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~~REPORT~~

*Views*

OF

*Stephen R.*

MR. MALLORY, OF FLORIDA,

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ON THE

RELATIONS OF THE UNITED STATES WITH CUBA.

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# Views

## REPORT

OF

### MR. MALLORY, OF FLORIDA,

*On the Relations between Cuba and the United States ;  
and on the Expediency of modifying Commercial Res-  
trictions on the Cuban Trade.*

A bill for the repeal of the acts "concerning tonnage duty on Spanish vessels," passed the 13th of July, 1832, and the 30th of June, 1834, is now before Congress; and the object of this report is to awaken public attention to our trade and commercial regulations with Cuba, and to point out, especially to the agricultural and manufacturing interests of our country, the blighting effects thereon of the acts in question, and the expediency of rescinding them. The attention of these leading interests has, on several occasions, been called to this subject, but various causes, aided by a small opposing interest, have combined to divert it; and it is believed that this important branch of trade, lying at our very doors, is less accurately understood than is our trade with Europe generally.

In the year 1849, in compliance with a resolution passed by the Senate, calling upon "the Secretary of the Treasury to communicate to the Senate such information as he may have in relation to the expediency of repealing or modifying the act of June 30, 1834, concerning tonnage duty on Spanish vessels," Mr. Walker, Secretary of the Treasury, made a report, from which the following extracts are taken:

"I have the honor respectfully to report that the law referred to, as well as a former law on the same subject, approved 13th July, 1832, were passed, it is believed, under an erroneous impression at the time respecting the true nature and effect of the navigation and commercial laws of Spain, so far as they operated upon American shipping and commerce.

"It seems to have been supposed that the law of Spain made special discrimination against the United States vessels and cargoes, but so far as this Department is advised, it appears that no such discrimination existed, either at the date of those laws, or has since been established, operating exclusively upon the shipping and cargoes of the United States. The laws of Spain regulating commercial relations with her colonies, discriminate in favor of her own vessels and cargoes, as against the vessels and cargoes of all foreign nations.

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“The right exercised by Spain to favor her own vessels in trading with her colonies is conceded, and cannot with propriety be complained of on our part. All that the United States can ask or expect, is to be placed on a perfect equality with the vessels of other nations participating in such trade; and in this respect it is believed our vessels enjoy the same privileges as those of other foreign nations.

“It is confidently believed that the operations of the acts of 1832 and 1834 have had, and still have, an injurious effect on the revenue and trade between the United States and the islands of Cuba and Porto Rico, especially at such ports of the United States as have the most direct and intermediate intercourse with said islands.

“In view of the foregoing circumstances, and being firmly impressed with the importance to the revenue of the United States, that the trade with the islands referred to should be relieved from the existing restrictions and embarrassments imposed by the law adverted to, I would respectfully recommend the repeal of the acts concerning tonnage duty on Spanish vessels, approved 13th July, 1832 and 30th June, 1834.”

Recent events beyond our own country, bearing directly upon Cuba and its trade, with the prospective and certain transit of a commerce of boundless wealth over the Tehuantepec route, throw around this subject an importance which it has never before possessed; and without investigating in detail their probable effects upon our relations with that island, the slightest political forecast will enable us to perceive the propriety and expediency of adopting any measure which will shorten the distance between its shores and its people and our own.

Strict observance of political justice in our intercourse with a foreign people—the special and prospective importance of cultivating cordial relations with the inhabitants of Cuba—and due regard for the agricultural and manufacturing interests of our country—combine to demonstrate the propriety and expediency of adopting the measure which either of these considerations would so manifestly justify.

The first consideration, fair dealing in our intercourse with foreign nations, has ever been the established rule of our Government, and the importance of guarding it from the slightest innovation is too manifest to admit of a doubt. Our course in the matter now under consideration has neither been just to Spain nor to ourselves. But, by many of our people, and of those too whose interests are most involved, though as a people, the most intelligent on earth, the second and third considerations just adverted to, are either misunderstood, or they are regarded not in the light which their importance demands.

A glance at the map of the Mexican Gulf will show the remarkable position of Cuba with reference to the trade of Texas, Louisiana, Alabama, Florida, the Mississippi, and Tehuantepec and Panama routes. This Gulf, like the Mediterranean sea, has

but one outlet; for, though a passage may at some particular times be successfully made through the Yucatan channel to the Caribbean sea, and thence out through the Mond passage to the windward islands, such a passage is always considered hazardous, if not impracticable, against the violent and opposing winds and currents which sweep over the entire route. Passages from the Gulf out on the south side of Cuba, are at all seasons tedious and uncertain; but they are deemed by navigators as almost impracticable from January to April, inclusive, and this is the very season when the Mississippi, the great artery of our commercial capital, with the ports of Texas, Florida, Alabama, and Louisiana, sends abroad the cotton crop of the country, and when the immense agricultural wealth of the Great West is upon the sea, threading its devious way between the Cuba and Florida shores. From the statistics of the past, the value of American produce which will thus seek an outlet to the Atlantic highway of commerce during the year 1852, cannot be estimated at less than \$200,000,000; and this estimate is irrespective of the California and Pacific trade over the routes alluded to, and which, in the course of twenty years, will exceed all our present China and East India trade. The hills of Cuba overhang this passing wealth, and her people look down upon it as from sentry boxes. The right bank of the Mississippi is the north side of Cuba, as its left bank is the Florida Keys. Six steamers may bridge the intermediate strait, and speak each other every fifty minutes; and hence we may confidently predict that the first naval contest in which we shall ever be engaged, will be here near the Cuban shores,\* whose secure harbors and abundant resources are open to all belligerents.

