

AN AMERICAN
CONTINENTAL COMMERCIAL UNION
OR ALLIANCE.

BY

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Edited with Preface by

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PREFACE.

Several years ago, with especial reference to the political subjects of discussion then as now before the American people, I prepared a work giving the views and opinions of my brother-in-law, Senator Stephen A. Douglas, of Illinois, on all those questions, with the addition of his most important writings and speeches.

Although my work met with their cordial approbation, and was endorsed and commended in writing by my friends, and the friends of Douglas, in both Houses of Congress, I decided to delay publication until I could, with diligent care, well spent leisure, greater experience, maturer and ripened judgment, revise it, make it more thorough and complete, and worthier his great and patriotic fame.

The volumes then prepared included a paper hitherto unpublished, written by Mr. Douglas, proposing, explaining, and advocating "An American Continental Commercial Union or Alliance."

The meeting of the "Three Americas, or International American Congress," makes it of great national importance that Mr. Douglas's advice on many of the subjects which the Congress will consider be now made public.

As is well known to the country, Mr. Douglas, in 1860 and 1861, favored such an amendment of the Constitution as would "allay apprehensions and impart confidence and insure domestic tranquility," and, side by side with Mr. Crittenden, of Kentucky, and many of the most distinguished patriots and statesmen of all parties, devoted his last days in the Senate, with "grave and bold counsel of moderation," to the great work of pacification and compromise.

His efforts to stay the tide of secession were as cease-

less as they were almost hopeless and certainly unavailing.

Had amendment or compromise restored the seceding States, this was one of his immediate plans to promote the future welfare of his country.

He did not live to witness the results of the sad and desolating war which followed the rejection of his counsels. His last appeal to his countrymen was to rally and unite them in the support of the Union and the Constitution, the maintenance and enforcement of the laws of the land.

No man doubts that had he lived he would have continued to exert a powerful and beneficent influence upon the destinies of his country. It is almost certain that he would long since have been President.

He died June 3d, 1861.

The present distinguished Secretary of State, in his great work "Twenty Years of Congress," says of him:

"The hour of his death was the hour of his greatest fame. The patriotic course of Mr. Douglas had been of invaluable service to the Government from the hour of Mr. Lincoln's inauguration."

And, again, in speaking of his celebrated war speech upon "The Preservation of the Union" and "The Duty of Patriots," before the Illinois Legislature, in the Representative Hall at Springfield, April 26th, 1861:

"His address on that memorable occasion was worthy of the loftiest patriot, and was of inestimable value to the cause of the Union. Perhaps no word spoken carried confidence to more hearts, or gave greater strength to the National cause."

The accompanying paper, which he prepared after seven States had seceded, is now for the first time published, because the complete restoration of the Union invites all portions of the country to a generous rivalry

in the paths of industry and a common devotion to the Union and the Constitution he loved so deeply, and to one flag as the only symbol of our National greatness and renown, and contains advice and suggestions of policy fruitful of great good and vast practical results.

Equally, and perhaps to a greater extent than any other effort of his life it demonstrates his far-sighted, practical, and sagacious statesmanship, and clearly outlines what his foreign and domestic policy would in part have been had he been elected President in 1860.

It is my hope and expectation that it will be said by all men that it is opportunely published, now that so many and so great industrial, economic, and commercial questions are demanding and receiving universal attention.

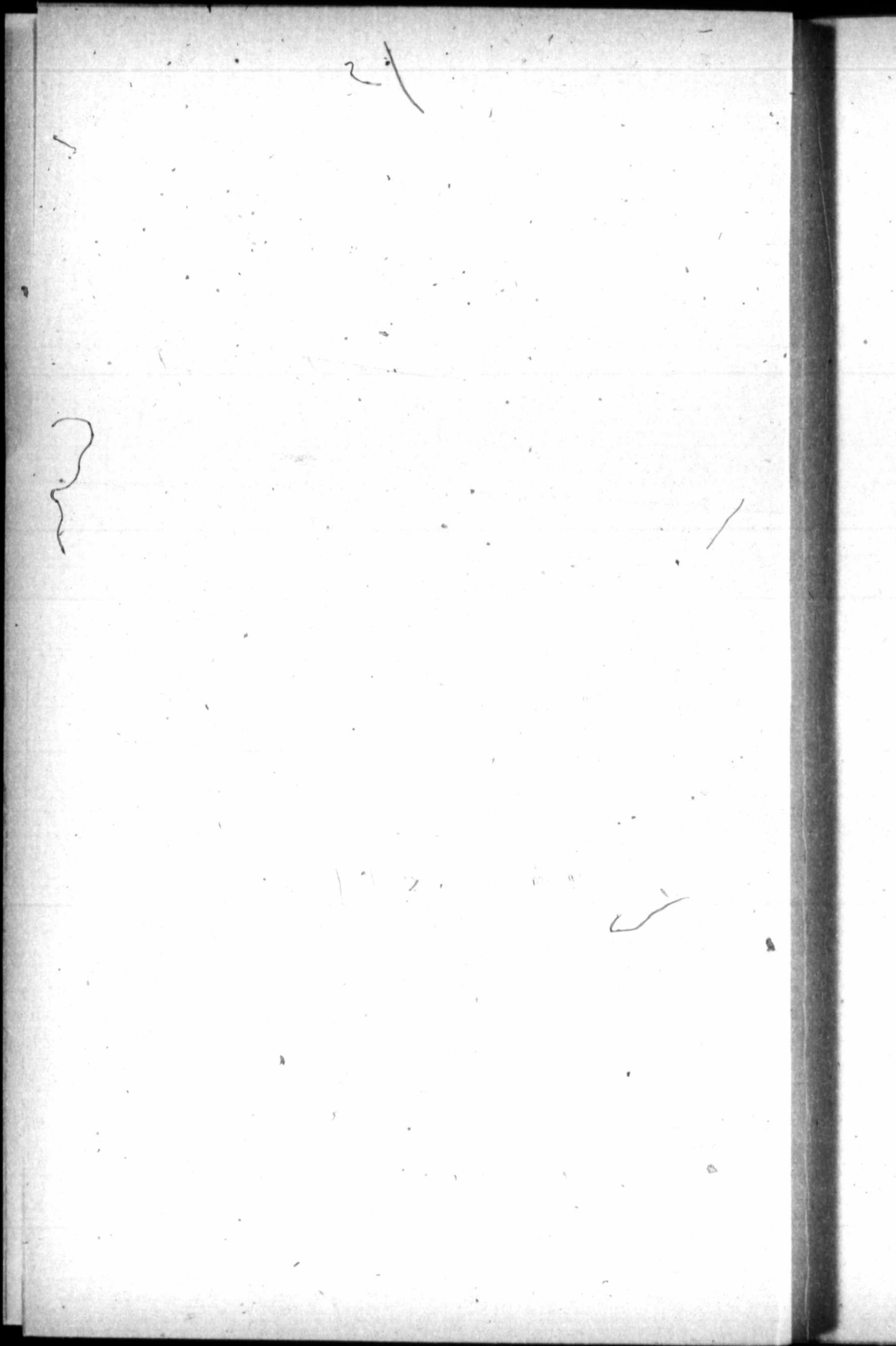
No thoughtful citizen of the Republic can peruse it without being impressed with the patriotic wisdom of President Harrison, when, on a recent occasion, the laying of the corner-stone of Indiana's soldiers' monument, he said:

"No American citizen need avoid this monument to the soldiers of the Union or pass it with unsympathetic eyes, for it does not commemorate a war of subjugation.

"There is not in the United States to-day a man who, if he realizes what has occurred since the war, and has opened his soul to the sight of that which is to come, will not feel that it is good for all our people that victory crowned the cause which this monument commemorates. I do seriously believe that if we can measure among the States the benefits resulting from the preservation of the Union that the rebellious States have the larger share. It opened the way for a commercial life that, if they will only embrace it and face the light, means to them a development that shall rival the best attainments of the greatest of our States."

J. MADISON CUTTS.

WASHINGTON, *October 9th, 1889.*



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The Constitution and Government of the United States owe their existence to the demands and necessities of *commerce*.

To render this proposition plain and incontrovertible, it is necessary to bear in mind the distinction between the causes which produced the American Revolution and those which led to the establishment of the Federal Government.

The inestimable right of self-government was the vital principle of the Revolution. This right was positively asserted by the first Continental Congress, October 14th, 1774, in reply to the assumption by the British Parliament of the right "to bind the colonies in all cases whatsoever." In denial of this claim of arbitrary power, the Colonies declared that "they were entitled to a free and exclusive power of legislation, in their several provincial legislatures, where their right of representation can alone be preserved, in all cases of taxation and internal polity." At the same time they conceded to the British Parliament the right to make all such laws and regulations as may be necessary "for the purpose of securing the commercial advantages of the whole empire to the mother country, and the commercial benefits of its respective parts."

From the issue thus joined between the Colonies and Great Britain, it is evident that the right of self-govern-

ment in all matters of "taxation and internal polity," and not the "securing of commercial advantages," was the animating cause and vital principle of the American Revolution.

On the other hand, *commerce* was the motive power which set in motion that series of measures which resulted in the formation of the Constitution and the establishment of the Federal Government.

The absence of any power in the Congress of the Confederation to regulate commerce with foreign nations and between the several States was soon discovered to be a fatal defect in the Articles of Confederation. As early as February 3d, 1771, Mr. Witherspoon submitted a proposition "that it is indispensably necessary that the United States, in Congress assembled, should be vested with a right of superintending the commercial relations of every State, that none may take place that shall be partial or contrary to the common interest."

On the 30th of April, 1784, Congress adopted a report from a committee, of which Mr. Jefferson was a member, which, among other things, contained the following declaration :

"Unless the United States, in Congress assembled, shall be vested with powers competent to the protection of commerce, they can never command reciprocal advantages in trade; and, without these, our foreign commerce must decline and eventually be annihilated."

Again, on the 13th of July, 1785, Mr. Monroe reported from a committee a proposition to amend the Articles of Confederation, by conferring, among other powers, that of "regulating the trade of the States, as well with foreign nations as with each other, and of laying such imposts and duties upon imports and exports as may be necessary for the purpose."

In response to these several propositions in Congress with respect to the regulation of commerce, the Legisla-

ture of Virginia, on the 21st of January, 1786, adopted the following resolution, which was the first step towards assembling that august convention which formed the Constitution of the United States:

Resolved, That Edmund Randolph, James Madison, junior, Walter Jones, St. George Tucker, Meriwether Smith, David Ross, William Ronald, and George Mason, Esquires, be appointed commissioners, who, or any five of whom, shall meet such commissioners as may be appointed by other States in the Union, at a time and place to be agreed on, *to take into consideration the trade of the United States; to consider how far a uniform system in their commercial regulations may be necessary to their common interest and their permanent harmony; and to report to the several States such an act relative to this object as, when unanimously ratified by them, will enable the United States, in Congress assembled, effectually to provide for the same.*

"That the said commissioners shall immediately transmit to the several States copies of the preceding resolution, with a circular-letter respecting their concurrence therein, and propose a time and place for the meeting aforesaid."

In pursuance of this resolution, commissioners from the States of New York, New Jersey, Pennsylvania, Delaware, and Virginia assembled at Annapolis, Maryland, on the 11th of September, 1786, and on the 14th of the same month adopted a report to the several States, and "then adjourned without day."

The report recommended that a new convention should be called, composed of commissioners from all the States, to assemble at Philadelphia on the second Monday in May, 1787, and that the powers of the commissioners should be enlarged in the manner suggested by the State of New Jersey, so as to authorize them "to consider how far a uniform system in their commercial regulations, and other important matters, might be necessary to the common interest and permanent harmony of the several States."

On the 21st of February, 1787, the Congress of the Confederation took into consideration the report of the commissioners, and adopted the following resolution :

Resolved, That, in the opinion of Congress, it is expedient that, on the second Monday in May next, a convention of delegates, who shall have been appointed by the several States, be held at Philadelphia, for the sole and express purpose of revising the articles of Confederation, and reporting to Congress and the several legislatures such alterations and provisions therein as shall, when agreed to in Congress and confirmed by the States, render the Federal Constitution adequate to the exigencies of government and the preservation of the Union."

Delegates from the several States assembled at the time and place designated in the resolution of Congress, organized on the 25th of May, 1787, by the election of George Washington as President of the Convention, and proceeded to form the Constitution of the United States, which was signed in convention by the unanimous consent of the States present on the 17th of September, 1787.

