OUR RELATIONS WITH NEW GRANADA.

Letter from Ex-President Mosquera in Reply to Pierce's Message.

The circumstance of my presence in New York affords me the opportunity of treating the relations of the two nations in view of the message of the President of the United States to the American Congress, in which official document are presented the questions that had arisen between the two countries in an erroneous manner, and with a misapprehension of the facts.

My position as a public man in New Granada, being at the present time a Senator of the republic, and the officer elect to exercise the executive power in case of the death or resignation of the actual Executive imposes upon me the duty of defending the national right, and of presenting to my country, to the United States, and to the whole world, the facts as they exist, and the questions from their true point of view.

The circumstance of my having been the President of the republic from 1845 to 1849, during which time the treaty of peace and amity with the United States was made, enables me to treat the question, presenting a retrospective view, in order that it may be seen in its true light and exhibiting on which side justice lies in the present political emergency.

The United States had not been able to obtain from New Granada a new treaty of commerce and friendship after the expiration of that made with Colombia, on the 3d of October, 1824, exchanged at Washington on the 2 th day of May, 1825, and expiring in twelve years, as stipulated by the first clause of the 31st article, or on the 27th of May, 1837. For nine years New Granada sustained the principle of differential duties, which was rejected by the United States, for which reason a new treaty could not be made, and the American Minister had not been able to obtain any concession. While in charge of the Executive power as President of the republic, I adopted a different course, and deemed it necessary to abolish the differential duties. With this object I proposed, during a conversation with Mr. B. A. Bidlack, Charge d'Affairs for the United States, the negotiation of a treaty, in which the differential duties should be abolished, and that we should enter upon more intimate relations with the American republic. Mr. Bidlack received with pleasure and surprise my intimation, for so far was he from hoping to obtain this, that he had not full powers to make a treaty. I intimated to him that the Secretary for Foreign Affairs, Sor M. M. Mallarino, now vested with the executive power, as Vice President, was already authorized to confer with him privately, in order to avoid complications with other diplomatic representatives, who availed themselves of their position in the country to prevent New Granada from abolishing the differential duties.

I had in view a higher object, which was the construction of an inter-oceanic railroad on the Isthmus of Panama, for the service of the commerce of the world, and for this purpose had directed the New Granadan Minister in France and England, that he should propose to those governments a treaty guaranteeing the neutrality of the Isthmus and the sovereignty of that territory. I proposed the same to Mr. Bidlack, and the Secretary for Foreign Affairs drew up the proposition contained in the 35th article of the existing treaty. It was not till that proposition had been accepted that a contract for a railroad at Panama was made with a French company, represented by Mr. Mateo Klein, and the administration asked for the passage of the second article of the legislative decree of 8th of June, 1847, authorizing it to transfer that privilege to any other company, if the French company did not carry it into effect. Under this authority, I directed that the affair should be transferred from the New Granadan Legation in France to the one in the United States, as the American government had approved the conduct of its representative, Mr. Bidlack, in negotiating the treaty with New Granada. This treaty, proposed and signed by the administration over which I presided, for the purpose of drawing closer the relations between the two republics, was accepted without other variation than the wording of the 1 to 5, 7, 8, 10, 13, 15 to 24, and 27 to 33 articles, which, although the articles proposed treated the same matters, Mr. Bidlack desired should be worded as in similar articles in the treaty of the 6th December, 1825, between the United States and Central America, to which I had no objection, as the manner of wording only was treated. The members of Mr. Polk's administration, Mr. Marcy, the present Secretary of State, and Mr. Buchanan, the future President of this republic, well know the history of this affair and what was the friendly feeling of New Granada toward the United States, which should not be forgotten in the history of the foreign relations of a country, the more so, as the views which animated the two governments had a much more elevated range than the narrow circle in which they are now viewed by the President.

The Mexican war prevented the ratification of the treaty by the Congress of 1846–7, the approval by the Senate being wanting, and antagonistic views existing on the part of other governments, which desired that the treaty should not be approved by the United States. I deemed an extraordinary mission necessary and General P. A. Herran was appointed Envoy Extraordinary and Minister Plenipotentiary, to urge the approval of the treaty, and to stimulate the formation of a company for the construction of the railroad between the two oceans on the Isthmus of Panama. Happily, in the Senate of the United States there were members who were sagacious, and who saw the importance of the question. A contract was made with W. H. Aspinwall, John Lloyd Stephens and Henry Chauncey, by General Herran, on the 26th of December, 1848, which I approved as President of the Republic, and I asked for the law passed on the 12th of June, 1849, which was approved by the administration that succeeded mine in that year, after the exchange of the treaty of 1846, on the 10th of June, 1848, approved by the Granadian Congress and ratified by the American Senate.