These facts speak for themselves; and comment upon the matchless geographical position of this island, and its inevitable connection with our future commercial and naval history, is unnecessary; but they are rendered more significant when regarded in connection with the positions already occupied by Great Britain on this continent, and her apparent disposition to "re-annex" territory at the South.

She has, with that remarkable forecast which has ever distinguished her statesmen, secured almost every important or salient point between the Coast of Yucatan and the Orinoco. She occupies every rock and harbor of the Bahamas where a gun can be planted or a ship moored; and her military stations, her naval refitting and repairing resorts, extend from Trinidad, through the Caribbean sea and the windward islands, to Cuba; and even at the lone and distant Bermudas she has a naval rendezvous. From these numerous points she looks out upon our immense commerce defiling through the Florida straits; and were she possessed of Cuba, and a decided naval superiority, she would have her hand upon the gate of the Mississippi, and wayfarers to or from it would consult her. She has long been aware of the importance

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\* Commodore Rodgers, in 1824.

of commanding this strait ; and in 1819, Mr. Huskisson, whose mind grasped every subject within the political horizon of his country, called the attention of Parliament to the importance of taking possession of the Tortugas Islands.

These brief observations, hints rather, are made to illustrate in a measure the special and prospective importance of cultivating cordial relations with the people of Cuba in its present political condition. To those who look forward to or speculate upon the probabilities of its acquisition by purchase or otherwise, the wisdom of connecting ourselves, and consequently our government, more intimately with it, is apparent. Open our markets to its vessels, invite her ships, her seamen, and her traders to our ports, multiply intercommunication with her people, educate her children, and let time pass on and bring about the rest. But while we have sent ships and presents to Muscat to induce its people to come to trade with us—while we have been endeavoring for years to increase our trade with China—and while we are at this moment engaged in an attempt to induce the Japanese to come to our ports to trade—we have effectually closed them to the tonnage of Cuba, by making it the interest of its shipping to keep away.

It may be useful to recur to the treaties that have existed, or are now in force, between this Government and that of Spain. The first treaty between the United States and Spain was that of "*San Lorenzo et Real*," made on the 27th of October, 1795, by Mr. Pinckney and Godoy, "Prince of Peace." It will be found in the 8th vol. U. S. Statutes at Large, p. 138.

The next was a convention of indemnification between the United States and Spain, made August 11, 1802, by "*Don Pedro Cevallos*" and Mr. Pinckney, ratified by the United States January 9, 1804, and by the King of Spain, July 9, 1818. (See 8th vol. U. S. Stat. at Large, 198.)

The Florida treaty, made 22d February, 1819, by Mr. Adams and "*Don Louis de Onís*," ratified by the King of Spain 24th October, 1820, and by the U. States 19th February, 1821, and final ratifications exchanged February 22. (See 8 vol. U. S. Stat. at Large, p. 252.)

The last was a convention for the settlement of claims, made 17th February, 1834, by Mr. C. P. Van Ness and Don Jose de Heredia, and ratifications of which were exchanged at Madrid August 14, 1834. (See 8th vol. U. S. Stat. at Large, p. 450.)

No provision in any of these treaties touches the subject under consideration, except perhaps the fifteenth article of the Florida treaty, which is in these words :

"The United States, to give to his Catholic Majesty a proof of their desire to cement the relations of amity subsisting between the two nations, and to favor the commerce of the subjects of His Catholic Majesty, agree that Spanish vessels coming laden only with the productions of Spanish growth or manufactures, directly from the ports of Spain or of her colonies, shall be admitted for



the term of twelve years to the ports of Pensacola and St. Augustine, in the Floridas, without paying other or higher duties on their cargoes or of tonnage than will be paid by vessels of the United States. During the said term no other nation shall enjoy the same privileges within the ceded Territories. The twelve years shall commence three months after the exchange of the ratification of this treaty."

This term of twelve years expired on the 22d May, 1833.

The commercial policy of Spain has ever been restrictive upon other nations, and especially so with reference to their trade with her colonies. The United States have made frequent attempts to effect a relaxation of these restrictions; and though with some success as to the trade with the mother country, they have utterly failed to produce, to any important extent, an amelioration of the onerous restrictions upon the trade and navigation with the latter. The published documents of Congress show, it is believed, all the negotiation that has been had with Spain upon this subject. I refer to the most important of them in note A.

The duties charged by Spain on American shipping entering her ports (not those of her colonies) was, for many years prior to 1817, about five cents per ton; whilst at that very time, and for years afterwards, the United States charged upon Spanish shipping fifty cents *tonnage*, and fifty cents *light money* per ton.

Our exaction of this heavy duty caused countervailing regulations by Spain upon our vessels, which operated quite onerously; and in 1832, by the efforts of Mr. Van Ness, our Minister at Madrid, the Royal Order of the 29th April, 1832, was issued. This reduced the tonnage duty on American vessels in the ports of Spain to that charged prior to 1817, which was five cents per ton; but the order was not to take effect until the tonnage duty on Spanish vessels in the United States should be equally reduced. This order did not include the colonies. We had charged *tonnage* duty on Spanish shipping under the act of 20th July, 1790, (Rev. laws U. S., p. 8,) and *light money* under the act of 27th March, 1800, (Rev. laws U. S. p. 169,) and the discontinuance of these charges was authorized by the act of July 13, 1832. (Rev. laws U. S., p. 351.) Mr. Van Ness sought to induce the Spanish Government to embrace within this royal order Cuba and Porto Rico, but it was refused. The charges in both islands were, however, reduced on American shipping to some extent, and have since, without reference to this order, been modified at different times.