From these proceedings, preliminary to the formation of the Constitution, it is obvious that "a uniform system in their commercial regulations" was the first and chief inducement, and that "other important matters" were subsequently added at the suggestion of New Jersey, and adopted by Congress, with the view of "rendering the Federal Constitution adequate to the exigencies of government and the preservation of the Union."

Prior to the Revolution the American colonies were as distinct and independent of each other as if they had belonged to different nationalities, and had not owed allegiance to a common sovereign. Each colony had its own peculiar government, laws, and institutions, and managed its own affairs in accordance with the royal charter, subject only to the paramount authority of the Crown and Parliament of Great Britain.

It was the jealous policy of the mother country to prevent a union of the colonies for any purpose; and it was only when their inalienable rights of self-government were invaded that they assembled by their delegates in a Continental Congress, and subsequently entered into Articles of Confederation.

The Confederation was formed during the darkest period of the Revolution, and fulfilled the expectations of its patriotic authors so long as war made the common defence against an external foe the primary object of government; but it utterly failed when peace was proclaimed, and the external pressure was withdrawn and commerce asserted her rights as the pioneer, promoter, and hand-maid of freedom, civilization, and Christianity.

The absence of all power to regulate commerce, to establish a uniform system of imposts and duties, to collect revenue and enforce the Federal laws was the radical and fatal defect in the Confederation. The rights of self-government, embracing everything affecting their internal polity, were effectually secured by the State governments. Uniformity in their domestic institutions, in their systems of local jurisprudence, and in the management of their internal affairs, was neither possible nor desirable in a Confederacy of so many distinct communities, each with its peculiar and cherished usages, creeds, and forms of civilization, and spreading over so wide an expanse of territory, and with such a variety of climate, interests, and pursuits.

In view of these varied and dissimilar interests and conditions, which could not be harmonized and moulded into one uniform system applicable to all the States, it was expressly provided in the Articles of Confederation that "each State retains its sovereignty, freedom, and independence, and every power, jurisdiction, and right, which is not, by this Confederation, expressly delegated to the United-States in Congress assembled," and after-

wards, the same reservation was contained, by irresistible inference in the Constitution, and inserted by the subsequent declaratory amendment that "the powers not delegated to the United States by the Constitution nor prohibited by it to the States, are reserved to the States respectively, or to the people."

This reservation was made for the express purpose of allowing each State to form and regulate its domestic institutions and internal policy to suit itself, on the presumption that each had interests and necessities different from every other, and should have laws adapted to its own peculiar wants and condition.

But while uniformity in the internal polity of distinct and separate political communities is incompatible with the highest development of the principles of liberty and the rights of self-government, the interests of commerce stand upon a different footing, and demand the utmost freedom and the broadest sphere for action, with uniform regulations and unrestricted intercourse between the largest number of States.

Among the numerous and inestimable advantages of our Federal Union, none stand forth so conspicuously, or shed their manifold blessings so profusely upon all classes of our countrymen as freedom of trade, commerce, and intercourse between all the States and Territories.

Aside from the interests of commerce, in its largest sense, including the exchange of all the products of human industry, however employed, in the field and the workshop, in forests and mines, upon land and water, it may well be doubted whether the rights and privileges of self-government may not be enjoyed in greater purity and perfection in a State of moderate dimensions with all its interests and pursuits identified than upon an entire continent with diversity of interests and pursuits under a single government.

If it be true that the enlargement of the area of a

country does not enhance the blessings of its government and increase the happiness of its people, beyond that which naturally results from a uniform and well-regulated system of free trade, transit, and intercourse, a question of the first magnitude and gravest importance is presented to the people of the United States, under the peculiar circumstances which now surround us. It is—How can we avail ourselves of all the advantages of such a system without incurring the inconveniences and perils of incorporating into the Federal Union countries and people of different systems of civilization, forms of government, language, and race, which, unable to harmonize with our own, would engender perpetual feuds, jealousies, and revolutions?

This is the problem to be solved.

May it not be solved by embracing all the various political communities on the American continent and the adjacent islands, from the frozen ocean to the Isthmus of Panama, into one general UNION FOR COMMERCIAL PURPOSES ONLY without disturbing, changing, or interfering with their respective forms of government, their political relations, or their internal policies? Abolish all interior custom-houses, break down every barrier, and remove every restraint upon commercial and social intercourse between the United States and the British Possessions on the north, and Mexico, Cuba, and the Central American States on the south. Establish freedom of trade, commerce, transit, and intercourse between all countries which may become parties to such a Union, with custom-houses and a uniform system of tariff duties and commercial regulations only at all the ports on the Atlantic, the Pacific, and Gulf coasts.

Do this, and all the benefits of territorial expansion can and will be secured without incurring its dangers.

Although this proposition for a Commercial Union, in its application to the American continent, may be original, novel, and even startling to those who have not

investigated the subject and reflected maturely upon it, yet the principle upon which it rests is simple, easy of execution, and susceptible of harmonious action and successful operation. Those who are familiar with the history, practical workings, and satisfactory results of the German Zollverein, or Commercial Union, will have no difficulty in comprehending and fully appreciating the advantages of a Continental Commercial Union in America.

For a long period after the German Empire had crumbled into fragments, and new empires, kingdoms, duchies, principalities, and free cities had been erected upon its ruins, commerce and freedom of intercourse were almost annihilated. Custom-houses, arbitrary commercial restrictions, and vexatious restraints upon the sale and exchange of the products of industry were established upon all the navigable rivers and channels of communication, and upon the boundaries of each petty state and province, as well as on the borders of great kingdoms and empires.

When peace was restored, after the downfall of Napoleon, the Prussian cabinet for the first time directed its attention and energies to the formation and development of a liberal commercial system. "The disadvantages of the old system," says McCulloch, "had long been seen and deplored by well-informed men; but so many interests had grown up under its protection, and so many deep-rooted prejudices were interested in its favor, that its overthrow seemed to be hopeless, or, at all events, exceedingly distant."

As early as 1816 steps were taken by Prussia to introduce "a general and simple system of custom-house legislation," and on the 26th of May, 1818, a new tariff was published, which became the ground-work of the scale of duties subsequently adopted by the Zollverein, and in the same year the first treaties in furtherance of this object were negotiated by Prussia with the principalities

of Schwarzburg-Sondershausen and Schwarzburg Rudolstadt, on the principle that there should be a perfect freedom of commerce between them. The treaties provided that the duties on importation, exportation, and transit in Prussia and the principalities, should be identical; that these should be charged along the frontier of the dominions of the contracting parties, and that each should participate in the revenue arising therefrom in proportion to its population.

