

M E S S A G E

OF THE

PRESIDENT OF THE UNITED STATES,

COMMUNICATING

A report of the Secretary of State, in compliance with a resolution of the Senate of the 17th ultimo, calling for copies of certain correspondence and other papers relative to the republics of Nicaragua, Costa Rica, the Mosquito Indians, and the convention between the United States and Great Britain of April 19, 1850.

FEBRUARY 19, 1856.—Read, referred to the Committee on Foreign Relations, and ordered to be printed.

To the Senate of the United States :

I transmit a report from the Secretary of State in answer to the resolution of the Senate of the 17th ultimo, requesting transcripts of certain correspondence and other papers touching the republics of Nicaragua and Costa Rica, the Mosquito Indians, and the convention between the United States and Great Britain of April 19, 1850.

FRANKLIN PIERCE.

WASHINGTON, *February 14, 1856.*

DEPARTMENT OF STATE,

Washington, February 14, 1856.

The Secretary of State, to whom was referred the resolution of the Senate of the 17th ultimo, requesting the President, if compatible with the public interest, "to communicate to the Senate copies of any correspondence which took place between Daniel Webster, Secretary of State, and the British minister and the minister from Costa Rica, in respect to a *projet* which was submitted to Nicaragua, Costa Rica, and the Mosquito Indians, and a copy of such *projet* with the instructions given to Mr. Walsh, the special agent, deputed by the United States to present that *projet* to the states of Nicaragua and Costa Rica, as also of such other correspondence as may have passed between him and the said Secretary of State on the subject; as also copies of the correspondence with Mr. Kerr, *chargé d'affaires* of the United

States in Nicaragua in reference thereto, together with any correspondence with the government of Nicaragua or its minister, in respect to the same *projet*; and also copies of any letters not heretofore communicated, which may have been addressed to this government by the minister of Nicaragua or the minister of Great Britain, in reference to the construction and purport of the convention between the United States and Great Britain, signed April 19, 1850, and proclaimed July 5, 1850, and of the replies made to them, if any, has the honor to lay before the President the papers mentioned in the subjoined list.

Respectfully submitted.

W. L. MARCY.

To the PRESIDENT.

List of papers accompanying the report of the Secretary of State to the President of the 14th February, 1856.

Mr. Clayton to the Supreme Director of Nicaragua, extract, June 17, 1850.

The Minister of Foreign Affairs of Nicaragua to the Secretary of State of the United States, (translation,) extract, September 10, 1850.

Same to the same, (translation,) enclosures, September 28, 1850.

Same to the same, (translation,) enclosures, November 13, 1850.

Mr. Marcoleta to Mr. Webster, (translation,) February 24, 1851.

Same to the same, (translation,) February 26, 1851.

Mr. Molina to Mr. Webster, March 28, 1851.

Mr. Webster to Mr. Molina, March 31, 1851.

Mr. Marcoleta to Mr. Webster, (translation,) enclosures, May 7, 1851.

Mr. Molina to the same, enclosures, May 8, 1851.

Same to the same, May 8, 1851.

Mr. Marcoleta to Mr. Webster, (translation,) enclosure, June 3, 1851.

Mr. Webster to Mr. Kerr, June 6, 1851.

Same to the same, June 6, 1851.

Mr. Webster to Mr. Molina, June 10, 1851.

Mr. Molina to Mr. Webster, enclosure, June 21, 1851.

Mr. Marcoleta to Mr. Webster, (translation,) October 30, 1851.

Mr. Webster to Mr. Marcoleta, November 11, 1851.

Same to Mr. Kerr, November 20, 1851.

Mr. Molina to Mr. Webster, November 20, 1851.

Mr. Webster to Mr. Molina, November 25, 1851.

Mr. Marcoleta to Mr. Webster, (translation,) December 5, 1851.

Same to the same, (translation,) enclosure, March 5, 1852.

Mr. Molina to Mr. Webster, April 6, 1852.

Mr. Webster to Mr. Molina, April 8, 1852.

Mr. Molina to Mr. Webster, April 9, 1852.

Mr. Webster to Mr. Molina, April 15, 1852.

Mr. Molina to Mr. Webster, April 19, 1852.

Mr. Marcoleta to the same, (translation,) enclosure, April 21, 1852.

Mr. Webster to Mr. Walsh, extract, April 29, 1852.

Bases of a convention for the settlement of differences between Nicaragua and Costa Rica, proposed by the United States and Great Britain, April 30, 1852.

Mr. Webster to Mr. Kerr, April 30, 1852.

Mr. Marcoleta to Mr. Webster, (translation,) May 2, 1852.

Mr. Hunter to Mr. Kerr, May 4, 1852.

Same to Mr. Walsh, May 4, 1852.

Mr. Hunter to Mr. Molina, May 5, 1852.

Mr. Molina to Mr. Hunter, May 8, 1852.

Mr. Hunter to Mr. Kerr, May 13, 1852.

Mr. Hunter to Mr. Molina, May 19, 1852.

Mr. Walsh to Mr. Webster, May 28, 1852.

Same to the same, June 11, 1852.

Same to the same, enclosures, June 25, 1852.

Mr. Kerr to Mr. Webster, extracts and enclosures, July 28, 1852.

Same to the same, extracts and enclosures, July 30, 1852.

Mr. Molina to Mr. Hunter, August 6, 1852.

Mr. Webster to Mr. Molina, August 12, 1852.

Mr. Walsh to Mr. Webster, August 15, 1852.

Mr. Kerr to Mr. Webster, extract and enclosures, September 2, 1852.

Mr. Marcoleta to Mr. Conrad, (translation,) October 16, 1852.

Mr. Kerr to Mr. Webster, extract, October 27, 1852.

Mr. Conrad to Mr. Marcoleta, October 28, 1852.

Mr. Marcoleta to Mr. Conrad, (translation,) November 2, 1852.

Mr. Molina to Mr. Everett, November 11, 1852.

Mr. Molina's project, November 17, 1852.

Mr. Walsh to Mr. Everett, extracts, November 19, 1852.

Mr. Kerr to the Secretary of State, extract, January 13, 1853.

Mr. Molina to Mr. Marcy, September 26, 1853.

Mr. Marcy to Mr. Molina, October 14, 1853.

Mr. Marcoleta to Mr. Marcy, (translation,) December 5, 1853.

Same to the same, (translation,) December 6, 1853.

Mr. Marcy to Mr. Molina, December 17, 1853.

Same to Mr. Borland, extract, December 30, 1853.

Mr. Marcoleta to Mr. Marcy, (translation,) enclosure, January 24, 1854.

Mr. Marcy to Mr. Marcoleta, February 21, 1854.

Mr. Clayton to the Supreme Director of Nicaragua.

DEPARTMENT OF STATE,
Washington, June 17, 1850.

SIR: I address this note directly to your excellency, because it is probable that before it shall have reached your capital Mr. Squier, the chargé d'affaires of the United States to Guatemala, will have left Central America on his return to the United States.

Immediately after the arrival of Señor Eduardo Carcache, the Nicaraguan chargé d'affaires in this country, I earnestly entreated him

to procure from his own government the most ample instructions to alter the treaty, negotiated with your government by Mr. Squier, in such way as to him, upon full view of all facts, should seem most conducive to the interests and prosperity of Nicaragua. Negotiations affecting the sovereignty of Nicaragua and her highest interests being in progress between the government of the United States and Great Britain, during the past year; have terminated in a treaty now ratified by both parties, of which I send you a copy, to the end that you may see the disposition of the people of the United States and their government in regard not only to Nicaragua but all Central America. This treaty has been acceded to by Great Britain, at the instance of the United States, and we are now, in pursuance of its provisions, making progress in obtaining the accession of all the great maritime states of Europe to the same treaty. It is not doubted that all the states of Central America will co-operate with us most heartily in the great objects we have in view, (and which caused us to enter into these guarantees,) to facilitate and aid by every means the construction of interoceanic communication across the isthmus which divides northern from southern America. Under these guarantees the Central American republics, united in one confederation and union for their common defence and happiness, will, it is ardently hoped, assume a rank among the nations of the earth, realizing the proudest anticipations of those who have made their brilliant destiny a study. The best wishes of this government towards Central America were conveyed to Nicaragua by our chargé d'affaires at Guatemala. Proofs of friendship, more solid than any professions, are conveyed to you in the enclosed treaty. In return for this we expect the confidence of yours, as well as of every other Central American State. If that confidence be withheld, all our efforts in behalf of your country will be fruitless. It is impossible for us to communicate with a minister at Leon. Experience has proved that my communications to Mr. Squier are addressed to him in vain, so defective are your mails and means of communication with San Juan de Nicaragua. The President has given him leave of absence, at his own request, and in a few days he will return to the United States. Señor Carcache has no instructions except to exchange the ratifications of the treaty negotiated by your government with Mr. Squier, which is so defective as to its duration and its grants of exclusive rights to the United States, not desired by us, that it cannot be ratified precisely as it stands, unless we repudiate the treaty with Great Britain. It is indispensable that the two treaties should in all respects conform with each other, and to this end Señor Carcache, or some other suitable person, should be immediately invested by your government with *full powers to make a new treaty or change the old one* as I have described. More than four months have elapsed since Señor Carcache was fully informed of this. He states to me that he has written to you for new and more ample instructions, and that he has received nothing in reply. In consequence of this misfortune the interests of Nicaragua are endangered at this critical period. If ample powers are not speedily given to some person to negotiate in your behalf, the Senate of the United States, whose ratification is necessary to the treaty

with your government, may even be compelled to drop it. Although I offered to negotiate with Señor Carcache, *with the express understanding that his government should be bound by nothing in our treaty which it should not hereafter approve*, yet he utterly refused to commence any negotiation without instructions.

* * * * *
Accept, sir, the assurances, &c.,

JOHN M. CLAYTON.

To the SUPREME DIRECTOR
Of the State of Nicaragua.

[Extract from Translation.]

The Minister of Foreign Affairs for Nicaragua to the Secretary of State of the United States.

DEPARTMENT OF FOREIGN RELATIONS,
Leon de Nicaragua, September 10, 1850.

SIR: The important dispatch received from your excellency, dated the 17th of last June, is another of those documents bearing incontestable evidence of the very noble and fraternal sentiments which animate the respectable government of the United States in its intercourse with the government of this State relative to those sacred rights and vital interests which link the destiny of the latter with the other sections of the continent.

Your excellency is in possession of authentic data showing the ardent desire of this supreme government to establish such intercourse, and the efforts it has made to cultivate the same for the mutual benefit of the two countries; but although it has availed itself of all the means of communication which presented themselves, yet, owing to the obstacles thrown in the way of all regular correspondence by those who have usurped the occupation of the port of San Juan since the first day of January, 1848, this intercourse has not been so frequent or so punctual as the importance of the matters at issue required; now, however, that your excellency has been pleased to select a safe channel of communication, in addressing the above mentioned dispatch to this cabinet, the Supreme Director having well considered its contents has agreed to reply to your excellency in the following terms:

That having experienced the most unbounded satisfaction, and entertaining a profound sense of gratitude for the friendly offices of your excellency's government relative to the great question which has been agitated with England, he begs to tender, from this moment, with all the earnestness of a true American heart, the thanks which are due for the offices aforesaid, and also for the transmission by your excellency of the treaty concluded in Washington on the 19th of last April, and for the progress your excellency's government has made in procuring the assent of all the principal maritime powers of Europe to said treaty. Your excellency has good reason to hope for the cooperation of the Central American States.

The accomplishment of this interesting object will be greatly facilitated by the simultaneous effort now making on the part of the States of Labrador, Honduras and Nicaragua to establish a national union in Central America, in spite of the opposition offered by Guatemala and Costa Rica to the realization of such a scheme.

With regard to the State of Nicaragua, which is immediately interested in the question pending with England, it wishes to make known from this moment to the high government of your excellency, that it does not entertain the smallest doubt of the just and benevolent intentions both of said government and of the heroic people of the United States, and that it anticipates from the treaty of the 19th April all those great results which your excellency has been pleased to prognosticate in regard to the future sovereignty and aggrandizement of this country.

To the Most Excellent the SECRETARY OF FOREIGN AFFAIRS
Of the supreme government of the republic of North America.

[Translation.]

The Minister of Foreign Affairs of Nicaragua to the Secretary of State of the United States.

DEPARTMENT OF FOREIGN RELATIONS,
Leon, September 28, 1850.

SIR: I have the honor of transmitting to your excellency copies of the notes which have been addressed to this department by Mr. Frederick Chatfield, her Britannic Majesty's consul general in Central America, under the respective dates of August the 15th and the 2d instant, and of the replies which have been sent to him by this department, on the 16th and 23d of the present month.

From these documents your excellency will perceive, that notwithstanding the treaty of Washington of last April the 19th, Mr. Chatfield persists in maintaining the integrity of the Mosquito nation, resting his argument upon the recognition which he supposes the government of the United States to have made of her independence, as well as the fact that the aforesaid treaty was concluded with Great Britain, adding, by way of strengthening his argument, that the government of the French republic has already acceded to the same.

Although Nicaragua has not caused the assertion of her rights to be included in the treaty of the 19th of April, she has seen, with very great satisfaction, a vindication of the same therein, as a kind of explanation and recognition of those rights on the part of the contracting parties; and the supreme director, who saw in the consul's notes alluded to above a studied evasion, with a view of continuing to usurp the coast and the northern ports of the State, has, without a moment's hesitation, decided upon forwarding those documents to your excellency, for the purpose of subserving the general interests of your country and of this State.

It affords me pleasure to renew to your excellency my protestations of regard, with which I am your devoted servant.

S. SALINAS.

The Most Excellent the SECRETARY OF STATE FOR FOREIGN AFFAIRS,
Of the government of the United States of North America.

[Translation of Translation.]

HER BRITANNIC MAJESTY'S LEGATION AT GUATEMALA,
August 16, 1850.

SIR: Mr. Vice Consul Foster has informed me of the steps which he has deemed it his duty to take in consequence of the losses recently experienced by Messrs. Beschor & Co., of Granada, through acts of public violence, and for the recovery of a debt contracted some time since by the government of Nicaragua with the aforesaid Messrs. Beschor & Co., for the use of certain small vessels which had been forcibly taken possession of by armed men.

In replying to Mr. Foster, under the respective dates of the 19th and 20th of July last, the government of Nicaragua has made use of some expressions, in regard to the Mosquito coast and the authorities thereof, which, owing to the desire I entertain, and have constantly manifested, to see the government of Nicaragua free from the embarrassments by which it is surrounded, in consequence of its not understanding or of concealing from itself its true position in regard to the Mosquito question, have induced me to offer a few remarks on the subject.

I do not wish to make any comments upon the uncourteous and ill-tempered expressions which the government of Nicaragua, unthinkingly, perhaps, has used, in speaking of the British government and its agents, in the course of the controversy about the Mosquito question, as I am disposed to attribute a great portion of this irritability and want of courtesy to error and the suggestions of evil counsellors; but I cannot forbear recommending to your government, in the most friendly spirit, the propriety of viewing a question, the final arrangement of which is demanded by the interests of the country, in a manner more worthy of statesmen, and of treating this subject without any reference to those false relations now existing, and those exaggerated offers on the part of persons who are interested in fomenting ill feelings between Nicaragua and Great Britain.

Instead of persisting in the maintenance of fancied rights to the coast of Mosquito, and refusing to listen to reason, Nicaragua would much more consult her interests by coming to a satisfactory arrangement with England upon this question, as it will not be much longer of any avail to resist the settlement of it.

The government of Nicaragua cannot be ignorant of the determination of her Britannic Majesty's government in regard to the Mosquito question, Viscount Palmerston having declared, in the most explicit language, to the chargé d'affaires of Nicaragua at the British

court, in his communication of the 15th of last April, the impossibility of acceding to the pretensions of Nicaragua.

With regard to the treaty of Washington of the 19th of April, upon which I am told your government relies with undue confidence, that treaty recognizes distinctly, contrary to the interpretation evidently put upon it by Nicaragua, the existence of the Mosquito coast, setting thus aside all rights to the sovereignty of that country with which Nicaragua imagines herself to be invested.

The true policy for Nicaragua to pursue is to undeceive herself in regard to her pretensions to the Mosquito country, and to be more cautious how she listens to protestations and assurances on the part of pretended friends. Nicaragua would do well to come to an understanding, without delay, with Great Britain, upon whose relations depend not only the commerce and welfare of the State, but the probability of any positive measures being adopted for establishing an interoceanic communication across her territory, since London is the only place where sufficient capital and spirit of enterprise can be found for carrying out a project of such magnitude.

In conclusion, I beg to repeat, what I have frequently before stated, that her Britannic Majesty's government is actuated by the best wishes to serve Nicaragua, and to aid her in acquiring a proper position in the family of independent nations.

I have the honor, &c.,

FREDERICK CHATFIELD.

The MINISTER OF FOREIGN RELATIONS

Of the Supreme Government of Nicaragua.

LEON, *September 28, 1850.*

True copy :

[SEAL.]

SALINAS.

[Translation.]

GOVERNMENT HOUSE,
Leon, September 16, 1850.

The manner in which the British vice-consul, Mr. John Foster, addressed himself to this government in the name of Messrs. Beschor & Company, taking the existence of a Mosquito kingdom for granted, called forth the replies of the 19th and 20th of July, to which you refer in your note of the 16th of last month, which I am instructed to answer as follows.

I must assure you that it was never contemplated by my government to say anything offensive to the dignity of that of her Britannic Majesty, and that the language or sentiments to which allusion is made in your note must be understood as applying solely to what concerns the vindication of the rights of Nicaragua; and you must feel assured that, if we could be biassed by the ancientness of the relations that have existed between British subjects and the sons of

Nicaragua, by the identity of those principles of civilization which prevail in both countries, by the interest which England has manifested in all that relates to American independence, and the freedom of the commerce of the world, upon which the best hopes of Nicaragua depend; if, I say again, we could be biassed by these pre-existing circumstances, Great Britain and this same State would be united in bonds of the most perfect harmony; but you will also permit me to say, that if these pre-existing auspicious relations have been neutralized by circumstances which are driving us to the painful extremes of hostility, it is all owing to a hypothetical expression—a word, and that word is, the *kingdom* of Mosquito.

My government being free from those pernicious influences which you suppose it to be actuated by, and relying upon the justice of the cause of Nicaragua, even though the Washington treaty of the 19th of last April were not in existence, is determined to maintain it, without, however, ceasing to hope that the obstacles which have endangered the present temporary disagreement between Great Britain and Nicaragua will be promptly and happily smoothed away.

This favorable disposition on the part of my government will convince you how much it values the generous sentiments which, you assure me, the government of Great Britain entertains towards Nicaragua.

Be pleased, in the meanwhile, to accept the assurances of respect and esteem with which I am your obedient servant,

S. SALINAS.

MR. FREDERICK CHATFIELD,

*Her Britannic Majesty's consul in Central America, and
chargé d'affaires near the governments of Guatemala and
Costa Rica.*

LEON, *September 28, 1850.*

True copy :

[SEAL.]

S. SALINAS.

[Translation of Translation.]

LEGATION OF HER BRITANNIC MAJESTY,
Guatemala, September 2, 1850.

SIR: I have received a communication from Mr. Vice Consul Foster, dated the 12th of last month, with an enclosed copy of a note which you addressed him on the 2d of the same month, in your capacity of minister of foreign relations for the government of Nicaragua, relative to certain custom-house regulations now in force at Greytown, (San Juan.)

It is much to be regretted that the minister of Nicaragua should, in his allusions to the government of her Britannic Majesty, make use of offensive and unmerited language, since it would be more proper for Nicaragua, instead of accusing Great Britain of injustice and usur-

pation, to consider calmly the arguments and proofs which have been addressed by her Majesty's government to Don Francisco Castellon and Señor Marcoleta, the diplomatic agents of the government of that State in London, in refusing to acknowledge the right of sovereignty over the Mosquito territory which Nicaragua alleges to belong to her.

The government of her Majesty the queen has already shown that it is fully justified in maintaining the independence of Mosquito, and although it has been asserted by Nicaragua that it is only lately, and since the independence of Nicaragua, that Great Britain has thought of upholding the rights of the Mosquitos, the fact is, that Great Britain has never ceased to maintain the rights of the king of that coast, and to afford him protection, since the reign of Charles II of England, two hundred years ago.

As the minister of Nicaragua quotes the 4th article of the convention concluded between Captain Lock and the government of Nicaragua on the 7th of March, 1848, it is proper to observe that her Majesty's government has called the attention of Mr. Marcoleta to the 3d and 4th articles of said convention, complaining of the violation of the same on the part of Nicaragua. In those articles Nicaragua promises solemnly not to disturb the peaceful inhabitants of the port of San Juan, now called Greytown, and that no custom-house should be established in the neighborhood of that port; and while the government of Nicaragua was proposing to carry into effect a certain negotiation, in conformity with the convention mentioned above, that same government entered into a contract with various companies composed of citizens of the United States, not only binding them to build a custom-house in Greytown, but even offering to make that place a free port, and to divide a certain portion of the lands adjoining among citizens of the United States for purposes of colonization.

These proceedings in regard to Greytown and the Mosquito territory are by no means in accordance with the obligations which the government of Nicaragua has contracted with the government of her Britannic Majesty.

With regard to the accusation which the minister of Nicaragua has brought against the custom-house officers of Greytown, charging them with "scandalous depredations" upon merchants of Nicaragua, I must remind the minister of Nicaragua that, by his own confession, the agent of Mr. Carcache had failed to comply with the regulations of the port in regard to custom-house duties, and I can assure him that it is only those persons who seek to evade the law that are exposed to the annoyances alluded to by him.

If the government of Nicaragua, consulting the interests of its own commerce and revenue, had listened to my overtures, the object of which was to promote an amicable understanding about the pending questions, no difficulties would now exist. I am well aware that Nicaragua has allowed herself to be carried away by false promises and vain hopes of assistance and support against England, relative to the Mosquito question; but these hopes could no longer have been entertained by persons of sound judgment, after the settling and signing of the treaty of Washington, to which France has acceded. This treaty is an unquestionable authority upon this point, and so far from

favoring the views of Nicaragua, said treaty declares that North America recognizes the existence of Mosquito, acknowledging it to be as perfectly distinct a State or country, with respect to Nicaragua, as Costa Rica or any other portion of Central America.

I have thus had the honor of replying to the note which the government of Nicaragua has thought proper to address, through you, to the British vice consul, on the 2d of last August; there only remaining for me to reiterate, in conclusion, the good wishes and friendly feelings by which I am actuated in endeavoring, in the name of her Britannic Majesty's government, to effect an amicable arrangement with the government of Nicaragua, which may be the means of establishing the relations of the two countries upon a solid and satisfactory foundation.

I have the honor, &c.,

FREDERICK CHATFIELD.

DON SEBASTIAN SALINAS, *Minister of Foreign Relations*
for the government of Nicaragua, Leon.

LEON, September 28, 1850.

True copy :
[L. s.]

SALINAS.

[Translation.]

GOVERNMENT HOUSE,
Leon, September 23, 1850.

Having acquainted the supreme director of this State with the contents of your note of the 2d inst., in which notice is taken of that which I addressed to Mr. Vice Consul Don Juan Foster, on the 2d of last August, relative to certain custom-house regulations now in force in the port of San Juan de Nicaragua, that high functionary has directed me to say to you in reply: That this government, in claiming what is due to the State, and in defending the rights of the same, as it is bound in duty to do, from the territorial usurpations, the injuries, and vexations which have been inflicted, and are still being inflicted upon us by British agents and British subjects, had not, and never can have any intention of infringing upon those considerations of respect which are due to all governments; and that whatever may be the spirit of the treaty of the 19th of April of the present year, between the United States and England, it cannot have deprived Nicaragua of her unquestionable rights over the Territory called Mosquito and the port of San Juan, because the State does not allow the justice of its cause to depend upon that convention, which simply recognizes the same and no more, being satisfied with the fundamental principles so frequently asserted in its favor; which principles, in proportion as they received the support and approbation of impartial nations, they became obnoxious to her Britannic Majesty's government and its agents, neither of whom would examine them with that calmness of temper which reason requires, and which Nicaragua could

have wished, out of regard for those friendly relations and good understanding which she is anxious to cultivate and to maintain in her intercourse with the cabinet of St. James.

With regard to the negotiations which you say you are disposed to forward, my government shall always be found ready to act with the utmost deference in the matter, whenever the government of her Britannic Majesty shall have recognized the rights of Nicaragua to the Mosquito Territory, and that the port of San Juan, which has been occupied since the 1st of January, 1848, shall have been vacated.

