

IS THERE AN ALLIANCE

Possibility of a Compact Between Chile, Ecuador, and Japan.

STORY OF THE ESMERALDA'S SALE.

Ecuador in Need of Aid Against Peru—Unfortunate Outcome of Gov. Caamano's Rare Display of Statesmanship.

Some time ago it was whispered in some quarters that two South American republics and an Asiatic empire were earnestly engaged in negotiations for the purpose of forming an offensive and defensive alliance. The report was at the time treated as a mere freak of some wild imagination, and hardly any attention was paid to it, the more so, as the names of the nations were not mentioned nor even hinted at. But, as time wore on, and certain events began to shape themselves, it was perceived that, if not wholly true, there appeared to be at least some glimmerings of truth in the story.

One day the cable flashed the news that Chile was about selling one of her best war ships to Japan. Immediately after, it was reported that Ecuador was in some way connected with the transaction, and later it was announced that the said republic was to act as a sort of trustee between the buyer and the seller.

Why was the sale effected in this roundabout way? What compensation was Ecuador receiving for performing such a service? Was it a question of money? Not likely, for, however large the commission might be, it could not exceed a few thousand pounds sterling, and it was not probable that Ecuador would, for a small sum of money, accept risks which Chile did not care to incur with her superior power.

While those who had taken an interest in the subject were making and discarding suppositions and guesses as to what there really was behind the business, the cable announced that the Chilean war ship Esmeralda had left the port of Valparaiso flying the Ecuadorian flag, and that great excitement prevailed on that account in both in Chile and Ecuador; that in this latter republic public meetings had been held to protest against the conduct of the Government, which was accused of having sold the use of the national flag for a few thousand pounds sterling, and that the aspect of things was becoming so serious that the country appeared to be on the very verge of a revolution.

Although efforts to trace the rumored alliance prove unavailing in New-York, a statement of the matter, derived from well-informed sources, is given in the words of the informant.

In order to give a clear idea of the origin of the business in question it is necessary to refer to certain antecedents which have a very direct bearing upon it. Briefly stated, they are as follows:

Some fifteen months ago there was quite a serious disagreement between Peru and Ecuador in consequence of a boundary question. The people of both republics became very much excited over it, offensive demonstrations were made against the official representatives of Peru in Ecuador and against those of Ecuador in Peru, and war between the two countries appeared unavoidable. Peru was not prepared for it, but Ecuador was very much less so. There was but a very small and poorly-equipped army, a scanty supply of ammunition, and only a few hundred spare Remington rifles in the armories. Worst of all, there was no money in the public Treasury. Everybody who was capable of knowing anything knew that, under the circumstances, war meant for Ecuador inevitable defeat, and no one knew it better than the Government, which, in consequence, was making the most strenuous efforts compatible with national dignity and decorum to avoid it. But the leaders of the Radical Party, who frequently allow their feelings and passions to overrule their judgment and good sense, willfully shutting their eyes to the facts before them, began to attack the Government in the most ferocious manner, charging it with inefficiency, incompetency, and utter lack of courage, energy, and patriotism. At the same time, cunningly working upon the passions and prejudices of the ignorant masses of the cities, they kept them in a state of almost wild excitement, and nothing but the cry of war to Peru and the Peruvians was heard everywhere night and day.

The Government endeavored to counteract the effects of the wild publications of the radical press, and to cool down the excitement of the people with assurances that the Peruvian Government was far from showing any warlike tendencies; that the national honor and dignity had not suffered in any way; that the difficulties which had arisen could be diplomatically settled in an honorable manner for both countries, and that, therefore, there was no necessity and no justification for the noisy manifestations which were daily made. But such assurances had no effect whatever. Things went from bad to worse, and the Government, fearing that the country might any day be precipitated into a deadly war, finally decided seriously to prepare for it.

