philippine Islands do a foreign business of more than \$200,000,000 a year, and of this the United States is not getting its share of the profits. One of the big importing firms of Manila today gave its check at the Custom-house for \$75,000 in gold. This was the duty on one shipment of goods. This was petroleum, and came from Russia. The most of the kerosene used in the Philippines comes from that country, notwithstanding the United States has the greatest petroleum field in the world.

We raise more cotton than any other land, but the cotton goods used here come from England and Germany. We have the chief iron mines and the best hardware, but Germany and England are supplying the Philippines. California is nearer Manila than either Spain or France, but the wine consumed are from the latter country.

In fact, about the only thing that is now being imported here in great quantities from America is beer. This was brought to Manila by the shipload as soon as the Americans took possession of the country. I crossed the Pacific with the agent of one firm who made \$50,000 by getting his cargo of beer in first. Other men have done almost as well, and today all the leading makes of American beer are sold here. The beer is largely consumed by Americans. Within six months after our troops landed, the number of Manila's saloons was multiplied by 30. There are now a hundred here where there was one before, the chief support of all being the American soldiers. The beer sells at high prices, the ordinary bottle costing 25 cents in gold, or more than three times as much as at home.

You would think that the United States should furnish the most of the butter and other canned goods of the Philippines. It does not. The bulk of the canned stuff comes from Europe, but Australia is pushing her way in far ahead of the Americans. We have Australian canned fruits on our dining tables, and our army is now eating Australian butter and Australian beef. The duties at present are so great as to make such importations prohibitive. A can of California peaches sells for 30 cents in San Francisco, would have to pay an additional 30 cents as duty before it could enter Manila.

Other Countries.

As to other products, France, Switzerland and Austria ship largely to this market. Machinery, paper and silks come from France, furniture of the best wood variety from Austria and glass and glassware, as well as iron, paper and cement, from Belgium. We take more of the exports of the Philippines than any other country, but we get less in return. Last year all the United States goods sold in Manila were worth in round numbers \$100,000 in gold, upon which we paid a duty of \$15,000. In addition to this there were some goods sent by way of Hong Kong and transhipped there, which were probably credited to China, but altogether the imports were very light.

I am told at the Custom-house that, beginning with this year, there has been a rapid increase in American importations. A great deal of flour has begun to come in. Cotton is being imported in small lots, and also some galvanized iron and machinery. Quite a number of American typewriters are being shipped in, the business firms here seeing our machines in the hands of the Government clerks and thereby appreciating their value.

I find it very hard to get accurate information from the Custom-house. For some reason or other the officials think financial matters should be kept secret, and that the American people have no right to know what business is being done until the news is sent out from headquarters, the matter of a month or a year making no difference. The Custom-house is still managed on the Spanish system, the old Spanish duties being in force. The

carpets and cottons, with hemp, marble and drugs, and, in fact, with almost every importation.

The Custom-house is doing a big business, but it seems to be run on the plan that Dickens characterized as "the science of how not to do it." It has an army of clerks, many of whom are soldiers, and others civil officers, but it lacks worth of men skilled in customs work. It has a host of Filipinos to help the other clerks, and, notwithstanding this, it takes from a day to a month to get a shipment of goods through it.

Red Tape Responsible.

If you are in a hurry the officials will advise you to get a Custom-house broker to attend to your matters, and after you have attempted once or twice to do the work yourself, you are glad to take the advice. The delay may be due to the Spanish system, although it seems to me that the red tape of the Army has something to do with it.

Take an experience which I had myself with the office, as an instance. It related to a package of a dozen rolls of photographic film, worth \$17, which were shipped to me from Hong Kong. The shipment and the bills were all in regular order, and the duty was only a matter of 27 cents, but it took me a whole half day to pay it. When I said I was in a hurry for the goods, I was told that they could not be possibly passed through the Custom-house in one day. I tried to get them, nevertheless, and thereupon began my labors, which lasted from morning until noon. The box had to be hunted up and weighed as a rule, every clerk collected his toll, but it is radically wrong for Americans, and it should be changed at once. The commercial travelers who are here from the United States are complaining about it. They say it interferes with their business, and they can do nothing on account of it. Indeed the slowness of the customs service of Manila has been so notorious that the European insurance companies extend their insurance on goods to a month after their arrival, or until they have passed from the Custom-house into the hands of the importer.