I have the honor to renew to you my expressions of regard, and to remain your obedient humble servant,

S. SALINAS.

Mr. FREDERICK CHATFIELD,
*Consul General of her Britannic Majesty
 in Central America, and Chargé d'Affaires
 near the governments of Guatemala and Costa Rica.*

LEON, September 28, 1850.

True copy:
 [L. s.]

SALINAS.

[Translation.]

*The Minister of Foreign Affairs of Nicaragua to the Secretary of State
 of the United States.*

GOVERNMENT HOUSE,
 Leon, November 13, 1850.

On the 10th of September of the present year, a dispatch was addressed to your excellency, by which this government, in reply to your excellency's communication of the 17th of June, states that the intentions of your government in favor of the independence and sovereignty of Nicaragua, declared in its treaty of the 19th of April last, concluded with England, have been set at naught by the latter's insisting on the armed protectorate of the unrecognized Mosquito nation and its fictitious king—seeing that at the date of the aforesaid reply there had already been introduced in the port of San Juan del Norte an armed force, belonging to the service of her Britannic Majesty; and there was continued the usurpation of this, the most precious part of the territory of this State, and the most important to the world for carrying out the great undertaking of the interoceanic communication, contracted for on the 27th of August, 1849, with the Atlantic-Pacific Canal Company of the United States.

But if, up to the date above mentioned, any doubt could have been entertained as to the views of the English government, it is now evident that those views are directed towards re-establishing the same order of things which existed previous to the aforesaid treaty—the same Mosquito nation, the same savage king, and the same armed protection of her Britannic Majesty.

The commanding officer of the English squadron in the Antilles has declared, by order of her Britannic Majesty, through a communication dated the 14th of September of this same year, transmitted by the commander of the forces which arrived at the port aforesaid, to the British agent residing at Realejo, and by the latter to the government of Nicaragua, that as a proof that the treaty of the 19th of April allows the armed protectorate of her Britannic Majesty, in favor of the imaginary Mosquito kingdom, to be in existence, he has taken military possession of the port of San Juan de Nicaragua and its vicinity, for the purpose of securing the supposed territorial rights of the pretended king, in regard to the interoceanic communication; promising to facilitate the course of the same through the Mosquito territory, as your excellency will see by the same declaration, of which I enclose a full and authorized copy, together with the reply given by this government, an authenticated copy of which is likewise subjoined. So that the practical interpretation given by the English government to the treaty of the 19th of April, so far from respecting the sovereignty of this country over the port of San Juan del Norte, seeks to convert that very treaty into a title which England has never possessed, in order that the savage tribe of Mosquitos may be considered as a monarchical nation, and as having rights over the northern coast and the port of San Juan de Nicaragua; maintaining the usurpation of these territories by new outrages, by means of force and violence, like those which she committed previous to the aforesaid treaty.

In the contract for the interoceanic communication entered into by this government with the aforesaid company of the United States, the port of San Juan, or any other point on the northern coast, were expressly calculated upon as the property and possessions of Nicaragua; this contract was recognized by Great Britain in the treaty of the 19th of April, article 7th, and the State shall never betray the rights and interest of the continent by recognizing a savage tribe as a sovereign people, with a king and foreign relations.

Nor will the United States recognize this Mosquito nation, nor the intervention of foreign powers in the international affairs of this continent. The solemn declarations of that high government, its conduct in similar cases, and the course pursued by its minister plenipotentiary the M. E. George Squire, disavow the pretended sovereignty of savage tribes, as irreconcilable with territorial integrity, with the paramount dominion and with the independence of every nation which has, at any point of its territory, these small quantities of savages.

This absurdity of forming savage States within the territory of civilized States is rendered much more offensive, unjust and self evident, when it is sought to do so by force, and when the great treaty which secures the rights of Nicaragua, and even the whole of Central America, against the usurpations of the English government, is held for nothing, and is even considered as a good excuse for pursuing the same system of barbarous exactions.

As all the arrangements of this State with the worthy government of the United States must rest upon the basis of the sovereignty of Nicaragua and the integrity of her territory, intended for the enterprise of

the interoceanic communication, by the contract alluded to, this government has authorized Sr. D. Jose de Marcoleta, in order that, in his capacity of minister plenipotentiary of Nicaragua near the United States, he may conclude such treaties as may tend to the safety and prosperity of the two countries, as I informed your excellency under date of the 3d of the same month of October.

But as it might happen that Mr. Marcoleta might be prevented by circumstances from pursuing his journey to that capital, while the English government, instead of restoring the port of San Juan and the Mosquito coast to this State, has lately increased the force with which it took military possession of said port and its vicinity, so much so that an English company has concluded with the agent of Costa Rica, Sr. Felipe Molina, a contract of interoceanic communication, by the port and river of San Juan de Nicaragua, the government of this State has determined to address the present dispatch to your excellency, in order that, in view of the facts and documents to which it refers, the government of that respected republic may determine what is proper, in regard to what concerns the interests of the nation which it so happily rules, according to the interpretation which the contracting parties have given to the treaty of the 19th of April; seeing that, at all events, Nicaragua maintains and sustains her rights to the coast called Mosquito, to the port of San Juan and its vicinity, and is ready to enter into arrangements of harmony and good understanding, not only with the government of the American nation, but also with all the governments of the other nations of Europe, and even with England herself, the integrity of her Territory being first recognized; I having the satisfaction to intimate to your excellency that such arrangements shall be based on principles of philanthropy and common advantage to the commercial world.

I have the honor to renew to your excellency my sentiments of regard and respect, and to subscribe myself your excellency's obedient and humble servant,

SEBASTIAN SALINAS.

The MINISTER OF FOREIGN RELATIONS

Of the supreme government of North America.

[Translation.]

BRITISH VICE CONSULATE,
Realejo, October 12, 1850.

SIR: I have the honor to inform you that I have received a note from Captain Robert Smart, of her Britannic Majesty's ship "Indefatigable," and formerly in command of the protective force, dated Greytown, the 14th of September last, to which point he has been sent by the commanding officer of her Majesty's naval forces in Jamaica.

The orders of Captain Smart were that the tenor of his instructions might be communicated to the government of Nicaragua.

“The treaty lately concluded at Washington between Great Britain and the United States, for the construction of a maritime canal between the Atlantic and Pacific oceans, having been perversely interpreted by a certain party as a surrender of the protection hitherto afforded by the former to the Mosquito nation, her Majesty’s government has deemed it proper to station said force at Greytown and its vicinity, for the purpose of proving that such surrender was never intended; and whilst it adopts this measure for the purpose of securing the rights of the Mosquito king, every facility will be afforded to the parties pledged to carry into effect the canal in its transit through the territory of the latter, in conformity with the tenor of said treaty. Captain Smart, in communicating this to the government of Nicaragua, invites it to come forward in a spirit of conciliation, in order to settle all existing difficulties, and to avoid any infraction of treaties actually in force.”

Such, sir, is the substance of Captain Smart’s note, and being so well convinced as I am of the many advantages which would accrue to both Nicaragua and Mosquito by a removal of all irritating causes, which only tend to increase their disagreements and retard that prosperity which is now dawning upon them, I may be allowed to allude here to the closing paragraph in Mr. Chatfield’s letter of September 2, addressed to you, sir, in which he points out the means by which an honorable settlement of all existing difficulties can be reached, and in furtherance of which purpose every assistance will be given by your very obedient servant,

JOHN FOSTER,
Vice Consul.

To the PRINCIPAL SECRETARY
Of the government of Nicaragua.

LEON, *November 12, 1850.*

True copy:

[L. s.]

SALINAS.

[Translation.]

GOVERNMENT HOUSE,
Leon, October 22, 1850.

This department has received your note, dated the 12th instant, enclosing the instructions which the commander of her Britannic Majesty’s naval forces at Jamaica has addressed to Mr. Smart, captain of her Britannic Majesty’s ship-of-war “Indefatigable,” and formerly in command of the protective force stationed at the port of San Juan de Nicaragua, which you call Greytown, declaring that some parties having given a perverse interpretation to the treaty concluded at Washington on the 29th of April last between the United States and England, construing the same as a surrender of the protectorate which her Britannic Majesty’s government has a right to exercise, for a long time past, over the so-called Mosquito nation, he has determined to make use of said protectorate by taking military possession of the port aforesaid

and its vicinity, in order to secure the rights of the supposed Mosquito king, promising, at the same time, to afford every facility to the parties pledged to carry into effect the interoceanic canal undertaking, in its course through the Mosquito territory, in conformity with said treaty, and inviting the government of this State to settle all existing difficulties and to avoid any infraction of the aforesaid treaty.

The government of the undersigned will forbear from entering into any lengthy discussion as to whether the captain of a ship-of-war is the proper channel for official communications of this kind, inasmuch as the rules of international law, in the management of diplomatic relations, are well known; and confining itself strictly to the contents of your note, it has directed the following reply: That this State has never recognized the existence of a monarchy and of a king on the northern coast of its territory; that, on the contrary, it has always maintained that the Atlantic coast inhabited by those Nicaraguan savages, called Mosquitos, is an integral part of the ancient province of Nicaragua, now a State bearing the same name; and that, consequently, it would only be upon this basis that this government could stipulate or accept treaties of friendship, commerce, and navigation, which the government of her Britannic majesty desires to have with it; that the aforesaid convention of Washington prohibits, definitely, her Britannic Majesty's government from all occupation of any point on the Mosquito coast, or of any other in Central America; that the act of stationing British forces in the port of San Juan de Nicaragua, and its vicinity, is a new aggression against the territorial rights of this State, and a manifest violation of the aforesaid treaty of Washington, against the infraction of which this government solemnly protests; and that, in view of the military occupation of the port aforesaid and its vicinities, the government of the undersigned will use such further means as international law admits in order to maintain its independence and sovereignty.

I have the pleasure of renewing to you my sentiments of regard, and to subscribe myself, as ever, your obedient and faithful servant,

SEBASTIAN SALINAS.

Don JUAN FOSTER,

Vice Consul of H. B. Majesty at the port of Realejo.

LEON, *November 13, 1850.*

True copy:

[L. s.]

SALINAS.

[Translation.]

Mr. Marcoleta to Mr. Webster.

WASHINGTON, *February 24, 1851.*

The undersigned, envoy extraordinary and minister plenipotentiary of the republic of Nicaragua, has the honor of addressing himself to Mr. Daniel Webster, Secretary of State of the United States, for the purpose of submitting to him a few remarks relative to the construc-

tion which Great Britain has thought proper to put upon the treaty concluded between that power and the United States of the north, on the 19th of April, 1850.

It is publicly known that the object of the aforesaid treaty was to secure the most perfect liberty in the construction of the maritime canal through the isthmus of Nicaragua, and to guarantee the neutrality of that important route of interoceanic communication. There can be no doubt that, in order to attain these ends and with a view of avoiding all kind of difficulties in the faithful and honest performance of the stipulations of the treaty, the two powers have thought it proper to cause to be inserted the names of all the States, districts, and localities adjoining, or through which the aforesaid canal had to pass, and among them the Mosquito coast and country, which form and constitute, as they have always formed and constituted, an essential and integral part of the republic of Nicaragua.

The result of this has been, that Great Britain, being determined to construe to her own advantage the very letter and provisions of the treaty, addressed new instructions and communications to all her agents in Central America, especially to those residing in Nicaragua, announcing to them, in explanation of the text of the treaty, that the government of the American Union had recognized the existence of the pretended king of Mosquito, and, consequently, the usurpation of the port of San Juan; and that the treaty of the 19th of April, 1850, so far from weakening the rights of the savage chief, confirms and strengthens them.

The undersigned, although fully satisfied as to the sentiments which animate the government of the Union, and the error into which the British government has fallen, cannot avoid addressing himself to Mr. Daniel Webster, Secretary of State, for the purpose of ascertaining whether the government of the United States really intends to recognize, in virtue of said treaty, the existence of a separate sovereign territory, independent of the republic of Nicaragua, commonly known by the designation of Mosquito coast and Mosquito country; and whether the present administration, which so wisely and so prudently rules the destinies of the republic, concurs in the opinions and avows the principles laid down in the dispatch which Mr. Clayton addressed to the chargé d'affaires of the republic, in Nicaragua, under date of May 7, 1850.

The undersigned begs that the Secretary of State will be pleased to give an answer to the questions contained in this dispatch as soon as possible, and to receive the assurances of his highest and most distinguished consideration.

J. DE MARCOLETA.

HON. DANIEL WEBSTER,
Secretary of State of the United States.

[Translation.]

*Mr. Marcoleta to Mr. Webster.*WASHINGTON, *February 26, 1851.*

MR. SECRETARY: Under date of the 13th of October, 1850, the undersigned addressed a communication to Mr. Abbott Lawrence, United States minister in London, and one subsequently, dated the 18th of last January, to Mr. Rives, who exercises the same functions near the government of the French republic, both of which notes contained the following declaration:

“SEÑOR MINISTER: The legation of Nicaragua has learned, from a reliable source, that the government of her Britannic Majesty has proposed to the government of the United States of America, as a means of settling the question of San Juan, the cession of that port to the State of Costa Rica. The tendency of this proposition being to deprive Nicaragua of her rights over this portion of her territory—rights which the forcible occupation of that port could not have destroyed; and, as this arrangement is moreover in opposition, not only to the interests of Nicaragua, but also to those of the American Company for the construction of the Atlantic Pacific canal, and this being a new occupation disguised under different forms, the undersigned declares, in the most peremptory, solemn, and positive manner, that his government, so far from being able or intending to accept this basis as the means of settlement, only sees in it a fresh act of injustice—a source of new difficulties and further complications.

“The government of Nicaragua cannot, under any circumstances, consent to this new spoliation, equally at variance with all principles of equity and justice—it were to renounce, on the contrary, all those rights which have appertained to her from time immemorial—rights which she has never ceased to maintain from January 1, 1848,—the epoch when the British naval forces took possession of San Juan, in the name of the pretended Mosquito king.

“The undersigned, therefore, begs that the American minister will be pleased to make the foregoing declaration known; and, in the mean time, he avails himself of this opportunity to tender him the assurances of his most distinguished consideration.”

As the undersigned is in possession of positive data, showing that the British government insists upon the arrangement alluded to, in furtherance of which it has prevailed upon the government of Costa Rica to set up false pretensions to the port of San Juan, I cannot do less than to repeat now the declaration which I made on the proper occasion to the representatives of the American government, both in London and in Paris.

The undersigned avails himself of this opportunity to tender to the Secretary of State the assurances of his most distinguished consideration. •

J. DE MARCOLETA.

HON. DANIEL WEBSTER,
Secretary of State, &c., &c.

Mr. Molina to Mr. Webster.

LEGATION OF COSTA RICA,

Washington, March 28, 1851.

SIR: I have been specially instructed to represent, through your honorable medium, to the government of the United States of America that the republic of Costa Rica is very anxious to see the philanthropic views of this government in regard to Central America carried out, as contemplated by the ship canal convention entered into with Great Britain.

According to the provisions of that convention, both contracting powers, the United States and Great Britain, agreed to offer their good offices for the settlement of any differences existing between the States of Central America in regard to the territories over which the projected route shall traverse, with a view to remove the political difficulties embarrassing the execution of that great enterprise, and in the interest of humanity.

The government of the United States is probably aware that the republic of Costa Rica claims a right of dominion over all the country lying on the southern bank of the river San Juan, from the Atlantic ocean to the Lake of Nicaragua, as well as on that portion of the aforesaid lake comprised between Fort San Carlos and river La Flor, together with the right to the joint navigation of the above mentioned river San Juan and of Lake Nicaragua. Costa Rica consequently maintains that her concurrence and participation is necessary in order to open any interoceanic communication across the described localities. The State of Nicaragua refuses to recognize the validity of those claims, and pretends to exercise an exclusive control over all matters concerning said territories and said river and lake.

These differences have been for the last few years the subject of frequent discussions and misunderstandings between the governments of Nicaragua and Costa Rica, giving rise to an unnatural state of feeling between communities owing their existence to the same source, and connected by the ties of an equal religion and identical language, customs, and laws.

For its part, the government of Costa Rica, after having exhausted the means of arriving to a peaceful arrangement of such questions by a direct understanding with the neighboring State, as a sense of fraternity and good policy would recommend, has come to the conviction that the only way left for a settlement is to submit the whole affair to the arbitration of disinterested parties.

It is under this impression that Costa Rica accepted long time ago the high mediation of the United States and Great Britain, and that she appeals now to the justice and good will of this government, trusting that it will, as the tutelar power of this continent, dispense to her the same considerations that Nicaragua has obtained, and not afford to the latter country, by treaty or otherwise, any countenance or support injurious to Costa Rica.

We are likewise led to hope that pending the settlement of the conflicting claims the government of the United States will be pleased

to use its influence with the government of Nicaragua in order to prevent a collision which would only be attended with waste of life and property, and not with any final result.

The character of the present administration of the American Union, so highly distinguished for its wisdom and equity, is regarded by my government as a pledge that the reasonable demands of Costa Rica forming the subject of this communication shall be favorably listened to.

I think it, therefore, my duty to assure you beforehand that the names of the illustrious persons composing now the administration of this nation will forever occupy a prominent place in the grateful hearts of the Costa Rican people as the benefactors of that country.

With the renewed assurance of my high consideration and deep respect, I have the honor to remain, sir, your most obedient servant,
F. MOLINA.

HON. DANIEL WEBSTER,
Secretary of State of the Government of the United States.

Mr. Webster to Mr. Molina.

DEPARTMENT OF STATE,
Washington, March 31, 1851.

SIR: I have the honor to acknowledge the receipt of your note of the 28th instant, expressing the anxiety of your government to see the philanthropic views of the government of the United States in regard to Central America carried out as contemplated by the ship canal convention entered into with Great Britain.

In reply, I have the honor to acquaint you that this anxiety is reciprocated by the President of the United States, who has determined to adopt, at once, all proper measures towards accomplishing the object. A distinguished citizen of this country, the honorable J. B. Kerr, late a member of the Congress of the United States, has been appointed and commissioned by the government of the United States as chargé d'affaires to that of Nicaragua. He will proceed on his mission about the 1st of May. Although accredited to the government of Nicaragua only, he will be directed by this department to visit the other governments of Central America, so far as may be in his power, to inquire into the causes of the controversies existing between them, and to urge upon all those governments the propriety of coming to terms of peace and amity between themselves. How desirable it is that those States should be united under one government! The President cannot willingly give up the hope that this will again be accomplished, and Mr. Kerr will be directed to express this sentiment respectfully to them all, and to suggest to their consideration how little the probability is that Central America, now a point so interesting to all nations, can ever attain her proper dignity and proper destiny while divided into so many small States. But if this should be found hopeless, he will still be directed to urge upon

all those governments, in the most friendly manner, the necessity of an immediate cessation of hostilities. The interfering claims of the respective governments of Central America can hardly be expected to be justly settled by the sword, and war among such States must be equally ruinous to the conquerors and the conquered.

Mr. Molina will understand that these sentiments are here advanced from no motive but a sincere regard to the interests of that country. In all that exists in Central America and in all that may occur hereafter, the United States pursue no private or selfish end whatever. They will not withhold their good offices or their acts of kindness from any of those States. They wish them all to become prosperous and happy. Their desire for this warrants the government of the United States not to use any terms of control or dictation, but to signify its good will and to offer its advice with all proper earnestness.

The position of Central America on this continent, at the present moment, excites an extraordinary interest in the civilized world. The lines of communication which are to connect the Atlantic and Pacific seas must, several of them, run through that country. In establishing these communications all civilized commercial States have a direct interest; and it may be taken for granted that this communication will be made, and therefore those governments cannot be too early nor too vigorous in their efforts to establish peace and harmony, if indeed they cannot establish political union among themselves, to the end that the rights of all may be protected and the whole country go forward in the progress of improvement.

I avail myself of this occasion, sir, to offer to you the assurance of my very distinguished consideration.

DANIEL WEBSTER.

Señor Don FELIPE MOLINA, &c., &c., &c.

[Translation.]

Mr. Marcoleta to Mr. Webster.

WASHINGTON, *May 7, 1851.*

The undersigned, envoy extraordinary and minister plenipotentiary of the republic of Nicaragua near the government of the United States, has the honor of enclosing to the Hon. Daniel Webster, Secretary of State, copies of two communications which have been transmitted to the government of Nicaragua, one by Mr. John Foster, British vice consul at Realejo, and the other by Mr. Frederick Chatfield, consul general and chargé d'affaires of England in Central America.

The character, contents, and date of these documents, have induced the government of Nicaragua to believe, and to feel convinced even, that Great Britain, notwithstanding the stipulations entered into, and the compromises solemnly agreed upon with the American government, on the 19th of April, 1850, designs to evade the exact ful-

filment of the same, by giving a perverse and even a false interpretation to the letter and spirit of the provisions contained therein.

It has appeared to the government of Nicaragua, that compromises of this nature, the object of which is to assist in carrying out an undertaking of great magnitude, and of immense utility to the commercial world, ought to have been faithfully complied with, and fully carried into effect, immediately after the exchange of ratifications between the contracting parties.

Unfortunately, experience has shown the contrary; and proofs are accumulating daily to the effect that the only object which Great Britain has proposed to herself is to evade the compromises aforesaid, and to prolong a state of things which is fatal to the entire commerce of the world, contrary to justice and to equity, offensive to the dignity and independence of Nicaragua, and injurious to her interests and to the fostering and development of her natural resources.

If to these considerations we add the insults and vexations which are daily inflicted by British officers and British agents, who, owing to the want of capacity on the part of the protected Mosquitos, exercise authority in the name of that savage tribe, against the honor, the dignity and the respect due to the government and the citizens of the republic, it should not be wondered at if the government and the people of Nicaragua, exasperated beyond endurance, were to overstep the boundaries of that moderation and forbearance which, until this day, have been the rule and the guide of their conduct.

Nicaragua is well aware that, under any other circumstances, her interference in the affairs of two great foreign powers might be liable to censure, as ill-advised and unreasonable; but in the present case, when the subjects under consideration affect, in so direct a manner, her interests, the integrity of her territory and her political existence, she thinks it her duty to be vigilant, and to protest, as she does protest through the medium of her representative, against those acts which bear ostensible evidence of a flagrant violation of solemn contracts and sacred compromises, which are so intimately connected with her political, territorial, and mercantile interests.

The undersigned hopes, therefore, that the government of the United States, duly appreciating the contents of this dispatch and those of the accompanying documents, will hasten to adopt some measures worthy of the noble principles which constitute the foundation of American policy, and in harmony with the good and friendly relations and the interest which the government and people of the United States have manifested, and still continue to manifest daily, towards their sister republic of Nicaragua, to which they are bound by so many intimate ties, that are happily being drawn closer and closer between them.

The undersigned avails himself of this opportunity to renew to the honorable Mr. Webster, Secretary of State, the assurances of his most distinguished consideration.

J. DE MARCOLETA.

Hon. DANIEL WEBSTER.

[Translation.]

BRITISH VICE-CONSULATE,
Realejo, October 12, 1850.

SIR: I have the honor to inform you that I have received from Mr. Robert Smart, captain of her Britannic Majesty's ship "Indefatigable," and an old officer of the protective forces, a note, dated the 14th of September last, from Greytown, to which point he has been sent by the commanding officer of her Majesty's naval forces at Jamaica.

Captain Smart was ordered to communicate to the government of Nicaragua the tenor of his instructions.

"The treaty which has lately been concluded at Washington between Great Britain and the United States, for the construction of a maritime canal to connect the Atlantic and Pacific oceans, having been perversely interpreted by certain parties as a withdrawal of the protection which the first mentioned power has hitherto granted to the Mosquito nation, her Majesty's government has thought proper to locate the forces aforesaid in Greytown and its vicinities, for the purpose of showing that it was never intended to make any such concession; and while this measure is taken to secure the rights of the Mosquito king, every facility will be given to the parties engaged in the construction of the canal across his territory, agreeably to the provisions of said treaty. In making this communication to the government of Nicaragua, Captain Smart invites the latter to meet him in a spirit of conciliation, in order to settle all existing difficulties, and to avoid all possible violation of treaties actually in force."