I have made this simple but important relation, to prove, first, that the loyal course of New Granada, promoting the general interest of both nations, is of much value in questions of policy, and does not merit the unworthy manner in which the Granadian people have been treated by some of the agents of the American government. Second, that no one can better know the stipulations of a treaty than those who have made it, and third, that in entering upon the question in order to dispel before my own countrymen, the citizens of the United States, and the civilized world, the errors in the President's message, I possess the requisite data.

As a Senator of the republic of New Granada, I shall raise my voice before my countrymen to defend our national rights, to do justice to just claims, and to show that since 1855 I had foreseen the course of the 15th of April, 1856, for I knew how affairs were managed at Panama.

The question must be divided into two parts: 1st, That which has reaction to the foreign affairs of the two nations; and, 2d, The question peculiar to the Panama Railroad Company.

Before doing that, I have to set forth other antecedents, as the affair is too complex to be treated entirely separate.

While the Panama Railroad Company was carrying on its work the rich gold mines of California were discovered, and the Isthmus became the scene of transit between North America and Europe and California, the country was invaded by an immense immigration, and the golden wealth of California brought to Panama and Chagres man and money. It attracted not only useful men, but also a great number of evil doers from all nations, for the purpose of plundering and becoming rich. The ancient morality of the Granadian people was the only bar that prevented disorder. Notwithstanding the adventurers that went from diverse places commenced to create confusion by opposing the authorities of the country, and there were established in the Granadian territories, villages and hamlets of foreigners who violated the laws, and claimed for themselves the right of executing justice. From that time men who had neither charity nor Christian principles, used their firearms against the unarmed colored inhabitants of the isthmus, in the belief that the killing of a negro was the same as shooting a monkey. These men were not restrained by the example of the large number of well behaved persons who, in their transit through Panama, were useful to its interests. The evil disposed were joined by others, bloods who came from Jamaica, Saint Domingo and other islands, and from the Atlantic coast of New Granada; and relationship soon began between whites and blacks.

To relate now the history of the six years that have passed on the Isthmus of Panama would be to present the most ominous picture of the crimes committed, almost always instigated by evil disposed foreigners. The passions became daily more excited. In May, 1850, several Frenchmen attempted to do themselves justice by investigating a robbery; and when they were about to punish the suspected criminal, it was reported that they were about to hang him, which produced a tumult similar to that of the 15th of April, 1856. Fortunately, I happened to be in Panama, and being informed of the affair, I went to sustain the Governor, and was enabled to prevent greater evils by affording protection to the transient persons and residents of Panama. The thieves who had congregated on the Isthmus from different points threatened the transit of treasure, and knowing the importance of safety to the inter-oceanic trade, I obligated myself to the insurance companies to protect the treasure, and my obligations were fulfilled.

In 1851, an Irish gentleman and others, Americans and foreigners, undertook to make a revolution in the country, and to establish a government of their own; the British consul, Mr. Perry, and the American consul, Mr. Corwine, feared that their houses would be sacked by those people, and they asked for protection from Governor Obando. Being at that time on the Isthmus, the Governor placed the limited force there under my orders, and the disorder was suppressed and security given to the foreign treasure.

The Panama Railroad Company were not able to compete their road for want of hands, and the hundreds and thousands of foreigners it carried there at the beginning, here in the greater part, victims to the inhabitants of the deleterious climate of the virgin forests of the Isthmus, when Mr. Totten indicated to it the only method of carrying out the enterprise by bringing native of New Granada from the provinces of Cartagena and Santa Marta. These were the useful laborers who constructed that road—Mr. Totten being assisted by the good offices of General Joaquin Posada Gutierrez, who constantly supplied the work with hands till the conclusion of the first Isthmus route open to the commerce of the world.

The Isthmus transit being opened from one sea to the other, Panama lost the only advantages its inhabitants obtained from their position, which were the transit freights. The concessions made by the government and the inhabitants of lands for the road-way and stations, the greater part gratuitous, and the other at a small cost, sought no indemnity to the inhabitants of Panama. The concession made by New Granada in collecting no transit duty on goods passing through her territory, is not appreciated. And because she has abolished all import duties on the Isthmus, in order not to molest the trade, although the manner of proceeding in the collection such duties is expressly stated in the contract with the Railroad Company, it is now assumed that New Granada has no right to impose duties. All this is worth much more than the guilty indemnity of the portion that corresponds to the republic for the rights she has as sovereign of the territory. In another place I will further elucidate this point in reviewing each of the four which the President has touched in the Message.

The Message states that "the government of that republic undertook, a year since, to impose tonnage duties on foreign vessels in her ports, but the purpose was resisted by this government, as being contrary to existing treaty stipulations with the United States, and to rights conferred by charter upon the Panama Railroad Company, and was accordingly relinquished at that time, it being admitted that our vessels were entitled to be exempt from tonnage duty in the free ports of Panama and Aspinwall."