At the same time the customs receipts are showing a considerable increase. They are now \$200,000 a month, and they will be more than \$300,000 this year. This will be at the port of Manila alone. It does not include the six ports of Ilo Ilo, Cebu, Zamboanga, Siasi and Jolo. It shows that the business of the Philippine Islands has already begun to increase, and this increase will probably continue.

Taxes on Business.

In order that American trade may be increased here, there should be a considerable reduction in the taxes on all kinds of business. The Spanish laws still prevail, as I have said, and every one who attempts to engage in any undertaking for profit must pay a part of his receipts to the government. Bankers, importers and shipowners are charged from \$100 to \$25 a year, according to the amount of business done, while money lenders or small pawnbrokers pay from \$20 to \$30. Bank establishments also pay 5 per cent of their profits. There is a tax on all salaries. Directors, administrators and attorneys are charged 5 per cent of their incomes, and every one who receives \$100 a month and upward must turn in 1 per cent of his salary to the government.

All storekeepers pay heavy taxes. Those who deal in hardware, jewelry and optical goods are charged from \$40 to \$125 per annum, provided they act also as importers. If they buy from middlemen the charges are reduced one-half. Shoemakers who import pay \$30 per annum, drug stores \$40, hardware stores \$50 and small shops selling wine, beer and canned goods, \$20. Chinese druggists are charged \$40, and Chinese provision stores \$100.

There is a tax here on the butcher, the baker and the candlestick maker. The barber pays so much every three months, and this is so with many other tradesmen. There is not a man or a woman doing business in Manila who is not taxed, and

class has in the past been farmed out at auction. The man who inspected the weights and measures of the city paid \$500 for the privilege, although the actual income from such inspection, according to his report, amounted to \$200 a year. He, of course, made the difference between this amount and his profits by blackmailing and squeezing.

Taxes on Markets.

The collection of the taxes on the markets was done in the same way. When the Government took charge this was abolished, and the receipts from the mar-



IN THE MANILA MARKET.

kets for the three days following were only \$7 per day. It was turned over to one of the United States Collectors, and the receipts rose soon to \$150 a day. Shortly after this an American paid the Government \$150 a day to collect the taxes, and it is currently reported that he then made \$60 a day in addition. This was a rise of more than \$30 per day in the actual receipts. Then the Provost Marshal took the collection of these taxes into his own hands. He saw that every person paid his tax, and within two months the city was receiving \$50 per day. It is now getting from \$25 to \$35 a day, and the receipts are still rising.

The charges for market places show just how every trade is taxed. Every transient peddler pays 1 cent per day for each square meter of ground he occupies. I say, for the marketing is done almost altogether by women. If the place is occupied for a week it is considered permanent, and even if the woman has only a basket her tax may be raised as high as 10 cents per square meter. None are charged, however, more than 80 cents per day, or \$24 per month for the right to sell in the market, and this last charge is for a space about as large as the average American parlor, or about 18 feet wide by 22 feet long. The peddlers on boats in the canals pay 1 cent per day per square meter of boat surface, or an amount ranging from 3 cents to 75 cents, according to whether they have dugout canoes or cargo boats.

A concession was given for the collection of taxes on horses, wagons and draft animals; this sold for about \$6,000 for a term of three years, and on this contract, I am told, one man recently made more than \$500 a month. Large profits were made on other things of the same nature, and, indeed, almost every fat government job was a concession.

East Indian merchants, who handle all-ware and all kinds of jewelry. I understand the stores are having many demands for American watches. So far the most that I have seen are of Swiss make. They are sold at low prices, and are much bought by the soldiers. Our American watch companies should study this market and push their goods.

One young American is making a fortune here in selling fine confectioneries, soda water, ice cream and American bread. He opened with a small shop, but he has now one of the biggest places on the Escalita and is increasing his business every day.

Another successful establishment is called the American Bazaar. It sells all kinds of American goods, and I see that its advertisement in today's newspaper states that it has 10 tons of goods' furnishings goods just in from 'Frisco. Among the items mentioned are 20 kinds of complete suits of underwear, and a certain variety of Mexican, which "will wear five years, 10 cents a year."

The chief business that the ex-soldier goes into in Manila is the opening of hotels and boarding-houses. You find Yankee hotels and restaurants everywhere, advertised under all kinds of

BAKER-NESMITH ELECTION

JUDGE WILLIAMS ON THE SENSATIONAL FIGHT OF 1896.

Combination in the Legislature Which Ended the Political Careers of Lane and Smith.