Such, sir, is the substance of Captain Smart's note, and being fully convinced, as I am in fact, that great advantages will accrue to Nicaragua and to Mosquito by the removal of all causes of irritation, which only tend to increase the number of disagreements between them, and to retard that prosperity which is at present dawning upon them, I shall be excused for referring, in this place, to the last paragraph in Mr. Chatfield's note of the 2d of September, addressed to you, sir, in which he points out "the means by which all existing difficulties can be honorably settled;" towards which object every assistance will be given by your most obedient servant,

JOHN FOSTER, *Vice Consul.*

The PRINCIPAL SECRETARY
Of the Government of Nicaragua.

True copy:

J. DE MARCOLETA.

[Translation.]

LEGATION OF HER BRITANNIC MAJESTY,
Guatemala, December 5, 1850.

'The government of Nicaragua having systematically slighted the frequent propositions which have been made to the republic of Nica-

ragua, in the name of her Majesty the queen of Great Britain and Ireland, as representing the king of Mosquito, with a view of determining, by means of some formal arrangement, the boundaries between the dominions of the aforesaid king of Mosquito and the territory of the republic of Nicaragua, her Britannic Majesty has come to the conclusion that the interest and comfort of both parties require that this point should not any longer remain unsettled; and, as a proof of the conciliatory spirit which actuates her Britannic Majesty on this subject, it has been resolved to declare that the boundaries of the territory of Mosquito, on that side which is contiguous to Nicaragua, will be considered the same as those which were designated for that kingdom on the 15th of September, 1821, when Nicaragua, as a portion of the ancient kingdom of Guatemala, made herself independent of the Spanish monarchy. This basis being established, the respective localities of the two countries are determined according to the civil and ecclesiastical regulations which have been in force in Nicaragua—supposing that the towns and villages which are situated on the Mosquito frontier, with municipal and parochial authorities, remain as they have been until now; forming a part and being under the jurisdiction of the government and authorities of Nicaragua. The existing incorrectness of geographical datas, in regard to the interior of Central America, does not allow, for the present, the possibility of determining the latitude and longitude of places appertaining to Nicaragua, at a distance from her eastern and northeastern frontier; but circumstances require that the general line of the boundaries which her majesty's government is disposed to maintain as Mosquito territory should be designated—the government of Nicaragua having refused to enter into a friendly discussion, and to appoint commissioners to that effect for settling the boundary line between the two territories. With this view the undersigned, chargé d'affaires of her Britannic Majesty in Central America, has the honor of informing the minister of the supreme government of Nicaragua, that the general boundary line of the dominions of Mosquito runs from the northern extremity of the line which separates the district of Tegucigalpa in Honduras from the jurisdiction of New Segovia in Nicaragua; and following close upon the northern frontier of New Segovia, runs off from the southeastern boundary of the district of Matagalpa and Choutales, and from thence, in an eastern direction, as far as the borders of Machuca, in the river San Juan. In order to avoid all possible mistake or misunderstanding, in regard to the villages which have belonged to Nicaragua from the period previous to her independence in 1821, there has been annexed to this note a list of the parish districts and their dependencies in the diocese of Nicaragua, which, with their respective demesnes and private estates, with their due titles, that are found situated on the eastern and northeastern frontier of Nicaragua, it is understood, are considered as without the limits of Mosquito on the frontier of Nicaragua. In conclusion, the undersigned, in stating that the line referred to above is that which is considered as constituting the boundary between the two countries, begs to repeat that her Britannic Majesty is determined to maintain the same in the name of the king of Mosquito, without relinquishing, on this account, the disposition to

negotiate and to enter into a friendly agreement with the government of Nicaragua, upon a firm basis, for the final settlement of these questions. The undersigned hopes that the government of Nicaragua will perceive the expediency of coming to a friendly understanding with the government of Mosquito; because it is obvious that neither the canal nor any other means of communication through the isthmus can be fully established until the difficulties which have been started by Nicaragua, upon this point, are settled and put at rest.

The undersigned avails himself of this occasion, &c.

FREDERICK CHATFIELD.

The MINISTER OF RELATIONS

Of the supreme government of Nicaragua, Leon.

LEON, *January 4, 1851.*

True copy—there is a signature.

SALINAS.

Extract from the table of parish districts in the bishopric of Nicaragua, jurisdiction of New Segovia.

Segovia, its dependencies; Mozonte and the Ocotal; the town of St. Antonio de Esteli; the Xicaro; S. A. Jalapa; Tepezomoto; S. A. Pueblo Nuevo; Iotogalpa and Haquina.

District of Matagalpa.

Matagalpa; S. A. Sebaco; Muimui; San Ramon Xinotega Jeustepet; S. A. Baco Camuapa y Comalapa; Palacaguina; S. A. Condega y Tespanega; Acoyapa.

True copy:

J. DE MARCOLETA.

Mr. Molina to Mr. Webster.

WASHINGTON, *May 8, 1851.* .

The undersigned, minister plenipotentiary of Costa Rica, has the honor to transmit herewith, to the Hon. Mr. Webster, Secretary of State of the United States, a copy of a "memoir" on the boundary question pending between the republic of Costa Rica and the State of Nicaragua, which he has considered his duty to publish, as representative of that republic.

He begs, likewise, to hand the three accompanying manuscript copies, viz:

(A.)—Copy of the charter granted by the king of Spain, in 1540, to Diego Gutierrez, for the purpose of settling the province of Cartago, (Costa Rica,) and conferring upon him the title of governor. Extracts of other records, referring to the commencement of that colony, are annexed thereto.

(B.)—Copy of the charter granted by the king of Spain, in 1574, to Diego de Artieda, appointing him governor and captain general of Costa Rica.

(C.)—Copy of a report sent to the court of Spain, in 1719, by Don Diego de la Haya, the then governor of Costa Rica, describing at length the condition in which the province was at that period.

The portions of those documents that have not been transcribed in the accompanying copies were only such as appeared quite irrelevant to the subject in question.

It is in compliance with the instructions of his government that the undersigned hastens now to lay before the honorable Secretary of State the aforesaid memoir and ancient records for the information of the American government. He ventures to think that these papers afford the strongest evidence of the justice of Costa Rica in her claim to the territories and rights in dispute, as well as of the moderation that has always guided her counsels; and he flatters himself that their perusal will suffice to secure, in behalf of the country he represents, the kind interest and good opinions of the cabinet of Washington, which Costa Rica values in the highest degree, and is so anxious to deserve.

Although, as set forth in the report above mentioned, Costa Rica believes she has a clear title to repute as belonging to her dominion the southern portion of the harbor of San Juan, now occupied under the authority of the Mosquito king with the assistance of Great Britain, she has abstained heretofore from bringing forward such a claim out of regard for the friendly relations existing between herself and Great Britain, and in the hope of being enabled, at some future day, to effect through negotiation a satisfactory arrangement. It will be perceived, moreover, that the circumstances in which Costa Rica has been placed rendered this line of policy the only one open to her.

However, in the event of any change taking place in respect to the aforesaid port of San Juan, the republic of Costa Rica will think herself called upon to sustain her claim to it, which is equally as good as that of Nicaragua, and she feels confident that her rights will be taken into consideration, and that the government of the United States will exercise its influence to have those rights duly recognized by Nicaragua, not only in reference to that locality, but likewise in reference to the whole frontier maintained by the republic.

It is hardly necessary to add, that having accepted, a long time since, the proffered mediation of the United States and Great Britain for the settlement of the questions alluded to, Costa Rica will gladly and thankfully listen to any suggestions that both powers may think proper to make on the subject, trusting that some means may be devised to facilitate the earliest and most satisfactory termination of these questions, as the interest of all the parties concerned does require.

The undersigned profits of this opportunity to renew to the honorable Secretary of State the assurances of his high consideration and deep respect, as his most obedient humble servant,

F. MOLINA.

Hon. DANIEL WEBSTER,
Secretary of State.

A.

[Translation.]

Charter granted to Diego Gutierrez, and other records respecting the ancient province of Costa Rica.—1540.

I, Don Aniceto de la Higuera, of the illustrious college of advocates, and of the economical association of the friends of the country of Seville, secretary of her majesty, and honorary auditor of war and marine, and keeper of the archives of the Indian bureau in said city,

Certify: That there having been addressed to me by the most excellent Count of San Luis, secretary of state and of the department of government of the kingdom, the royal order made at Madrid on the twenty-seventh of May, one thousand eight hundred and fifty, which, copied word for word, says as follows:

“BUREAU OF FOREIGN AFFAIRS,
“*Madrid, May 27, 1850.*”

“Her majesty the queen has thought proper to grant permission to Don Felipe Molina, minister plenipotentiary of Costa Rica at this court, either in person or through the medium of some one empowered by him, to assist in ascertaining from the archives of that office the boundaries of said republic, comprising the ancient province of the same name, and the district of Nicoya, where the captaincy general of Guatemala formerly existed, ordering, that as occasion requires, there be freely delivered to said plenipotentiary copies of such documents as are not reserved, which may tend to establish the boundary lines referred to. I inform you of this by royal order for the purposes to which it applies, and as additional to that of the nineteenth of the present month. God preserve you many years.

“SAN LUIS,
“*The Archive-keeper General of the Indies, Seville.*”

Señor Don José Maria Gutierrez, honorary secretary of her majesty and agent of Señor Don Felipe Molina, minister plenipotentiary of Costa Rica, having presented himself before me at the same time, exhibited to him the bundle of papers preserved among these archives inscribed “Secretary of Peru, registries of Veragua, official and private; one volume, from the year one thousand five hundred and thirty-four, to the year one thousand six hundred and twenty-eight,” which is bound, and contains two hundred and six written leaves, whereamong are to be found several royal orders and separate paragraphs which have been pointed out by said agent for the purpose of making this certificate, and which, copied word for word, one after the other, are as follows:

* * * * *

On the first folio there is contained a description of the province of Veragua, after its having been conquered and settled by Captain

Felipe Gutierrez, and it states that it includes all the territory within the boundary lines, commencing at the government of Castilla del Oro, called "Tierra Firme," and which were run out by Pedrarias Davila and by Pedro de los Rios, governors at that time of said province, under the directions which were given to them, as far as the Cape of "Gracios à Dios."

On both sides of the thirty-eighth leaf is to be found the authorization of the conquest of the province of Cartago, accorded to Diego Gutierrez, and dated at Madrid on the twenty-ninth of November, one thousand five hundred and forty, and therein there is a paragraph which, copied word for word, is as follows:

"Firstly, we give license and authority that through us and our name, and that of the royal crown of Castile, you may make conquest of and colonize the lands which belong to us in said province of Veragua, including from sea to sea, which commences from where your said conquest and colonization begins, and is to terminate at the large river near "El Pomiente," on the opposite side of Cape Camaron, where the banks of said river, on the Honduras side, trend within the government of said province of Honduras; and in like manner, should there be found in said river any islands inhabited, or capable of being inhabited by Indians, which are not ascertained to have been conquered and colonized by Spaniards, you can proceed to make conquest of them, and provide that the navigation and fishery and advantages of said river may be in common, yet at the same time you are not to approach within fifteen leagues of the Lake of Nicaragua, inasmuch as these fifteen leagues, together with said lake, have to remain and do remain under the government of Nicaragua; but the navigation and fishery of that portion of said river which remains to you, and of the said fifteen leagues and lake which remain to Nicaragua, are to be enjoyed in common; and we likewise give you authority to make conquest of and colonize the islands which happen to be in the vicinity of said land in the North sea; yet, at the same time, you are not to enter within the limits and bounds of the province of Nicaragua, nor within the other provinces which are assigned to other governors, nor any which may be colonized by or apportioned to any other governor.

On the forty-fifth folio, also on both pages, there is to be found the license to make conquest of and colonize the territory therein designated as the government of Captain Diego Gutierrez, dated at Madrid on the sixteenth of December, one thousand five hundred and forty, and contained therein is the paragraph which, copied word for word, says as follows: "It is entirely similar to the preceding one, and for that reason is not copied." On the sixty-sixth folio there is a reply made by the prince, at Valladolid, on the ninth of May, one thousand five hundred and forty-five, to Diego Gutierrez, governor and captain general of the province of Cartago, in answer to his letter of the thirtieth of November, one thousand five hundred and forty-three, addressed to the emperor, in relation to the events that had occurred since his arrival; and the third paragraph, copied word for word, is of the following tenor:

"You say that you were commanded by his majesty not to approach

within fifteen leagues from the lake of Nicaragua; and that the outlet thereof, which approaches the coast, is at the point where your government adjoins the other, and that the windings of the outlet up to the mouth thereof are, what the inhabitants of Nicaragua call, twenty-two or twenty-three leagues; and that if you cannot reach within fifteen leagues of that place, you will be unable to derive any benefit from the donation which his majesty has made to you, and you represent that your means have become exhausted, and you entreat that a declaration thereupon be made. He will direct that the whole subject be looked into, and such provisions therein made by him as he shall see fit, and as shall accord with justice; meanwhile you are to observe the orders and instructions which have been hitherto communicated to you."

On the one hundredth folio, upon each side of the leaf, there is to be found a royal order issued at Madrid on the fourth of August, one thousand five hundred and sixty-one, addressed to the council and ayuntamiento of the city of Castile of Austria, which, copied entire, is as follows:

"The king, council of justice, to the rulers, knights, squires, servants, and good men of the city of Castile of Austria: I saw your letter of the twenty-first of November of the year last past of fifteen hundred and sixty, wherein you make mention of the colony which you have sent from your town to the port of San Gerónimo, which is in the province of Cartago, and the hope you entertain of discovering great wealth in that locality, on account of the knowledge which you possess of the soil, and of the industrial pursuits which you have already undertaken and are now undertaking, and which you have conducted under the command of Juan de Estrada Rávago, a clerk in the office of the licentiate Cavallon, upon whom that government has been bestowed; and I have felt great satisfaction at that discovery and colonization which you have effected, and at the expectation which you entertain that the soil is to be very productive, and I accordingly compliment you, and express my acknowledgments for the labors you have performed there, and the good order which you seem to have preserved in every respect; and I charge you to continue that which you have commenced, and that you will endeavor to civilize said people, and reclaim the lands which you shall possess in that district, and that the Indians be well treated, and educated in the faith of the holy Catholic church; that application be made to us whenever it can well and rightly be done, and that I shall order your services to be kept in mind, so that you may receive the reward which you have justly merited. As to what you write requesting us to appoint said Juan de Estrada Ravago, clerk, to be your pastor and prelate, on account of his being well deserving and well fitted for said charge, it appears to us at present to be too soon to appoint a prelate in that country, from the circumstance that it is so short a time since it has begun to be settled, and the population is so scanty; but the request you make shall be kept in mind hereafter, as also to reward said Juan de Estrada Ravago, according to what he has merited and does merit, and according to justice and his personal deserts. Madrid, August fourth, one thousand five hundred and sixty-one. I, the king.

Countersigned, De Erasso. Signed, De Vasquez, Castro Xarava, Valderrama, Gomez, Zapata."

On the one hundred and first folio is to be found another royal letter addressed to Juan de Estrada Ravago, which, copied word for word, is as follows:

"I, the king. Juan de Estrada Ravago: I have seen your letter of the twenty-first of November of the year last past, one thousand five hundred and sixty, written at Castillo de Austria, which is in the province of Cartago and Costa Rica, and from that letter and from the report which you have forwarded to us, and from what has been written to us from that city, I have understood how you have labored in the discovery and colonization thereof, and how the licentiate Cavallon, under commission from our president and the auditors of the royal board of control for the colonies, sent you to make said discovery, and how you went there by sea and returned by land with a number of the native inhabitants and animals, and I feel great satisfaction at what you have done, which, according to your report, I consider to have been rightly performed, and I feel to have been benefitted by the labors which you have performed there; and I trust in our Lord that, having united with said licentiate Cavallon, you will prosecute its discovery to a conclusion, and learn its hidden resources; and that the native inhabitants will receive great benefit in their education and conversion to our holy Catholic faith, to which end, with your good zeal and Christianity, you will bestow the proper attention, and, accordingly, I charge you to continue that which you have commenced, and to endeavor to effect the improvement of that colony, and that we may be rendered such advantage therefrom as can justly and rightly be done; and that you in particular, as a priest and ecclesiastical personage, acquire great influence with the Indians and with their good treatment and instruction in the doctrines of our holy Catholic faith, and inform us constantly of what shall transpire there, and suggest whatever may be necessary to be done on our part, who, on account of your services and the labors you have performed and will perform, will order it to be borne in mind that you receive the reward that shall appear to be just and such as you deserve. At Madrid, on the fourth of August, one thousand five hundred and sixty-one. The king. Countersigned, De Eraso. Signed by the same."

And on the one hundred and first folio, on both sides of the leaf, there is to be found another royal letter, address to the licentiate Cavallon, which, copied word for word, is of the following tenor:

"The king, to the licentiate Juan Cavallon, our procurator of the royal board of control for the colonies: By letters from Juan de Estrada Ravago, and from the city of Castillo de Austria, I have learned how our president and auditors of said royal board of control of the colonies gave you instructions, through our principal alcalde of the province of Nicaragua, to proceed from thence to make discovery of and colonize the province of Nuevo Cartago and Costa Rica in a positive manner; and as you in compliance thereof, and in view of the services which would be rendered to our Lord and us therein, you formed the determination to make an exploration and colonization of

said territory; and you concerted with said Juan de Estrada Rávago to go and ascertain about it; and, in accordance therewith, you both agreed upon the necessary preparations for said purpose, and you came to the conclusion that said Juan de Estrada Rávago should go by sea and you by land; and, accordingly, said Juan de Estrada went with about sixty men, and disembarked at the port of San Geronimo, which is in said province of Cartago and Costa Rica, where it appears that he colonised said town of Castillo de Austria, and that you there afforded him assistance with the force which you brought thither by land; and I have been pleased to hear what has been effected by this discovery and colonization, because it appears that it has been actually accomplished, according to the report which has been transmitted to us by said Juan de Estrada Rávago; and I feel confident that, having succeeded in annexing said territory to ourselves, the result will be the exploration and discovery of the hidden resources which it may possess, and that the natives thereof shall be conducted within the pale and brought to the knowledge of our holy Catholic faith; and, accordingly, I charge you, that as it is yourself who has effected that discovery and colonization, that you proceed to do there whatever is best in accordance with the interests of the Lord our God and of myself, paying regard, in every respect, to the order which we have issued in respect to the new colonies and discoveries; and that you take care that the natives are well treated, and that we are well esteemed therein for what we rightly and justly can be; and that you prosecute the discovery of this territory, and that you found such settlements therein as may appear suitable to you, leaving therein such regulations and system of government as you may see proper to adopt, when you see fit to return to reside in said Audience, in order to undertake there the said duties of prosecuting attorney, which we have now anew bestowed upon you; for which, in regard to the services you have already bestowed and will hereafter bestow in this discovery and colonization, just as before, where you have served us, we shall order that you be kept in remembrance, so as to receive the reward which you may be entitled to. From Madrid, on the 4th of August, 1561. I, the king. Countersigned, De Eraso. Signed by the same."

The report is correct, and the insertions correspond word for word with the documents which are referred to in the book above mentioned, which is preserved in the archives under my charge. And to authenticate the fact, I affix my signature to these presents, consisting of eight leaves, of the fourth seal, with the rubrics that are used in Seville, on the 4th of October, 1850.

ANICETO DE LA HIGUERA.

For the certificate and papers requested, eighty-two reals.

[Government of the province of Seville, L. S.]

Don Aniceto de la Higuera, by whom the preceding certificate is authenticated, is, as he styles himself, keeper of the archives in the Indian bureau of this city; and in order that it may be known, I, as the governor of the province, sign these presents, at Seville, on the 20th of February, 1851.

JAV'R CAVESTANY.

[Ministro de la gobernacion, L. s.]

The minister of the government of the kingdom, I certify that D. Javier Cavestany is, as he entitles himself, governor of the province of Seville, and that the signature affixed to the preceding certificate is the same which he is in the habit of using in all his public documents; and for such purposes as there may be occasion to have them used, I give these presents, at Madrid, on the 24th of February, 1851.

JERMIN ARTETA.

Don Luis de la Torre Ayllon, under secretary of the department of state, &c., &c.; I certify that Don Jermin Arteta, by whom the preceding document is legalized, is the minister of the government of the kingdom, as he styles himself, and the signature and rubric placed at the foot appear to be his own; and in authentication of this I give these presents, at Madrid, on the 27th of February, 1851.

LUIS LOPEZ DE LA TORRE AYLLON.

[Ministero de Estado, L. s.]

B.

[Translation.]

Charter granted to Don Diego de Artieda, appointing him governor of the Province of Costa Rica.—1574.

I, Don Aniceto de la Higuera, of the Illustrious College of Advocates, and of the Association of the Friends of the Country of Seville; Secretary of Her Majesty, and honorary Auditor of War and Marine, and Keeper of the Archives of the Indian Bureau in said city:

Certify: That there having been addressed to me by the most excellent Count of San Luis, secretary of state and of the department of government of the kingdom, the royal order made at Madrid on the twenty-seventh of May, one thousand eight hundred and fifty, which, copied word for word, says as follows: "Bureau of Foreign Affairs. Her Majesty the queen has thought proper to grant permission to Don Felipe Molina, minister plenipotentiary of Costa Rica at this court, either in person or through the medium of some one empowered by him, to assist in ascertaining from the archives of that office the boundaries of said republic, comprising the ancient province of the same name, and the district of Nicoya, where the captaincy general of Guatemala formerly existed; ordering, that as occasion requires there be freely delivered to said plenipotentiary copies of such documents as are not reserved, which may tend to establish the boundary lines referred to. I inform you of this by royal order for the purposes to which it applies, and as additional to that of the nineteenth of the present month. God preserve you many years. Madrid, the twenty-seventh of May, one thousand eight hundred and fifty. San Luis. The Archive Keeper General of the Indies. Seville."