All treaties subsequently entered into have been founded on this fair and equitable principle, and, with certain unimportant exceptions, the most perfect freedom of commerce exists among the allied states.

But, while Prussia was thus perfecting and extending her Commercial Union by a series of treaties from 1818 to 1830, with many of the smaller States, "the most important step," says Sir John Bowring in his report to Lord Palmerston, December 23d, 1839, laid before Parliament by command of the Crown and published in 1840 in the parliamentary papers, by which evidence was given of the tendency of the different States of Germany to amalgamate their interests, and to establish, instead of many tariffs, one single system, "was the Union of Bavaria, Wurtemberg, and several other States in a rival Commercial League on the 28th of July, 1824. Other German States were invited to join this league, and in 1831 the kingdom of Saxony, together with several other States, became parties to the Bavaro-Wurtemberg League."

Each of these two great rival leagues for the attainment of the same ends, naturally sought to extend its influence, and each prepared the way for the fusion of the whole in one great association. Accordingly, on the 22d of March, 1833, a treaty was concluded between Prussia, Bavaria, Wurtemberg, and the various other States, which had become members of either league, by which all were united in one confederacy for commercial purposes, without disturbing or changing their peculiar

forms of government or political relations. This treaty became the basis of the present Zollverein or Commercial Union of Germany.

The objects, powers, and duties of the Zollverein, and the principles of legislation and forms of administration to carry its purposes into effect were all distinctly prescribed in the treaty. Without descending into minute details, it may be useful to state that in articles 33 and 34 the treaty provides for a congress to be composed of one member from each State of the Union to assemble in the month of June of each year, and organize by the election of one of their own members as President, and proceed to the consideration of the following subjects in the order in which they are stated :

Firstly. "All difficulties and defects which may be observable, in one or the other of the contracting States, in the execution of the primary treaty, of the special stipulations of the custom-house laws and regulations, and of the tariff, which may not have been removed during the year in consequence of a correspondence upon the subject between the ministerial departments.

Secondly. "The definitive apportionment among the States of the Union of the general receipts, according to the returns prepared by the principal officers of the customs, and submitted to them after examination by the central office, which may be necessary for examining the accounts, in a manner suitable to the common interests.

Thirdly. "All requests and proposals for improving the customs administration which may be submitted by any of the Governments of the Union.

Fourthly. "The negotiations of such alterations of the customs laws, of the tariff, of the customs regulations, and of the organization of the administration thereof, as may be proposed by any one of the contracting States.

Fifthly. "And generally, the suitable development and accomplishment of a common system of trade and customs."

The treaty also stipulates, among other things—

That uniformity of laws relative to imports, exports,

and transit duties shall prevail within the dominions of the contracting States.

That the administration of the imports, exports, and transit duties, and the organization of the authorities for that purpose, shall in like manner be put upon the same footing in all the countries of the Confederation, regard being had to the peculiar circumstances existing in each.

That freedom of trade and commerce between the contracting parties, and a common interest in the customs revenues, shall commence with the operation of the present treaty.

That provision shall be made for the adoption of a uniform system of moneys, weights, and measures in all the States of the Confederacy.

That arrangements shall be made as soon as practicable to secure the free navigation of the rivers on terms of equality by the subjects and citizens of all the States of the Union.

That the contracting States will afford the utmost freedom and scope to the subjects of one State for the exercise of their privilege of seeking an occupation and livelihood in another State; and no duty shall be imposed upon the subjects of one of the contracting States, who carry on trade or business, or are in search of employment in the territory of another State, to which the subjects of the latter State, under similar circumstances, are not equally subjected.

The Zollverein went into practical operation January 1st, 1834, and at that time embraced nineteen distinct countries, with different forms of government and great inequalities of territory and population, and containing in the aggregate 25,150,898 inhabitants.

In the meantime, a commercial league, denominated the *Steuerverein*, had been formed, in opposition or rivalry to the Zollverein, by Hanover, Oldenburg, Brunswick, and other smaller States. The relative position of these States to the other German States was such that it soon

became apparent that the interests of each would be promoted by merging the one in the other; but, owing to political, commercial, and financial jealousies, this desirable object was of very difficult attainment. Happily, however, says M'Culloch, these difficulties have been surmounted by a treaty negotiated between Hanover and Prussia, on the 7th of September, 1851, providing for the incorporation of Hanover and the other allied States of the *Steuerverein* into the *Zollverein*, from the 1st of January, 1854. Some modifications have since been introduced into the basis of the *Zollverein*, but they are deemed of little importance, except the provisions which look to a further reduction in the rates of duties, and as far as practicable, to combining all the States of Germany into one Commercial Union; and provide that, in the meantime, all the Federal States shall take care that no treaties be made by either of them with other States, which may hinder or embarrass the consummation of so desirable an object.

Considerable correspondence has taken place between the States of the *Zollverein* and Austria, in regard to the admission of the various States of that vast empire into the German Commercial Union. In order to pave the way for so important a movement, Austria issued a new tariff in 1851, in which she made many valuable relaxations in her former restrictive policy; and, for the first time, established free intercourse between Hungary and the other States of the empire. Although this wise step in the right direction may not yet have been followed by the incorporation of the various States of the Austrian empire into the *Zollverein*, it has led to the conclusion of an important commercial treaty between Austria and Prussia, by which they engage to suppress, with a few specified exceptions, all prohibitions against importing the products of the one country into the territories of the other; and establish complete freedom of trade between the two countries in all articles of raw produce, and stip-

ulate that the duties to be imposed on manufactured products shall be moderate and reasonable.

Similar progress has been made in other European countries towards the adoption of a liberal commercial policy; and in every case the beneficial results have been so obvious and apparent that they have soon led to other steps in the same direction. Bowring, in the report previously referred to, says:

“The Zollverein represents in Germany the operation of the same opinions and tendencies which have already affected so many changes in the commercial legislation of other countries. In the United Kingdom the custom house laws, which separated Scotland and Ireland from England, have been superseded by a general system applicable to the whole. In France the local barriers and local tariffs have given way to a general and uniform system of taxation. Even before the commercial league (the Zollverein) associated so many States in a common union, several less extensive combinations had prepared the way for a more diffusive intercourse.”

