

presence in this country as Envoy of the United States, and my congratulations on the successful conclusion of the important negotiation in which he had been engaged, I adverted to the difficulty which had been raised, and which has formed the subject of the telegrams which have passed between us, as set forth in my despatch of the 12th instant, respecting the import of the Second Rule which forms part of the VIth Article of the Treaty of the 8th of May.

I stated to him that, as you are aware, Her Majesty's Government understood that Rule as prohibiting the use of neutral ports or waters for the renewal or augmentation of military supplies or arms to a belligerent, only when those acts are done for the service of a vessel cruising or carrying on war, or intended to cruise or carry on war, against another belligerent, and not when military supplies or arms are exported for the use of a belligerent Power from neutral ports or waters in the ordinary course of commerce.

I told him that Lord de Grey, Sir Stafford Northcote, and Mr. Mountague Bernard had informed Her Majesty's Government that it was the intention of the Joint High Commission that the acts mentioned in the Second Rule contained in Article VI of the Treaty signed at Washington on the 8th of May, are prohibited only when done for the service of a vessel cruising or carrying on war against either of the belligerents; and that the provisions of that rule do not extend to any exportation from the neutral country of arms or other military supplies in the ordinary course of commerce.

General Schenck, in answer to my question whether he concurred in the opinion expressed by Lord de Grey, Sir Stafford Northcote, and Mr. Bernard, as to the intention of the Joint High Commission in framing the Second Rule in the VIth Article, informed me that he had no instructions from his Government, but that, as a Member of the Joint High Commission, he entirely agreed with his English colleagues. He told me in answer to my further inquiry, that he would ask the permission of his Government to write a note to me before the afternoon of the 12th, agreeing that, immediately after the exchange of the ratifications of the Treaty, both Governments shall, in bringing the three Rules contained in Article VI to the knowledge of other maritime Powers, and in inviting them to accede to them, give their view that the provisions of the Second Rule do not restrict the sale by the neutral country of arms or other military supplies in the ordinary course of commerce.

I again saw General Schenck on the morning of the 12th, when he informed me that he had received instructions from his Government that the President understands and insists that the Second Rule in Article VI does not prevent the open sale of arms and of other military supplies in the ordinary course of commerce, as they have been heretofore sold in neutral countries to friendly belligerents; and that in bringing the Rules to the knowledge of other Powers, and in inviting their assent, the Government of the United States will express their view, and will insist that such is the proper interpretation and meaning of the Rule.

General Schenck further informed me that his Government was of opinion that it would be well that the two Governments should agree upon the same terms of expression in presenting the Rules to other Powers.

Her Majesty's Government agree with Mr. Fish that, in order to prevent the possibility of any future misunderstanding in other quarters, it would be convenient, in communicating the Rules to other maritime Power, and inviting their accession to them, that the two Governments should state distinctly the construction they themselves put upon the Second Rule, and under which they invite and will accept the accession of other Powers.

I am, &c.
(Signed) GRANVILLE.

No. 3.

Earl Granville to Sir E. Thornton.

Sir,

I TRANSMIT to you herewith, for communication to Mr. Fish, a draft of note to be presented by the Representatives of Her Majesty to the several maritime Powers to which they are respectively accredited, inviting their accession to the three Rules; and you will suggest to Mr. Fish that, if this draft meets with his concurrence, the Representatives of the United States may be instructed to address a similar note.

I am, &c.
(Signed) GRANVILLE.