

CLOSING ON THE HOSTILES

THEY ARE DEMORALIZED AND ARE BEATING EACH OTHER.

CANADIAN INDIANS HAVE CAUGHT THE MESSIAH CRAZE AND THERE ARE FEARS OF THEIR RISING—TROUBLE ALSO IN OKLAHOMA.

PINE RIDGE AGENCY, S. D., via Rushville, Neb., Jan. 9.—Hostiles began their devilment this morning by burning the cabins four miles north of the agency. Three columns of dense smoke in the north show where the fires are raging. There is pandemonium in the great village of the hostiles. The assassination of Lieut. Casey has caused a panic, which has not yet been quelled.

The Ogallalas, who represent the Pine Ridge Agency, and who stampeded from here on learning the news of the battle of Wounded Knee, are anxious to come back, but most of them are held prisoners by the desperadoes from Standing Rock, Rosebud, and Cheyenne River. During the excitement which has prevailed since the cowardly murder of the brave Lieutenant, the ghost dancers have been perfect friends. Government scouts report that the hostiles are without a head, and that in their frenzy they are destroying their own property, beating their own people, and shouting that they want to fight.

They are all in war paint, and their guns and horses have been painted for war. The refugees from the village are in a pitiable condition. The cut-throats from the north and from Rosebud are still crazy for a fight with the soldiers. They are raiding the country right and left and killing cattle simply for their tongues and tenderloins. The desire of the hostiles to come in, if they have expressed any such desire, is doubtless prompted by the approach of the troops from behind and from the wings.

The soldiers are slowly pressing against the big village. The cordon is gradually growing together. The troopers are closer together than they were yesterday, and the concentration will be more effective to-morrow than it is to-day. Scouts report that soldiers are already so close to the hostiles that skirmishing continues at intervals during the day and night.

Red Cloud says that in the hostile camp there are 1,000 warriors, not counting old men and the women and children, or 5,000 all told. With the Ogallalas, who are still with them, the hostiles' camp numbers 7,000 souls. Red Cloud said that the Brulés were armed as well as the soldiers.

The committee which has been investigating Col. Forsyth's management of the troops at Wounded Knee has finished its report. It will make a report to Gen. Miles exonerating the Colonel of any mismanagement and of any attempt to kill the women and children.

Capt. Pierce, the newly-appointed agent to succeed Royer, arrived at noon to-day.

A Troop, Seventh Cavalry, Capt. Maylan, left as escort to-day with Paymasters Baker and Comegy, who will visit all the troops in the field.

It has been discovered that Philip Schwenky of K Troop, a recruit from Jefferson Barracks, whose home was Newark, N. J., was killed on Wounded Knee Creek, but the fact is now published for the first time.

The coming in of Red Cloud is variously interpreted. His good faith is doubted by many, because it is well known that he could not have stolen away in the night from the hostiles had the latter desired to retain him in their midst. Red Cloud says there are 100 wounded Indians among the hostiles whom Little Wound wants to send to the Agency.

Gen. Miles has placed Col. Schafer, First Infantry, in command of the troops at the agency.

Sitting Bear and Long Bull have written Gen. Miles that they propose to come with their followers and the good Indians.