There is no diversity of opinion in respect to the merits and beneficial results of the German Commercial Union, in the testimony of those who have investigated the subject and written upon it. In the language of MacGregor:

“The inconvenience of numerous custom-house barriers formed not only impediments of the greatest injury to the national commerce and manufacturing interests of the several States, but the expense of maintaining a multitude of guards to prevent smuggling and to secure the taxes levied upon commodities was enormous in proportion to the revenue collected, while the moral effect was at the same time exceedingly pernicious.”

McCulloch, in his truthful description of what Germany was before the Zollverein was adopted, has drawn a vivid and fearful picture of what the United States are likely to become should a dissolution of the Union be successfully accomplished.

“Germany, as every one knows, says McCulloch, is

divided into a vast number of independent and mostly petty States. Until a very recent period every one of these States had its own custom-houses, and its own tariff and revenue laws; which frequently differed very widely indeed from those of its neighbors. The internal trade of the country was, in consequence, subjected to all those vexatious and ruinous restrictions that are usually laid on the intercourse between distant and independent States. Each petty State endeavored either to procure a revenue for itself, or to advance its own industry, by taxing or prohibiting the productions of those by which it was surrounded; and custom officers and lines of custom-houses were spread all over the country! Instead of being reciprocal and dependent, everything was separate, independent and hostile! The commodities admitted into Hesse were prohibited in Baden, and those prohibited in Wurtemberg were admitted into Bavaria. It is admitted on all hands that nothing has contributed so much to the growth of industry and wealth in Great Britain as the perfect freedom of internal industry we have so long enjoyed, and that intimate correspondence among the various parts of the Empire, which has rendered each the best market for the products of the other. How different would have been our present condition had each country been an independent State, jealous of those around it and anxious to exalt itself at their expense! But, until within these few years, this was the exact condition of Germany; and considering the extraordinary obstacles such a state of things opposes to the progress of manufactures, commerce and civilization, the wonder is, not that they are comparatively backward in that country, but that they should be so far advanced as they really are."

The American people have enjoyed the blessings of freedom, and of free trade and unrestricted intercourse, too long to submit tamely and patiently to the establishment upon this continent, now for the first time, of that odious and oppressive system of isolation and commercial restriction which characterized the dark ages of the Old World, and from which, after so many centuries of vassalage, oppression, and demoralization, the nations of Europe are just emerging and entering upon a

career of progress, of liberalization, and of freedom for trade, transit, and commercial intercourse. The people of the interior will not be willing to have "customs officers and lines of custom-houses spread all over the country," along the banks of the navigable rivers, in the mountain passes, at the railroad stations, and upon the boundaries of each State, stopping travellers to examine their passports, inspecting baggage, and collecting taxes to the amount of one-fourth the value of all the corn, wheat, pork, beef, horses, cattle, merchandize, and every description of property that may cross the border from one State into another! Those who reside in the great central basin between the Alleghenies and the Rocky Mountains, in the valleys of the Ohio and Mississippi, and upon the tributaries of the Upper Mississippi, can never recognize the right of the States on the seashore to withdraw from the Union of our fathers at pleasure, and form such alliances among themselves and with foreign nations as will deprive them of all access to the ocean and all communication with the markets and people of the world beyond the great waters! The same principle which would justify the Gulf States in severing their connection with the Union and assuming exclusive jurisdiction over the mouth of the Mississippi, and in establishing custom-houses and collecting duties upon all the lines of travel and commerce within their limits, would authorize the States bordering on the Atlantic and the Pacific to dissolve their connection with those in the interior, and by similar devices completely exclude them from all communication with the rest of the world.

No matter what the consequences, the people of the Northwest can never surrender their right of egress and ingress through the Mississippi and St. Lawrence, by ships and by railroads and canals, to the ports of the Atlantic and Pacific, as well as to those of the Gulf of Mexico, on terms of entire equality with the citizens of the several States through which they may choose to

pass. The free enjoyment of this right, which is believed to be fundamental and indefeasible, is regarded as essential to the prosperity, safety, and the very existence of the States in the interior of the continent. Secession has already interrupted and obstructed the free exercise of this right upon the Mississippi, and on the principal thoroughfares in seven States of the Union.

Avoiding the field of partisan politics and ignoring all inquiries into the merits of the unfortunate controversy, or the wisdom or prudence of seeking the intervention of Congress to decide the "vexed question," in accordance with the views of either section, yet the historical fact can no longer be concealed nor denied that its agitation has resulted in a partial disruption of the American Union.

How shall the pregnant fact be met? Shall the Constitution be so amended as to remove forever the cause which has produced the difficulty and restore and perpetuate the Union of all the States in its primitive purity and integrity?

The Constitution itself has secured the right, coupled with the duty of making amendments whenever experience shall show that they are necessary to the accomplishment of the objects contemplated by its framers. The power of amendment was conferred as a substitute for and in denial of the right of secession, and for the purpose of avoiding any necessity or pretext for revolution. The spirit of the Constitution, therefore, is imperative that amendments shall be adopted whenever experience demonstrates their necessity to supply an omission, to remedy an existing evil, or to prevent a future abuse or usurpation. In this spirit twelve distinct amendments have already been made at different times, and now form essential parts of the original instrument. If it be true that further amendments are necessary to allay apprehensions and impart confidence and insure domestic tranquility in any of the States, and thereby

restore and perpetuate the Union, fidelity to the Constitution, and the obligation to support it imperatively demand that such amendments be made.

If such amendments shall be adopted and the Union preserved, it will be necessary to adopt such a line of policy towards our neighbors on this continent as will effectually prevent the recurrence of these troubles at a future period. A glance at the history of our country cannot fail to disclose the startling fact that each acquisition of territory by the United States, although affording no just cause, has been made the occasion for that species of political agitation and sectional strife, which within the last few months has terminated in the sudden and violent disruption of the Federal Union, so far as the determined action of seven States can accomplish that lamentable result. There is very little ground for hope that when our present difficulties shall have been adjusted on a satisfactory basis the United States will ever be able to annex or acquire any more territory without reopening the controversy and exposing the Union to a renewal of the perils which now threaten its existence. Profiting by the bitter fruits of past experience, it will become the duty of the American people to adopt such a wise, liberal, and just policy towards all other countries on this continent as will secure, so far as practicable, all the material advantages, without incurring the evils and dangers of incorporating into our political system whole communities of people, alien to ours in race, language, institutions, forms of government, and political affinities.