Señor Don José Maria Gutierrez, honorary secretary of her Majesty and agent of Señor Don Felipe Molina, minister plenipotentiary of Costa Rica, having presented himself before me at the same time, I exhibited to him the bundle of papers preserved among these archives, inscribed "Office of the Secretary of New Spain. Registers letter X." A volume entitled "Costa Rica—for the years from one thousand five hundred and sixty-five up to one thousand six hundred and two;" which is a bound volume and contains one hundred and seven double pages, and at the sixty-sixth page, over, is to be found the document which has been designated by said gentleman for the purpose of this attestation, which, being copied literally, reads thus: "Marginal note—the title of governor and captain general of the province of Costa Rica, for Captain Diego de Artieda and for his son or brother, or any person whom he may name. D. Phelipe, &c. In consequence of the satisfaction you, Captain Diego de Artieda, have given us, and the services you have rendered us, which we wish you to continue, for the increase of our royal crown of Castille, we have ordered that you will take along the treaty and capitulation of the province of Costa Rica, in which treaty there occurs the following chapter: In the first place, we give you permission and power to reconnoitre, people and pacify the aforesaid province of Costa Rica, and the other lands and provinces which may be included within the same, which is from the north to the south seas, in latitude and longitude, from the confines of Nicaragua, on the side of Nicoya, fronting the valleys of Chiriqui, as far as the province of Veragua, and we present you with the government and captaincy general of said province of Costa Rica and all the other lands which, as above stated, are included in the same, for all the days of your life, or that of your son or heir, or of any person whom you may name, with a salary of two thousand ducats, taken yearly from the produce and revenue which may accrue to us in said province, it being understood that in the failure of such produce or revenue we shall not be obliged to order any part of said salary to be paid to you; and to that effect we will direct the proper title and office to be given to you, you therefore fulfilling and observing said treaty and chapter which is inserted above; it is our will and pleasure, by these presents, that you shall enjoy, and that henceforward, and for the balance of your life, you be our governor and captain general of said province of Costa Rica, and of the other lands and provinces which may be included within the same, which is from the north to the south seas, in latitude and longitude, from the confines of Nicaragua, on the side of Nicoya, fronting the valleys of Chiriqui, as far as the province of Veragua to the south, and to the north from the mouths of the channel, which is, in those parts belonging to Nicaragua, all the tract of land as far as the province of Veragua; and that after your death, said government and captaincy general shall be held by a son or heir of yours, or by any person that you may name to that effect, according and in the manner that you might have held the same, and that you may hold and exercise, as well as them, our civil and criminal jurisdiction with the offices of justice which may be located in said province of Costa Rica and the lands and villages above mentioned; and, by this our letters, we order all courts, justices, municipal officers, gentle-

men, squires, officers and good men of all cities, towns, and places to be found in said province lands and populations which are specified, and to our officers residing or who may hereafter reside therein, that as soon as you shall be required by means of these letters of ours, without any further call or delay whatever, without consulting or waiting for another letter of ours or a second or third order, they shall take and receive from you, the aforesaid Captain Diego de Artieda, and after you from your son or heir aforesaid, or any person that you may name, the oath and solemnity required in such case, and which you must make; which being done, by you and them, they shall receive and hold you for our governor and captain general of said province of Costa Rica and the population appertaining thereto, and allow you and freely consent that you and them shall use and exercise said offices, and fulfill and execute our law, by you or your alcaldes, your lieutenants and theirs, whom you may, and they may, dismiss and remove whenever and when our service and the execution of our law shall require it; and to appoint others in their places, and to try and determine all suits and cases, both civil and criminal, which may occur in said province and lands above mentioned, and towns peopled, or which may hereafter be peopled, as well between persons residing there and the natives who may subsequently reside there, and you and your aforesaid son or heir, or the person that you may name for said government; and our alcaldes and lieutenants aforesaid may levy the duties annexed and belonging to said offices, and make whatever inquiries in cases of pre-emptive rights, and all other things belonging to and concerning said offices; and that, in order that you may exercise and execute our law, all shall co-operate with you, with their persons and property, and give you, and cause to be given to you, all the favor and assistance which you may ask or require; and they shall respect and obey you in all things, and fulfil our orders and the orders of our lieutenants aforesaid, and that in regard to this, or any part of it, they shall not place, or attempt to place, any obstacle or hinderance, inasmuch as we, by these presents, receive and have received you as holder of said offices, to use and exercise the same; and we give you power and privilege, to you and to your aforesaid son or heir, or any person that you may name, and to their lieutenants aforesaid, to use and exercise the same in case that any of them should refuse to admit you; and by this, our letter, we order any person or persons having jurisdiction in said province and lands that, as soon as they shall be requested by you, the aforesaid Captain Diego de Artieda, they shall give up and deliver the same to you, and shall no longer exercise it without our permission and special order, and after you to your aforesaid son or heir, or to any person that you may name, under the penalty incurred by those who exercise public and royal functions without authority to do so, inasmuch as we, by these presents, suspend them, and hold them for suspended, and, moreover, that in regard to the fines belonging to our exchequer, which you and your alcaldes and lieutenants may levy, the same shall be carried into effect and caused to be executed by you and delivered to the treasurer of said province; and we order, moreover, that if you, the aforesaid Captain Diego de Artieda, and, after you, the person who is to suc-

ceed you in said government, shall understand to be for the good of our service and the execution of our law, that any persons among those who at present reside, or may reside, in said province and lands shall quit, and not remain nor enter the same, and come to present themselves before us, you may, in our name, order and cause them to quit, according to the royal ordinance which relates to the subject, giving to the person whom you may expel the reason for so expelling him; and, in case of its appearing necessary to you to keep the matter secret, you shall give said reasons under seal and cover, and, on the other side, you will send us a duplicate of the same, in order that we may be informed accordingly; but you will bear in mind that when you shall have occasion to expel any one from the country, unless it be without any great cause and to exercise said offices, we give you full power, with all the rights incident, dependent, and annexed to the same; and it is our pleasure and will that you have and receive for salary, each year of your government aforesaid, two thousand ducats, of the value of three hundred and seventy-five maravedis a piece, which you will enjoy from the day that you sail from the ports of San Lucar de Barrameda, or from the city of Cadiz, in pursuit of your voyage, and for all future time that you shall hold said government; which salary we order our functionaries of said province of Costa Rica, and the lands appertaining thereto, to give and pay you yearly, out of the revenues and produce which in any way shall belong to us in said province and government, and, there being no revenue nor produce to be collected, we shall not be bound to cause you to be paid anything; and it is our will and pleasure that the same salary shall be had and received with the government and captaincy general aforesaid by your said son or heir, or any person that you shall name and who shall succeed in said charge; and that he enjoy said salary from the day that he shall be received and commence to use and exercise said offices, and to all future time of their holding the same; and that our functionaries aforesaid shall take yours and their receipts of payment, with which, and with the copy of this our decree, signed by a public notary, I order that whatever shall be given and paid in conformity with the same be received and audited, and that no one shall do anything contrary to this provision in any way whatever.

Given at Aranjuez, the 18th of February, 1574.

I, THE KING.

By order of his majesty.

ANTONIO DE ERASO.

Signed by the president.

JUAN DE OVANDO.

The above is a faithful copy of the document referred to, kept in this archive under my charge; and in testimony thereof I sign these presents, in six pages of the fourth seal, with my usual signature, in Seville, the 19th of August, 1850.

ANICETO DE LA HIGUERA,

Busqueda certificate and papers, 73.

D. Manuel de Podio Valero, first officer of government of this province, and secretary ad interim of the same—

I certify that the foregoing document has been issued by the keeper of the archives of the general of the Indies of this city, and that the signature attached to it is the same as that which is wont to affix in his writings, and is known as his; and I sign these presents for the proper effects, in Seville, the 2d of September, 1850.

MANUEL DE PODIO Y VALERO.

V. B.:

CANESTANY. [L. s.]

The under secretary of the government of the kingdom—

I certify that Don Manuel de Podio y Valero, by whom the foregoing certificate is issued, is such secretary of the government of the province of Seville, and that the signature attached to it is the same that he uses in all his writings; and in order to subserve the proper ends of justice, I issue the present with the approval of the most excellent minister of the government, at Madrid, the 10th of September, 1850.

JUAN DE LA CRUZ OSES.

Vo. Bo.:

SAN LUIS.

[L. s.]

Don Antonio Caballero, knight grand cross of the royal American order of Isabel the Catholic; commander of the order of Charles the Third; knight of the illustrious and military order of St. John of Jerusalem; commander of the legion of honor of France, &c.; secretary to her majesty for signing decrees, and under secretary of the department of state, &c., &c.—

I certify that Don Juan de la Cruz Oses, by whom the foregoing document is authenticated, is such under secretary in the department of the government of the kingdom, and his the signature affixed at the end; and in testimony thereof I issue this present, in Madrid, on the 12th of September, 1850.

ANTONIO CABALLERO.

[SEALED.]

C.

[Translation.]

Report sent by Don Diego de la Haya, Governor of Costa Rica, to the court of Spain, in 1719.

I, Don Aniceto de la Higuera, of the college of advocates, and of the economical association of the friends of the country of Seville, secretary of her majesty, and honorary auditor of war and marine, and keeper of the archives of the Indian bureau in said city—

Certify : That there having been addressed to me by the most excellent Count of San Luis, secretary of state and of the department of government of the kingdom, the royal order made at Madrid on the twenty-seventh of May, one thousand eight hundred and fifty, which, copied word for word, says as follows :

“ BUREAU OF FOREIGN AFFAIRS,
“ *Madrid, May 27, 1850.*

“ Her Majesty the queen has thought proper to grant permission to Don Felipe Molina, minister plenipotentiary of Costa Rica at this court, either in person or through the medium of some one empowered by him, to assist in ascertaining from the archives of that office the boundaries of said republic, comprising the ancient province of the same name, and the district of Nicoya, where the captaincy general of Guatemala formerly existed, ordering, that as occasion requires, there be freely delivered to said plenipotentiary copies of such documents as are not reserved, which may tend to establish the boundary lines referred to. I inform you of this by royal order, for the purposes to which it applies, and as additional to that of the nineteenth of the present month. God preserve you many years.

“ SAN LUIS,
“ *The Archive-keeper General of the Indies, Seville.*”

Señor Don José Maria Gutierrez, honorary secretary of her Majesty, and agent of Señor Don Felipe Molina, minister plenipotentiary of Costa Rica, having presented himself before me at the same time, I exhibited to him the bundle of papers preserved among these archives, inscribed, “ Office of the Secretary of New Spain. Secular. Court of Appeal of Guatemala. Letters and records from the governors and magistrates of said judicial district.” From the year one thousand six hundred and sixty-two, until the year one thousand seven hundred and sixty, and among the papers therein contained, there has been pointed out to me, for the purpose of making this certificate, the record of the letter transmitted by the governor of the province of Costa Rica, Don Diego de la Haya, which is, word for word, as follows :

LETTER OF THE GOVERNOR.

“ *Cartago, March 15, 1719.*

“ SIR : From the time I took possession of the government of this province of Costa Rica, I took the greatest care and pains to ascertain its condition, and what was most needful for its security, for which purpose I have drawn up (in compliance with my duty) the report which accompanies this ; which, taken into consideration by the high and sovereign intelligence of your Majesty, I trust will meet with your royal approbation, in order that thereby this province may obtain the military force necessary for its defence ; and that I may be the fortunate man to sacrifice myself in conquering the Thalamancas, which undertaking I shall be the first to embark in, for the reason that your majesty is so desirous that these heathen should be con-

verted to the light of grace; they who, scorning the tie which was most advantageous to them, rose in revolt in order to live for the gratification of their passions. God preserve your Majesty many years, as your subjects desire, and as Christianity requires.

“DIEGO DE LA HAYA. [A rubric.]

REPORT.

SIR: This province of Costa Rica is situated between two others; that of Veragua and that of Nicaragua—being also encircled on the south by a small strip of the district of Nicoya. The length of said province is one hundred and sixty leagues, commencing at the Rio de Boruca, (the same which separates its jurisdiction from that of the province of Veragua,) and extending to the place designated Rio del Salto, which lies between this province and said province of Nicaragua. In width it extends sixty leagues, which are to be reckoned from the valley and coast of Mathina—which is in the northern part—as far as Puerto de la Caldera, where it is washed by the waters of the south sea. And the jurisdiction of this province is separated from said district and jurisdiction of Nicoya by the Rio del Tempisque. In order to harmonize with the kingdom on the main land, there might be given to this province the name of the “Southern Peninsula,” inasmuch as, while that kingdom on the main land forms an isthmus or tongue of land of thirty leagues extending from Puertobello to Panama, and separates the northern and southern oceans. This province with an isthmus of sixty leagues, separates them in the same manner, as it contains therein other places so narrow, that it is hardly twenty leagues from one sea to the other, which although discovered, are not frequented, because an enemy cannot easily approach them.

* * * * *

On the leeward side of this valley is the castle of San Lorenzo, distant sixty-eight leagues from the mouth of the Chagres river, and twelve leagues further down is the city of Portobello, and between this valley and said castle there are settled and colonized, at some distance from the coast, the Guaymiles, Doraces, Chanquines and Talamanca Indians, and these latter are the nearest to this province; in passing through which may be defined the mouths of the Toro, the bayous of the Almirante, other headlands and inlets, and the island of the Tayares Indians, the most warlike in all America, for they have no familiarity or intercourse with any nation. To the windward of said valley of Matina, and at a distance of twenty leagues further along the coast, is the mouth of the river San Juan, at which the city of Granada is being erected.

* * * * *

To the windward of said port of Caldera is to be found the belt of land belonging to the district of Nicoya, which is thirty leagues in length and eleven in width, and it merely contains one village of Indians, of all ages and both sexes, who are now ruled and governed by a principal alcalde, appointed by your Majesty; and it is eighty leagues from said district to the port of Realejo.

* * * * *

The province of Talamanca is contiguous to this on the eastern side, which said province is situated between the valley of Matina and the mouth of the Castilla de Chagre, at a distance of seventy leagues from this city of Cartago, with a road by land, where the first settlement was effected on the "Rio de Estrella," called "Our Lady of the Conception," which was founded in the year one thousand six hundred and one, and in the year one thousand six hundred and ten, said Talamancas rose in arms and killed said Spaniards who had remained there with some women. In the year one thousand six hundred and eighty-nine there came an order for the subjugation of Talamanca, and in the same year some priests arrived there, where they remained more than two years, having converted many heathens to the Christian faith, and from that time they maintained themselves there until the twenty-eighth day of September, one thousand seven hundred and nine, with a small garrison and some priests, upon which day they arose in arms and killed the reverend fathers Fray Pablo de Rebullida, and Fray Antonio de Zamora, also ten soldiers, the wife of one of them, and a child; and information of what had occurred having been transmitted to the royal audience of Guatemala, it ordered the governor of that province (at that time Don Lorenzo de Granda y Balbin) to proceed to said district of Talamanca with two hundred men, which he performed in person, dividing his force into two bodies, one of which entered by the village of Tuis, and the other by that of Boruca, and united at the village of San Joseph de Cabecar, (the centre of the mountain region,) where they fortified themselves, killed a great number, and carried away to this city as many as five hundred and five of both sexes; of these some escaped, others died, and at the present date some two hundred are retained in the service of the Spaniards of this province, the conquest being terminated after this last event, on account of no orders having been issued authorizing it. In former years, from one thousand seven hundred and thirteen up to one thousand seven hundred and sixteen, there have arrived at this city several deputations from the Talamancas to beg for priests to administer the offices of religion, and finding there the Apostolical missionaries, named Fray Antonio de Andrade and Fray Alonzo Villarejo, for the purpose of carrying this design into execution; they had several consultations, requesting that means be devised for effecting it, but as the city of Guatemala was meanwhile destroyed, (on account of violent earthquakes,) all negotiation in regard to this subject was brought to an end, for the reason that said priests were withdrawn from their college of "Cristo Crucificado," (which is in said city,) leaving these aboriginals to endure the miseries they had so repeatedly requested to be guarded against.

* * * * *

The district of Nicoya, which, as I have already shown your Majesty, is separated from this province by the Rio del Tempisque, possesses fertile lands, many cattle, and trees producing the plantain, (which fruit is the daily food of the Indians;) its climate is warm and humid, and congenial to its aboriginal inhabitants, for which reason I cannot find any better adapted for that purpose in this province,

and for the additional reason that it is more than one hundred and fifty leagues from Talamanca, which is the distance between that, on the north, and said district of Nicoya, to that of the south. I cannot refrain from bringing to the knowledge of the sovereign intelligence of your Majesty the little necessity there is for the salary which is paid to the chief magistrate of the district of Nicoya, (who is merely the alcalde of a village of two hundred souls, or thereabouts,) which strip of land, being so close to the district of Bagaces of this province, your majesty might order to be annexed thereto, assigning as the governor thereof a lieutenant general, in imitation of those of the city of Esparza and district of Matina, who receive no pay whatever, and moreover it would be a great relief to the residents of Vagaces to have their community annexed to this province, as they are very much in want of drivers to aid them in slaughtering the cattle, from which they extract the tallow to sell at Panama. The same representation was made to your majesty by Don Juan Lopez de la Flor, governor of this province, during the year one thousand six hundred and sixty-five, and by a royal letter issued from the court of Madrid, on the twenty-third of April, one thousand six hundred seventy-seven, your majesty directed the bishop of the province of Nicaragua to make a report as to what was best to be done in this matter, and as I have no means of knowing what report may have been forwarded to your Majesty, it is my duty, and from the information I possess, to again repeat to your Majesty how much it would subserve the interests of this province if said district of Nicoya were attached thereto, in regard to which your Majesty will issue such orders as you may deem most advisable.

* * * * *

For these observations, which I lay before your Majesty, in relation to this subject generally, and for what I have remarked especially concerning this province, I hope that, comprehended by the high and superior understanding of your Majesty, I may be excused for having made so urgent a request in regard to matters which, in accordance with my duty, I have felt it my duty to bring to the royal notice of your Majesty, in order to ensure the better security of the domains in this province, and the more speedy conquest of the Talamancas, although the double task which I have undertaken in this respect may have led me astray from making the special description, which I intend to make of this above mentioned province, in order to add this little service to the few others which I have already rendered your Majesty, at whose royal feet I now present it. God preserve L. C. R. P. of your Majesty, as your subjects desire and Christianity requires. Cartago, March 15, 1719. Diego de la Haya. A rubric.

The above insertion corresponds word for word with the documents which are referred to, and are preserved among the archives under my charge; and for the purpose of authenticating this fact, I sign these presents, containing twenty-six leaves of the fourth seal, with the accustomed rubric, at Seville, on the 7th of September, 1850. Interlined. "Al tiempo," "Valga."

ANICETO DE LA HIGUERA.

For the search, certificate, and paper, one hundred and fifty-six specie reals.

I, Don José Oller y Menareho, secretary of government of this province, certify that Don Aniceto de la Higuera, by whom the preceding document is authenticated, is, as he styles himself, keeper of the archives of the Indian bureau in this city, and that the signature placed at the foot thereof is that which he is accustomed to use in all his writings; and, in testimony of this, I affix these presents, (which will be certified to by the governor of Seville,) on this 12th of September, 1850.

JOSE OLLER.

Assented to.

CAVESTANY.

The under secretary of the department of government of the kingdom, I certify that Don José Oller, by whom the preceding certificate purports to be made, is such secretary of the government of the province of Seville, and that the signature which he attaches thereto is the same which he is accustomed to use in all his writings; and, for such purposes as they may be required, I give these presents, with the assent of the minister of government, at Madrid, on the 18th of September, 1850.

Assented to.

JUAN DE LA CRUZ OLLER, [L. s.]

SAN LUIS.

I, Don Antonio Cabellero, under secretary of the department of state, certify that Don Juan de la Cruz Oller, by whom the preceding document is authenticated, is, in fact, the under secretary of the department of the government of the kingdom, and that what purports to be his signature and rubric, placed at the foot thereof, is his own; in testimony of which I sign these presents, at Madrid, on the 24th of September, 1850.

ANTONIO CABELLERO, [L. s.]

Mr. Molina to Mr. Webster.

WASHINGTON, *May 8, 1851.*

SIR: Having understood that you intend to enter soon into conferences with the Nicaraguan minister in regard to the treaty concluded by Mr. Squier, the late chargé d'affaires of the United States to Nicaragua, with the government of that country, and observing that the 35th article of the treaty in question contains stipulations which are evidently injurious to Costa Rica, inasmuch as her right to the joint sovereignty over the port of San Juan, over the river of the same name, and over the navigation of Lake Nicaragua is not therein taken into account, I make bold to call your attention to that point, and

have to request that you be so good as to adjourn the closing of the negotiation alluded to until you have examined at leisure the documents which I have presented to-day, and which, I expect, will leave no doubt in the mind of the American government as to the justice of the claims of Costa Rica.

I have the honor to remain, with the highest consideration, sir, your most obedient humble servant,

F. MOLINA.

Hon. DANIEL WEBSTER,
Secretary of State of the United States, &c., &c., &c.

Mr. Marcoleta to Mr. Webster.

[Translation.]

WASHINGTON, June 3, 1851.

Mr. Secretary of State—

MY DEAR SIR: In the message which the President of the United States addressed to Congress on the 22d of July, 1850, relative to the events and the occupation of the island *del Tigre* by the British naval forces, there is, page 180, document B, a literal translation of a note which Lord Palmerston addressed to Señor Castellon on the 16th of July, 1849, on the subject of the port of San Juan and the Mosquito coast.

Having been charged by my government to continue the mission of Señor Castellon in London, I deemed it my duty to reply to said note, stating the grounds upon which Nicaragua bases her rights to the possession of the territory, which the British government disputes.

As this reply is not to be found in the aforesaid message, and thinking it may serve to throw some light upon the question, I have the honor of sending the annexed copy to the department, with a view of its being considered along with the other documents which have reference to this important question, in order to effect the objects aimed at. The government of Nicaragua fully hopes that, when the Secretary of State shall have possessed himself of the contents of the document herewith enclosed, he will allow it to exercise a proper weight in the estimate of the justice and reason that concur on the side of Nicaragua in this vital question of her political existence, and in support of her legitimate rights to so essential a part of her territory such as the coast and country of Mosquitos.

I avail myself of this new opportunity, Mr. Secretary of State, to renew to you the assurances of my highest consideration.

J. DE MARCOLETA.

Hon. DANIEL WEBSTER,
Secretary of State.

[Translation.]

LONDON, *October 27, 1849.*

MY LORD: The undersigned, chargé d'affaires of the State of Nicaragua, has the honor to acknowledge the receipt of copies of two notes which the right honorable Viscount Palmerston, her Britannic Majesty's secretary of state for foreign affairs, addressed to Mr. Castellon, respectively, on the 16th and 17th of July last.

The undersigned having been instructed by his government to continue to cultivate relations of friendship and good understanding between the two countries, and to follow up the discussion of those questions which may be of interest to the two governments, especially the one alluded to in the first of the two notes aforesaid, he thinks it his duty to address a few remarks to the right honorable Viscount Palmerston on the contents of said note, always excepting that portion of it which relates to the debt of Nicaragua in favor of English subjects, the latter having reserved themselves for an understanding on the subject with the government of the State through the interposition of her Majesty's consul in Central America.

The bases upon which the right honorable Viscount Palmerston thinks it proper to rest his principal argument in the note of the 16th of last July are, firstly, that the Mosquito territory did not form an integral portion of the Spanish dominions in Central America; secondly, that in the treaties of 1783 and 1786, between England and Spain, it was less a question of proving the rights of the last mentioned power as to regulate the relations of British subjects who exercised their industry and carried on their trade along the coast with the inhabitants of the country and the authorities which the Spanish government had established there.

Upon bases like these the British government seems disposed to demonstrate the unfairness of the claims of the State of Nicaragua to the possession of the port of San Juan.

That Spain has always considered the territory and the coast of Mosquito as constituting an integral portion of her territory and sovereignty in Central America is an incontrovertible point, and a question which has already been authoritatively settled; at least it is so proved by the law entitled "*Recopilacion de Indias*," No. 6, chapter 15th, book 2d—a law by which the administration of justice in the kingdom of Guatemala was regulated; which kingdom literally and textually received as boundaries the northern sea on one side, and the southern sea on the other. The tenth article of the constitution of Cadiz, of the 19th March, 1812, declared that Guatemala and the interior provinces to the east and west, as well as the islands contiguous to the two seas, constituted an integral part of the Spanish dominions.

Consequently, that power has always exercised acts of possession and of sovereignty over all those coasts, such as the royal ordinance of October 18, 1792, the object of which was to establish a custom house at the cape of *Gracios à Dios*; that of February 26, 1796, declaring the port of San Juan open to commerce; that of March 28,

of the same year, for the purpose of encouraging cotton plantations; for building a town in the port aforesaid, and for constructing flat boats suitable to the navigation of the river; and, finally, the ordinances of the 5th and 20th November, 1803, granting privileges to those who might come to settle at Rio Tinto, at Bluefields, and at Cape Gracias á Dios.

The undersigned does not believe that any argument or solemn protestations, on the part of the British cabinet, can set aside the legal declarations and royal ordinances above mentioned: he knows only that England has always recognized the Spanish government, and that the recognition of the constitution of Cadiz, of March 21, 1812, contained no reservation whatever.

It is most true, however, that British subjects had previously gone to establish themselves on the Mosquito coast; that one of the governors of Jamaica (Lord Albermarle,) was the first to give the title of king to one of the chiefs of the wandering tribes that overrun the territory of Mosquitos; but, independently of the fact that such establishments and such concessions cannot constitute a right, it is also clear that, in consequence of certain claims on the part of Spain, negotiations were set on foot, which led to the formation of public and solemn treaties, the first of which was signed in Paris on the 10th of February, 1763, and the seventeenth article of which stipulates, firstly, the demolition of the forts which have been erected in the bay of Honduras and in other parts of the Spanish territory in the New World; secondly, the guarantees and concessions which the Spanish government had granted to British subjects engaged in cutting, transporting and freighting logwood, with perfect enjoyment of those advantages *on the coasts* and other portions of the American continent subject to Spain.

Causes and motives which are already known, subsequently led to the conclusion of the treaty of 1783, and to the convention of 1786, concerning which it would be useless to enumerate the articles having special reference to the object now under discussion.

All these acts, having again received the sanction of the two governments, serve to prove that Spain maintained, and that England recognized, the rights which the first mentioned power exercised over those countries; for how could it be possible that the British government would have consented to abide by, and to submit to, certain conditions and stipulations, and to conform to territorial boundary lines which had been drawn by a power in a country which did not belong to it?

It would have been more regular and more rational for Great Britain to have treated directly with the sovereign, or with the government of that country, if there had really been one in existence.

It is most true, also, that the word frontier occurs in the 14th article of the convention of 1786, but the undersigned is induced to believe that the introduction of this word originated in some slip of the pen on the part of the writer, rather than in the existence and conviction of such a fact, because that word is flagrantly at variance with the sense and the text of the other articles, contained in the treaty of 1783 and in the convention of 1786.

The term frontier, moreover, indicates certain points of separation already agreed upon ; it is a line of demarkation between two neighboring countries, foreign to each other, established by competent authority, and by commissioners appointed *ad hoc* by the parties interested. Is there any act of this description, in existence, therefore, which could be cited, in support of the interpretation, which, the right honorable Viscount Palmerston thinks it his duty to give to the 14th article of the aforesaid convention ?