This is an error. The State of Panama enacted a tonnage law, not the Congress, which alone has power to regulate foreign trade in New Granada, as in the United States, and for this reason, and not because of reclamations of the American government, that law was annulled, which at once cut off the question which had been raised by the government of the United States. These antecedents will be found in the records of the Senate here, and in those of the Congress of New Granada.

The Congress of New Granada subsequently enacted a general law regulating for the entire republic the tonnage duties, and derogating the former laws which abolished these duties in the free ports of Tumaco, Buenaventura, Carthagena, Panama, Montijo, Bocas del Toro, Chagres and Colon, (Aspinwall). Upon what article of the existing treaty does the President found his supposition that this law of tonnage dues is contrary to the treaty? There is no such stipulation; on the contrary, the thirty-fifth article stipulates, among other things, as follows:—"The government of New Granada guarantees to the government of the United States that the right of way or transit across the Isthmus of Panama, upon any modes of communication that now exist or may be hereafter constructed, shall be open and free to the government and citizens of the United States, and for the transportation of any articles of produce, manufactures or merchandise of lawful commerce belonging to citizens of the United States; that no other tolls or charges shall be levied upon the citizens of the United States, or their said merchandise, thus passing over any road or canal that may be made by the government of New Granada, or by the authority of the same, than is under like circumstances levied upon and collected from the Granadian citizens."

The article above extracted says that New Granada guarantees the right of way or transit. This is clearly and expressly the right or power of passing over the road or roads that may be made on the Isthmus; and the meaning of conceding a person right of transit is clear, as under the law of nations which defines the rights and prescribes the duties of nation in their intercourse with each other, it is known that the sovereign of a country may concede or deny to foreigners the right of transit or residence. The same article in the above extract limits the right of imposing tolls or charges on the transit to the term that they shall be also common to Granadians. It is consequently clear how this right of tolls and charges is to be understood, and these words have an ample signification in Spanish as in English; "tolls," meaning "a tax paid for some liberty or privilege;" and the meaning of "charge" in this case is even more express, it being "the act or law on to impose as a tax."

The same article of the treaty stipulates that import duties may be collected in the country, and that goods which may have paid them, shall be entitled to draw back upon their exportation. This directly proves that New Granada has the perfect right to impose duties on goods passing over the railroad, with the stipulation that they shall also be paid by Granadians. The question with the company I will treat in another place, as the international question is first. The 35th article also establishes the mode of collecting export duties and regulating commerce, always under the supposition of paying fiscal duties, and refers to the articles which abolish the differential duties; and the article concludes by stipulating that the United States in return for these concessions will guarantee to New Granada the neutrality of the Isthmus and sovereignty of the territory, which are the only guarantees it derives from the stipulations. These stipulations were made by New Granada with a liberal feeling towards the commerce of civilized nations, and that she might enjoy under them the advantage of exporting the products of the southern and western provinces of the republic, which is the only advantage the country can have in carrying on her trade through the route; and to obtain this, she has first to construct other roads from the interior to the coast of the Pacific. Throughout the treaty, the reciprocity of favors is extended equally to the United States and New Granada—that is to say, so their citizens, passengers, vessels, merchandise and correspondence.

I will now pass to the second question—the law in regard to postage to be collected on the mails and correspondence of the United States. The Message says the tax or contribution demanded is more than three dollars on every pound of mail matter transported across the Isthmus of Panama. The law itself stipulates only that the letter mails shall pay on crossing the Isthmus the same as is now paid by Great Britain, according to the convention of that government with the republic. The law is a general one for foreign mails crossing the Isthmus in closed bags, that is to say, over any road over the Isthmus and not only by the railroad. This exactment, which is contained in the 21 article of the law of 15th of April, 1856, is in accordance with the law of 7th of June, 1850, which authorizes the executive power to permit, between the ports of Panama and Chagres, (now Colon,) and Panama and Portobello, and vice versa, the transit of closed mails carried by special messengers, it being the duty of the executive to obtain the greatest possible advantages for the state.

The law was approved only three days after the approval of the contract with the Panama Railroad Company, and was never objected to by its agent, Mr. Stephens, who was in Bogota at that time; it is also in accordance with the 5th article of the law of 24th of April, 1845, which directs the collection of a postage of three cents on every letter not weighing more than half an ounce, and twenty five cents for each ounce, and so on in proportion. So that the new law reduces the postage from twenty-five to twenty cents per ounce. The same law exacts by its 6th article, that all correspondence crossing the Isthmus shall pass through the Post Offices, as a contravention of the law, a fine of quadruple the postage. The 25th article of the privilege conceded to the Panama Railroad Company stipulated as follows:—

All the correspondence which may arrive from the territory of the republic or from foreign countries, to be transported over the railroad, whatever may be its destination, shall indispensably pass through the post offices of New Granada, which shall open with the company an annual account of postage in order to compute with share of profit which may belong to New Granada, in conformity with the arrangement in the thirteenth article of this contract, and in order to guard against any fraud in this respect.