In applying a different rule to her colonial trade from that which she was willing to frame for her home trade, Spain but followed the lead of every commercial nation. The powers of Europe possessing colonies have ever claimed, that the carrying trade with them belongs exclusively to the mother country; and general regulations respecting the trade of foreign nations with such mother country do not apply to the colonial trade, unless specially included. Sound policy, without reference to commerce, dictates that the carrying trade of such colonies should be in their

hands, or in those of their colonies, and that the intercourse of foreigners with such colonies should be subject in all respects to the immediate exercise of their restraining power. Spain, above all other nations, contended for this policy. She ascribed the loss of her valuable possessions on this continent, in some measure, to a departure from it. And this policy, thus maintained by the old nations of Europe, is not dissimilar in principle to, and can, perhaps, be as well sustained by argument, as that adopted by the United States and enforced up to this hour, excluding foreign vessels from participating in our coasting trade.

They are both based, as are all commercial restrictions, upon pure selfishness; and whenever this principle mingles with legislation, its results, like those of selfishness in private life, are frequently worse than the evils sought to be averted.

Finding that Spain would not permit us to participate equally with herself in the carrying trade of her colonies, we adopted towards her a coercive policy, and passed the act of 13th July, 1832, ("*An act concerning the tonnage duty on Spanish vessels,*") the 2d section of which requires Spanish vessels coming from any of the colonies of Spain to pay in the ports of the United States the same tonnage duties that are levied on American vessels in such colonies; and it requires the Secretary of the Treasury to ascertain these rates, and to instruct the collectors accordingly.

This act failed to produce the desired effect, and the act of 30th June, 1834, still more stringent in its character, was passed. Its provisions are remarkable. Spanish vessels leaving the ports of the United States are required to file with the collector of the port from whence they clear, a bond with sureties in double the value of the vessel and cargo, that no portion of the cargo shall be landed in Cuba or Porto Rico. If they fail to give the bond, (as must be the case of all vessels destined to either island,) then the collector is required to collect from them a duty which shall be equal to the differential duty chargeable in Cuba (or Porto Rico) upon the same cargo in a foreign vessel; and this duty is called and returned by the collector as a *discriminating tonnage duty*. To place this in a broader light, I will state the following example: Suppose a Spanish and an American vessel, each of 200 tons burden, and laden with one thousand barrels of flour, to clear from New York at the same time for Havana. On entering at Havana the charges on the Spanish ship would be—

|  |   |   |   |                      |
|--|---|---|---|----------------------|
| Two hundred tons, at 5 reals ( $\frac{5}{8}$ ) | - | - | - | \$125 00             |
| "Ponton" duty, at $1\frac{3}{4}$ reals per ton | - | - | - | 43 75                |
|  |   |   |   | <hr/> 168 75         |
| On 1,000 barrels of flour, at \$8 50           | - | - | - | 8,500 00             |
| Total duty on ship and cargo                   | - | - | - | <hr/> <hr/> 8,668 75 |

|  |   |          |
|--|---|----------|
| On the American ship 200 tons, at \$1 50 per ton | - | \$300 00 |
| Per ton duty: $1\frac{3}{4}$ reals               | - | 43 75    |
|  |   | <hr/>    |
|  |   | 343 75   |
| On 1,000 barrels flour, at \$9 50                | - | 9,500 00 |
|  |   | <hr/>    |
|  |   | 9,843 75 |
|  |   | <hr/>    |

Difference between the tonnage and cargo duties - \$1,175\*

And the American collector in such a case would exact from the Spanish ship, before permitting her to depart, this difference of \$1,175, which, as a tonnage duty on such a vessel, *would be equivalent to \$5 87½ per ton.*

I have taken the article of flour as an illustration, because it is one of the first necessity, and because it is one upon which the Government of Spain is powerless to rescind her protective duty. A proposition in the Spanish cortes to admit foreign flour into the colonies on an equality with Spanish flour would be heard and treated with about the same excitement and indignation as would be a proposition in Lowell or Boston to abolish all duties upon the manufactures of cotton.

Castile and La Mancha are the great producers of wheat, and have been called the granaries of the world, and in exchange for their flour they receive from Cuba her sugar, coffee, and manufactured tobacco. The article of flour too, strongly illustrates the suicidal effects of the acts in question.

The returns of the Havana customs show that from 1826 to 1833, both inclusive, there were 522,136 barrels of American flour entered there; of which, 318,244 were carried in Spanish bottoms; and that from 1834 to 1843, (after these acts were passed,) both inclusive, there were but 466,534 barrels of American flour entered, only 135,197 barrels of which were carried in Spanish bottoms; and that during the last year, 1843, there were but 310 barrels thus carried. During the *eight* years previous to the act of 1834, there were 55,602 more barrels than during the *ten* years subsequent to it. The annual average number of barrels carried from the United States in Spanish bottoms before the passage of the act, was 39,780, whereas but 310 were thus carried in 1843, after it had been in force nine years, and it is believed that *none* have been so carried since that date. During the year 1849, as shown by *La Balanza General del Comercio de la Isla de Cuba*, the importation of flour into the Island was 215,837¾ barrels, valued at \$2,696,334⅞. Of this, there came from Spain, in Spanish vessels, 213,800 barrels, worth \$2,672,500; and from the United States, in vessels other than Spanish, but 797 barrels, worth \$9,334⅞. Not one barrel is shown to have been imported from the United States in a Spanish vessel.