My personal recollections of the election of Baker and Nesmith are very much bedimmed by the lapse of 40 years, but at the Oregonian's request I will write out what I can now recall relative to that event. Prior to 1856 the people of Oregon were divided into two parties, Whig and Democratic. There were a few scattering Republicans, or, as they were then called, Abolitionists, but they had no party organization. In 1856 a convention of Republicans was held at Albany to or-

side and I the Douglas side of the slavery question. Smith and I were personal friends and our personal relations were in no way disturbed by this canvass. We spoke against each other in the day time, and usually occupied the same bed at night. Delazon Smith in many respects was a remarkable man. He had a deep, sonorous voice, a fine command of language and as a stump orator was second to none, even in Oregon, with the exception of Colonel Baker. I knew Smith in Iowa, and heard him deliver lectures, sermons and speeches there, but whatever his subject he always spoke with the same rhetorical force and excellence. He was an amiable and kind-hearted man, and a most enjoyable social companion. He attended the different courts in my district when I was Judge, and his conversations, replete with anecdotes and reminiscences of his early life, were the delight of the lawyers and those who heard him talk. He was not much of a lawyer, though he practiced some after he came to Oregon. His forte was before a jury. He lacked stability of character.

At the June election in Linn County, 1850, J. Q. A. Worth and Bartlett Cur-

compulsory pro-slavery man, largely due, no doubt, to his Southern birth and his association with Southern men in Washington.

Senators Run Away.

On September 22, 1850, a joint convention of the two houses of the Legislature was held for the election of two Senators to succeed Lane and Smith. There were 23 Republicans, and the rest of the Legislature was about equally divided between the Breckinridge and Douglas Democracy. Twenty ballots were taken, ranging about vote for Nesmith and Williams 14, Baker 12, balance scattering. Most of those voting for Nesmith at this time were Breckinridge men; those voting for me, Douglas Democrats; Republicans for Baker. No election could be effected, and the convention adjourned sine die. The Democrats at first were averse to any coalition with the Republicans, but it grew impossible for the Breckinridge and Douglas Democrats to unite upon anybody, and the Republicans held the balance of power. An effort was made to prevent any election, and to that end Messrs. Brown, Berry, Florence, Frisburgh, Monroe and McCreary, Breckinridge men and Senators, vacated their seats in the Senate, so as to break up a coalition with the Republicans, but it was not possible for the Breckinridge and Douglas Democrats to unite upon anybody, and the Republicans held the balance of power. An effort was made to prevent any election, and to that end Messrs. Brown, Berry, Florence, Frisburgh, Monroe and McCreary, Breckinridge men and Senators, vacated their seats in the Senate, so as to break up a coalition with the Republicans, but it was not possible for the Breckinridge and Douglas Democrats to unite upon anybody, and the Republicans held the balance of power. An effort was made to prevent any election, and to that end Messrs. Brown, Berry, Florence, Frisburgh, Monroe and McCreary, Breckinridge men and Senators, vacated their seats in the Senate, so as to break up a coalition with the Republicans, but it was not possible for the Breckinridge and Douglas Democrats to unite upon anybody, and the Republicans held the balance of power.

ganize their party. That was before Oregon was admitted into the Union as a state. Slavery, here as elsewhere, had become an absorbing question. Whether Oregon should be a free or a slave state was discussed with no little feeling, and this discussion weakened the devotion of many Democrats to their party, which, to all intents and purposes, had become a pro-slavery party. Buchanan's policy in trying to force slavery into Kansas contrary to the will of a majority of the people there, was offensive to a considerable number of Democrats. In 1852 there was a split in the Democratic party. One faction nominated L. F. Grover and the other James K. Kelly for Congress. Ostensibly this split was caused by certain resolutions with reference to the obligation of Democrats to support the nominees of party caucuses and conventions, but there was a latent feeling about slavery in the controversy that gave to it sharpness and intensity. One thing after another occurred to widen the breach, until the line was pretty clearly drawn between those Democrats who held that the Constitution by its own inherent force established slavery in the territories and those who held that the people of a territory had a right to decide for themselves whether or not they would have slavery. Substantially there was no difference between Douglas Democrats and Republicans as to the extension of slavery, and all other questions were practically ignored. Those who favored the existence of slavery in the territories under the Constitution came to be known as Breckinridge Democrats, and those opposed to this doctrine as Douglas Democrats.

Judge Williams Opposes Smith.