The 34th article does not treat of the fiscal duties upon the mails, according to the laws I have cited, but of their transportation. The literal meaning of this article was held in view by Congress in passing the law of 15th of April. I will treat this question as it relates to the Railroad Company in another place. What ground, therefore, has the President in stating that the treaty with the United States has been infringed? Surely none.

The message supposes that the aforesaid law levies a tax of more than three dollars on every pound of mail matter transported across the Isthmus, which would amount to nearly two millions. The convention with England stipulates in its 14th article, that the letter and newspaper mails shall pass in closed bags through the Post Offices; and the 20th article of the same convention stipulates that the letters contained in the mails shall pay a transit duty of two rials (twenty cents) for each Granadine ounce. The Granadian pound weighs 7,717 grains, and the American pound 7,000 grains; therefore they pay only twenty cents for each 482 5-16, English grains; that is to say, estimating the difference between Granadian and American money at four per cent, two dollars and sixty-nine cents per pound on the letters only, for printed matter and the mail bags to pay nothing at all. Supposing that there passes the Isthmus yearly 2,968,681 letters, as stated in the official data published in the American Almanac of 1856, which may be estimated at 583,333 ounces, these at the rate of twenty cents an ounce would make the duty amount to $117,957 20, and not to two millions of dollars.

The Granadian Congress could not impose a less duty than that she collects from Great Britain, and her Senators and Representatives never doubted that she was exercising her perfect right. We had also in view the fact that the United States collects here from New Granada, because she has no postal convention, as the American law says, 30 cents for every letter to Chagres or Panama, 24 cents to Carthagena, and 28 cents to Bogota and Buenaventura, besides 8 cents for every newspaper sent, and 4 cents each for those that come from there; while to New Granada letters from the United States pay only 18 cents, and printed matter nothing. The American government is right in doing this, because there is no postal convention, and New Granada is also right. If the United States will make a postal treaty all this can be arranged; but do not tell us that we infringe a treaty that does not exist, and that we wish to collect two millions of dollars. The foreign postage law was not enacted solely for the United States; but it is a general law for mails passing the Isthmus in order to provide for a time whereveth to meet the expense of a public force to maintain the safety of the Isthmus transit.

A statement has been published in the official *Gazette* of the Granadian government that a new postal convention is being negotiated with Great Britain, reducing the postage on letters; and by an existing law of the republic these advantages may be extended to other nations, and a mutually advantageous treaty may be made with the United States—the more so that New Granada entertains eminently liberal principles with friendly nations, which is well known to the American government, and of which I will cite an example.

New Granada made a postal treaty with the United States on the 6th of March, 1844, for mails sent in vessels of war, which might be established by the American government, stipulating that the mails should be transported across the Isthmus for thirty dollars a trip, if under one hundred pounds in weight, and twelve dollars for each additional one hundred pounds. The American government did not establish packet vessels of war; and when the trade with California opened it contracted the transportation of the mails by steamers that were not vessels of war, and straining the interpretation of the 6th article, demanded that New Granada should transport the correspondence according to the existing convention. In doing this it recognized that the right of passing the mails was subject to postal conventions after the treaty of 1846, exchanged in 1848. The republic was obliged to pay the high freight for canoes and mules, which obtained on the Isthmus transit from 1849 to December, 1851, and the exhausted treasury of New Granada paid, while that stipulation lasted, more than eighty thousand dollars over and above the sum received from the United States for the service performed. This fact proves how far New Granada has carried her good feeling for the United States, and how unjust the President is in his message, and in the menacing tone with which he says he will resist the execution of our laws.

The American government has no right to intervene in our questions with the Panama Railroad Company, while the company does not comply with the 35th article of its charter, which stipulates that controversies that may arise shall be determined by the magistrates according to the laws of New Granada; and that no intermediate of any authority or functionary other than those legally established with jurisdiction in New Granada shall be allowed. And this is more notable in the 36th article of its charter, which enacts that the interpretation of its clauses shall be in the sense most favorable to the company. The company has openly infringed the 23th and 29th articles. It has not complied with the 35th article, to maintain in Panama a representative, with powers sufficient to act in its name in all cases where it may be necessary, which it did not have on the unfortunate 15th of April; it would have been most important had such an agent been present in that unhappy affair. These are infringements, and the stipulations cited are clear, showing that the President has not taken a comprehensive view of all the questions in addressing Congress, and in authorizing American citizens to resist the laws of the country, without previous friendly and prudent discussion, and after having observed the stipulations of the 4th and 5th clauses of the 35th article of the treaty.

Closing here my remarks on the postage and tonnage laws, I will proceed to examine the disagreeable question of the affair of the 15th of April, 1856.