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\* A small duty upon the value of the flour, estimated at \$12 50 per barrel, and a bolanza duty—i. e., a per centage on the duty, makes the duty on American flour, in American bottoms, about \$9 84¼ per barrel.

The object of the acts of 1832 and 1834, and the only object, was to coerce Spain into the adoption of regulations for the benefit of our commerce at the expense of her own; and this object was sought without regard to her commercial treaties with other countries, which precluded her from extending modifications or favors to our shipping which would not apply equally to theirs. The act of 1834 was reported, advocated, and passed, exclusively as a retaliatory measure. As such, it was recommended by the President and sustained by his administration; and Congress was informed that our Minister at Madrid believed that it would compel Spain to relax her restrictions upon our trade with Cuba and Porto Rico. Had a doubt of such a result been entertained, or had its consequences been foreseen, it could never have passed. The Congressional documents upon the subject show that it was passed at the instance of the navigation interest, and to protect that interest and "the honor of the American flag," as it was said, from Spain's "unjust" restrictions upon it, when *at that very moment our shipping actually engrossed twenty-six per cent. of the entire carrying trade of Cuba, while the flags of all the world besides covered but twenty-four per cent. of it.* The act was passed hurriedly, and without regard to the importance of the principle it involved. Had it imposed still heavier burdens upon Spanish vessels from Cuba, had its restrictions amounted to prohibitions upon entering our ports, its effects, so far as respects the repeal of the restrictions we sought to remove, would have been the same. Those restrictions were the result of Spain's peculiar condition. From having been the first naval power of the world, she saw herself stripped of almost every ship of war, and utterly destitute of a merchant marine. Possessing a seacoast of great extent, with some of the finest harbors in the world, the noblest colonies that ever a nation nourished, and material for seamen of admitted excellence, her carrying trade, *even to her own colonies*, was largely engrossed, if not monopolized by foreigners. She saw the policy of fostering a merchant marine, and this could only be done by encouraging the construction and navigation of vessels by her subjects, and by discriminating in their favor. Self preservation dictated this policy, and national pride sustained it. All commercial nations, our own included, have adopted it.

The work was begun about twenty-eight years ago, and has been steadfastly pursued, and the result is that the Spanish flag now covers a large merchant marine embracing some of the finest vessels afloat.

This act, in effect, is equivalent to a declaration to Spain, (and thus is it regarded by the business men of Cuba,) that we will oppose any attempt of hers to reduce the burdens upon her own shipping.

The following extract from the report of the "Fiscal" to the Captain General of Cuba, 1844, part 2d, No. 33, pages 278 to 287, and No. 34, pages 288 to 291, will show how this question was regarded by the superintendency of the public revenue:

"To show the injustice of the measure, (alluding to the act of 1834,) let us compare the imports of the two countries—(Cuba and the United States.) Our vessels coming from the United States pay, on the value of their cargoes, from  $17\frac{1}{2}$  to  $21\frac{1}{2}$  per cent., and those of the Americans, with the same cargoes, from  $24\frac{1}{2}$  to  $30\frac{1}{2}$  per cent.; the difference between the two is from 7 to 9 per cent., giving a mean difference of *eight* per cent.—(p. 283.)

"The government of the Union has the indisputable right to exercise equal discriminations upon our vessels to protect theirs and the products of their country, as have all other nations; but has it done so by the enactment of this law? No! may it please your excellency, the American government has said that, in addition to the contributions common to other vessels, those of Spain engaged in the trade of Cuba and Porto Rico shall pay an additional duty equal to the *difference* imposed in these islands between national and American vessels; that is to say, if foreign vessels pay in the United States 20 per cent. more than American vessels, those of the islands must pay a differential duty of 28 per cent., a duty which augments just in proportion as we decrease the burdens imposed on our vessels, though we do not increase those of the American vessels!—(pp. 283-4.) \*

"In other words, may it please your excellency, it is equivalent to the declaration of the American government to that of his Majesty: In vain you think to protect your shipping, even at the cost of the public revenue; because just so much as you lighten *your* burthens upon it, just so much will we augment *ours* upon it! Such a violation of the rights of nations can hardly be conceived on the part of a great and liberal government, and still less that it should be tolerated by Spain.—(*Ibid.*)

"This violation is more flagrant and manifest as it respects *exportations*. As to importations it is very well to levy equal (not different) duties upon cargoes imported into both nations reciprocally, because the productions of the country thus have protection; but with respect to *exportations*, what motive can the government of the United States have to levy this differential duty, if it be not the extinction of our shipping, even at the cost of her own productions?—(*Ibid.*)

"Thus, then, if to-morrow our government shall deem it right to make a sacrifice of all parts of the imposts upon our marine, which it now pays, have strangers the right to receive the same in their ports? Evidently no, your excellency! all they can rightfully do is to imitate the government of Spain, and to protect their marine at the cost of the same sacrifice. But to augment the duties on our vessels in proportion as we decrease them, when we do not *increase* those upon American vessels, and to convert this sacrifice made by the Spanish government into a means for its destruction, is what has never been pretended to by any other nation, and cannot be tolerated by Spain without disgrace."—(pp. 284-25.)