General Lane and Delazon Smith were Senators in Congress, elected in 1852. They were thoroughgoing Breckinridge

and favorably known to all the pioneers. He held office under the Provisional Government, distinguished himself in a war with the Indians, was Superintendent of Indian Affairs and United States Marshal. He was an active part in the campaign of 1860, which I inaugurated in Linn County, it was understood that he was in sympathy with the Douglas Democracy. I opposed the re-election of General Lane entirely on political grounds. Personally I had the most kindly feeling for him. He was a brave, big-hearted man, and deserved well of his country for his services in civil and military life, but was an un-

man. I had a good deal to do with the election of Baker and Nesmith, and hope I shall be excused for what I say about myself. I had become so completely disgusted with the slavery propaganda that I determined to the extent of my power and influence to prevent the election of Lane and Smith or any other Breckinridge man. Accordingly, in March, 1884, I went into Linn County, where Mr. Smith lived, and told him that I intended to canvass that county in the interests of the Douglas Democracy, and that my purpose was, if possible, to beat him and Lane for the Senate, and invited him to go with me and answer, if he could, my objections to his re-election. We traveled together through the rain and mud and addressed the people in different parts of the country, he taking the Breckinridge

rumors, like a fat man in a folded bed, were thick and fast.

The rival press agents at Shanghai were six points each, and the world waited with bated breath.

He who dealt turned a jack.

"Out!" he cried, and immediately massaged every foreigner in the Flower Kingdom. "Your little old peace rumor," he remarked, "is a mere puff of wind, and will be blown away to wait another day."—Indianapolis Press.

"Nothing," remarked Uncle Allen Sparks, "is cheaper in China than rice, except human life. The reason of this is that it takes so little of the one to support the other."—Chicago Tribune.

"The Chinese Boxers use their teapots and teacups to make secret signals at their meetings."

"That's not so bad, Arthur. Hereafter, when you have company and I want you to quit helping yourself to anything that's scarce, I'll wave the teapot at you."—Indianapolis Journal.

"The Chinese Imperial troops are siding with the Boxers," said Mr. Hilsand.

"It seems to be the case," added Mr. Halket, "that even if the troops did not 'box' themselves, they acted as second-hand."—Pittsburg Chronicle-Telegraph.

"Our correspondent is a little mixed in his atmosphere," said the news editor.

BROKEN-CHINA PATCHWORK.

Funny Quips of the Funny Writers Over Row in the Orient.

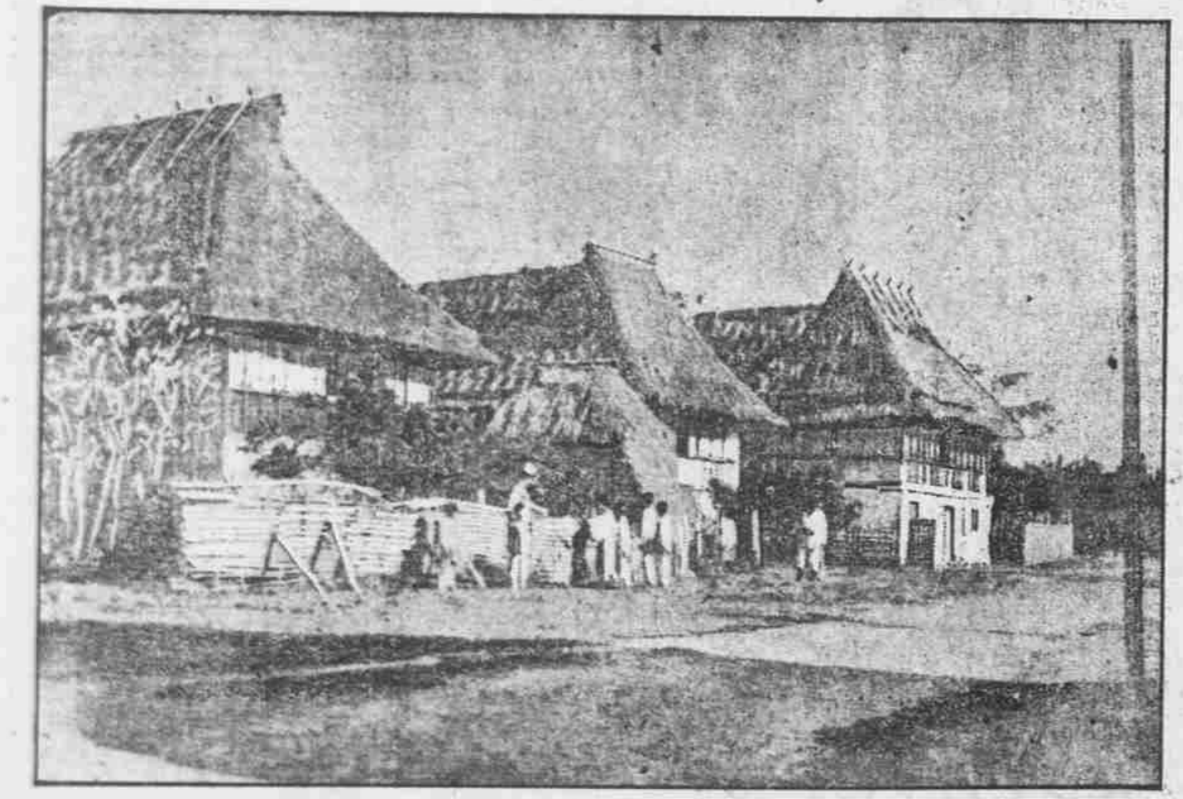
SCENE ON THE MAIN CANAL AT MANILA.