Having shown what has been the situation of Panama since 1849, omitting a narrative of all the excesses committed, always begun by some adventurer of either nation, it is not strange that I anticipated a collision between passengers, who insulted and ill-treated the colored population. Though many might indolently bear blows, stripes, and other insults, there were others ungovernable, who returned insult for insult, for which reason, and the knowledge I had of the country, I supported on the floor of Congress in 1855, the opinion of General Herran, then Secretary of War, that a garrison should be maintained in Panama. Two laws were passed in that year, and in the last 180 men were set down as a permanent force in Panama, against the opinion of the radical party which contained the abolition of a standing army. This act of Congress proves that it wished to maintain the safety of the Isthmus. The tranquility that reigned in the country induced the new Secretary of War, against the opinion of us who asked for a garrison, not to send it, but to confide the security of the Isthmus to its police. When I passed through Panama in August, 1855, I advised several members of the State Legislature to ask for the garrison accorded by law, which they did; but the government deemed that public order could be well maintained by the police and national militia of the Isthmus. Under these circumstances came the unfortunate 15th of April, and according to the information which I obtained while passing over the Isthmus in September last, I learned that, stripped of the acrimony with which it has been related by persons interested in magnifying it, it is follows:

An American, whose name has been published in California papers, disputing with a colored man, fired a pistol at him, and then commenced a fight between the two. Each had friends that took part in the tumult, and the conflict became general between those who had taste for such affairs, while the voice of men of reason was overborne. The Governor was called, and when he arrived at the scene of tumult, he, and those accompanying him, were fired upon from the railroad station; Mr. Fabia, a clerk of the American Consul, and Senor Obarrio, a citizen of Panama, were wounded, and a ball passed through the hat of the Governor. The Governor ordered the Chief of Police to occupy the station house, using force if he was fired upon, and this gave rise to the prolonged tumult, during which eighteen persons became victims, who have not been identified because of the confusion, and of the departure of the passengers for California. This ominous affair, like those of Chagres and Panama in 1850, has taken another character from the manner in which the Consul, Mr. Ward, has conducted, embittering it on his side; and from the neglect of opportune measures on the part of the authorities, who found themselves impotent during the disorder.

Unfortunately, the invasion of Nicaragua by Walker had given rise to alarm among a part of the people of the country, and it was stated that the filibusters were about to invade the Isthmus. Idle persons who had come to settle in Panama, with perhaps evil intentions, circulated a rumor about that time that the invaders were among the transit passengers, and they excited the negroes by telling them that they would be returned to slavery. This miserable intrigue among an ignorant people has produced its ill effects, and it has required great exertion to remove this impression, and prevent the establishment of a popular error which might bring new disasters.

Such are, in short, the facts which have been closely and conscientiously explained by Senor Pombo, the Secretary of Foreign Affairs, to the American Minister at Bogota. It would be too long to enter here upon a discussion, point by point, of this matter, and what I have said states it clearly.

When the first advices reached Bogota I took occasion to say, as a Senator, during a conference of the two houses of Congress, that the nation and the government were under the necessity of remedying these evils, and doing ample justice in the matter, in order to avoid international questions. I was contradicted by a member of the radical party, when I presented the whole question in, as I think, a clear and conclusive manner. I made similar statements to my friends, the Vice President of the Republic, now acting President, and to the Secretary for Foreign Affairs, and afterwards I sustained a bill for creating a permanent force, to garrison Panama and other points, supporting the Secretary of War, Senor Jaramillo, and deputies who introduced the bill, which was passed by the House of Representatives this year, at the request of the executive power.

All this shows that Congress and the executive power have had, and have a wish to be just; and while the limitations of a democratic republic debilitate executive action, the affair should not be precipitated to a solution, when also we have proved a voluntary desire to arrange it amicably. With this object the executive power directed the return from Costa Rica of General Herran, and that he might explain to the government of the United States, hoping always that the wisdom of the members of the American Congress would justly interpret our desire to maintain peace and the friendly relations so long since established between the two nations.

I acknowledge that the national honor, and a sentiment of justice on the part of the Granadians, compress and the executive power, require that a just indemnity shall be made to the sufferers, after examining who they were, of what nations and what their industrial position, but to act in any other way would be to remedy one evil by doing a greater. The victims that a war may bring and its evil consequences can only be tolerated where there is an obstinate refusal of justice. The interruptions of friendly relations between New Granada and the United States would bring fatal results to both countries. If the two nations shall be victims of people ill advised, it is probable that the whole country would become inflamed, and new passions and disorders be created. The interests both of Granadians and Americans require that public questions shall not be unduly hastened at a time when a new administration is about to attain in each country. Why should those who are departing from power leave them as unsatisfactorily settled as they found them? The importunity of the newly elected Presidents, Mr. Buchanan and Senor Ospina, both enlightened and true republicans, whose public lives are well known, is called upon to examine this affair with coolness and a calm manner. The Congresses of both nations will be in session during the beginning of the coming year, and the member of each will devote an examination of the conduct of their respective administrations. To act in any other manner would be to violate the liberal ideas and the civilization of both Americas.

