I regret to say that the more the subject has been examined, the greater have been found to be the legal difficulties with which the whole question is surrounded.

The matter might be disposed of with comparative ease, if no other party but the one naturalized were to be affected by the renunciation or remission of natural allegiance, though even in that case it would be necessary to determine whether such renunciation or remission should be absolute, or whether readmission into the fold of original allegiance should be permitted; and if so, on what terms, and under what conditions.

But other and more complicated matters arise when questions of descent, succession, title to property, and the general bearing of municipal laws adapted to the existing state of things have to be considered, and much difficulty might arise and much litigation occur in the Courts, and many questions might come into discussion between Governments, unless such matters were duly weighed and discussed, and definite principles, by which all such difficulties should be obviated, were adopted between the countries concerned and were sanctioned by their respective Legislatures.

As regards this country, if the principles of the Prussian Treaty were to be adopted as the groundwork of a Treaty between Great Britain and the United States, it would be necessary to consider the bearing which such a Treaty would have, not only on the common and statute law, but also on the legislation of British Colonies; and, considering the close resemblance between the law and procedure of this country and those of the United States, the same process would doubtless have to be gone through there; and in both it would probably be found that a considerable revision of the law would be required to enable a Naturalization

Treaty to work smoothly.

The only instruction, therefore, that Her Majesty's Government feel can now be safely given to you is, that you should assure Mr. Seward of their anxious desire to act in concert with the Government of the United States in endeavouring to devise some effectual means for setting at rest this important and intricate question. The obstacles to immediate action which they see are of a legal, not of a political character. They disclaim the idea of desiring to maintain and enforce the doctrine of indefeasible allegiance, and are quite willing to adopt the principle of expatriation, which they think ought properly to be conceded by a Government, which for many years past has sanctioned, and even encouraged, an extensive emigration of British subjects to foreign States.

It is their intention at once to institute an inquiry into the legal bearings of the question, and they hope that the result of this inquiry may be the production, without unnecessary loss of time, of a well-considered and satisfactory measure.

You are at liberty to communicate this despatch to Mr. Seward, and to give him a copy.

I am, &c.
(Signed) STANLEY.

No. 4.

Lord Stanley to Mr. Thornton.

Sir,

I RECEIVED. this morning, your telegram of yesterday, stating that Mr. Seward is prepared to sign a Naturalization Treaty between the United States and England, similar to that between the United States and Prussia, though modified in certain points which you specify.

It is with great regret that I have felt constrained by circumstances which will have been explained in my despatch of the 14th, and which are fully explained in my previous despatch of this day, to reply to you by telegraph that, although Her Majesty's Government have no objection in principle to alter the law of naturalization, yet that the legal details involved in this question require such careful consideration, that it is impossible for Her Majesty's Government, without further inquiry, to authorize you to sign any Treaty on the subject.

I am, &c. (Signed) STANLEY.