The Presidency of the republic was then occupied, as it is now, by Dr. Luis Cordero, a very nice gentleman and a poet and writer of some note in his country. As is well known, Quito, the capital of the republic, is way up the mountains, some eighty leagues from the seacoast, and all communications with the outside world are carried on through the Governor of the Province of Guayas, who resides at Guayaquil, the capital of the province, the most important seaport, and, as a whole, the most important city, of the country. The position of Governor of Guayas is one of great responsibility, and, although it is held by appointment by the President, it is considered to be as important as the Presidency itself. Generally, it is filled by men of ability and influence.

At the time of the difficulties with Peru, the Governor of Guayas was ex-President Josa Maria Placido Caamano. He was the Ecuadorian Delegate to the International American Conference, which met at Washington in 1889-90.

As is customary in cases of emergency, and even in ordinary ones, views were exchanged by the National Government with Mr. Caamano, as Governor of Guayas, in regard to what steps should be taken in order to place the republic upon a war footing, and he was authorized to proceed in such a way and manner as he deemed most conducive to the desired end.

Foreseeing what might happen, he had already addressed himself to some of his friends in Chile, and prepared the ground for a possible emergency. As there was no money in the Treasury, and nobody would sell to the Government on credit, he knew that the only way to obtain arms and ammunition of war was to apply to some one who had them to spare, and would be willing to sell for other than a merely pecuniary consideration. In other words, political considerations had to be the basis of the negotiations for the acquisition of what was needed.

Mr. Caamano supposed, and very correctly, as later events proved, that, in a war between Ecuador and Peru, Chile would feel a very direct interest in the success of the former, and, as official relations have always been very cordial between the two countries, he decided to lay the matter before the Chilean Government, and he did so with so much ability, and was so ably supported by his friends in Chile, that without any delay he obtained from this republic, on the most advantageous and easy terms, several thousands of Mannlichers, some batteries of mountain artillery, and an abundant supply of ammunition. He did more. He succeeded in making with Chile a secret arrangement whereby, in case of war with Peru, Chile would transfer to Ecuador two of her war vessels, the Errasuriz and the Pinto. When the negotiations had been closed, Mr. Caamano reported to the Quito Government what he had accomplished, and the President and his Ministers were both surprised and delighted at the unexpected and remarkable success attained. Unfortunately, one of the Ministers seems to have been so overjoyed with the good news that he was unable to keep his mouth shut, although it was a condition of the arrangement that it should be kept a profound secret. Under great reserve he revealed it to the British Minister, who, in a like manner, revealed it to his daughter, and she to the Peruvian Minister, who, naturally, immediately conveyed the information to his Government. Peru asked Chile for an explanation about the matter, and Chile denied the existence of any such understanding, agreement, or compact. Ecuador had to do the same, and this part of the work accomplished by Mr. Caamano was lost by the indiscretion of one of Mr. Cordero's Ministers. Worse yet, the Chilean Government was very much annoyed by the occurrence, and showed signs of displeasure toward that

of Ecuador, and it was feared that the friendly, cordial, and very close relations which had existed between the two countries had received a very severe blow, the effect of which would be felt for a long time.

Such were the nature of the official relations between the two countries when the Esmeralda affair came up. Japan was very desirous of buying and Chile was willing to sell the ship, but did not wish to do so in a direct and open way, and Ecuador was invited to act in the matter as a sort of trustee, so that in case of any international complications arising from the transaction it would be difficult to fix the responsibility upon either of the two republics. As a compensation for the service, Ecuador was offered the moral and material support of Chile in any international conflict; that is, Chile would supply war materials when needed. At the same time Chile, although willing to sell the ship, felt a little uneasy about weakening her navy; the general outlines of a secret understanding in regard to naval assistance, to be later developed and perfected, were discussed with Japan, and, it is said, agreed upon.

It was natural that the proposition should be received with favor by the Government of Ecuador. It was a good opportunity to regain the ground lost in the relations with Chile, in consequence of the indiscretion of one of the Ministers. The matter was immediately taken under consideration, and as soon as an acceptable modus operandi was hit upon the proposition was unanimously accepted by the President, his Ministers, and the Council of State. Gov. Caamano, with whom the Quito Government had already exchanged views on the subject, was instructed to communicate with the Ecuadorian Consul at Valparaiso so that the necessary steps should be taken by the latter in order to carry out the proposed transfer.