These thoughts, emanating from an old republican, I trust will be viewed with indulgence by my own countrymen, and by the enlightened members of the American Congress, for whom I write without the presumption of believing myself capable of directing their thoughts; but I make use of this precious freedom common to both countries, to publish what in my view is proper to be expressed. The President himself will do us justice, he will honor me with a perusal of my reply to his message.

Closing here my remarks upon the purely international questions, I will now give a rapid glance at the complaints of the Panama Railroad Company, to which the message alludes.

I presume that the directors of the company have laid their claims before the American government, in view of the fact that the message states that the charter of the company has been infringed.

I have already stated that the company, if it has any claim to make, must apply to the executive power and to the tribunals of New Granada, without the intervention of any other authority, as is stipulated in the 36th article of its charter, laying down the manner of proceeding. A violation of this article makes it responsible for the consequences, and they will fall upon the company. It has openly infringed the 28th, 29th and 35th articles of its charter in not delivering the American mails so, and receiving them from the Post offices; and in not maintaining a resident agent with full powers in Panama.

The 28th and 29th articles treat only of the transportation of the mails, and not of the fiscal duty which may be imposed by the republic, as sovereign of the territory; and for this reason the 36th article states that the executive power shall at all times determine what foreign nations shall be permitted to transport their correspondence by the Isthmus, and codes to the company the right to make special contracts for their transportation, but concludes with the stipulation that this power to make contracts shall not be opposed in any manner to existing contracts with any nation or nations. What existing contracts are those? The only one at that time was with the United States, by which New Granada agreed to carry the American mails across the Isthmus for thirty dollars if under one hundred pounds in weight, and for twelve dollars for every succeeding hundred pounds, or fraction thereof.

During the discussion in the Granadian Congress of the postal law of the 15th April, 1856, before the disturbances of Panama were known, and in order to cede to that State a part of the income, that it might have resources wherewith to maintain public order, the proceeding laws and the charter of the railroad were examined, and the right of the company to make the contracts for transportation was not infringed. I have already stated that its former President, Mr. Stephens, while in Bogota soliciting new concessions for the company, which were conceded, never opposed or protested against the law of 7th June, 1850, which authorized the executive power to make contracts with other nations for the passing of closed mails, securing the greatest possible advantages for New Granada. This law is in accordance with the 36th article of the charter, which says that at all times the Executive power shall determine what foreign nations may pass their correspondence by the Isthmus.

If the company thinks itself entitled to an interpretation more favorable to itself, let it apply to the Executive power, setting forth its reasons; and if justice is not done to it, then to the Supreme Court, which is designated by the Constitution and the Granadian laws to determine such points, which would be done, having in view the stipulations of the 36th article of the charter, which are favorable to the company.

So far as regards its opposition to the tonnage law, it has not the slightest foundation, nor is there in the charter any article referring to ships, or to the supreme authority which the nation has over its foreign commerce; on the contrary, the 34th article, which treats of import duties, establishes the manner of their payment upon goods for consumption, and the 32d article stipulates, that the company shall not pay import duties upon the effects it may bring, while the 33d and 34th articles exempt from all duties persons and effects passing over the railroad. It cannot be said that the vessels which arrive at the ports are effects that pass over the railroad, and it is left to the judgment of the executive power to determine what is necessary for the railroad and its appurtenances.

No one is more deeply interested than the railroad company in the preservation of order on the Isthmus, and a serious dispute between New Granada and the United States would bring ruin to the company. Hostilities once begun, the rights of war include the right to obstruct the roads, whereby the enemy may pass. If such an unfortunate event should occur, the company would lose the Transit route, its shares would become worthless, and it would be very difficult to replace the works. Barbarism would come over the Isthmus and these fatal consequences, though ominous to American commerce, would be unfortunate and terrible for New Granada, who would behold the wild desert of Darien extended to Panama. The mind is pained to contemplate such great misfortunes, but they are possible, and Heaven forbid that my foreboding be fulfilled, for that would be the crowning misfortune consequent upon the lamentable 15th of April.

The duty of the Panama Railroad Company is to cooperate with the government of New Granada for the friendly solution of these questions, and to rightly estimate their pecuniary advantages, without endeavoring to embitter the state of affairs.

The questions have become sufficiently embittered by the improper reports of some of its employes, and it should only listen to those who are prudent and moderate, and it has such who are very estimable. It is not mine to individualize them, for that would be an abandonment of the position I hold in my own country, and particularly on the isthmus, where I am at present Vice-Governor of the State, by election of the Legislature for the present constitutional term.