It is worthy of inquiry whether this may not be wisely and safely done by forming with them a commercial union, on the basis of the German Zollverein, with such modifications and variations as local causes and peculiar interests may render necessary?

Such an alliance, founded on material interests and reciprocal benefits, would permit of peace, good feeling,

and perpetual amity between all the countries becoming parties to such a confederacy. It would put an end to all ambitious schemes of aggression and invasion with a view to conquest and annexation. It would insure the inviolability and integrity of the territorial limits of each of the allied countries. It would make the American continent one country for all the purposes of commerce—navigation, traffic, intercourse, and common defense—without affecting their forms of government or political relations. It would open new markets of great extent and value to all the products of agriculture, manufactures, and the mechanic arts, which would afford more encouragement and protection to all branches of American industry than all the protective tariffs that the ingenuity of man ever devised. In consequence of the great varieties of climate, productions, and pursuits, each country would find its best customers and most profitable markets within the limits of the others. It would secure to the citizens of each country the right to acquire, hold, and dispose of property of every description, and to prosecute their professions, trades, and occupations within the territories of the others on terms of equal footing with the nations of the country. In short, it would secure all the material advantages of annexation.

Differences of race, language, religion, forms of government, and systems of civilization constitute no valid objection to a Commercial Union, however serious and conclusive against their incorporation into the same political system. In fact, Commercial Unions are usually formed between those States only where there are insuperable objections to combining and consolidating their political power.

It may be suggested with some plausibility that a Commercial Union with the Mexican and Central American States would involve practical difficulties in the apportionment of the custom-house receipts between the contracting Governments, in consequence of the con-

sumption of the imported goods being less in proportion to population in those States than in the United States. This difficulty was encountered and surmounted in the formation of the German Commercial Union. Apportionment according to population being the general rule, special provision was made for exceptional cases like those of Frankfort and Hanover, with a view to a fair and just distribution of the advantages and burthens among all the members of the Confederacy.

A similar question arose in another form in the convention which framed the Constitution of the United States, and was satisfactorily adjusted by the adoption of what is known as the three-fifths provision in respect to taxation and representation.

With a view to an equitable arrangement in respect to inequalities in the ratio of consumption in the different countries comprising the Commercial Union, power should be reserved, in the admission of other States to a full participation in its advantages, to impose such conditions as might be required by local causes and peculiar circumstances. Subject to these limitations, the admission of Mexico, Cuba, and the Central American States, into a Commercial Union with the United States on terms of equality and justice, without interfering with their forms of government and political relations, could not fail to be mutually beneficial to every branch of industry, trade, and commerce in each country. Each would find its best customers and markets in the other.

The disparity in the ratio of consumption of imported goods in proportion to population in the several countries which it is proposed to include in the Continental Commercial Union is remarkable and requires investigation and explanation to understand the causes which produce it. For the sake of convenience, the writer avails himself of certain statistical tables in a recent work on Mexico in particular and the trade of the American continent in general, which purport to be compiled from official reports and are believed to be reliable:

STATEMENT showing the foreign commerce of the principal countries on this continent, as compiled from the latest returns; the average per capita for each country of imports and exports; and the amount per capita of their total foreign commerce.

COUNTRIES.	Population.	Year.	Imports.	Average per Capita.	Exports.	Average per Capita.	Total Foreign Commerce.	Average per Capita.
Mexico.....	8,283,088	1856	\$26,000,000	\$3 14	\$28,000,000	\$3 38	\$54,000,000	\$6 52
United States.....	30,500,000	1858	282,613,150	9 26	324,644,421	10 64	607,257,571	19 90
Canada.....	2,571,437	1857	49,288,245	19 16	31,813,020	12 37	81,101,265	31 53
* Cuba.....	1,449,462	1858	39,560,299	27 29	46,792,055	32 28	86,352,354	59 57
Other W. I. Islands.....	2,497,154	1856	41,813,262	16 47	37,188,283	14 89	79,001,545	31 63
Guatemala.....	971,450	1858	1,223,770	1 25	1,924,509	1 98	3,148,279	3 23
San Salvador.....	394,000	1858	1,246,720	3 16	1,585,485	4 02	2,832,205	7 18
Honduras.....	358,000	1855	937,289	2 61	745,901	2 08	1,683,190	4 69
Nicaragua.....	257,000	1855	972,851	3 78	958,572	3 73	1,931,423	7 51
Costa Rica.....	215,000	1858	1,267,387	5 89	1,351,779	6 28	2,619,166	12 17
Granadian Confederation.....	2,363,054	1856	3,255,843	1 37	7,064,584	2 98	10,320,427	4 36
Venezuela.....	1,361,386	1856	5,597,129	4 11	6,636,104	4 87	12,233,233	8 98
Ecuador.....	1,108,042	1856	2,626,706	2 37	2,723,141	2 45	5,349,847	4 82
Peru.....	2,106,492	1853	9,087,894	4 31	16,880,377	8 01	23,968,271	12 32
Bolivia.....	2,326,126	1853	1,359,585	58	1,422,716	61	2,782,301	1 19
Chili.....	1,558,319	1857	19,804,041	12 70	20,126,461	12 91	39,930,502	25 62
Argentine Republic.....	1,459,355	1855	11,394,000	7 80	15,260,986	10 45	26,654,986	18 26
Uruguay.....	177,300	1856	4,586,317	25 86	10,303,853	58 11	14,890,170	83 98
Paraguay.....	600,000	1856	610,865	1 01	1,006,059	1 67	1,616,924	2 68
Brazil.....	7,677,800	1857	68,808,865	8 96	63,613,005	8 28	132,421,870	17 24

*NOTE.—Imports and exports arrived at by taking the returns of the "Balances Generales," for 1854, and adding thereto the known increase of trade with the United States, and an estimated increase with other countries of ten per cent. on imports, and thirty per cent. on exports.

*NOTE.—Imports and exports arrived at the known increase of trade with the United States, and an estimated increase with other countries of ten per cent. on imports, and thirty per cent. on exports.

STATEMENT showing the foreign commerce, &c.—Continued.

RECAPITULATION.