Documents already published show that the plan of the Quito Government was to simulate a purchase of the ship. In consequence of it she was ordered to leave Valparaiso on a long trial trip, stop at some Ecuadorian port, exchange the Chilean for the Ecuadorian flag, then proceed to Honolulu, and there be turned over to Japan.

For some reason, not yet satisfactorily explained, when the Chilean Government asked the Government of Ecuador to have the Ecuadorian Minister at Lima confirm to the Minister of Chile, in that city, the proposition made through the Valparaiso Consul, the Ecuadorian Minister, instead of confirming the conditional purchase actually made a firm purchase of the ship. Advantage was taken of this circumstance at Santiago, and no explanation has yet been given why the Ecuadorian Consul consented to proceed on that basis, utterly disregarding and exceeding the instructions of the Quito Government as transmitted to him by Gov. Caamano.

The sequel of the business is already pretty well known generally. The Ecuadorian flag was put on the ship in the very port of Valparaiso. The fact was reported by cable through the newspapers, but the Government of Ecuador paid no attention to it, thinking that it was an exaggeration, never suspecting that both the Minister at Lima and the Consul at Valparaiso could have deviated so far from the instructions they had received and exceeded to that extent the authority with which they had been clothed. Later cable advices reported that Chile was receiving £220,000 for the ship, but that the price paid by Japan was £300,000. This news, of course, gave to the Quito Government no concern, not to Gov. Caamano, for they all knew that the ship was to be paid for by Japan, and it was Japan's business whether she paid £300,000 or £400,000. But the news awoke suspicion, or rather gave the opponents of the Government an opportunity to make the charge that the national flag had been hired for a few thousand pounds sterling, and the agitation began.

The Quito Government was condescending enough to answer inquiries made by a few Guayaquil gentlemen (members of the Radical Party) who appointed themselves a committee of investigation. Official denials and private assurances instead of improving made things worse. There were facts which could not be gainsaid; the self-constituted committee of investigation took advantage of those facts to contradict and discredit the declarations made by the Government, which was forced from absolute denial into partial admission, and from one position to another, until it found itself in a sea of perplexities, and made the sweeping declaration that if anything wrong had been done the Governor of Guayas was responsible for it, as the Quito Government had given no orders, and was ignorant of what had taken place. As the enemies of the Government were aiming their shots, not at Mr. Cordero and his Ministers, but at the Governor of Guayas, they took advantage of the declaration of the former to direct their broadsides against the latter, charging him, among other things, with having taken a bribe of £20,000. As the investigators asserted that while the Governor of Guayas held his office no investigation could bring out the truth he at once tendered his resignation and left the country so as to give his enemies the opportunity of discovering everything, including the £20,000. Previous to his departure he published a manifesto giving the outlines of the whole business, together with some of the official documents of the Quito Government in relation thereto, and promising to give to the public at a later day all those in his possession, in order to show that he had done nothing more than to execute the orders he received from the supreme Government.

Such are, briefly stated, the facts connected with the Esmeralda affair. It is possible that when everything shall have been made public, and the excitement which now prevails shall have disappeared, the people of Ecuador will see that their Government, far from having acted in a criminal manner, was only moved by the most patriotic considerations, and that the man whom they now revile, and whose efforts on behalf of his country have been for a second time baffled and defeated by ignorance and a lack of discretion, was the greatest patriot of all.

That Ecuador and Peru will come to blows sooner or later is doubted by no one competent to form an opinion on the subject, and single handed and unaided Ecuador is doomed. The Provinces of Oro, Guayas, and Los Rios, so much coveted by Peru, will fall an easy prey, as easily as Alsace and Lorraine were for Germany, and Ecuador without these provinces is nothing but a mere geographical name. Three-fourths, and even more, of the agricultural wealth of the republic is contained in those three provinces.