THOS C. DE MOSQUERA.

NEW YORK, Dec. 5, 1856.

WHEAT IN EAST TENNESSEE.—The Knoxville Whig states, that from the personal observation of its editor and others, it is thought that from the amount of wheat sown, and its present fine appearance, that there will be more than three millions of bushels produced in the thirty counties of East Tennessee the next season, should continue favorable.

The French Railroad Case.

SUPREME COURT—SPECIAL TERM.

Before Hon. Judge Davies.

DEC. 20.—*In the matter of Felicité Debud and Eugene Grelet, Charged with the Alleged Fraud on the Northern Railway of France.*—The counsel of the defendants presented the draft of an order for settlement, in terms that the motion to vacate the order of arrest was denied as to the defendants, Louis Grelet and Auguste Parot, and that the defendants Eugene Grelet and Felicité Debud should be discharged out of custody. The counsel of the plaintiff objected to the order for, among other reasons, that, it did not impose on the defendants, Eugene Grelet and Felicité Debud, the condition that they should bring no action against the plaintiffs for false imprisonment. The defendants' counsel contended that the motion was made to obtain a strict legal right and not to be discharged as a favor, that his honor, in delivering his opinion on the motion, had stated that "in reference to the defendant, Eugene Grelet, I am unable to find any fact alleged against him establishing his complicity in the fraud." And again, "I have looked in vain through the papers for any fact connecting the defendant Debud with the property of the plaintiffs, or with the frauds practised upon them. None of their property has been traced into her possession, nor is it shown that she ever had any of it or the proceeds of any of it." That these defendants being thus acquitted of all cause for arrest, were entitled as of right to be absolutely discharged, and that it was not in the power of the Court to annex any condition to it.

His honor observed that the practice of annexing such conditions was of very frequent occurrence as well in the Supreme as in the Superior Court; that he would consult with his brethren on the point, and look at any authorities the counsel had to establish their position.

Counsel then handed up a brief of the authorities, and the matter stood over.

The Fur Trade in Minnesota.

[From the St. Paul Advertiser.]

Four or five years ago the fur trade was the paramount commercial and industrial interest of the Territory. Two or three years further back, and it was not only the paramount but the sole business interest. The population of the Territory was composed almost entirely of its employers and attaches. St. Paul derived its whole importance (a small importance then) from being the depot of the Winnebago and Chippewa outfits—while Mendota, the seat of the Sioux outfit, gave laws to the immense region occupied by the Dakotas, and chains of trading posts as far as Lac qui Parle on the Minnesota, and Pembina on the Red river, held the whole country like a dependant child at the feet of those magnates of the principal agencies of Pierre Choteau, Jr., & Co. The profits of the fur trade even then had begun to decline. The influx of a white population consequent upon the establishment of a territorial government—the increase of competition in the Indian trade, concurring with the gradual decrease of its products, and causes that lay beyond them, and that have been gradually but surely promoting the decline of the Western fur trade in general—all contributed to weaken the efficiency of the Fur Company's organization in our Territory—and to render it undesirable to maintain its expensive establishments any longer than was sufficient for settling its affairs. It has accordingly had no practical existence since the consummation of the Sioux treaty in 1852, from which the traders received a parting token of several hundred thousand dollars in payment of the accumulated back debts of some thirty years. Since then the trade has been carried on entirely by private individuals, foremost among whom, however, are some of the old traders. Two houses alone, Messrs. Forbes & Kittson, and Messrs. Culver & Farrington, are connected at this time with the fur trade in this city. The disorganization of the Indian trade on the Minnesota river, and the diversion of the Indians from hunting by the pernicious system of annuities, has vastly diminished the productiveness of the fur trade on the Minnesota river.

The trade is almost entirely limited at present to the Pembina or Red river regions, and around the head waters of the Mississippi. The buffalo robes come almost entirely from this source, the buffalo ranges being restricted to the region north of the Cheyenne, and west of the James river. The Minnesota river country has fallen off in buffaloes very considerably—the whole receipts for export from that region not amounting to more than 1,200 robes. This does not include, however, the large numbers reserved for home consumption. The table given below, for which we are indebted to N. W. Kittson, Esq., exhibits the total exports of furs from St. Paul for the present year:—

Animals.	*No Skins.*	*Value.*
Rat	64,391	$11,512 56
Minks	8,276	18,621 00
Martens	1,428	3,570 00
Fishers	1,045	4,702 50
Red fox	876	1,095 00
Cross fox	20	100 00
Silver fox	8	400 00
Kit fox	2,542	1,271 00
Coons	3,409	2,550 00
Wolverines	2,032	3,048 00
Otter	405	1,417 50
Beaver, lbs	586	882 00
Bear	610	6,700 00
Lynx	50	125 00
Buffalo robes	7,500	41,200 00
Total value		$95,780 56

A notable feature of the fur trade for the several years past is the gradual but sure decline of its productiveness—corresponding with a growing demand in Europe and our own country for furs. Each of these causes has assisted the other to enhance the price of furs—and they have grown expensive—and all these causes concurred to lift to a figure last year they never before reached in the American market. Nevertheless, it will not do to calculate surely on last year's prices for the products of the present year, as the consumption of furs is, after all, entirely dependent on the evanescent caprices of fashion.