Again, it is generally recognized as a principle, that all treaties, besides the signature of plenipotentiaries, must also contain a pledge of honor, morally given by the high contracting parties, for carrying out the provisions of such treaties, not only in regard to the letter of the same, but in relation to the very spirit of the clauses inserted therein. The British government was perfectly well aware what were then the interests of Spain in negotiating about the matter ; nor was the said British government ignorant of the fact, that the latter power would not have signed those conventions if England had refused to recognize the rights which Spain was exercising over the territory and the coast of Mosquito.

The term frontier, therefore, which is mentioned in the dispatch of the right honorable Viscount Palmerston, can only refer to the demarkation of certain points which separate two countries already civilized from those that are not so ; as it is the case in Brazil and in the United States of North America.

The acts of the governors of Jamaica—Lord Albemarle and Sir — Dallas—being of a date long previous to the stipulations and the treaties mentioned above, cannot serve as precedents, for the purpose of establishing an actual right, seeing that the tendency of these very treaties is to destroy the traces of such acts.

Having already proved that Spain exercised sovereignty over the territory in question, and that England had recognized that sovereignty by public and solemn treaties, the undersigned, is of opinion, that Central America, and especially Nicaragua, could claim to exercise the rights belonging to them, in virtue of the very act of independence, and a possession which has neither been interrupted nor disputed, until these latter times, without incurring the application of the *res inter alios*, inasmuch as the same could not have been applied to the old country.

And if there is no formal declaration in existence relative to the recognition, by Spain, of the independence of the Central American States, that independence, may, at least, be considered as virtually recognized, since the Spanish Cortes, at their sitting of September 3, 1836, authorized the government to conclude treaties with the new American States, because the political condition of those states was considered as a positive fact.

Nicaragua, then, has been at liberty, freely and legitimately, to exercise her rights of sovereignty over the whole extent of her territory ; and Great Britain has never dreamed, since the period of the independence of that state, until recently, to support what are called the rights of the Mosquito chief ; but on the contrary, she recognized the various constitutions of the country, where the boundaries had been

legally defined. At the period when the confederacy of the States contracted a loan with the house of Barclay, the cabinet of St. James entered no protest in regard to the guarantee which was given to that house, based upon the revenues of the port of San Juan.

The right honorable Viscount Palmerston declares, in his note of the 16th of July last, already alluded to, that in his opinion, and according to the opinion of several other authorities, the territory of Mosquito comprises the mouth of the river San Juan. Admitting this hypothesis for an instant, the government of Nicaragua is, and ought to be, very much surprised that Mr. Christie should, on his own authority, have carried the boundaries of that territory beyond the mouth of the Serapiqui, thirty miles above, and as far as the rapids of Machuca. The government of her Britannic Majesty is sufficiently just and sufficiently enlightened to understand that this invasion has been accomplished without any participation on the part of the government of Nicaragua, which was not consulted on the subject, nor yet apprised of the fact, nor even called upon to maintain its rights, in that division of territory. The aforesaid government has been obliged to yield before the necessity, imposed upon it by superior force, although in hope that the British government would not turn a deaf ear to the voice of justice and of reason.

If, on one side, the right honorable Viscount Palmerston believes himself sufficiently justified in approving and sustaining what has been done at the port of San Juan, since the 1st of January, 1848, down to this day, the government of Nicaragua, on the other side, has reasons, no less equitable and powerful, to vindicate its rights, with that moderation which characterizes it, and at the same time, with that persistency of purpose which is derived from conviction, and from the justice of the cause it advocates, without giving up the hope that its claims will finally be listened to, and duly appreciated, by a just and enlightened government, which prides itself upon its adherence to principles of distributive justice, which do not allow an interested party to constitute itself judge of a matter in dispute.

Consequently, the undersigned is thoroughly convinced that the government of her Britannic Majesty will not fail to submit the question now pending to arbitration, to which decision the government of Nicaragua submits in advance, as a proof of the desire which actuates it to preserve friendly relations with the British government; relations which may lead to a happy future, by developing the mercantile resources of the two countries, called upon respectively to fulfil a great destiny, a destiny which one of them has already, most fortunately, achieved, and which the other might easily attain, if the immense natural advantages she possesses, in every point of view, are not stifled in the birth.

The undersigned is also fully persuaded that the right honorable Viscount Palmerston will please to take into serious consideration the contents of this dispatch, and accede to the propositions mentioned above, as the only and most efficacious mode of terminating the question in a manner at once the most honorable for the British government, and the most advantageous to both countries.

The undersigned avails himself of this occasion to renew to the

right honorable Viscount Palmerston, the assurance of the high consideration, with which he has the honor to remain his lordship's most humble and very obedient servant,

J. DE MARCOLETA.

True copy:

J. DE MARCOLETA.

No. 4.

Mr. Webster to Mr. Kerr.

DEPARTMENT OF STATE,
Washington, June 6, 1851.

SIR: On the third of September, 1849, a treaty between the United States and Nicaragua was signed at Leon, the 35th article of which relates to a ship canal between the two oceans through the territories of that State; refers to a contract entered into on the 27th of August, 1849, between the republic of Nicaragua and a company of citizens of the United States, styled the "American Atlantic and Pacific Canal Company," requires the United States to recognize the rights of sovereignty and property which Nicaragua possesses over the line of said canal, and guaranties the neutrality thereof, so long as it shall remain under the control of citizens of the United States. This treaty was submitted by the President to the Senate in March, 1850. On the 19th of April next ensuing, however, a convention upon the same subject between the United States and Great Britain was signed in this city, by the 6th article of which it is stipulated that, if any differences should arise as to right of property over the territory through which the said canal shall pass, between the States or governments of Central America, and such differences should in any way impede or obstruct the execution of the said canal, the governments of the United States and Great Britain will use their good offices to settle such differences in the manner best suited to promote the interests of the said canal, and to strengthen the bonds of friendship and alliance which exists between the contracting parties.

Although it may be taken for granted that a part of the line of the canal here referred to would be in the bed of the river San Juan, or on the northern or southern bank of that stream, it is obvious that it would have been premature for the United States to assume the guaranty stipulated in the treaty with Nicaragua, until the position of the canal had been determined upon. The department is not aware that this has yet been done. It is well known, that for some time past there has been a dispute between the States of Nicaragua and Costa Rica respecting their boundary, and it is certain that until this shall be adjusted the United States could not undertake to guaranty to Nicaragua dominion over the line of the canal without, impliedly at least, deciding that dispute in her favor, and engaging to maintain that decision by force, should this become necessary. Though the President appreciates the friendship of Nicaragua, he cannot consent

even to risk doing an injury to any one of the other Central American States, by determining, without due examination, a controversy which it may have with any other of those States. If, however, a sense of duty were not sufficient to prevent the adoption of such a course on our part, the stipulation in our treaty with Great Britain, above referred to, makes it a positive obligation.

On the 5th of August last, Mr. Molina, the minister of Costa Rica at London, addressed a note to Mr. Abbott Lawrence, stating that his government, fully concurring in the philanthropic views set forth in the convention signed at Washington on the 19th of April, 1850, was willing to submit the question of her rights over the territories in dispute between Nicaragua and herself to the combined mediation of the United States and Great Britain, and to regard their joint decision as final, provided that Nicaragua shall have previously placed herself under a similar obligation. Mr. Molina is now the minister of Costa Rica at Washington. You will herewith receive a copy of a recent correspondence between him and the department upon this subject. In his note of the 31st of March, he states that his government claims a right of dominion over all the country lying on the southern bank of the river San Juan, from the Atlantic ocean to the Lake of Nicaragua, as well as on that portion of the aforesaid lake comprised between Fort San Carlos and river La Flor, together with a right to the joint navigation of the above mentioned river San Juan and of Lake Nicaragua. If, therefore, the line of the interoceanic canal should be on the south side of the river or in the bed thereof, a guaranty by us to Nicaragua of dominion over it would be in defiance of the claim of Costa Rica referred to. Under these circumstances, you will represent to the government of Nicaragua that this government cannot undertake to guaranty the sovereignty of the line of the canal to her, until the course which that work shall take with reference to the river San Juan and its terminus on the Pacific shall be ascertained, and until the differences between Nicaragua and Costa Rica, respecting their boundary, shall be settled. You will suggest that it would be advisable for them to empower the minister of Nicaragua here to adjust the question of limits, and, you may add, that it is quite probable, if it should be adjusted under the auspices of both Great Britain and the United States, that adjustment might be made to embrace a settlement of any other question which Nicaragua may have with other powers respecting her territories on the Carribean sea. If, however, the Nicaraguan government should refuse to authorize Mr. Marcoleta to negotiate upon this subject, you will then intimate to her authorities that the United States will not regard with indifference any attempt on her part to wrest by force from Costa Rica any territory of which the latter State may now be in peaceable possession.

I am, sir, very respectfully, your obedient servant,

DANIEL WEBSTER.

J. BOZMAN KERR, Esq., &c., &c., &c.

No. 6.

*Mr. Webster to Mr. Kerr.*DEPARTMENT OF STATE,
Washington, June 6, 1851.

SIR: If an inquiry should be addressed to you, in Nicaragua or elsewhere in Central America, as to whether the United States have recognised the Mosquito kingdom, or contemplate such a measure, you may answer decidedly in the negative. Any other course would be at variance, not only with the policy hitherto pursued by the United States in regard to the aboriginal inhabitants of the American hemisphere, but also with that of the European nations who made discoveries and planted colonies there.

I am, sir, very respectfully, your obedient servant,
DANIEL WEBSTER.

J. BOZMAN KERR, Esq., &c., &c., &c.

*Mr. Webster to Mr. Molina.*DEPARTMENT OF STATE,
Washington, June 10, 1851.

The undersigned, Secretary of State of the United States, has the honor to acknowledge the receipt of the note of Mr. Molina, envoy extraordinary and minister plenipotentiary of the republic of Costa Rica, accompanied by a printed memoir and documents in manuscript relative to the boundary between that republic and the republic of Nicaragua. In reply, the undersigned has the honor to acquaint Mr. Molina that his communication will be taken into respectful consideration.

The undersigned avails himself of this occasion to offer to Mr. Molina renewed assurances of his very distinguished consideration.

DANIEL WEBSTER.

Señor DON FELIPE MOLINA, &c., &c., &c.

Mr. Molina to Mr. Webster.

WASHINGTON, June 21, 1851.

SIR: In compliance with your desire, I here proceed to state to you what I consider to be the pretensions, claims, and rights of Costa Rica with respect to the river San Juan and the territories in dispute between her and Nicaragua. They are as follows:

The republic of Costa Rica maintains, in my opinion, with perfect justice and on the most clear titles, as her frontier, the whole course of the river San Juan and the shores of the Lake of Nicaragua from

the place where that river issues from the lake to a point opposite the mouth of the river La Flor, on the Pacific, including, of course, in this demarcation the district of Guanacaste, otherwise called Nicoya. Costa Rica likewise claims an equal right with Nicaragua to the navigation of the aforesaid river San Juan and of the lake, and to the dominion of port San Juan. These propositions I undertake to demonstrate in open conferences or debates with the minister of Nicaragua.

Consequently, my government is under the impression that no interoceanic communication ought to be established through the port, river, and lake in question without the consent of Costa Rica, and her participation in all the direct and indirect advantages to be derived from said undertaking, and that Nicaragua, when contracting for said enterprise on her sole authority, has encroached on the rights of Costa Rica.

Nicaragua, on the other hand, assumes that she has a right to the exclusive navigation of the river San Juan and of the lake; that the port of San Juan appertains solely to her; that the territory of Costa Rica does not extend to the southern bank of the river San Juan, but instead of that ought to be bounded by a line drawn from a point on the Atlantic, situated midway between Port San Juan and Port Martina to the river Salto; and, finally, that the district of Guanacaste is a part of Nicaragua, and not of Costa Rica.

In order not to make this communication too long, I refer you, for the grounds on which the case of Costa Rica principally rests, to the memoir and documents that I have had the honor to transmit to you, and of which I beg to call your attention to the annexed extracts, (enclosures Nos. 1, 2, and 3.)

Having thus briefly stated what I consider to be the right of Costa Rica, I shall venture, as briefly as possible, to indicate the manner in which, it appears to me, the difference between her and Nicaragua may be amicably arranged.

The first observation here to make is, that I am prepared to enter into an engagement in the name of my government that all the questions should be settled by the arbitration of the United States and Great Britain, it being understood that if they (the said powers) differ in any point, that difference should be decided by reference to a third power on whom they should mutually agree. Spain, from the affinity which still exists between the people of Central America and the country from which they take their origin, is the State which appears to me would, in case of a necessity of any such a third arbiter, be chosen with most satisfaction to both the interested parties.

You may, however, further require from me what I think would be the most just and easy mode of settling by adjustment or compromise those questions on which it may be difficult to form any absolute decision. With regard to this point, having already called your attention to the fact that Nicaragua has not only assumed to herself the sole right of navigating the river San Juan, but has actually granted that and other rights appertaining thereto to a company, without any consultation with, or benefit conferred upon, Costa Rica, I should suggest, in order not to interfere with the great work at present contemplated, that Costa Rica should consent to the grant that has been

made by the State of Nicaragua without deriving any benefit whatsoever therefrom (it being always understood that she retains the right of transit upon the same river) in consideration of some equivalent. The first and most natural thing to conceive is that which, in reality, offers no point of dispute, namely: the territory to the south of the port of San Juan, which I think I can without hesitation assert is already indubitably the right of Costa Rica.

The second would be the abandonment of Nicaragua of her claim over the territory of Guanacaste. If, however, it were found more convenient for the general settlement that the town now called Greytown, and occupied by the Mosquito people under the protectorate of Great Britain, should be ceded to the government of Costa Rica, together with a certain territory adjoining thereto, in virtue of some concession made by Costa Rica with regard to a portion of the territory of Guanacaste, lying on the lake and on the river San Juan, Costa Rica would accept this arrangement, though she would do so to her disadvantage, inasmuch as she could derive no particular benefit from it, for the following reasons: 1st. Possessing as she does a legitimate right to the southern side of the harbor, the acquisition of the northern side is not an object of vital importance to her. 2d. If after resigning her share in the profits of the interoceanic route, which is in itself a consideration of immense value, Costa Rica is to give besides a portion of Guanacaste, she would have then given more than she receives. 3d. The lands of Guanacaste are of a far greater value to Costa Rica than the territory on the northern side of port San Juan, because the former are bordering on the towns and cattle estates of the republic. 4th. By the dismemberment of a portion of Guanacaste, Costa Rica would lose a part of that natural and well defined line of boundaries which she is intent on maintaining, and which has been of the greatest consequence since the two countries (Costa Rica and Nicaragua) became separate nationalities.

This last suggestion brings me to a point which is now of much importance, and on which you have requested my opinion, to wit: "In what manner the question as to the occupation of Greytown, if the Mosquito government is withdrawn therefrom, can be arranged." One mode of disposing of this matter is that which I have just alluded to. Another would be that of placing the port of San Juan under the joint rule of the five republics of Central America, in which case Costa Rica would cede a certain extent of territory on her side of the harbor, in favor of such a union. This plan offers the advantage of affording a common object to the alliance of those republics amongst themselves.

A third manner would be that, if Nicaragua could in any way obtain from Great Britain the transmission of Greytown to herself, and from Costa Rica the cession of all those profits that the latter might be entitled to derive from the company to which Nicaragua has granted the navigation of San Juan; the State of Nicaragua should abandon her pretensions to any of the territories claimed by Costa Rica, recognizing at the same time, purely and simply, our whole line of frontier, and our right of transit over the waters of the river San Juan and up lake Nicaragua. As this, however, involves the consent of Great Britain,

which it may be difficult to obtain, I can only speak of it as an arrangement which would be received with satisfaction by my country.

Before concluding these remarks, I should wish to draw your attention to a subject bearing on the preceding questions, and especially connected with the general happiness and prosperity of Central America, namely, "the expediency of devising some mode, either by mediation on the part of the two friendly governments of Great Britain and the United States, or by the construction of some board of arbitration, formed by the different States of Central America themselves, for the peaceful adjustment of all subjects of litigation which may give rise to unnecessary wars between them."

I add a short memorandum as to what I know of the Mosquito coast from the period of its discovery to the present time.

I take this opportunity to renew to you the assurances of my highest consideration and deep respect, and have the honor to remain, sir,

Your most obedient humble servant,

F. MOLINA.

Hon. DANIEL WEBSTER,
Secretary of State.

Memorandum on the Mosquito Coast.

The lands on the northern side of the river San Juan, from their discovery by the Spaniards to the present date, have always been unoccupied. There lies Mosquitia, called by the Spaniards Tologalpa, (see Juarros,) which during the colonial period was considered as a province or rather a territory of the government of Nicaragua. It is a curious fact that the Mosquito coast was included in the charters granted by the Spanish monarchs to the first settlers of Costa Rica. The principal attempt made by the Spaniards to colonize that territory was the foundation of the city of Jaen, about thirty leagues north of the river San Juan, which took place nearly two centuries ago; but that city was not long time in existence. I believe they never tried to form any establishments on the sea coast, but in several instances they undertook, although unsuccessfully, the civilization of those Indian tribes bordering on the settled portions of Honduras and Nicaragua.

The insalubriousness of the climate, the scanty numbers of the aborigines, and the depredations of pirates, were a constant check to the civilization of that territory. It is next to impossible to colonize such countries, without finding on the spot the assistance of plenty native labor, or undertaking the importation of Africans or some other dark race from elsewhere.

The river San Juan was known to the Spaniards from a very early date, but they only erected two military settlements on its banks, namely: the fort of San Carlos, at the place where the river starts from the lake, and another fort twelve leagues below, built at the end of the seventeenth century on the southern bank, which was then

called "Castillo de la Concepcion," and at present is known by the name of "Castillo Viejo," on account of its having been abandoned and fallen to ruins since the beginning of this century.

Besides those forts, military guards used to be posted in times of war all along the river, as far as its entrance into the Atlantic.

It was not until after the independence in 1824, when the federation of Central America having been organized, a custom-house was established at the port of San Juan, and a small garrison was placed there, and a few people began to collect under the influence of those establishments.

The federal rule lasted from 1824 to 1838, when the Nicaraguans took possession of the port and held the same until 1848. As the independence was achieved throughout Central America without any struggle, and as there did not exist at that time any royalist garrison at the port, neither the Nicaraguans nor anybody else had to make the least exertion in order to extend to the port the effects of the political change or revolution. That was a natural consequence of our general peaceful movement for the emancipation—a movement which met with no resistance on the part of the Spanish officers. There never existed at San Juan any curacy or ecclesiastical administration; the population has never been so great as it has become after the occupation of the place by the Mosquito authorities.

If England could be prevailed upon to transmit the protectorate of the Mosquito Indians to the joint management of the five Central American republics, under such conditions as she might think proper to stipulate for the benefit of the Indians, I conceive that this would be the most satisfactory solution of the present difficulties.

It is an undeniable fact, if we consult the international treaties between England and Spain, and Spanish historians, that the English government has for centuries back exercised a certain kind of interference in the affairs of the Mosquito coast. Although the population of that territory is very small, not exceeding, perhaps, upwards of five or six thousand souls, including pure Indians and people of African descent, they are entitled to consideration, and have the right of living in a separate community; but I presume that if Great Britain saw the possibility of securing the welfare of the Mosquito people by organizing an efficient union in Central America, she would have no objection to transfer the protectorate to the Central American republics.

The realization of this scheme would indeed require that the United States and Great Britain should interpose efficaciously their combined mediation, in order to put a stop to all the existing difficulties amongst the Central American governments. It would suffice, in my opinion, that the high mediating powers should manifest their philanthropic views on the subject.

F. MOLINA.

WASHINGTON, *June 21, 1851.*

[Translation.]

Mr. Marcoleta to Mr. Webster.

[CONFIDENTIAL.]

NEW YORK, *October 30, 1851.*

The ministers of Nicaragua and Costa Rica being convinced that the actual state of the questions pending between their respective governments is a source of immense evil and injury to their mutual interests and to the perfect development of the political and commercial relations of both, and being desirous, therefore, to put an end to these evils, and to facilitate, on their own part, a complete and final settlement of the business pending with the British government, have agreed to meet and to devise the most suitable means for realizing the patriotic object which they have proposed to themselves.

With this purpose in view, Senor Molina, owing to the relations and compromises which bind Costa Rica to the government of her Britannic Majesty, has written to the English chargé d'affaires, at Washington on the subject; and the minister of Nicaragua, trusting in the good wishes which actuate the government of the American Union, has the honor of addressing himself to the Hon. Daniel Webster, Secretary of State, to whom he submits the matter, entreating him, at the same time, that he will be pleased to interpose his beneficial influence, and to aid in bringing about the consummation of an object which is destined to be so fruitful of advantageous results to all.

The minister of Nicaragua is of opinion that, if Costa Rica will abandon her pretensions to the territory situated on the right bank of the river San Juan, Nicaragua would, on her own part, relinquish the district called *de Nicoya or Guanacaste*, and the two governments might make mutual concessions to each other, in regard to the free navigation of their own waters in the interior; agreeing, moreover, to conclude, subsequently to these arrangements, a treaty of friendship and commerce, which should guaranty the respective rights and interests of the parties in perpetuity.

The minister of Nicaragua has, therefore, the honor of submitting this matter to the enlightened consideration of the Hon. Daniel Webster, hoping that he will be pleased to favor these negotiations, in order that they may be brought to a speedy issue; and he begs to inform the Secretary of State, at the same time, that the ministers of Costa Rica and Nicaragua are ready to repair forthwith to Washington, if the Hon. Daniel Webster should deem their presence there necessary to carry out the end proposed.

In begging the Secretary of State to have the kindness to return a speedy reply to this communication, the undersigned avails himself of this occasion to tender him the expressions and assurance of his distinguished consideration.

J. DE MARCOLETA.

HON. DANIEL WEBSTER,
Secretary of State.

Mr. Webster to Mr. Marcoleta.

DEPARTMENT OF STATE,
Washington, November 11, 1851.

The Secretary of State of the United States has received the note of Mr. Marcoleta of the 30th ultimo, marked "Confidential." He can appreciate and sympathize with the anxiety of that gentleman and that of Mr. Molina for the adjustment of the differences between Nicaragua and Costa Rica. This government strongly desires that they should be accommodated upon terms just to both parties, and upon a basis likely to be enduring. Without adverting to the nature or extent of the obstacles which have hitherto prevented that accommodation, it would seem to the undersigned, that the condition of public affairs in Central America, and especially in Nicaragua has, within a few months, become, and remains such, so far as this department is informed, that it is extremely doubtful whether any good or lasting results could at present be expected from the negotiations proposed by Mr. Marcoleta. It is probable that some of the dispatches of the chargé d'affaires of the United States in Nicaragua to this department have miscarried. It is certain, however, that at the latest dates from him he had not been received by the authorities at Leon in his official character. One cause for this may have been that a treaty is understood to have been concluded between Nicaragua, Honduras, and San Salvador, providing for a confederacy between those States, with the title of "National Representation of Central America." But neither Mr. Marcoleta nor any other person has presented credentials to this government as the agent of that confederacy, and this department is not aware that the confederacy is actually in operation. If, however, such should be the fact, it will at once occur to Mr. Marcoleta that any step which he might take, as the diplomatic representative of Nicaragua only, would neither be binding upon her nor respectful to her confederates, so long as she acknowledged the validity of the compact which unites them.

The undersigned avails himself of this occasion to offer to Mr. Marcoleta renewed assurances of his very distinguished consideration.

DANIEL WEBSTER.

To Señor Don JOSÉ DE MARCOLETA, &c., &c., &c.

No. 9.

Mr. Webster to Mr. Kerr.

]Extract.]

DEPARTMENT OF STATE,
Washington, November 20, 1851.

SIR: Your dispatches Nos. 3 and 4 have been received. As those numbered one and two have not reached the department, we have not been able correctly to understand the position of the contending

parties in Nicaragua. You will accordingly, at your earliest convenience, transmit duplicates of them.

Mr. J. L. White, the agent of the Atlantic-Pacific Ship Canal Company, has recently visited this city, and from the oral representations which he has made the department is inclined to believe that the modifications of the charter company which he recently obtained in Nicaragua, were granted by competent authority and upon just considerations. The large expenditures of money which the company had already made and the magnitude of the interests, both public and private, at stake, seem to have admitted of no delay in seeking and obtaining those modifications. If, therefore, their lawfulness should be disputed, you will state the opinion of this government upon the subject.