COUNTRIES.	Population.	Imports.	Average per capita.	Exports.	Average per capita.	Total Foreign Commerce.	Average per capita.
Mexico.....	8,283,088	\$26,000,000	\$3 14	\$28,000,000	\$3 38	\$54,000,000	\$6 52
Cuba.....	1,449,462	39,560,299	27 29	46,792,055	32 28	86,352,354	59 57
Other West India Islands	2,497,154	41,813,262	16 74	37,188,283	14 89	79,001,545	31 63
Central America.....	2,195,450	5,048,017	2 57	6,566,246	2 99	12,214,263	5 56
South America.....	20,737,874	127,131,245	6 13	145,037,286	6 99	272,168,531	13 12
Total Spanish America.....	35,163,028	240,152,823	6 82	\$263,583,870	7 49	503,736,693	14 31
United States.....	30,500,000	282,613,150	9 26	324,644,421	10 64	607,257,571	19 90
Canada.....	2,571,437	49,288,245	19 16	31,813,020	12 37	81,101,265	31 53

From this table it appears that the United States consume about three times as many imported commodities in proportion to population as Mexico, and that Cuba consumes three times as many as the United States. Why this extraordinary disparity?

It would be difficult to convince any one who is familiar with the Island of Cuba and its population, and with their habits and modes of living, that they are a more luxurious people than the inhabitants of the United States. The difference is doubtless attributable to the fact that the United States, in consequence of the varieties of climate, productions, and pursuits, produce most of the necessaries of life, together with many of its luxuries, while Cuba is almost exclusively a planting country, producing sugar, tobacco, coffee, and the tropical fruits, and exchanges these with foreign countries for breadstuffs, provisions, and such other articles as are necessary to their existence, comfort, and enjoyment. For these reasons, we are informed by the same writer, that "in proportion to its population the foreign commerce of Cuba is 300 per cent. greater than that of the United States," and he might have added, that its internal commerce was proportionally less for the same reason.

These facts furnish the strongest possible argument in favor of free trade and a commercial union between the two countries, founded on mutual interests and reciprocal advantages, by means of which each would supply the other at reasonable and remunerative prices with those articles, which it ~~consumes~~ and cannot produce. *Consumes*

But how are we to account for the small amount of foreign commerce, and the ratio of consumption of imported commodities in Mexico and the Central American States compared with Cuba, since these countries produce and are equally, if not better, adapted by climate and soil to the culture of all the staple articles of Cuba,

besides many other tropical productions which are not grown on that Island? Mexico, with a population of 8,283,088 in 1856, had a foreign commerce of \$54,000,000, averaging \$6.52 to each individual, while Cuba, with a population of only 1,499,462 in 1858, had a foreign commerce of \$86,352,354, averaging \$59.57 to each person! To make the contrast more striking, it is necessary to add that of the \$28,000,000 of Mexican exports, about \$23,000,000 are in silver and other precious metals, leaving only \$5,000,000 of agricultural exports, while Cuba, with about one-sixth of the population and one-twelfth of the territory of Mexico, exports more than \$40,000,000 of agricultural products. With a soil and climate quite as well adapted to the production of all the staple articles, which are produced in such abundance and with so much profit in the one, how are we to account for the almost total neglect in the other?

It is believed that the causes which have produced this result may be traced directly to the action of the Mexican government.

By reference to the Mexican tariff of 1845 and 1855, and indeed nearly all the previous ones, it will be seen that it has been the steady policy of the Mexican government to discourage, and, in most cases, totally prohibit the importation of all the necessaries of life, and thereby force the production of them in their own country to the great detriment and prejudice of their own people. By these tariffs the importation of pork, salt and cured meats, lard, tallow, flour, wheat, corn, rye, and all kinds of grains, of raw cotton, tobacco, except as a government monopoly, and, indeed, nearly every description of agricultural produce, was totally prohibited. In consequence of these arbitrary prohibitions, and of excessive duties upon nearly all the other necessaries of life, including manufactured articles as well as raw products, the Mexican people were compelled, in a great measure, to neglect

the cultivation of sugar, rice, coffee, indigo, cocoa, cochineal, and many other profitable tropical productions, in order to make breadstuffs, provisions and other necessities of life, which could have been raised in the United States and furnished them in exchange for their tropical productions at cheaper rates and on more favorable terms under a liberal commercial system. Under the operation of their commercial restrictions and prohibitions, the manufactures and agricultural products of the United States have been excluded from the Mexican markets to the serious injury and inconvenience of both countries, and the exports of more than eight millions of people in Mexico have been reduced to one-sixteenth part of the amount exported by less than a million and a half of people in Cuba.

The causes of these injurious results and the appropriate remedies must be obvious to any reflecting mind. They are comprehended and duly estimated by the liberal and enlightened statesmen of Mexico, as fully appears by the plan of government and principles proclaimed by the liberal party at the outset, and firmly supported during the whole period of the late desperate struggle, which has recently terminated in the complete triumph and re-establishment of the Constitutional government.

Omitting those questions which are foreign to the question under consideration, every American has a deep and abiding interest in the following propositions, which have been incorporated into the fundamental law of Mexico:

First. The establishment of a Constitutional Federal Government in the place of a military dictatorship.

Second. Freedom of religion.

Third. Freedom of the press.

Fourth. The subordination of the military to the civil power.

Fifth. The reduction of the tariff and the abolition of interior duties and passports.

Sixth. The negotiation of commercial treaties of the fullest scope and most liberal character, *particularly with the United States, and including reciprocity of trade on our frontiers.*

Seventh. The colonization of Mexico by the full opening of every part of the country to immigration, and the encouragement of foreign enterprise in every branch of industry, particularly in mining and in works of internal improvement.

In view of the wise, liberal, and just policy proclaimed in these propositions, why should not the United States accept the generous proffer of friendship and commercial alliance on such just and equitable terms as will facilitate the recognition of that country and promote the material interest of both?

A commercial treaty, recognizing the integrity and inviolability of her territorial limits, and abolishing all internal custom-houses, and establishing freedom of trade, transit, and intercourse, without interfering with her forms of government or internal polity, would be of incalculable advantage to both. We would secure the markets of eight millions of people for all the products of our industry, which do not come in competition with theirs. They would obtain the markets of more than thirty millions of people for all of their tropical productions, which do not come in competition with any general interest in this country. The agriculturists of each country would confine their industry to the production of those articles which were best adapted to its soil and climate, and consequently the most profitable and remunerative. The industry of those portions of the continent which are least favored by climate, soils, and

productive power, would find its most ample rewards in manufacturing and the mechanical employments, to supply the farming and planting interests with those articles which they need and can procure, in exchange for their own products, cheaper than they can make them.