[A translation of other extracts from the same numbers of the "*Fiscal's Report*" would further exhibit the views of the Spanish authorities in Cuba, of the injustice of the act of 1834. The 34th number contains an exposition by the Fiscal of the loss of their revenue by the present mode of estimating the tonnage of American vessels, and suggesting that the American registered tonnage should no longer be taken, but that our vessels should be re-admeasured by the Spanish custom-house officers.]

In levying tonnage duties upon foreign vessels we disregard their registered capacity, and subject them to the same admeasurement prescribed for our vessels, though our system is different from those of England and Spain, and less accurate than either. Spain, on the contrary, in levying tonnage duty on our vessels, adopts their registered burden, which is generally from ten to twenty-five per cent. less than their actual capacity, and the Spanish authorities state that, as applied to American vessels in the Cuba trade, the difference is from thirty-seven to fifty per cent. It is unnecessary to explain how this occurs; it is no mystery to the shipmaster or merchant in that trade. On the 20th January, 1840, a proposition was submitted by the "*Fiscal*" to ascertain the actual capacity of American vessels entering Cuban ports, and to charge tonnage duty accordingly, and the allegation was then made that the registers of vessels in the trade did not show truly their tonnage even according to the American system of admeasurement. He also submitted the proposition

that provisions imported in Spanish vessels should be admitted to "*deposite*," (public storage free of duty on certain conditions,) and that this privilege should be withheld from American vessels. Spain may very properly adopt both these measures, and produce an immediate effect upon our shipping. A rigorous admeasurement of vessels alone would augment her revenue materially. And when we reflect that just to the extent that our vessels are undermeasured, the important objects contemplated, viz: the increase of her revenues from tonnage duties are frustrated, we must not be surprised to find that she has adopted them. Spain, or the Cuban Colonial Government, may otherwise, in various ways, annoy our traders, our citizens, and our shipping, within the jurisdiction of Cuba.

May not Spain, upon the same principle that we have put forth to sustain the acts of 1832 and 1834, adopt other measures tending to the most disagreeable results to this government. By those acts we claim the right to disregard the internal political and commercial relations of Spain, founded on her constitutional laws with respect to her colonies, and to disregard her local and internal regulations; and we claim the right and insist that, with reference to us, those relations and regulations should be held as nothing; and that we may trade with the colonies precisely as with the mother country. To test the propriety of such claim, let us suppose that Spain should say to the United States, "Well, we will concede this principle; we know nothing about your local internal relations in the United States; we know nothing about your constitutional arrangements—we care nothing about them; if we did know all about them, we have a right to disregard them in our commercial regulations with respect to your country. The law of self-interest is the law of nations on such subjects, and to that law only will we conform.

Suppose she should say further, "the odious and restrictive laws of 1832 and 1834 were for the benefit of one portion of the United States; it is the portion whose interests are most antagonistic to ours; it is the portion whose feelings and sympathies are less congenial to my people in my colonies of Cuba and Porto Rico, than are those of the other sections of the United States, and my interests also prompt me to restrict my Cuba and Porto Rico commerce with the United States to the Atlantic ports south of Delaware bay, and to the gulf ports." What answer could be made by the United States to such arguments? Could we, in the face of the acts of 1832 and 1834, gainsay the claim of Spain to disregard our internal relations, though founded on the Federal Constitution? Would not Spain, in defence of such distinction made by her with respect to ports of the United States, be furnished as to us, by these acts, with a conclusive justification for such course? Could we consistently remonstrate with Spain that by our constitutional laws all the States in the Union, with reference to foreign governments, *are one*, and that the laws and regulations as to trade and commerce with us must regard those

laws? Would such argument be any stronger than that Spain now urges? "My colonies, by my constitutional law, are not included in my general regulations of trade and commerce with other governments, and it is a fundamental principle of policy of my government to look to their trade as exclusively my own; and when I have waived this rule, it has been because it was dictated by my own interests, or as a favor to my colonies, or to other governments." Would it be any answer to contend that our course is to coerce Spain to adopt the principle of "*free trade*" between her colonies and us, and that in her policy hitherto persisted in, and in the measures it is intimated she *may* adopt, the *restrictive* principle is sustained. It is presumed such answer would have little cogency till the principle of *free trade* becomes a part of the code of international law, extending to all countries and their colonies. Nor will the argument that our resistance to such distinction between the States of this Confederacy and that between Spain and her colonies is based in both instances upon the same rule, that one government is to look to every portion of another as *one*, receive much greater consideration. Spain can, with great force, dispute the analogy urged to sustain our consistency, and contend for the wiser and more reasonable rule founded on dictates of comity, that every government should, in its relations with other governments, recognise and conform to their local and internal arrangements and laws; and for her violation of that rule in the measures adverted to, she would content herself with a simple reference to the acts of 1832 and 1834, founded upon our assumed right to disregard the relations between her and her colonies, as her justification. She would insist on the same right to adopt such commercial regulations as her interests might dictate, without reference to *our* local and internal laws, as we have to do so in disregard of *her* internal laws.

The encouragement of her own tonnage and seamen, and not the injury of those of other nations was her aim; and to this end she chose to make a distinction in favor of her own tonnage in her coasting trade, (for the trade between the mother country and Cuba is nothing else;) a distinction neither onerous nor invidious upon any particular flag, but equally applicable to all, and in favor only of her own. And this discrimination, made in the exercise of a wise and patriotic discretion, was barely sufficient to effect the great national object in view. We have discriminated in various ways in favor of our tonnage and seamen, from our national birth to the present hour. We do not permit foreign vessels, or vessels in which foreigners own a timber head, to engage in *our* coasting trade; and, to encourage our seamen, we compel our vessels to have two-thirds of the crew, exclusive of officers, Americans, under heavy penalties. And here, it may be remarked, that if the island of Cuba were to come into our possession, and be held and governed by a Territorial organization, we would most certainly withhold from Spain, and from every

other nation, the very privilege which we have attempted to coerce from her. We demand the privilege of trading with her colony upon an equality with her; and we say at the same time, if the colony should become ours, a similar proposition from her would not be listened to for a moment. We acquired from her the Floridas, and we limited the continuance of her commerce with them to the period of twelve years by a special article of the treaty of 1819, a privilege for which she gave an equivalent.