The transit by steamboats upon the river San Juan across Lake Nicaragua, and thence to San Juan del Sur, may fairly be considered as preliminary to the construction of the ship canal, and perhaps as indispensable to show the most eligible route therefore. Nicaragua will probably derive more immediate advantages from this transit than if the canal were to be begun at once without it, and as she has justly considered her future prosperity to be identified with the construction of the canal, it is to be hoped that the transit in the manner above mentioned will receive all reasonable encouragement and all necessary protection.

* * * * *

I am, sir, very respectfully, your obedient servant,

DANIEL WEBSTER.

J. BOZMAN KERR, Esq., &c., &c., &c.

Mr. Molina to Mr. Webster.

NEW YORK, *November 20, 1851.*

The undersigned, minister plenipotentiary of Costa Rica, begs leave to lay before the honorable Secretary of State of the United States the enclosed copy of a communication that he addresses under this same date to Mr. John L. White, agent of the Atlantic-Pacific Ship Canal Company, protesting against the occupation contemplated by that company of certain lands belonging to Costa Rica.

Mr. Molina ventures to request the kind attention of the honorable Secretary to the subject in question, as he conceives that the proceedings of the company are in direct contradiction to the rights of Costa Rica, and to the spirit of the ship canal convention concluded between the United States and Great Britain; and at the same time evidently injurious to the course of the negotiations opened for the settlement of all differences in regard to those Territories.

The undersigned takes this opportunity to renew to the honorable Secretary of State the assurances of his highest consideration.

F. MOLINA.

Hon. DANIEL WEBSTER,

Secretary of State of the United States, Washington.

NEW YORK, *November 20, 1851.*

SIR: With reference to the statement you made to me, a few days ago, saying that the association to which you belong was preparing to occupy certain portions of land situated on the southern bank of the river San Juan, in virtue of the contracts that your company has concluded with the government of the State of Nicaragua, I now think it my duty to address you this present for the purpose of informing you by writing, as I have already done in a verbal manner at our last interview, "that such an occupation involves a direct violation of the right appertaining to the republic of Costa Rica, who is the only legitimate owner of all the territories lying on the southern side of the San Juan river, along its whole course, and that in consequence of this just claim, the republic of Costa Rica has protested before the world, and again protests through my instrumentality, against the validity of the grants that the State of Nicaragua has unduly assumed the power to make to the Atlantic-Pacific Ship Canal Company, and that she will not allow establishments of any kind to be formed on the above mentioned bank, unless her own consent be previously obtained.

The company is aware that the question respecting the sovereignty of the aforesaid Territory between the republic of Costa Rica and the State of Nicaragua has been the subject of negotiations, opened under the mediation of the governments of the United States and Great Britain; and the company is also aware that those negotiations are still pending. In such circumstances, it seems necessary that the company should refrain from every proceeding which might change the present condition of the interests at issue between the parties maintaining contradictory claims to the same.

The circumspection that has presided over all the acts of the republic of Costa Rica in this affair, the regards she has had for the State of Nicaragua, and the friendly dispositions she entertains respecting the Atlantic-Pacific Ship Canal Company, are, in my impression, circumstances which entitle her to expect from others all due considerations, and that her rights shall not be tramped upon in a violent way.

If, on one hand, the government of Costa Rica, listening to reasons of an elevated order, thought fit to suspend the course of the contracts that had been concluded in its name, and were afterwards duly ratified, both for the purpose of cutting a ship canal and for the establishment *ad interim* of a transit route by the best possible means; contracts, which it would be easy, even at this late hour, to carry out, either with European or American speculators, on the other hand it is not to be presumed that the republic, in any plan of settlement whatever, may be disposed to recognize the grants of land made by Nicaragua; although she could perhaps be willing to give to the people of that State other proofs of fraternity and regard.

This declaration will not preclude, that on the application of the company, and the government of Costa Rica, finding it expedient, some lots of land of small extent may be granted to the company on the bank of the river for the building of depots, wharves and sta-

tions, according to the agreement which might be entered into, to that effect.

You will, therefore, perceive that the present protest has not been dictated by a spirit of hostility to the company, it being only a measure of self defence and self preservation, which duty ordains to me, and to which I expect due attention will be paid, so as to preclude the necessity of other steps.

It will not be superfluous to inform you that, under this same date, I send copies of this letter to the Secretary of State of the United States, and to the representative, in this country of Great Britain, and of the State of Nicaragua.

I take this opportunity to offer to you the assurances of my high consideration, remaining, sir, your obedient humble servant,

F. MOLINA.

F. MOLINA.

True copy :

Mr. Webster to Mr. Molina.

DEPARTMENT OF STATE,
Washington, November 25, 1851.

The undersigned, Secretary of State of the United States, has the honor to acknowledge the receipt of the note of Mr. Molina, envoy extraordinary and minister plenipotentiary of the republic of Costa Rica, of the 20th instant, accompanied by a copy of a communication of the same date addressed by Mr. Molina to Mr. J. L. White, the agent of the Atlantic-Pacific Ship Canal Company, protesting against the contemplated occupation by that company of certain lands claimed by Costa Rica.

The undersigned avails himself of this occasion to offer to Mr. Molina a renewed assurance of his very high consideration.

DANIEL WEBSTER.

Señor DON FELIPE MOLINA, &c., &c., &c.

Mr. Marcoleta to Mr. Webster.

[Translation.]

WASHINGTON, December 5, 1851.

The undersigned, envoy extraordinary and minister plenipotentiary of Nicaragua, has seen with pain and astonishment the protest which the legation of Costa Rica has addressed the government of the American Union, to the chargé d'affaires of her Britannic Majesty in Washington, and to the maritime Atlantic-Pacific Canal Company, in consequence of having learned from the agent of said company that the latter was making preparations for occupying and colonizing the lands which had been granted to it by the government

of Nicaragua, on the right borders of the river San Juan, in virtue of the 27th article of the contract concluded on the 27th of August, 1849.

The undersigned, without entering fully into the merits of this question, at present, and without reproducing in this place the various arguments and reasons which have already been advanced in support and justification of the sovereignty of Nicaragua over the right banks of the river *San Juan*, and the right which consequently belongs to said Nicaragua to dispose of those lands, finds himself under the necessity of protesting in the face of the world, as he does, in fact, hereby protest, against the pretensions of Costa Rica, which are not only fraught with detriment and injury to the rights and sovereignty of Nicaragua, but which are even at variance with established precedents.

The undersigned declares moreover, in the name of his government, that the latter will not allow nor tolerate the least damage or curtailing of its well established rights, and that it is and always will be ready to maintain them at all hazards, costs, and perils.

The undersigned avails himself of this opportunity to renew to the Secretary of State the assurance of his most distinguished consideration.

J. DE MARCOLETA.

Hon. DANIEL WEBSTER,
Secretary of State.

[Translation.]

Mr. Marcoleta to Mr. Webster.

WASHINGTON, *March 5, 1852.*

The undersigned has the honor of enclosing to the Hon. Daniel Webster, Secretary of State of the American Union, copy of the reply of Lord Granville, her Britannic Majesty's secretary for foreign affairs, to the note which was addressed to him by this legation, on the 17th of last January, asking for the intervention of her Majesty's government, with a view of putting a stop to the sale of lands, which was lately carried on in the port of San Juan, and within the territory comprised between the latter port and what are called the rapids of Machuca.

It seeming likely that the negotiations which were suspended in July last may be resumed in Washington before long, it will not be deemed inopportune that the undersigned should submit some remarks to the consideration of the honorable Secretary of State of the American Union, which are sufficiently connected with the note of the 17th of January, which the undersigned had the honor of communicating to the cabinet of Washington.

Before all, it does not appear to the undersigned that the British government has understood the real meaning of that communication, in which, abstaining entirely from every kind of territorial claim, the

undersigned confined himself to simply pointing out to the British government the irregularity of the proceedings on the part of the English, *not Mosquito*, authorities of the port of San Juan, who had commenced emancipating and selling certain lands, which the pending negotiations would appear to show, "in a political sense," that they do not belong either definitively or legally to any of the parties interested, inasmuch as this point of dominion, sovereignty, and jurisdiction, has been left as depending upon the results of the aforesaid negotiations.

The undersigned, in making known to the cabinet of St. James the wishes of the government of Nicaragua to maintain the most friendly relations with the British government, appealed to the English government to interfere in preventing certain measures and acts, which were in direct opposition to established usages on similar occasions; acts, which would, without the least doubt, tend to complicate more and more those negotiations which it was now desired to simplify, by throwing obstacles in the way of a just solution of the same.

In his note of the 17th of January last, the undersigned abstained from claiming any jurisdiction or right whatever, such claims having already been put forward in the various communications which had been addressed to the British government to that effect on different occasions.

If the sales in question had even been confined to the lands contiguous to the port of San Juan, the new declaration contained in Lord Granville's note of the 13th of last February might have some show of foundation. Far from this, said sales have been carried on, over a considerable extent of territory, about which there had existed no controversy nor reclamation of any kind, on the part of the British government in favor of the pretended king of Mosquitos; so much so, that a simple note of Mr. Chatfield, chargé d'affaires and consul general of her Britannic Majesty in Central America, alienated from the States of Nicaragua and Honduras a great portion of their respective territories. This arbitrary act, of which the undersigned had the honor of informing, in due season, the honorable Secretary of State of the American Union, was consummated without the intervention of the respective governments of Nicaragua and Honduras, without the latter being summoned or consulted, or allowed time to prove their legitimate rights, and especially against the text and meaning of the treaty concluded between the United States and Great Britain, on the 19th of April, 1850, (article 1st,) which was ratified shortly after by the two high contracting parties.

It is impossible, therefore, to deny to Nicaragua the only efficacious resource which belongs to the weak when they are contending with the powerful, without paving the way for consequences which would be pernicious in themselves and offensive to the law of nations; it were to say that force alone regulates the political, mercantile and territorial transactions of nations between themselves, when, on the contrary, reason requires that all should be governed by a due application of the principles of equal justice.

The undersigned begs the honorable Daniel Webster to be fully convinced that in submitting the foregoing explanations he has only

followed literally the instructions of his government, which is far from being actuated by any feeling of hostility towards those nations with which it finds itself happily on terms of reciprocal friendship and good will, and that so far from wishing to weaken those relations, it desires on the contrary to strengthen them more and more for the mutual advantage of all, without surrendering, however, those sacred rights and obligations in which it finds itself constituted.

The undersigned avails himself of this opportunity to renew to the honorable Secretary of State the assurance of his distinguished consideration.

J. DE MARCOLETA.

Hon. DANIEL WEBSTER,
Secretary of State, &c., &c.

FOREIGN OFFICE.

February 13, 1852.

The undersigned, her Majesty's principal secretary of state for foreign affairs, has had the honor to receive the note which Monsieur de Marcoleta, envoy extraordinary and minister plenipotentiary from the republic of Nicaragua, addressed to him on the 17th ultimo from Washington, on the subject of certain facts which are alleged by Monsieur de Marcoleta to have taken place at the port of Greytown, and which he represents as of a nature to complicate the negotiations respecting that port and district which are pending between Great Britain, the United States, and the republics of Nicaragua and Costa Rica.

The undersigned has the honor to inform Monsieur de Marcoleta that Mr. Crampton, her Majesty's envoy extraordinary and minister plenipotentiary at Washington, has been instructed by her Majesty's government to conduct the negotiations at Washington respecting Greytown and the Mosquito territory, which have been so long interrupted by the want of instructions from the government of Nicaragua to their representative at Washington, and the undersigned requests therefore that Monsieur de Marcoleta will put himself in communication with Mr. Crampton on all points connected with those negotiations.

The undersigned has, however, to observe to Monsieur Marcoleta that her Majesty's government cannot admit the claim which he has put forward to interfere with the sale of any part of a territory over which her Majesty's government have always denied and still deny that Nicaragua has any jurisdiction.

In thus recording their continued rejection of the rights which the Nicaraguan government asserts over the Mosquito territory, the undersigned wishes at the same time to state that her Majesty's government earnestly desire to maintain the most friendly relations with the government of Nicaragua, and they trust that means will be found in the course of negotiations which, it is to be hoped, will speedily be re-opened at Washington, for settling in a manner equally fair and

honorable to both parties the points of difference which still unhappily subsist between Great Britain and Nicaragua.

The undersigned requests Monsieur de Marcoleta to accept the assurance of his highest consideration.

GRANVILLE.

Monsieur DE MARCOLETA, &c., &c., &c.

Mr. Molina to Mr. Webster.

[CONFIDENTIAL.]

WASHINGTON, April 6, 1852.

DEAR SIR: With reference to what you had the kindness to mention to me yesterday, as to the desire of the ship canal company of having secured to it by the treaty in contemplation two sections of land on the Costa Rica side of the river San Juan, I beg leave to observe, that having communicated to my government, from the month of July last, the terms then recommended by your own good self and Sir Henry Bulwer for the settlement of the pending questions between Nicaragua and Costa Rica, and no proposition of the kind having been, at or since that time, entertained, I hardly think myself at liberty to take any resolution on the subject without receiving new instructions.

In these circumstances, I would feel extremely grateful to you if you were to allow me some time, in order to refer to my government.

I hope you will do me the justice to believe that it is a matter of deep regret for me to meet with this unexpected difficulty to the realization of an adjustment which has been the object of my life for the last four years, and in the negotiation of which I flatter myself I have given many proofs of the self-sacrificing spirit of the country I represent. And you may easily conceive that it is with great reluctance and pain that I shall, if I must do so, renounce to the honor of being a party to the negotiation.

I beg to renew the assurance of my consideration and deep regard, with which I have the honor to remain, dear sir, your humble servant,

F. MOLINA.

Hon. DANIEL WEBSTER,
Secretary of State of the United States.

Mr. Webster to Mr. Molina.

DEPARTMENT OF STATE,
Washington, April 8, 1852.

DEAR SIR: I have received your note of the 6th instant, marked "confidential."

The President will be exceedingly unwilling to be obliged to conclude the pending arrangement without the co-operation and consent of Costa Rica. But time presses, and it is necessary to bring this

business to an end. Nicaragua granted the sections of land to the canal company, to be located on either side of the San Juan. If she now consents to surrender all the territory on the south side of that river to Costa Rica, it seems quite reasonable that an arrangement should be made between the two governments, such as shall meet the convenience and fulfill the just expectations of the canal company.

It is most earnestly to be desired, that upon further consideration you should devise a plan by which we can get over the present difficulty without the delay which would necessarily be incurred by waiting for further instructions. I commend this subject with renewed earnestness to your attention.

I offer you a renewed assurance of my very high consideration.

DANIEL WEBSTER.

Señor Don FELIPE MOLINA, &c., &c., &c.

Mr. Molina to Mr. Webster.

WASHINGTON, April 9, 1852.

SIR: I had the honor to receive your communication of yesterday, and in reply to it I beg to say, that as an earnest of my desire to co-operate with you in the accomplishment of the benevolent and elevated design of your government, I will assume the responsibility of agreeing to the stipulation that two, out of the eight sections of land granted by Nicaragua to the canal company, shall be situated on the Costa Rican side of the river San Juan, provided that an indemnity be paid to Costa Rica; that the company shall not select those two sections within ten miles from the entrance of the River Colorado into the sea, or the junction of the Sarapiquí river and the San Juan river, and that Costa Rica shall retain her sovereignty in regard to the two above mentioned sections of land thus selected.

The indemnity seems to me necessary in order to make the contemplated convention acceptable to the Costa Rican people, who have made up their minds, long ago, to abandon certain rights to the Nicaraguans on those very important and essential points contemplated in the treaty, but are not prepared to yield this comparatively small and insignificant matter. Were I to give my unconditional assent to it, they would be apt to regard the treaty no longer as an act of their own free will and wise deliberate moderation, but as a constraint put upon them.

I beg, therefore, to propose the sum of \$100,000 as an indemnity, to be paid by Nicaragua to Costa Rica out of the revenues that the former is to receive from the company. The payments to be effected in four, five, or more, yearly instalments, as you may think proper. This sum will not appear exorbitant when it is taken into account that Nicaragua is likely to receive from the company about \$100,000 every year, before the canal is completed, and that after the completion of the said work that amount will, perhaps, be increased to millions. One half of those profits belong, of right, to Costa Rica, but

will be entirely surrendered by the treaty. The proposed indemnity would be a consideration for both the two sections in question, and for the cession of the delta comprised between the northern branch and the Colorado branch of the River San Juan, a cession not spoken of in the preliminaries of July last, but which I did not hesitate to assent to with a view to remove all further difficulties.

Having thus candidly submitted my views on this subject, and hoping that you will be pleased to take them, at your earliest convenience, into consideration, I have the honor to remain, with the highest regard and deep respect, sir, your obedient, humble servant,

F. MOLINA.

Hon. DANIEL WEBSTER,

Secretary of State of the United States.

Mr. Webster to Mr. Molina.

DEPARTMENT OF STATE,
Washington, April 15, 1852.

SIR: I have the honor to acknowledge the receipt of your note of the 9th instant, in which you agree to stipulate, on behalf of your government, to allow the Atlantic-Pacific Ship Canal Company to locate two of the sections of land granted to them by the Nicaraguan government on the Costa Rican side of the San Juan river, in consideration of one hundred thousand dollars to be paid by Nicaragua to Costa Rica out of the revenues to be received by the former from that company. Your offer is also made subject to other conditions.

It is to be regretted that the expectations of your government should be so high in regard to its differences with the Nicaraguan government. I had indulged the hope that the proposition contained in my note of the 8th instant would, under the circumstances, have been considered by you so moderate and reasonable that you would not, by rejecting it, lose the opportunity which it afforded Costa Rica to avail herself of the good offices of the United States and Great Britain towards accommodating the disputes between her and Nicaragua. Inasmuch, however, as you have otherwise decided, Mr. Crampton and myself will proceed to arrange the points at issue between our two governments in regard to the Mosquito shore, and to transmit directly to the Nicaraguan government, whose diplomatic agent here it is understood still remains without instructions, information of these arrangements, with a distinct statement of our joint opinions of the interests and duty of that government. As you are the recognized minister of Costa Rica to this government, it would be improper for us to address ourselves directly to that of Costa Rica, as such a proceeding would be a departure from diplomatic usage. I have to say, however, that a copy of the paper which we propose to communicate to the Nicaraguan government will be placed in your hands.

I avail myself of this occasion, sir, to offer to you a renewed assurance of my very distinguished consideration.

DANIEL WEBSTER.

Señor DON FELIPE MOLINA, &c., &c., &c.

Mr. Molina to Mr. Webster.

WASHINGTON, *April 19, 1852.*

SIR: I had the honor of receiving your letter of the 15th instant, in which you have the goodness to express a regret that the expectations of my government, as set down in my note of the 9th, should be so high; and that, consequently, you will proceed to arrange with Mr. Crampton the points at issue between the United States and Great Britain in regard to the Mosquito shore, and to forward to the Nicaraguan government a distinct statement of your joint opinions respecting the interests and duty of that government. And you further mention the intention of transmitting to me a copy of the paper that is to be addressed to the Nicaraguan government, for the information of that of Costa Rica.

In reply, I think it my duty to assure you that my government will be prepared to receive, with due respect and grateful acknowledgment, any suggestions proceeding from such exalted sources. But, at the same time, I cannot refrain from lamenting my misfortune in having failed to impress this government with my own convictions in regard to the extent of the rights of Costa Rica, as no opportunity has been offered for the full and mature discussion of those rights, in which case, I am led to think, that the moderation and self-denial of the party I represent would have been better appreciated.

As the matter now stands, I would only venture to suggest that, instead of stipulating a fixed amount of money, a provision might be inserted in the treaty or paper to be drawn to the effect that the State of Nicaragua should give to Costa Rica an indemnity for the two sections of land wanted by the company, and for the territory comprised between the Colorado branch and the northernmost branch of the river San Juan. This indemnity to be regulated by mutual agreement of the parties concerned, or through the arbitration of one of the other three Central American governments that should be chosen by lot.

This solution of the only difficulty remaining offers the advantage that it would not interfere with the immediate execution of the other arrangements contained in the treaty.

Requesting again your earnest attention on the subject, I have the honor to remain, with the highest consideration and deep respect, sir, your most obedient humble servant,

F. MOLINA.

HON. DANIEL WEBSTER,
Secretary of State of the United States.

[Translation.]

Mr. Marcoleta to Mr. Webster.

WASHINGTON, April 21, 1852.

MR. SECRETARY OF STATE: All hope, for the present, being lost of reconciling the opinions and harmonizing the interests of the three States of Central America, for the establishment of the proposed confederation of said States, Nicaragua, one of them, could not view with indifference the neglect and the too long protracted suffering which her foreign relations experienced at the very time when it was necessary to act with the greatest activity, and to give an energetic impulse to the pending question.

Thus it is that, without renouncing any ulterior project of uniting the States under one common form of government, Nicaragua, inspired by an instinctive feeling of self preservation, and despairing of arriving at any definite result, has thought that she ought to separate and resume, with her independence and sovereignty, the direction and management of her foreign relations and affairs; not without a lively and keen regret at seeing her exertions rendered fruitless for the attainment of an object so natural and patriotic.

In consequence of a legislative decree Nicaragua proceeded to receive, with the requisite formality, the worthy representatives of the American Union and of her Catholic Majesty, as well as the consular agent of the United States at the port of San Juan del Sur.

The undersigned, whose mission remained virtually and practically suspended while he did not possess from the proper authority the powers necessary to continue his mission, has consequently resumed his former official position, giving, by this step, the necessary weight and authority to the powers which were formerly conferred upon him by the government of Nicaragua.

Thus the undersigned does not perceive, at present, the least difficulty in his taking part in the conferences or preliminary arrangements respecting the bases which have to be established in relation to the port of San Juan and of the Mosquito coast, and he hopes to be invited to them, *claiming, as he does hereby claim*, the right, inasmuch as the negotiations concern directly and immediately the political, mercantile, and territorial interests of his government.

The undersigned does not lose sight of the difficulties which complicate these negotiations, nor of the opposition which exists among the different interests that are brought into question in their discussion, nor does he fail to acknowledge the advantage and propriety of determining questions which hold, so to speak, in suspense the settlement of important interests, with very great detriment to all parties.

In the opinion of the undersigned the principal difficulty, and, at the same time, the easiest to remove, is the question of boundary between Nicaragua and Costa Rica. A question purely local, secondary, and foreign; one which ought to be treated only between the two governments interested in it; thus removing one of the principal, perhaps the most serious, obstacle which opposes the course, march,

and progress of the chief question, which could be of very easy solution without this serious impediment.

But, supposing that said complication exists, and that it exists through the unnecessary choice of some of the parties interested, without reason or justifiable cause; and supposing, also, that every day renders it more necessary to arrive at the desired termination, the undersigned, consulting on one hand the dignity of the respective governments, and considering the existing state of things, and knowing also the sentiments which animate the government of Nicaragua in favor of her sister State, for whose prosperity it entertains the most fervent wishes, for whose happiness and progress it feels and takes the most lively and profound interest, is of opinion that, without causing more delay, a final understanding should at once be sought; and, with this object, he has the honor to propose and submit to the enlightened decision of the honorable Secretary of State the enclosed projet of an arrangement which, on being duly considered, steps may be taken immediately with a view to lay down the clauses and to give them a public, legal, and authentic consideration, which shall define and irrevocably fix the destiny of all the States in general, and of each one in particular.

The undersigned is fully convinced that the honorable Secretary of State will find in said *projet* the most convincing proof of the desire which animates the government of Nicaragua to consult the general good; he believes that said *projet* offers advantages and imposes equal sacrifices upon all parties, and he is persuaded that the means most likely to encompass the end in view is a mutual agreement to consent to mutual sacrifices. Nicaragua comes the first to submit the proof of this self-abnegation, and if the parties interested pursue the same course there will be no difficulty in future in settling the various questions on whose solution depend the repose of the country and the development of common interests.

In the original plan there was imposed, almost by violence, upon Nicaragua, through the restoration of the port of San Juan, a series of sacrifices most detrimental to its dignity and interests; she was required to give an indemnity to the pretended Mosquito king, whom Nicaragua has never recognized *nor is disposed* ever to recognize; she was required to establish boundaries with the notorious king of Mosquito, in a territory which she has always claimed as that which formed an integral part of her own dominion, to which she has abundant rights, which rights Spain, a competent judge in this matter, has ultimately confirmed by a public treaty.