This system of exchanges in the various products of industry, which is called commerce, gives employment to the capital and energies of the merchant, the ship owner, the navigator, and all who are engaged in, or connected with, commerce, navigation, and transportation.

Reciprocity treaties or a Commercial Union with the fourteen millions of people in Mexico, the Central American States, and the West India Islands, could not fail to stimulate and encourage all the branches of industry best adapted to the conditions, interests, and necessities of the several countries respectively, and to unite them in a common brotherhood for their mutual happiness, prosperity, and protection, without molesting or necessarily changing their political relations, national affinities, and forms of government.

No valid reason can be assigned why Mexico and the Central American States, under such a system, should not rival Cuba in the growth and exportation of all the productions of tropical climates, and in the expansion of her foreign commerce, and the consumption of imported articles.

The returns from the islands, excepting Cuba, are not given in detail, but the aggregate population is stated at 2,497,154, and their imports at \$41,813,262, and exports at \$37,188,283, averaging \$16.74 per capita of imports, and \$14.87 of exports, and making a total foreign commerce of \$79,001,545, which is about five times greater than of Mexico, and nearly one-half less than that of Cuba, in proportion to population.

These figures show the vast importance and inestimable advantage to our commerce, navigation, manufactures, mechanical and agricultural interests; of a uniform system of commercial regulations and reciprocal trade between the United States and our southern neighbors.

The Canadian Reciprocity Treaty was an important step towards the adoption of a liberal commercial system in America. It was but one step, however, in the right direction, and falls very far short of what the interests of both countries demand. Instead of being limited to a brief list of specific articles, the growth and production of the two countries respectively, and the right to navigate the rivers St. Lawrence and St. Johns, and to use the canals connecting the lakes with the Atlantic, for certain purposes and for an uncertain period, it should have abolished all the custom-houses and removed every barrier to the freedom of trade, transit, and intercourse between the United States and the British Possessions in North America, and have guaranteed the permanent use of all the rivers, canals, railroads, and lines of communication in both countries on terms of perfect equality to the citizens and subjects of each.

The impolicy, not to say absurdity, of maintaining a line of custom-houses along the Canadian frontier is made apparent by the official returns to the Treasury Department, showing the amount of revenue collected and the cost of collection at each of the Ports on the Lakes and at the various points on the boundary between the two countries. It appears from the tables accompanying the letter of the Secretary of the Treasury to the House of Representatives, June 16th, 1860, communicating certain reports in reference to the operations of the Reciprocity Treaty, that the cost of collecting the revenue at all the custom-houses on the Canadian frontier exceeds the aggregate amount collected by the sum of

\$189,730 for the four years ending with 1859. The sums are given in detail, as follows, at each Port: Genesee, total amount of receipts collected \$1,907, and expenses of collecting \$54,884. Niagara, receipts \$18,481, and expenses of collecting \$49,312. Buffalo Creek, receipts \$15,467, and expenses \$43,048. Oswegatchie, receipts \$15,033, and expenses \$32,548. Champlain, receipts \$42,131, expenses \$52,652. Cape Vincent, receipts \$5,936, cost of collection \$26,336. Resque Isle, (Eric,) receipts \$18, expense of collection \$4,424. Miomi, receipts \$190, expenses \$14,532. Fondres Bay, receipts \$89, expenses \$14,732. Cuyahoga, (Cleveland,) receipts \$9,103, expenses of collection \$22,312. Detroit, receipts \$63,752, expenses \$58,032. Sackets Harbor, receipts \$16,609, expenses \$17,828. Chicago, receipts \$27,429, expenses \$48,872, and at Milwaukee, receipts \$63,614, expenses \$23,260. Making the total receipts at all the custom-houses on the Northern Lakes and Canadian frontier \$288,508, and the expenses of collecting the same \$478,238, and showing that the cost of collection exceeded the total receipts \$189,730.

Nor is the excess of expenses over the total amount of receipts the chief objection to this system of interior custom-houses and commercial restrictions. The loss of time, annoyances and vexations in being compelled to stop goods *in transitu* and subject them to examination and perhaps forfeiture for non-compliance with some useless but arbitrary regulation on each side of every boundary line between the seaboard and the point of destination, give rise to discontents, disputes, and collusions, alike injurious to commerce and unfavorable to friendly intercourse between contiguous countries. Some idea of the extent of the inconvenience and annoyance to which American vessels are subjected in consequence of being required to clear and enter at the various Canadian ports may be formed from the following official

"Statement of the Canadian and American tonnage, inwards and outwards, at the undermentioned ports, showing the intercourse exclusive of ferryage by inland navigation between Canada and the United States during the year 1859," which is taken from the official publication of "Tables of Trade and Navigation," of that year:

Number of American steam vessels arriving in-ward.....	4,844
Number of American sail vessels arriving in-ward.....	3,160
Number of American steam vessels departing....	4,537
Number of American sail vessels departing.....	3,115
Total arrivals and departures.....	15,656

The aggregate tonnage of these American vessels was 4,682,394, while the aggregate tonnage of all the Canadian vessels engaged in the same trade was only 2,353,936.

It appears from the same official returns that the total foreign commerce of Canada for the year 1859 was \$58,322,142, of which \$24,766,981 were exports, and \$33,555,161 were imports. Of these imports, \$17,592,416 came from the United States, and \$14,786,084 came from Great Britain, and only \$1,176,161 from all other countries, including the other British colonies. Of the exports, \$13,922,344 came to the United States, and only \$10,844,537 went to all other countries. From these statements it appears that of the \$58,322,142 of Canadian foreign commerce, \$31,515,260 was carried on with the United States, and only \$26,806,882 with all other countries, Great Britain and her other colonies included.

These facts are submitted without comment as being sufficient to demonstrate the great importance and reciprocal advantages of a Commercial Union by which

there shall be established entire freedom of trade, navigation and intercourse between the United States and the Canadas.

Partial returns from the other British provinces in America seem to justify similar conclusions as to them.

FINIS.