SALE OF A UNITED STATES ARSENAL IN VIRGINIA.—Bellona Arsenal, with 275½ acres of land attached, in Chesterfield county, Va., on James river fourteen miles above Richmond, was sold on the 18th inst. for $2,650. The arsenal was established in 1816. It was formerly a depot for military stores, and was garrisoned by a company of United States soldiers, but of late years it has been abandoned on account of the unhealthiness of the location. The purchaser has obtained a great bargain, as the materials of the various buildings cost the government not less than $175,000, and could now be made to yield, if transported to this city, about one-third of this sum.

Weekly Report of Deaths,

In the city and county of New York, from the 13th day of December to the 20th day of December, 1856.

Men, 62; women, 76; boys, 129; girls, 106—Total, 373.
Adults, 158; children, 235; males, 191; females, 182; colored persons, 8.

DISEASES.

Apoplexy	5	Fever, typhus	1
Bleeding from penis	1	Fistula of the bladder	1
Bleeding from womb	1	Fracture of the spine	1
Brain, disease of	1	Heart, disease of	4
Bronchitis	4	Hooping cough	5
Burned or scalded	1	Inflammation of bladder	1
Cancer	1	Inflammation of bowels	8
Cancer of the breast	1	Inflammation of brain	4
Cancer of the womb	1	Inflammation of heart	3
Casualties, by falls	1	Inflammation of liver	2
Casualties, by railroad	1	Inflammation of lungs	38
Cholera infantum	3	Influenza	1
Cirrhosis of liver	1	Intemperance	5
Concussion of the brain	1	Liver, disease of	1
Congestion of brain	4	Lungs, disease of	1
Congestion of lungs	9	Malformation of heart	1
Consumption	54	Marasmus, infantile	14
Convulsions, infantile	28	Measles	4
Croup	21	Mortification of old age	1
Debility, adult	1	Old age	1
Debility, infantile	5	Palsy	1
Delirium tremens	2	Parturition, difficult	1
Diarrhœa	2	Pleurisy	1
Dropsy	7	Poison, by overdose of Godfrey's cordial	1
Dropsy in the chest	1	Premature birth	7
Dropsy in the head	12	Quincey, sore throat	1
Dysentery	4	Smallpox	12
Enlargement of heart	1	Stillborn	27
Epilepsy	1	Suicide, by arsenic	1
Erysipelas of the head	2	Suicide, by laudanum	1
Fever, intermittent	1	Teething	4
Fever, puerperal	1	Ulceration of bowels	1
Fever, remittent	1	Ulceration of stomach	1
Fever, scarlet	36		
Fever, typhoid	3		
Total			373

The number of deaths, compared with corresponding weeks of 1854 and 1855, and of last week, was as follows:—

Week ending December 23, 1854	379
" " " 22, 1855	329
" " " 13, 1856	442
" " " 20, 1856	373
Decrease this week	69

RECAPITULATION—DISEASES CLASSED.

Brain and nerves	61	Old age	7
Generative organs	5	Stomach, bowels and other digestive organs	51
Heart and blood vessels	10	Uncertain seat and general fevers	38
Lungs, throat, &c.	134	Urinary organs	2
Skin, &c., and eruptive fevers	51	Total	373
Stillborn and premature births	34		

—Of which 9 were from violent causes.

AGES.

Under 1 year	117	40 to 50 years	26
1 to 2 years	45	50 to 60 years	18
2 to 5 years	51	60 to 70 years	9
5 to 10 years	18	70 to 80 years	8
10 to 15 years	5	80 to 90 years	5
15 to 20 years	12	90 to 100 years	1
20 to 25 years	18	100 and upwards	1
25 to 30 years	17		
30 to 40 years	32	Total	373

NATIVITIES.

British America	1	Italy	1
Denmark	1	Poland	1
England	6	Scotland	1
France	4	United States	259
Germany	23	Wales	1
Holland	1		
Ireland	74	Total	373

PUBLIC INSTITUTIONS.

Almshouse, Blk'ls Island	3	Lunatic Asylum Blkl's Isl	1
Bellevue Hospital	3	Randall's Isl. Nur. Hosp.	4
City Hospital	6	Smallpox Hosp, Blkl's Isl.	4
City Prisons	1	Ward's Isl'd Lmig't Hosp.	15
Colored Home Hospital	1		—
Colored Home Orph