Our flag was not particularized by her discriminations; and the attempt to coerce her into rescinding them, so far as regarded our flag, and to the abandonment of her settled policy, at the very moment, too, when we engrossed twenty-six per cent. of her carrying trade of those islands, was unwise and ill-timed. Her restrictions were confined to her *colonial trade*. We do not permit foreign tonnage to engage in our trade between the Atlantic States and California, a trade embracing voyages of three times the duration, distance, and hazards of those between Spain and Cuba; and while we are endeavoring to force from her the privilege of thus engaging in her colonial trade, *as if they were home ports*, it may be as well to reflect whether we are prepared to reciprocate and permit her to share with us our coasting trade to Oregon and California.

The act of 1834, professedly retaliatory, contemplated more than reciprocity. Its exactions upon Spanish tonnage from Cuba and Porto Rico exceed those which our vessels are subjected to in those islands; and to this extent, at least, its operation is not only retaliatory, but vindictive. Upon foreign importations to Cuba in Spanish bottoms, the ad valorem duties vary from  $17\frac{1}{4}$  to  $21\frac{1}{4}$  per cent; and upon the same cargoes in American (or other foreign) vessels,  $24\frac{1}{4}$  to  $33\frac{1}{4}$  per cent., the difference being seven and nine per cent., giving a mean discriminating duty in favor of Spanish vessels against all the world of eight per cent.

The Cuba Tariff of 1847 assessed duties a little differently, but made the discrimination less by one per cent. at least.

Now, it might be presumed that if we designed retaliation simply, we would assimilate our restrictions to theirs, and charge but eight per cent. additional duty upon their cargoes brought into our ports. But such is not the operation of the act. Our tariff of 1842 levied a discriminating duty of ten per cent. upon dutiable merchandize imported in foreign vessels generally; and by this act of 1834, section first, the eight per cent. duty collected as above stated on our vessels was imposed, and the differential duty of ten per cent. besides, making our discriminations against the vessels of Spain *eighteen per cent.*, whilst her's against us amounted to but *eight per cent.* The tariff of 1846 levies a duty of twenty per cent. upon Cuba coffee in Spanish bottoms, though it is a free article in our own, and in this case the twenty per cent. being *in addition* to the eight per cent. before mentioned, our exactions exceed theirs in analagous cases by twenty per cent.



It is suggested that a comparison of the rates paid by Spanish and American vessels in Cuba with those paid by the same vessels in our ports, will demonstrate that our exactions far exceed those of Spain. I make no reference to the Havana local and port charge, called the "mud" or "dredge" duty, because it is analagous to various local charges collected in some of our own ports, and indeed in many ports of all countries, and is no more a just subject of complaint than pilotage or quarantine fees. But the most objectionable feature of the act of 1834 is, that its exactions are not fixed and determined, but vary with the legislation of Spain upon her own shipping, though she may abstain from increasing the burdens of ours. If Spain, still more to encourage her shipping, shall reduce its tonnage duties without increasing her charges upon our vessels, *our exactions increase in exact proportion to such reduction.* Suppose, for example, that the present rates were one dollar per ton on Spanish, and two dollars per ton on American vessels, the discrimination in favor of Spain would be one dollar per ton. But if she abolish the duty on her own vessels the discrimination becomes two dollars per ton, and this rate we would exact from her vessels clearing from our ports "*in addition to all other legal charges.*"

The navigation interest of Spain is annually increasing, and relaxations upon her tonnage have been gradually made for years past, and will continue to be made, even at a great sacrifice of her public revenues. The importations into Cuba in Spanish vessels in the year 1849 amounted to \$16,367,000, and in foreign vessels to \$9,954,000; and hence it will be seen how greatly the revenue of the Island must have suffered by the discrimination in favor of her own shipping.

Supposing that but half of these \$16,000,000 would have been imported under her former laws in Spanish vessels, the differential duty of eight per cent. on the other half would have been \$640,000, a sum equal to five per cent. on her gross revenues. But her aim is to create a flourishing merchant marine, and this she will accomplish. Our legislation she believes is designed to thwart or retard the work; and this belief, which is current amongst the merchants and ship owners of Cuba, has thus far disappointed, and will forever disappoint, the hopes which those who framed the act in question had of coercing her into our measures. The operation of this legislation is thoroughly understood in Cuba to be unequal, unjust, and vindictive; and it has not only failed to induce the slightest amelioration of the restrictions complained of, but has actually brought forth propositions from distinguished officials to the government of Cuba for meeting it by countervailing exactions. We must not be surprised to see measures of this character adopted there.