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RICH TOWN HOUSES OF LUZON.

tariff is collected chiefly on the weight of the goods, and quality and price make little difference.

Take the matter of jewelry, for instance. If a silver dollar weighing 98 grains were handed over to a jeweler and turned into a bracelet and a gold dollar weighing 22 grains of gold were made into a ring and set with 80 grains of diamonds, the two articles coming into a Manila Custom-house would pay the same duty. One might be actually worth but \$2 and the other \$25,000, but the weight would govern the tariff. A pound of canned tomatoes selling for 30 cents in gold and a pound of potted shrimps worth 10 cents would pay the same tariff, and so it is with scores of other things. Furniture pays its way by the pound and so do silks, velvets and wrapping paper. It is the same with

even the market peddler who brings in a basket of vegetables to pay her toll before she can sell.

A large number of the businesses in the past have been monopolies farmed out by the government. There is a beer brewery here which claims that it alone has the right to make beer in the Philippines until 1910. The company has already made a fortune, and today no other brewery can be started until its concession is withdrawn. It has, I am told, violated the terms of its contract with the government, in that it agreed to sell beer in Manila at 64 cents per liter. It actually charged this price up to the time that the Americans came in, when it jumped to 40 cents per liter, which is its present charge.

The collection of the taxes of different

Manila is rapidly putting on its American clothes. You see American signs on every street, and although most of the businesses so far started are small, the day will come when there will be large American stores here handling all kinds of American goods. At present we have an American drug store. It is a big one, and it does a large business in novels, light literature and stationery as well as in cigars and cigars. There should be more for an enormous amount of jewelry is sold here. The people invest most of their savings in diamonds and gold and silver ornaments.

Demand for American Watches.

There are large foreign stores selling watches and precious stones, and also

HESITATED AND WAS LOST.

An Amateur's Experience With "Old Man" Couldock.

Of all the trifle old fellows, of all the terrors to actors at rehearsal, dear old peculiar Couldock was the worst. Of all things he hated most it was an amateur trying to break into the theatrical business under "false pretenses." Such an ambitious youth once made application for a small part, and, as circumstances were, a young man was needed. This particular one was a cheerful liar, and said he had been with Forrest and the elder Booth and that he was engaged, although he had never said a line in all his life. He was turned over to the long-suffering stage manager, who said:

"You will rehearse tomorrow morning at 10:30. It is not likely that the 'gov'ner' (meaning Couldock) will be there but he may be, and he is particular about 'lines' and study hard. If he should happen down, on your life you'd better know every 'if' and 'but'."

Next morning they were rehearsing, and the ambitious youth had a "line" which was:

"I hesitate to give you my answer."

He had just gotten to "I hesitate" when he looked over his shoulder and saw Couldock glaring at him from the stage. "Settled it. His mind became a dead blank. He made a manful attempt, and said:

"I hesitate—I hesitate." He bit his nails, shuffled on his feet. "I hesitate," he said again, and then, taking a long breath, he said, "I hesitate."

This was too much for Couldock. He came down to the youth, raised both hands over him, and in a tone of thunder and passion he roared out:

"—Yes, I see you hesitate. You are discharged."—Denver Times.

The Gunner's Joke.

From the Indies of the East to the Indies of the West

We have taught the amuseless lesson that the biggest is the best,

And, as we are the largest by about a million guns.

The lesson's written down so plainly that he may read who runs.

—San Francisco Call.



SCENE ON THE MAIN CANAL AT MANILA.

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