It was imposed upon her that she should yield to Costa Rica the district of Nicoya or Guanacaste on the Pacific coast, and on the Atlantic coast the right bank of the river San Juan, with the free navigation for sailing vessels on the waters of the river and the contiguous lake—all this with the greatest disregard of the recognized rights, and with well known detriment to the dearest and most vital interests of the government of Nicaragua.

In the original negotiation and on the proposition of Sir Henry Bulwer, the minister of her Britannic Majesty, there was imposed and carried out a complete denial of the question of right, thus depriving

Nicaragua of the only safeguard and defence of her own rights, when, contrary to this determination, they admitted then as they admit now the rights which are claimed by Costa Rica, in order to contribute to the spoliation which was attempted to be imposed on Nicaragua.

It is not then possible to admit now this contradiction, without incurring the reproach of partiality and of flagrant injustice.

If Costa Rica desires the common good, if she wishes to exhibit fraternal feelings towards Nicaragua, there remains not the least doubt that she will agree to the *projet* which is here proposed; on the contrary, she will prove evidently that it is not the desire of common prosperity which she cherishes in her heart, but a selfish feeling which the present generation and posterity will designate as that of ambition—accusing Costa Rica, with abundant reason, of being the favorer, the instigator and promoter of fatal intestine discords, and the only obstacle that lies in the way of the well being of two nations that have the same origin, like interests and similarity in their religion, language, habits and customs.

In respect to Great Britain, the government of Nicaragua entertains the firm conviction that that power is actuated by the most generous sentiments; sentiments and feelings worthy of her strength, her greatness and her power, and that she will not sully her glory and her national pride by the recollection of past resentments, nor by humiliating, degrading and ruining a weak State, whose only means of defence are no other than the conviction that she possesses in the rights that she believes belong to her, in the conscious rectitude of her motives, the natural desire of her own self-preservation and the duty which devolves upon her to defend and watch over her most precious and dearest interests.

In respect to the United States of North America, Nicaragua appeals in the last place to the fraternal feelings which unite both countries, to the homogeneousness of their political institutions, to the mutual sentiments which now reign in the hearts of their sons, respectively, founded on the one side, and more closely connected on the other, by the indissoluble bonds of a community of interests and relations.

Nicaragua, then, must trust and hope that so many and such close interests will not cease to have their influence on the minds of those now charged with the duty of directing the destinies of this great republic, and that they will contribute by their powerful support and influence to a reconciliation of the parties, by causing them to accept the means which Nicaragua offers as the expedient best adapted to terminate at once differences so serious, of such long standing, and so prejudicial to the interests of all.

Nicaragua comes forward to contribute, on her part, to the common stock of sacrifices and abnegation, and hopes confidently that her conduct will be imitated, chiefly by her sister State of Costa Rica.

Nicaragua trusts, likewise, in the magnanimity of sentiments and intentions of her Britannic Majesty, and in the sympathy and friendship of the American people.

On the bases contained in the enclosed *projet*, the undersigned can proceed to discuss and sign the proper stipulations, being almost able

to assure the honorable Secretary of State that his government will not hesitate to sanction them, as he can in the same way assure him that in the new instructions which have been requested Nicaragua will not submit to the long catalogue of sacrifices which had before been required of her.

The undersigned embraces this occasion to renew to the honorable Secretary of State the assurances of his most distinguished consideration.

J. DE MARCOLETA.

HON. DANIEL WEBSTER,
Secretary of State.

[Translation.]

reject and means proposed by the legation of Nicaragua for a final settlement of the questions relating to the port of San Juan, the Mosquito coast, and the question of limits between Nicaragua and Costa Rica.

PORT OF SAN JUAN AND THE MOSQUITO COAST.

1. The port of San Juan del Norte shall be restored to Nicaragua, whose government accepts the limits lastly proposed by her Britannic Majesty's minister to the country and to the Mosquito coast, to wit: To the northward, from Cape *Gracias a Dios*, following the river Segovia, towards the interior, as far as the parallel eighty-four and a half of longitude, and from thence descending in a direct line by west until faces the south, to the cape of Punta Gorda, which they will reach by an horizontal line.

2. Nicaragua shall pay such indemnity as may be stipulated for the improvements introduced in the port of San Juan, from the 1st of January, 1848.

The aforesaid indemnity shall not be required to be paid at once, but little by little and by degrees, according as the circumstances of the government of Nicaragua shall permit, which trusts in the sentiments of justice and moderation of the great powers interested in the matter, in order that said indemnity may be reduced to the lowest possible figure, in view of the peculiar position of Nicaragua, the deterioration of her revenues, and the internal convulsions which have unhappily occurred there, especially in latter times.

3. Great Britain and Nicaragua shall adjust a treaty of peace, friendship, and commerce, on the same terms as that discussed between the United States and Nicaragua, with the exception of some provisions, which shall determine to the judgment of the parties, the particular and local circumstances of the two powers.

4. The United States of America and Great Britain guaranty the integrity of the territory of Nicaragua, especially that portion of it which is to be occupied by the canal or railway, if the latter should be established, and they shall protect the works on these routes of com-

munication; guarantying, also, the neutrality of these important works.

5. Said powers shall also stipulate the number of maritime miles to which the aforesaid neutrality is to extend, at the two extremities of the canal or railway.

Question of limits between Nicaragua and Costa Rica.

1. Nicaragua shall yield, in perpetuity, to Costa Rica the district of Nicoya or Guanacaste.

2. Costa Rica shall desist from her pretensions to the right bank of the river San Juan, which shall continue to form an integral part of the dominions of Nicaragua.

3. Nicaragua shall insure to Costa Rica the freedom and absolute immunity for the importation and exportation of her trade by the rivers San Juan and Sarapiquí.

4. Nicaragua shall cede to Costa Rica, if this government should request it, the land necessary for the construction of a waggon road, and for the erection of a custom-house and revenue stations.

5. Costa Rica shall make a formal renunciation of all sums or amounts which she may think herself entitled to claim from Nicaragua, whether said sum be the result of pecuniary advancements or whether it proceed from any kind or species of supplies furnished.

6. Nicaragua and Costa Rica shall conclude a treaty of peace, amity and commerce, in which there shall not only be stipulated the foregoing clauses, but even the free introduction, exportation and transit in the respective territories of the produce of their soil, and articles manufactured on the same; but articles manufactured in foreign countries, and the produce of foreign soil, shall be subject to the custom-house regulations of the two governments in regard to importation, exportation and transit.

J. DE MARCOLETA,
The Minister of Nicaragua.

[Extract.]

Mr. Webster to Mr. Walsh.

DEPARTMENT OF STATE,
Washington, April 29, 1852.

SIR: The disputes between the republics of Costa Rica and Nicaragua, and between the latter and the Mosquito Indians, in regard to the boundary between their respective territories, have threatened to be so serious an obstacle to the commencement of the interoceanic canal by the way of the San Juan river and Lake Nicaragua, that the governments of the United States and Great Britain have deemed themselves warranted in offering their good offices for the purpose of adjusting them. For this purpose Mr. Crampton, the British minister here,

and myself have drawn up and signed the paper a copy of which you will herewith receive. This paper consists of a preamble setting forth the motives for the settlement of the disputes, seven articles of a basis for that settlement, and a conclusion adverting to the alternative which Great Britain and the United States will deem themselves justified in adopting, should their recommendation to Costa Rica and Nicaragua not be substantially adopted by them. Until recently hopes were entertained that Mr. Molina, the minister of Costa Rica here, would have joined in the instrument. The accompanying copy of a correspondence between this department and him will, however, apprise you that as he has been unwilling to permit the canal company to locate certain sections of land granted them by Nicaragua on the right bank of the San Juan river, it has been deemed advisable not to yield to him on this point, and we have signed the paper without him. A motive for this on my part was an apprehension that he might ultimately object to some of the terms in which the boundary between Costa Rica and Nicaragua is described. As it is presumed that his scruples were in obedience to instructions from his government, it is deemed expedient that a person on the part of this government should proceed to San José, the capital of Costa Rica, for the purpose of inducing that government to accede to the recommendation embodied in the paper adverted to. You have accordingly been selected for the occasion. A letter introducing you to the minister for foreign affairs of Costa Rica is herewith enclosed. On reaching San José, you will lose no time in presenting this and in making known the object of your visit. For this purpose, you will present to the minister the document executed by Mr. Crampton and myself, and will request that it may be taken into immediate consideration. In order that you may be prepared to meet any objections to its adoption by that government, it is proper that you should be apprized of the full extent of its claims in respect to Nicaragua. It is understood that Costa Rica asserts that her boundary begins at the mouth of the San Juan, at its confluence with the sea, and extends therein to its source in Lake Nicaragua, and thence to a point on that lake nearest the mouth of the river La Flor, on the Pacific; and thence by a direct line to the mouth of that river. Nicaragua, on the other hand, contends that Costa Rica has no right to claim the region on the south bank of the San Juan or the district of Guanacaste. From the attention which I have been able to bestow upon the subject, I incline to the opinion that the claim of Costa Rica to the south bank of the San Juan is good as far as the mouth of the Sarapiquí river, but that her pretensions to the Guanacaste district will not bear a strict and impartial investigation. By the proposition we make to her, therefore, she would apparently lose, in the first place, the delta between the San Juan and the Colorado. This, however, would only be an apparent loss, when it is considered that the Colorado may be deemed a branch of the San Juan, and as it discharges a much larger volume of water than the branch which empties into the sea at Greytown, it may be said to be the main branch of the stream. When, also, it is considered that the delta referred to is uninhabitable and otherwise valueless, Costa Rica cannot justly be said to make any material sacri-

fice in adopting the Colorado as her boundary. It is not improbable that she has hitherto been influenced in her pretensions by a reluctance that Nicaragua should have exclusive control of the canal, and by an impression that, if the Costa Rican boundary were to extend to the south bank of the San Juan and were to embrace the Guanacaste district, she might have the canal within her jurisdiction, especially as the port of Salinas, on the Pacific, which has sometimes been spoken of as the best terminus for the work, would then be hers. The Atlantic and Pacific Ship Canal Company have, however, made a thorough survey of the region between Lake Nicaragua and the Pacific, and have ascertained that not only the most practicable, but the only practicable, course for the canal will be from a point on that lake, within the acknowledged territory of Nicaragua, to Brito on the Pacific, also in her territory. Inasmuch, therefore, as there cannot be two canals in that quarter, and as capitalists will prefer the cheapest and most eligible route, Costa Rica cannot, in any event, expect to have the canal within her territory. As it is probable, however, that the San Juan itself will, in a part of its course at least, be used as the canal, by means of locks and dams, it is indispensable that the canal company should have exclusive control over the waters of that river for the purposes of the canal. If, therefore, Costa Rica should acquire, by so good a title as the guaranty of the United States and Great Britain, the rich and extensive region of Guanacaste at so small apparent a sacrifice, it is difficult to imagine why her government could reasonably hesitate to adopt our recommendation.

But, it may be asked, why should Nicaragua have the exclusive right to navigation by steam on the San Juan and the lake? To this it may be answered, that steam navigation was first introduced there under the auspices of Nicaragua, in the belief that she had exclusive jurisdiction over the river and lake; that the company, to whom she has granted the privilege, accepted it under this impression, and have invested a large capital in carrying their grant into effect. If Costa Rica should make a similar grant to another company, it would probably result in material loss, if not ruin, to that holding under Nicaragua, and indeed to both, and would ultimately lead to ceaseless bickering and perhaps arrest all steamboat navigation in that quarter. The competition between the Nicaraguan route, to and from the Pacific, and those by the way of Panama and Tehuantepec, when the latter shall be open, will make it for the interest of the Nicaragua company so to reduce their rates for passage and freight that none of the usual objections to a monopoly can be urged against them.

If, however, the Costa Rican authorities should not acknowledge the reasonableness of the plan of accommodation proposed, and should persist in asserting all their pretensions against Nicaragua, you will say to them that this will not prevent the United States from entering into a convention with Great Britain to protect both the transit and the ship canal company. Should such a convention go into effect, it would, if necessary, be the right and duty of both parties to it to use other means than persuasion to induce Costa Rica to abstain from trenching on the privileges or interfering with the operations of either of those companies.

It is the President's wish, that if the proposition of which you are the bearer be acceptable to that government, their assent to it may be given in a formal manner by both the legislature and president of Costa Rica, so that no further reference to that country may be necessary. Mr. Molina might then be instructed and empowered to sign a quadripartite treaty, and might, at the same time, be furnished with a ratification of such a treaty, to be exchanged here for the ratifications of the other parties. It is highly desirable that that government should dispose of the subject, so that you may return hither in season to allow the treaty to be acted upon by the Senate of the United States at its present session.

You will proceed to San Juan de Nicaragua, and from thence up the San Juan river to its confluence with the Sarapiquí, and from thence to San José by land. When you shall have concluded your business at San José, you may return by the way of Nicaragua, in order that you may bring with you any dispatches which Mr. Kerr, the chargé d'affaires of the United States to Nicaragua, may have occasion to send to the department.

I am, sir, very respectfully, your obedient servant,

DANIEL WEBSTER.

ROBERT M. WALSH, Esq., &c., &c., &c.

Basis of a Convention for the settlement of the differences between Nicaragua and Costa Rica proposed by the United States and Great Britain.

WASHINGTON, April 30, 1852.

The undersigned, Daniel Webster, Secretary of State of the United States, and John F. Crampton, envoy extraordinary and minister plenipotentiary of her Britannic Majesty, having taken into consideration the state of the relations between the republics of Costa Rica and Nicaragua in respect to the boundaries between those republics, and between the republic of Nicaragua and the territory claimed by the Mosquito Indians, and being mutually desirous that all pending differences respecting those questions should be amicably, honorably and definitely adjusted, do, in behalf of their respective governments, earnestly recommend to the respective governments of the republics of Nicaragua and Costa Rica an accommodation and settlement of these differences upon the following basis.

ARTICLE 1. The Mosquito Indians may reserve to themselves, out of the territory heretofore claimed or occupied by them on the eastern coast of Central America, a district of country, and the jurisdiction over the same to be bounded as follows, namely: Beginning on the shore of the Caribbean sea at the mouth of the river Rama, which is (according to Bailey's map of Central America, published in London November, 1855) $11^{\circ} 34'$ north latitude and $83^{\circ} 46'$ west longitude; running thence due west to the meridian of $84^{\circ} 30'$ west longitude from Greenwich; thence due north on said meridian to the river Segovia Fantasma or Wauz; thence down said river to the Caribbean sea; thence southerly along the shore of said

sea to the place of beginning, and all the rest and remainder of the territory and lands lying southerly or westerly of said reservation heretofore occupied or claimed by the said Mosquitos, including Greytown, they shall relinquish and cede to the republic of Nicaragua, together with all jurisdiction over the same, in consideration of the nett receipts for a period of three years from all duties levied and collected at Greytown, at the rate of ten per cent. ad valorem on all goods imported into the State; the period of three years to commence on the day when Nicaragua shall formally take possession of and enter into the occupancy of said town. And the said nett receipts shall be payable quarterly, or every three months, to such agent or agents as may be appointed to receive them.

And the said republic of Nicaragua hereby agrees not in any way to molest or interfere with the Mosquito Indians within the territory herein reserved by them.

It is also understood that any grant of land which may have been made by said Mosquitos since the 1st of January, 1848, in that part of the Mosquito territory hereby ceded to Nicaragua shall not be disturbed, provided the said grant shall not interfere with other legal grants made previously to that date by Spain, by the Central American confederation or by Nicaragua, or with the privileges or operations of the Atlantic Ship Canal Company or Accessory Transit Company, and shall not include territory desired by the Nicaraguan government for forts, arsenals or other public buildings.

ARTICLE 2. It is also understood that nothing in the preceding article shall preclude the conclusion of such voluntary compact and arrangement between the State of Nicaragua and the Mosquito Indians, by which the latter may be definitely incorporated and united with the State of Nicaragua, it being stipulated that in such case the said Mosquito Indians shall enjoy the same rights and be liable to the same duties as the other citizens of the said State of Nicaragua. The municipal and public authority in the town of Greytown shall be held and exercised by the government of Nicaragua, but said government shall lay no duties of tonnage nor any duties of impost on goods imported into Greytown, intended for transit across the isthmus or for consumption in any other State than that of Nicaragua, except such tonnage duty as may be necessary for the preservation of the port and harbor and the erection and maintenance of necessary light-houses and beacons; and no duty for this or similar purposes shall exceed say twelve cents per ton on each vessel.

ARTICLE 3. The boundary between the republics of Nicaragua and Costa Rica shall begin on the south bank of the Colorado, at its confluence with the sea, at high water mark on said river; thence along said south bank, also at high water mark, to the confluence of the Colorado with the river San Juan; thence, at high water mark, along the south bank of the San Juan to its source on lake Nicaragua; thence, at high water mark, along the south and west shore of that lake to the point nearest the mouth of the river La Flor; thence by a direct line drawn from that point to the mouth of the said river in the Pacific ocean. It is understood, however, that Costa Rica retains the right, in common with Nicaragua, to navigate said rivers and lake by sail vessels, barges, or vessels towed, but not by steam; but this right

is in nowise to interfere with the paramount right in Nicaragua or her grantees to appropriate the waters of said rivers and lake to a ship canal from ocean to ocean, or from the Caribbean sea to said lake. It is also understood that the company entitled the American Atlantic and Pacific Ship Canal Company shall have the privilege of locating, on the south bank of the St. John river, four of the eight stations or sections of land referred to in the 27th article of the amended charter of said company, as ratified by the government of Nicaragua on the 11th April, 1850. If, however, the said company should desire to locate more than the said four sections on the south side of the San Juan the governments of Nicaragua and Costa Rica will amicably agree in regard to the terms of such location.

ARTICLE 4. Neither the government of Nicaragua nor the government of Costa Rica shall be at liberty to erect or suffer to be erected any wharf, wall, embankment or other structure, or to do or suffer to be done any act or thing whatever in the harbor of Greytown, in any part of the Colorado or San Juan rivers, or on the shore of Lake Nicaragua, which shall obstruct the free operations of the ship canal or transit company, or hinder the passage of their boats in, along and through the said harbor of Greytown and rivers Colorado or San Juan. And if, after a proper survey of the route for a ship canal between the two oceans, it shall be found that it would be preferable for that canal to pass in part along the southern bank of the river San Juan or the Colorado river, the government of Costa Rica engages to grant any lands and to afford any facilities which may be necessary for the construction of the said canal.

ARTICLE 5. Whereas it is stipulated by the second article of the convention between Great Britain and the United States of America, concluded at Washington on the nineteenth day of April, 1850, that vessels of the United States or Great Britain traversing the said canal, shall, in case of war between the contracting parties, be exempt from blockade, detention or capture by either of the belligerents; and that that provision should extend to such a distance from the two ends of the said canal as might thereafter be found expedient to establish. Now, for the purpose of establishing such distance, within which the vessels of either of said nations shall be exempt from blockade, detention or capture by either of the belligerents, it is hereby declared that it shall extend to all waters within the distance of twenty-five nautical miles from the termination of said canal on the Pacific and on the Atlantic coasts.

ARTICLE 6. Whereas by the seventh article of the said convention it was among other things stipulated, that if any persons or company had already made, with any State through which the proposed ship canal might pass, "a contract for the construction of such a canal as that specified in said convention, to the stipulations of which contract neither of the contracting parties in that convention had any just cause to object; and the said persons or company had, moreover, made preparations and expended time, money and trouble on the faith of such contract, it was thereby agreed that such persons or company should have a priority of claim over every other person, persons or company, to the protection of the governments of the United States and Great Britain, and should be allowed a year from

the date of the exchange of ratifications of that convention for concluding their arrangements and presenting evidence of sufficient capital subscribed to accomplish the contemplated undertaking; it being understood that, if at the expiration of the aforesaid period such persons or company should not be able to commence and carry out the proposed enterprise, then the governments of the United States and Great Britain should be free to afford their protection to any other persons or company that should be prepared to commence and proceed with the construction of the canal in question; and whereas at the time of the signature of the said convention a company, styled the American Atlantic and Pacific Ship Canal Company, had, with the government of the republic of Nicaragua, a contract for constructing a ship canal between the said oceans, but, for reasons deemed sufficient by the governments of Great Britain and the United States, have not hitherto been able to comply with the stipulation which gave them a claim to the protection of the said governments; and whereas no other company has claimed such protection on the same conditions, it is therefore agreed that the further time of one year from the exchange of the ratifications of this convention shall be allowed the said company to comply with the stipulation aforesaid.

ARTICLE 7. And whereas by another charter of the 11th April, 1850, to the American Atlantic and Pacific Ship Canal Company, the State of Nicaragua, with a view to facilitate the construction of that canal, has authorized the said company to separate from their contract of the 22d of September, 1849, the part relating to the navigation of the waters of Nicaragua by steam under the title of the Accessory Transit Company. And whereas the said Accessory Transit Company has for some time past been in full and successful operation, the governments of Great Britain and of the United States hereby engage to extend their protection to the said Accessory Transit Company in the same manner and to the same extent as by the aforesaid convention, of the 19th April, 1850, and by this convention the said protection is extended to the Atlantic and Pacific Ship Canal Company; but as the main object of the said convention between Great Britain and the United States of America was to provide for an inter-oceanic ship canal between the Atlantic and Pacific, and as that object is still deemed paramount to every other mode of transit, the protection hereby extended to the Accessory Transit Company shall not be construed to interfere with the right to construct said canal by the company which has undertaken to construct the same, or in case of their failure by any other person or company which may be authorized to construct the same, and every grant and privilege conferred upon said Accessory Transit Company shall be subject to the paramount right and privilege of any other persons or company to construct, maintain and use such canal. Finally, these propositions, so far as they respect the governments of Nicaragua and Costa Rica, are advisory and recommendatory, and the immediate attention of those governments to their consideration is earnestly invoked. To insure a prompt decision Mr. Wyke, consul general of her Britannic Majesty, clothed with full power for that purpose, Mr. Kerr, chargé

d'affaires of the United States to Nicaragua, and Mr. R. M. Walsh, appointed special agent on the part of the United States to the government of Costa Rica, are authorized to communicate the arrangement proposed to those governments respectively, and unless the aforesaid governments of Nicaragua and Costa Rica shall promptly and without unnecessary loss of time concur in the general basis of this arrangement and adopt proper measures for carrying it into effect, then the governments of Great Britain and the United States will immediately, as between themselves, jointly adopt such measures as they shall deem advisable to carry into full execution the convention between those governments of the 19th April, 1850, and to accomplish the design therein contemplated of an interoceanic communication by canal from the Atlantic to the Pacific ocean by the way of the river San Juan and the Lake Nicaragua.

DANL. WEBSTER.
JOHN F. CRAMPTON.

Mr. Webster to Mr. Kerr.

No. 11.

DEPARTMENT OF STATE,
Washington, April 30, 1852.

SIR: The adjustment of the unsettled questions between the United States, Great Britain, Costa Rica and Nicaragua, in regard to the boundary between the two latter States, and between Nicaragua and the territory claimed by the Mosquito Indians, has for some time past been the subject of negotiations between Mr. Crampton, the British minister, Mr. Molina, the minister of Costa Rica, and myself. Mr. Marcoleta, the minister of Nicaragua, has not been invited or admitted to take part in them. This arose from the fact that at the time they were begun, and until they were nearly concluded, we were not informed that you had been received by the Nicaraguan government, and when we were informed by Mr. Marcoleta's note of the 14th instant that you had been so received, there was no communication from him from which it could be inferred that his instructions would allow him to join in the negotiation upon any acceptable basis. Hopes were for some time entertained that Mr. Molina would unite with us in a basis deemed reasonable by us and which we could recommend to those governments. You will see, however, from the accompanying correspondence between the department and him that these hopes were disappointed. Mr. Crampton and myself accordingly signed alone the paper, a copy of which is herewith enclosed. You will lose no time in laying the same before the Nicaraguan government, and asking its immediate and serious consideration thereof. You will see that it proposes to restore to Nicaragua the port of Greytown and the country north of it as far as the Rama river, for a certain consideration therein stipulated, to be paid by Nicaragua to the Mosquito Indians. To this proposition she

will no doubt object by saying that the Mosquito Indians have no right to the territory proposed to be ceded to her, and that it is unreasonable to expect her to pay for that which is already rightfully her own. Without, however, either raising or deciding the question as to her abstract right to the territory in question, the fact that she has not been in possession of it since the 1st of January, 1848, is notorious. Her authority over the territory, such as it was, was then forcibly expelled and has never been resumed, and whatever may have been the rights or the motives of the party who performed this act, they must be presumed to have been satisfactory to that party, which cannot be expected to stultify itself by voluntarily and without equivalent surrendering that which it risked its reputation, and expended blood and treasure to obtain. By agreeing to pay the compensation proposed, Nicaragua would by no means be chargeable with inconsistency or dishonor, but would only yield to the stronger party—a frequent occurrence in the world's history. On the other hand, the compensation proposed is moderate in amount, and the time and manner of paying it will be made as accommodating to her as could reasonably be desired. She will then have full command of the port of Greytown on both sides of the river San Juan. She will also have the exclusive right to navigate that river by steam. It is true she has contended for a right to the territory on both banks of the San Juan and our proposition cedes the right bank to Costa Rica. The river, however, is obviously the best natural boundary between the two republics, and if, as is presumed to be the fact, Nicaragua, in claiming both banks, has been actuated by a desire to obtain exclusive control of the ship canal, this expectation would not be thwarted by ceding the right bank to Costa Rica. It is probable that the canal, for a great part if not the whole length of the river, will be constructed in the bed thereof by means of locks and dams. Should this prove to be the fact, the possession of the right bank by Costa Rica, pursuant to our proposition, would neither interfere with the construction or the operations of the canal, or with the control of it by Nicaragua.