Such a ~~course~~ by Spain would doubtless be opposed to the spirit of the age, and unsustainable upon any principle except that of retaliation. But passing events may, notwithstanding, induce her to adopt measures which may place the impolicy of

our legislation in a still more glaring light. It is unnecessary to name them. Another vexatious and onerous feature of the act of 1834 is, that it operates to some extent, upon Spanish vessels in the United States engaged in the trade with the mother country, though it was designed only to extend to those in the colonial trade. As was before observed, the Spanish ship by her owner or consignee clearing from the United States, is required to give a bond, with two sureties, in double the value of the vessel and cargo, conditioned that no part of her cargo shall be landed in Cuba or Porto Rico. The amounts of such bonds are necessarily large, and their conditions more or less hazardous and responsible. Consignees and sureties can rarely be found willing to incur such risks, and peril their property without some percentage above an ordinary commission of two and a half per cent.; and superadded to the labor and difficulty which the Spanish shipmaster encounters in a strange land in finding three moneyed men willing to become his securities, is the loss of paying them for their risk. Thus even the trade between the United States and Spain in Spanish vessels, which is protected by mutual commercial stipulations, and which was not contemplated by the act of 1834, is embarrassed and retarded.

The following statement of tonnage duties payable in Cuba, is taken from the Cuban tariff of 1847, the charges being now the same :

“All vessels entering any of the ports of the island pay, if foreign, one dollar and fifty cents per ton, and sixty-two and a half cents per ton, if national.

“All vessels clearing from any of said ports laden with molasses are exempt from tonnage duties.

“All vessels that come and sail in ballast are not liable to duty; but if they lade with fruits of the country or other articles (cargoes of molasses excepted) they pay according to the first regulation.

“Vessels entering for water or provisions are exempted from tonnage duty, but if they unload their cargoes in whole or in part, or lade with the fruits of the country, or other articles (molasses excepted) they will pay tonnage duty according to the first regulation.

“All vessels, foreign or national, which have paid tonnage duties, and cleared from any port of the island, shall, if putting into any other by gales of wind or other accident, be exempt from new tonnage duty.

“All vessels, foreign or national, in whatever condition and for whatever cause, entering the port of *Havana*, shall pay, in addition to the foregoing, one and three quarter reals (21½ cts.) for every ton of measurement, designed to maintain the ‘pontón.’”

The evil effects in part of our retaliatory legislation will be seen from the following facts :

When the acts of 1832-’34 were passed, the population of Cuba was 750,000, and our exports to the island amounted to \$5,672,700,

and they had been annually increasing in value. They consisted chiefly of beef, pork, lard, butter, dried, smoked, and pickled fish, cheese, flour, rice, hams, lumber, stoves, and manufactures of iron, wood, and cotton. She received lumber and salted fish as well from Florida as from the Eastern States. The produce of the West went from New Orleans, and the manufactures of the North from the Atlantic cities. The manufacturing and agricultural interests of our country were rapidly acquiring a decided preponderance over those of other nations in her markets. Situated within eight hours sail of some of our territories, and but a few days distance from its large commercial and manufacturing depots, it was the interest of the Spanish merchant, trader, and navigator, to establish relations with our country for the prompt and profitable supply of Cuban demands.

It was not uncommon at that time for flour to sell from thirty to forty-five dollars per barrel in the Havana market; and a scarcity of any article of provisions or of manufactures, was readily supplied by the Spanish vessels in the American trade. I have shown that the export of flour in Spanish bottoms alone at this time, was at the rate of over thirty-five thousand barrels per annum. Cuba consumed (and this must ever be the case) large amounts of the fine fabrics, silks, linen, lawns, and laces, &c., of India, France, and England. These articles, subject to the caprices of fashion, and liable to deterioration upon long voyages, were exported from the United States to Cuba, with the privilege of drawback, leaving in the hands of American merchants and ship owners, commissions and freight; and now that we have decreased the width of the Atlantic one-half, and have weekly communication with the continent of Europe, it may be readily seen that this particular trade would be carried on between New York and Cuba if Spanish tonnage were permitted to engage in it.

The farmer and the manufacturer will readily appreciate the difference between selling to the purchaser at his door, and sending his productions abroad to abide the perils of a sea voyage, and the expenses of freight, commissions, insurance, &c. And but for the act in question, the lumber and salted fish and much of the raw cotton of Florida, the provisions of the Great West, and the manufactures of the North would be sold at home to the Cuban trader.

The act of 1834 has now been in force seventeen years, a period amply sufficient to test its policy; and who can look at the present condition of our trade, and of our relations generally with Cuba, and fail to see how ill-timed and suicidal it was?

The population of Cuba is now (1851) 1,200,000, and its trade has greatly increased. In 1848 its imports amounted to \$25,435,565, and its exports to \$20,077,067, and in 1849 its imports amounted to \$26,320,460, and its exports to \$22,436,556, making the aggregate trade of 1848, \$51,512,632, and that of 1849, \$48,757,016. 26

Our geographical position, our admirable merchant marine and great agricultural and manufacturing interests, combine to es-

sure us that our participation in this trade would steadily and measurably increase with the population and resources of Cuba; and such must inevitably have been the result but for our experiment in retaliation. But, in fact, our exports have almost stood still. Our own Treasury statistics show the value of exports to Cuba for the year ending 30th June, 1851, to have been \$6,524,113, a gain in seventeen years of \$851,413. Great Britain and the continental countries trading with Cuba, adopted no retaliatory measures to countervail her restrictions, and they have been greatly benefited by our unwise legislation, as the following table of Cuban imports for 1849, will to some extent, show:

*Imports in Spanish vessels.*

|  |   |   |   |   |   |                  |
|--|---|---|---|---|---|------------------|
| From Spain   | - | - | - | - | - | \$7,575,130 06½  |
| United States  | - | - | - | - | - | 11,048 00        |
| France   | - | - | - | - | - | 770,920 00       |
| Great Britain  | - | - | - | - | - | 4,345,299 00     |
| South America  | - | - | - | - | - | 1,670,749 00½    |
| Germany  | - | - | - | - | - | 912,727 04       |
| Belgium  | - | - | - | - | - | 323,297 01       |
| Holland  | - | - | - | - | - | 17,104 00        |
| Denmark  | - | - | - | - | - | 320,266 01½      |
| <hr/>  |   |   |   |   |   |                  |
| Total value of imports in Spanish vessels  | - | - | - | - | - | \$16,366,844 06¼ |
| Deduct value of imports from Spain   | - | - | - | - | - | 7,675,130 06½    |
| <hr/>  |   |   |   |   |   |                  |
| The value brought in Spanish vessels from countries other than Spain                 | - | - | - | - | - | \$8,691,714 00   |
| Deduct imports in Spanish vessels from U. S.   | - | - | - | - | - | 11,048 00        |
| <hr/>  |   |   |   |   |   |                  |
| Total imports in Spanish vessels from foreign countries other than the United States | - | - | - | - | - | \$8,680,666 00   |

From this it will be seen that the imports from the United States in Spanish vessels are but \$11,048, while they amount to \$8,680,666 in Spanish vessels from other countries foreign to Spain.

Assuming that Great Britain's exports during the last fiscal year equalled those of the year 1849, (our last Spanish official returns,) our exports exceed hers only by \$713,443; the value of ours being \$6,524,113, and that of hers \$5,810,670, while from France the Cuban imports were (1849) \$1,252,457, and from South America, \$2,197,630.

Before the passage of the act of 1834, Cuba obtained her rice almost exclusively from our Southern States. It is subject to deterioration and fluctuation in price. In 1849, the Cuban import of rice was 21,820,167 lbs., worth \$1,092,597, of which the value of \$799,563 only came from the United States. She now gets rice from Valencia, South America, England, Brazil, Holland, and, even from the free port of St. Thomas, where it is carried in American vessels from the United States, and brought thence to Cuba

in Spanish vessels. What a commentary this upon commercial restrictions! The Cuban imports of cotton manufactures for the same period amounted to \$3,487,205, of which the value of all imported from the United States was but \$73,931.

Every traveller who lands from the United States in Cuba, a voyage which may be performed in eight hours, is sensible at once of the wonderful transition; and the great feature of the transition is, the absence of every thing American; and he is surprised, while English, French and German goods and manufactures are everywhere seen, to discover so few of those of his own country.

In enacting the laws of 1832 and 1834, we seem to have been guided rather by the consideration of what Spain was gaining than of what we should lose. They were unjust and ill-timed, and experience has fully shown their utter insufficiency to attain the end proposed. We then engrossed more of Cuban trade than all the rest of the world united, and forbearance on our part with restrictions which Spain could not relax towards us without relaxing them equally with other nations, would have done more to affect their amelioration than all the aggressive acts we might have passed. We have driven her merchants and traders to seek in the ports of France, England, the Low Countries, and Russia, for a large class of products and manufactures which they would otherwise have obtained from us. But for this mistaken policy, the Northern and Eastern manufactures generally would have found their way to Cuba in Spanish bottoms; and a market of great and progressive value would have been opened for a large class of products of the Middle, Western, and Southern States, which are now but rarely carried there. Spanish restrictions upon our vessels have the effect of confining them to the carriage of the ordinary staples of provisions, because they pay the best; and our restrictions upon Spanish vessels deprive them of all chance of a profitable investment in any branches of the trade. Our agricultural and manufacturing interests are thus made to bear a heavy loss to foster a small portion of the shipping interest.

One reason formerly given for fostering this interest viz: that our packets enjoyed a large passenger trade, in which it was unwise to permit Spanish vessels to participate—if it ever possessed any weight, has lost it, since this branch of trade is now wholly engrossed by our steamers, which will continue to engross it under any circumstances. Previous to the acts in question, Cuba maintained a trade with the Southern Atlantic and Gulf States, mutually beneficial. The South has but few vessels; and many of the agricultural products of her farmers, which would yield a handsome profit if their Spanish customers were permitted to come for them, will not pay for transportation under the present restrictive system—and a market for them is therefore lost. Spanish vessels that formerly engaged in this trade, taking from the South live stock, lumber, salt, salted fish, breadstuffs, rice, cotton, &c., brought in exchange their fruits, coffee, segars, and other



products. But the act in question has not only deprived the agriculturalists of the South of a market, but it compels them, to some extent, to pay for these articles, in addition to their original cost, all the expense of importing them from Northern cities. Florida gets her Cuba coffee, &c., from New York.

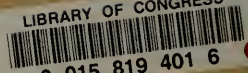
Florida possesses extensive and valuable fisheries, and great facilities for raising cattle. Both branches of trade will become highly profitable to her, and to Alabama, Texas, and every other State similarly situated, if Cuban vessels shall be encouraged to come to their ports to purchase.

We have tested for seventeen years the act of 1834 as a commercial measure, and have sacrificed to it important interests; and sound policy certainly dictates its repeal or modification. Should its repeal at this time be deemed inexpedient, its operation may be suspended for a definite period; but if neither measure be adopted, it should certainly be so modified as to exempt Spanish vessels of less than eighty tons burden from its operation. Such vessels could not compete with American shipping now in the trade, and they would limit their voyages to American ports contiguous to Cuba where no such trade now exists.

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