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ore us; with 1 statements ty, the party ls it is to be itself calling that that line with the adarbors" were etnin-are we line was not is to be ac-Juan to the e to be thus arbitration? bids it. Let

ory language tch of August ect of discusits. Its effect f State, Genbreak off the to observe the artifice, used an armed col-

to Lord Lyons se of his Govlivocal terms. I should per-General Cass, ur minister to , says:

ed upon, it must very threshold, it itself to outer t Britain or any perfect equality, nt declares that nd of San Juan, re a similar de-1 States, in order the subject ea-

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the effect that be accepted by oes not provide reserved to the en rise to some of a treaty is, in early in favor of out the interess in dispute may peace and good ng is, in the opinlon of one of the parties, clearly in their favor, and the interests at stake are at the same time highly inportant, a concession which would involve both an evident right and avaluable interest could hardly be expected. Such was the sense in which I wrote that we could not accept a settlement which would deprive the British Crown of the island of San Juan."

So that his former declaration that his Government would accept of no compromise and no settlement, under any circumstances, that should not give it that island, is made to stand as a mere appreciation, an estimate of the great value of the island; but in his dispatch he is careful not to retract his former language, nor to vary its obvious and unmistakable meaning and intention.

Again, in his subsequent dispatch to Lord Lyons of the 16th of December, he repeats that-

"Her Majesty's Government were merely insist-ing upon the retention of an island which, from the peculiarity of its situation, it was impossible for her Majesty's Government to eccle without compromising interests of the gravest importance.

On receving this dispatch, General Cass was still unsatisfied to go on with the negotiation. In his dispatch to Mr. Dallas of the 4th February, 1860, he says:

"But I am prevented from pursuing these considerations, because, as I have already stated, the discussion has been practically forcelosed by the decluration of Lord John Russell, that it can, under no circumstances, affect the British claim."

Thus the dilemma produced by Lord John Russell's peremptory declaration still remained. In his dispatch to Lord Lyons of March 9, 1860, speaking of it, he says:

"That explanation was offered by her Majesty's Government in all sincerity and candor, and your lordship will, I doubt not, share the disappointment of her Majesty's Government that it has not been accepted as satisfactory. I can only now repeat, and your lordship will carnestly impress this upon General Cass, that the United States Government has entirely misconceived the purport of my declar-

And this diplomatic mensonge, this averment that General Cass had "misconceived" the import of a statement made in plain English, which every plow-boy and every milk-maid in the land understands at once, is accepted as such a retraction of the offensive expression, such a retreat from the aggressive position of Great Britain on this question, that the business of negotiation again proceeds. Our Secretary, in his dispatch to Mr. Dallas of April 23, accepts it-for he could do no less-as a statement that the declaration of August 24 was "not intended to convey the meaning which this Government had attached to it."

But that such an intention did exist, and was plainly expressed in that declaration, no one can for a moment doubt; that it was not misconceived by our Government, is equally certain. And even if left is stand upon Lord Russell's explanation of November 29, the purpose of the British Government is not less clear. It ll

is expressed in language almost as peremptory. It is that-

"A concession which involves both an evident right and avaluable interest can hardly be expected."

But the door being thus opened, General Cass, in his note to Lord Lyons of June 25, 1860, expressed his readiness-

"To receive and fairly consider any proposition which the British Government may be disposed to make for a mutually acceptable adjustment, with an earnest hope that a satisfactory arrangement will speedily put an end to all danger of the recurrence of those grave questions which have more than once threatened to interrupt the good understanding which both countries have so many powerful motives to maintain."

Meanwhile the joint military occupation of San Juan, agreed to by General Scott in 1859, was recognized by both the Governments; an arrangement which, not resting upon any law or constitutional provision, has been and still is resisted by the civil authorities of Washington Territory, who are in turn punished, or sought to be punished, for tempting to execute the laws of the Territo y, by the military authorities of their own country, who in meiturn are again held amenable to the civil authorities of the same country, presenting, as Major General Halleck says, in his letter of November 18, 1867, "an anomalous condition of affairs on that frontier."

But the negotiation respecting San Juan and the water boundary took another step, in the form of a letter from Lord Lyons to General Cass, of December 10, 1860, proposing an arbitration, and, curious enough, naming the king of the Netherlands, the king of Sweden, and the president of the Federal Council of Switzerland as the persons from whom the

arbiter should be selected. I am not aware that this letter was ever answered, except by selecting the president of that Council, as Secretary Seward did in the concoct in of this treaty. Strange to say, he passed by our old friends the emperor of Russia, the king of Prussia, the emperor of Brazil, the president of the republic of Mexico, (a very able and competent man,) and proposed no name himself in this serious matter involving the limits of the Republic as well as commercial interests of great magnitude.

Mr. President, I confess I am not strongly attached to the policy of settling by arbitration any question arising out of the foreign relations of the United States, and would not encourage it. I do not think that in the long run that mode of composing differences will be found conducive to our harmony with other nations or to the confidence of our own people in their Government. In both cases the best arbitrator of our claims is found in that cultivated and well-observed sense of justice which has hitherto marked and ought ever to mark our course; in that disposition to do right so eloquently inculcated in Washington's Farewell