We also propose to cede the district of Guanacaste to Costa Rica. As this is understood to be in accordance with the wishes of the inhabitants of that district, it is not likely that Nicaragua would find it a desirable possession, even if it were to be retained by her. Besides, one of her supposed motives for persisting in her claim to Guanacaste is the fact that it contains the port of Salinas, on the Pacific, which has sometimes been spoken of as a terminus of the ship canal. Inasmuch, however, as the recent survey by Colonel Childs, in the service of the Atlantic and Pacific Canal Company, has shown that the port of Brito, within the acknowledged territory of Nicaragua, is the most eligible terminus for the canal, if, in claiming Guanacaste, Nicaragua has, to any extent, been actuated by the supposed importance of Salinas, that motive is unfounded.

It is not improbable that some persons of influence and authority in that republic may have been advised, that if the Nicaraguan government shall reject the plan of settlement proposed by us, a change of administration in this country will result in a change of policy, and that Greytown will be forcibly restored to her should this become

necessary. Allowing that this information may be correct, it is obvious that even if Nicaragua were to regain possession of Greytown by this means, her own great object and the principal object of both Great Britain and the United States in interesting themselves in her affairs, namely, the construction of the ship canal, would, probably, be indefinitely postponed; and even the transit by steamboats over her waters, from which it is understood she now enjoys both direct and incidental advantages, would be put an end to.

It is to be hoped, therefore, that moderate counsels will prevail there, and that the opportunity now afforded her, (which will probably be the last one,) of peaceably settling the complicated questions which have been so long pending, will not be inconsiderately rejected. It is certain that the ship canal can never be even begun until every discernible cause for internal convulsion or foreign war in that quarter shall have been removed. If, however, the adjustment proposed should be accepted by her, to the confidence in the practicability of the work, which the recent survey is calculated to inspire capitalists, will be added the more important confidence, that their funds invested in its construction will not be subjected to risks arising from the causes adverted to.

It is desirable that the decision of Nicaragua should be prompt, so that it may be known here in season for a quadripartite treaty to be signed here, and submitted to the United States Senate at its present session. In order to save time, and prevent the necessity of a further reference of the subject to that country, both the legislature and president of the republic should act upon the subject, and ratify the quadripartite treaty which Mr. Marcoleta may then be instructed to exchange.

I am, sir, very respectfully, your obedient servant,

DANIEL WEBSTER.

J. BOZMAN KERR, Esq., &c., &c., &c.

[Translation.]

Mr. Marcoleta to Mr. Webster.

WASHINGTON, *May 2, 1852.*

MR. SECRETARY OF STATE: Having seen and read at the department, on Saturday the 1st instant, the communications and the bases which have lately been discussed between the Secretary of State of the American Union, her Britannic Majesty's minister, and Mr. Molina, minister of Costa Rica, in relation to the port of San Juan, the Mosquito coast, and the limits between Nicaragua and Costa Rica, and said matters having been treated and discussed without consulting, inviting, or admitting the representative of Nicaragua to such discussions, so that he might take a part in transactions which affect, in so direct a manner, the interests and rights of his government, the undersigned would consider himself as wanting in the performance of his duty if he were not to protest against that act.

The undersigned, therefore, proceeds to protest in due form against the exclusion which has been made in these matters of the representative of Nicaragua near the government of the American Union.

The undersigned avails himself of this opportunity to renew to the honorable Secretary of State the assurances of his most distinguished consideration.

J. DE MARCOLETA.

Hon. DANIEL WEBSTER,
Secretary of State, &c., &c., &c.

No. 12.

Mr. Hunter to Mr. Kerr.

[Extract.]

DEPARTMENT OF STATE,
Washington, May 4, 1852.

SIR: After the instruction to you of the 30th ultimo was signed, the proposition of Mr. Crampton and Mr. Webster was a little changed. The only material alteration, however, was that as the proposition originally agreed upon allowed the canal company to locate two sections of land on the south bank of the San Juan, the proposition, as signed, makes that number four instead of two. This will explain what otherwise might have appeared to you as a discrepancy between the number of sections mentioned in the correspondence with Mr. Molina and the number stipulated for in the proposition.

* * * * *

I am, sir, very respectfully, your obedient servant,

W. HUNTER,
Acting Secretary.

J. BOZMAN KERR, Esq., &c., &c.

Mr. Hunter to Mr. Walsh.

DEPARTMENT OF STATE,
Washington, May 4, 1852.

SIR: After the instruction to you of the 29th ultimo was signed, a slight alteration was made in the proposition signed by Mr. Webster and Mr. Crampton, giving to the canal company the right to locate four instead of two sections of land on the Costa Rican side of the river. This will explain what otherwise might have appeared as a discrepancy between the number of sections mentioned in the correspondence with Mr. Molina and those mentioned in the proposition itself.

It is not, however, by any means certain that the canal company will ultimately find it for their interest to locate perhaps more than one section on that bank. If, however, the reverse should prove to be

the fact, as Costa Rica will have jurisdiction over the whole, and as the lands reserved by her will be increased in value in direct proportion to those which may be occupied by the company, she will unquestionably consult her true interest by agreeing to the proposition as it stands.

I am, sir, very respectfully, your obedient servant,

W. HUNTER,
Acting Secretary.

ROBERT M. WALSH, Esq., &c., &c.

Mr. Hunter to Mr. Molina.

DEPARTMENT OF STATE,
Washington May 5, 1852.

SIR: I have the honor to communicate a copy of the proposition to be addressed to the governments of Costa Rica and Nicaragua, respectively, for the adjustment of their differences in regard to the boundary between those republics, as finally agreed upon and signed by Mr. Webster and Mr. Crampton. You will notice that this proposition differs from the one in which you were invited but declined to join, inasmuch as it allows the canal company to locate four instead of two only of their eight sections of land on the Costa Rican side of the San Juan river. Although your refusal to co-operate in the recommendation was understood to be based upon the fact that your instructions did not warrant you in agreeing to permit the company to locate any of their lands on the south side of the river without a specific equivalent therefor to Costa Rica, it is hoped that your government, on maturely weighing all the circumstances of the case, will ultimately agree to allow even the four sections adverted to to be located there. In the first place, it may be considered questionable whether the company will deem it to comport with their interest to locate perhaps more than one section on the right bank of the San Juan. In the next place, even if they were to locate four sections there, the lands themselves and the persons occupying or living on them, would be subject to the laws of Costa Rica. It is notorious, however, that the lands have not now any appreciable value. Their future value will be in direct proportion to the amount of capital and skill which may be applied to the development of their resources. If, therefore, the company should apply capital and skill to the cultivation of the sections allotted to them, this, besides raising the value of the lands reserved by Costa Rica, will give her an important source of direct revenue and other incidental advantages. These and other obvious considerations are commended to your candid consideration and to that of your government.

I avail myself of this occasion, sir, to offer to you an assurance of my very high consideration.

W. HUNTER,
Acting Secretary.

Señor DON FELIPE MOLINA, &c., &c., &c.

Ex. Doc. 25—6

Mr. Molina to Mr. Hunter.

LEGATION OF COSTA RICA,
Washington, May 8, 1852.

SIR: I have the honor to acknowledge the receipt of your letter of the 5th instant, accompanying a copy of the proposition to be addressed to the governments of Costa Rica and Nicaragua, respectively, for the adjustment of their differences in regard to the boundary question between those republics, as was finally agreed upon and signed by Mr. Webster and Mr. Crampton.

You very appropriately remark that this plan differs from the one in which I was invited but declined to join, inasmuch as it allows the canal company to locate *four* instead of *two* only of their eight sections of land on the Costa Rican side of the San Juan river; and thereupon you kindly proceed to enlarge on those considerations which, in your opinion, might induce the Costa Rican government to accede to the concession, even in this extended form.

In reply I beg to say that I will take the earliest opportunity to transmit the project in question to my government, together with a copy of your letter, that new instructions may be sent to me.

I regret, nevertheless, to observe, that the proposed adjustment involves a far greater difficulty than even the cession (without any indemnity or restriction of choice) of the lands alluded to; I mean the perpetual surrender therein stipulated, on the part of Costa Rica, of her right to navigate by steam vessels the Colorado and San Juan rivers and the Lake of Nicaragua. I question very much whether Costa Rica will ever be disposed to subscribe to an absolute surrender of that right, although, in order to facilitate the construction of the ship canal, she has been and is still willing to abandon to Nicaragua the control and direct advantages of the enterprise for such a period of years as may seem necessary to carry out that undertaking.

I have the honor to renew to you the assurance of my most distinguished consideration.

F. MOLINA.

WILLIAM HUNTER, Esq.,
Acting Secretary of State of the United States.

No. 13.

Mr. Hunter to Mr. Kerr.

DEPARTMENT OF STATE,
Washington, May 13, 1852.

SIR: Since the last dispatch to you on the subject, it has occurred to Mr. Crampton and myself that if the following two slight modifi-

cations of the proposition to Nicaragua and Costa Rica shall be made its chances of ultimate success will be much increased.

Towards the close of article one after the words "in that part of the Mosquito territory hereby ceded to Nicaragua" insert the following: which grants shall have been attended with residence on or possession of the lands granted! After the words "interfere with" strike out the words "other legal grants made previously to that date by Spain, by the Central American confederation or by Nicaragua."

To article III add the following: "But it is understood that nothing in this article contained shall prevent the republic of Costa Rica from resuming its rights to navigate the said rivers and lake by steam vessels, when the charters of the Atlantic and Pacific Ship Canal Company or Accessory Transit Company shall either have expired by their own limitation or shall have been legally forfeited."

You will accordingly propose these modifications to the Nicaraguan government.

I am, sir, very respectfully, your obedient servant.

W. HUNTER,
Acting Secretary.

J. BOZMAN KERR, Esq., &c., &c., &c.,

Mr. Hunter to Molina.

DEPARTMENT OF STATE,
Washington, May 19, 1855.

SIR: I have the honor to acknowledge the receipt of your note of the 8th instant.

If, as you remark, Costa Rica should entertain insurmountable objections to a surrender, in perpetuity, of the privilege of navigating the Colorado and San Juan rivers and lake Nicaragua by steam vessels, it is presumed that she could not reasonably object to enter into a stipulation promising a surrender of the same until the charters of the Atlantic and Pacific Ship Canal Company and of the Accessory Transit Company shall either have expired by their own limitation or shall have been legally forfeited. As the principal purpose of the United States and Great Britain in proposing to give to Nicaragua the exclusive right to steam navigation on that lake and those rivers was to protect franchises acquired in good faith from Nicaragua, if that purpose could be accomplished, no good reason is perceived why that right should not be limited to the duration of the franchises referred to.

I avail myself of this occasion, sir to offer to you a renewed assurance of my very high consideration.

W. HUNTER,
Acting Secretary.

Señor DON FELIPE MOLINA, &c., &c., &c.

No. 1.

*Mr. Walsh to Mr. Webster.*GREYTOWN, *May 28, 1852.*

SIR: We arrived here in the Saranac the 25th, and will proceed to San José as soon as we can make our preparations for the long and arduous journey before us—a journey, for the most part, through a wilderness, which compels the traveller to take with him everything that may be needed on the way. We hope to be off the day after to-morrow, though the listlessness of the people with whom we have to deal will take its own time in spite of every effort to stimulate it. The prices, also, demanded for boats and mules are so extortionate as almost to exceed belief. Unfortunately the water in the river San Juan is now so low that steamers cannot run, and we find ourselves obliged to employ the row boats of the country—a necessity productive of delay as well as of inconvenience and expense. The chief impediment, however, has been the difficulty of procuring mules to be in readiness for us at the spot where the Sarapiquí ceases to be navigable. I greatly regret the detention on all accounts.

The flag of the Mosquito king is still flying here, but that is the only evidence of his sovereignty. The control of the town is in the hands of the foreign residents, principally Americans, who recently elaborated a constitution for themselves and elected a complete set of authorities. The natives were allowed to vote, and two or three of them obtained majorities for certain offices, but on some pretext of illegality their election was annulled. Upon what ground that illegality was established was not made clear to the apprehension of the natives, who in consequence were with difficulty restrained from expressing their dissatisfaction in a belligerent manner. The practical interpretation would seem to be that the fact of being born here is a disqualification for being elected if not for electing, and that only those who do not labor under this disadvantage are entitled to all the privileges of citizenship. The mayor is an American named Martin, who appears to possess a kind of energy and talent well adapted to his anomalous and difficult position—a position in which justice, while wielding her sword with one hand, is obliged to point a revolver with the other. He has just won considerable credit by the mode in which he discovered and brought to justice the perpetrators of a robbery of a large sum of money from a Frenchman, who arrived here the other day on his return from California. A part of the money has already been recovered, and hopes are entertained of finding the rest. The excitement among “the Californians,” of whom there is a numerous body now here waiting for the next steamer, assumed for a time quite a threatening aspect. They were apprehensive that the robbers would not be properly dealt with, and seemed determined upon taking justice into their own hands, but the regular way in which the trial was conducted removed their suspicions, and the ultimate conviction of the culprits re-established peace. Two or three of the gang are, I believe, to be hung, and minor punishments will be inflicted on others. The whole

action of the court was under the authority of the new constitution, which completely ignores the dominion and laws of the indigenous aspirants to the sovereignty of the town.

The framers of this constitution would seem to cherish views of an eminently progressive nature, for in the article defining the limits of the embryo metropolis it is declared that they "commence at the mouth of the Indian river, thence run up through the channel of said river *fifteen* miles, thence in a direct line, so as to include the head of the Machuca rapids, thence down the San Juan river to its junction with the Colorado, thence down the channel of the Colorado to the Caribbean sea"—an area of some fifty or sixty square miles! The object of the foreigners here is avowedly to establish a free port with as much circumjacent territory as possible, and they loudly proclaim that they will never submit to the rule of any native power. To Nicaragua they bear especial hate, which may prove a source of trouble in the execution of the treaty, should it be concluded. It is almost certain that without some such aid as the treaty would afford, that country will never be able to obtain possession of the town, for there can be little doubt of the ability of the inhabitants to repel any attack. Indeed, if the stories told of the weakness and degradation of the Nicaraguans be true, one may easily credit the assertion of the "Greytowners" that they can take the whole republic whenever they please. A step towards this result may, perhaps, be the appropriation of the district marked out by the article of the constitution alluded to above. Coming events cast their shadows too plainly in this quarter to need a prophet's eye to discern them.

I have the honor to be, sir, with great respect, your obedient servant,
ROBERT M. WALSH.

Hon. DANIEL WEBSTER,
Secretary of State.

No. 2.

Mr. Walsh to Mr. Webster.

SAN JOSÉ, *June 11, 1852.*

SIR: We left Greytown on the 31st ultimo and got here the 8th instant, after a journey of which it would be difficult to describe the fatigue and the risks. Four days and three nights were spent in the boat in which we were rowed to the landing place of the Serapiqui; and four days and a half in crossing the mountains to this place—scrambling up and down precipices of most formidable aspect, or wading through quagmires from which extrication, at times, seemed to be almost impossible.

It will be out of the question for Costa Rica to cultivate much intercourse with the foreign world until a road is constructed to the Serapiqui. At the landing place there is a sort of military post, where we were received by the officer in command with all due courtesy, and had the satisfaction of finding mules and men to carry our

luggage and provisions, sent by the government itself, which had been apprized of our coming by the messenger we had dispatched to procure the means of transport. When within a few miles of this city, we were met by an aid-de-camp of the president, with a note from him, congratulating us on our arrival, and placing a house at our service, to which we were immediately conducted. It is among the best in the town, belonging to one of the principal families, who moved from it expressly for our accommodation—an act of hospitality and kindness well deserving of record. There is evidently a disposition to manifest all possible friendliness, both public and private, the mission being regarded not only as a compliment, but as something from which good may accrue to the country.

We have had interviews with the president and minister of foreign relations, and have sent to the latter a copy of the proposed arrangements, with alterations directed to be made in it by the dispatch of 13th May, from the acting secretary of state. There are good grounds, I think, for expecting a prompt acquiescence in the views of the two governments.

I have the honor to be, sir, with great respect, your obedient servant,
ROBERT M. WALSH.

Hon. DANIEL WEBSTER,
Secretary of State.

Mr. Walsh to Mr. Webster.

No. 3.

SAN JOSÉ, *June 25, 1852.*

SIR: Enclosed are copies of correspondence with the minister of foreign relations and a decree of the legislative body, approved by the president, from which you will perceive that the government of Costa Rica has given its full consent to the proposed treaty. The modifications suggested in the last note of the minister are mere requests, in no way affecting that consent. They were discussed in our conferences, but we could only promise to communicate them to our governments with a recommendation of them to their kindly consideration. This government seems to be animated in all respects with the very best spirit, on which too much praise can scarcely be bestowed.

We shall proceed to Nicaragua without delay. If not unexpectedly detained there, I may be able to return to Washington by the end of next month, taking with me the originals of the documents above mentioned.

I have the honor to be, sir, with great respect, your obedient servant,

ROBERT M. WALSH.

Hon. DANIEL WEBSTER,
Secretary of State.

SAN JOSE, *June 16, 1852.*

The undersigned, commissioners of the United States and Great Britain, have the honor to enclose to his excellency the minister of foreign relations a copy of the propositions which they are directed by their governments to offer for the adjustment of the difficulties in regard to limits between the republics of Costa Rica and Nicaragua. It was after full investigation and mature deliberation that the two governments determined upon these propositions as most conducive to the ends of justice and the interests of the contending parties; and they cherish the confident hope that they will be promptly and willingly accepted.

The advantages to Costa Rica which will accrue from their acceptance are various and all-important. She will be relieved, in the first place, from that state of harrassing agitation which the perpetual danger of foreign hostilities must keep up, and which is so baleful in its influence upon the industry and progress of a people. Men care not to work for the future when that future is clouded over with uncertainty and apprehension. To remove an evil of such magnitude great sacrifices may well be authorized; and were no other inducement presented, this alone would be sufficiently strong to call for a ready acquiescence in any arrangement which secures the blessings of tranquility without the loss of honor.

But Costa Rica, in the next place, is not asked to make any concessions for which adequate compensation is not tendered. If she abandons some of her pretensions on the Atlantic, she establishes all of her pretensions on the Pacific. If she yields the barren delta of the Colorado, she gains the fertile district of Guanacaste. Even on the Atlantic side, also, she obtains the acknowledgement of an important right which she has not hitherto been able to enjoy—that of having the river San Juan for her boundary, and navigating it with all descriptions of vessels which do not interfere with the indispensable privileges of the company that has been formed for the construction of the interoceanic canal.

Again, a cheerful compliance with the proposals of the two governments will have the effect of awakening in them sentiments of kindness towards this country, which cannot fail to be attended with great and increasing benefit. The time is manifestly at hand when the relations between Costa Rica and the other nations of the earth are to be placed on a new and more elevated footing—when the comparative seclusion, in which she has heretofore dwelt, is to be exchanged for that intercourse with the world which it is the interest and the duty of every government to promote, as one of the chief guardians of civilization and the firmest bond of brotherhood among men. Of the friendly ties which will thus be formed, the most important certainly must be those which will connect her with Great Britain and the United States—countries whose position and influence point them out as allies from whose good offices the most useful aid may be derived.

The advantage that will result to Costa Rica from the construction of the canal should also be taken into account. To over estimate it,

indeed, would be difficult. The door will be at once opened to the beneficial intercourse alluded to above, and the whole of this beautiful region will soon be brought under the fertilizing flow of a healthy emigration. The geographical position of Costa Rica is admirable—its moral position will be commensurately raised. Abounding in all the elements of national prosperity, what it needs is a population adequate to their full development. Such a population will be a certain consequence of the opening of the proposed route—not mere adventurers, seeking immediate gain at whatever detriment to others or hazard to themselves; but permanent, effective laborers in the great field of improvement.

Another, and a final motive which may be adduced, is one that must appeal too powerfully, to a government actuated by such feelings and aspirations as control the government of this republic, to require much stress. The magnificent enterprise in contemplation is not designed for the exclusive benefit of those directly concerned in it, but for the benefit of mankind. The governments that have taken it under their especial care are not prompted by narrow and selfish views. Their aim is the accomplishment of a work which will be productive of universal good. The glory to be earned by those who may contribute to it will be of a kind than which the page of history can hardly exhibit any more enviable or exalted—the glory of having created, not only a fresh and abounding channel of material wealth, but another and most efficient means of diffusing peace and good will. Such an opportunity of enrolling her name among the benefactors of the human family is not often accorded to a nation, and it is one which the undersigned cannot doubt will be eagerly seized by the enlightened men who preside over the destinies of Costa Rica.

The undersigned renew to his excellency the assurance of their most distinguished consideration and profound respect.

ROBERT M. WALSH.

CHARLES LENNOX WYKE.

His Excellency DON JOAQUIN BERNARDO CALVO,
Minister of Foreign Relations of the Republic of Costa Rica.

[Translation.]

NATIONAL PALACE,
San José, June 11, 1852.

GENTLEMEN: The undersigned had the honor to receive, with a note dated the 10th instant, a copy of the propositions of the governments of the United States and Great Britain for a final settlement of the difficulties relative to the limits between Costa Rica and Nicaragua, and it is a source of satisfaction to the undersigned to be able to assure Messrs. Walsh and Wyke that the President of the republic entertains the highest regard for this commission, and that, wishing to enter upon conferences relative to important object it has in view, he has charged the undersigned, together with the minister of finances, to act accordingly.

If agreeable to Messrs. Walsh and Wyke, said conferences will begin at one o'clock in the afternoon on Tuesday, the 15th instant, at the residence of the commissioners of the United States and Great Britain, &c., &c., &c.

J. BERNARDO CALVO.

[Translation.]

NATIONAL PALACE,
San José, June 16, 1851.

GENTLEMEN: Having considered the bases agreed upon by the governments of Great Britain and the United States for a definite adjustment of the question of territorial limits between Costa Rica and Nicaragua, and other objects of interest, the most excellent president of the republic has, on this day, been pleased to dictate the following resolution:

“Having seen and examined the convention signed at Washington, on the 30th of April of the present year, by the representatives of the governments of Great Britain and the United States, the object of which convention is to propose bases for an adjustment of the question of territorial limits between the republic of Costa Rica and the State of Nicaragua, other points relative to the Mosquito territory and the interoceanic Atlantic-Pacific canal, being, at the same time, determined in said bases; sundry conferences having been held between the cabinet ministers of this government and Messrs. R. M. Walsh, special envoy of the government of the United States, and C. L. Wyke, consul general of her Britannic Majesty, and considering, that although one of the limits to the north of the territory of the republic has been, and is, by the constitution and various authentic documents in existence, the mouth of the river San Juan, where it empties itself into the Atlantic ocean, and notwithstanding that the republic was not consulted at the time of concluding the contracts which were entered into for the great work of the interoceanic canal across the Isthmus, and that the independence of Costa Rica is not directly affected by questions with the Mosquitos, yet, in deference to the respected mediation of the governments of the maritime powers of Great Britain and the United States of North America, to the great interests of all commercial nations of Europe and America, in the construction of the interoceanic canal, and to the desire of settling, in a peaceful and friendly manner, with our neighbor, the State of Nicaragua, the territorial questions now pending, the executive power of the republic of Costa Rica, in Central America, assents, adheres and subscribes to the bases agreed upon in Washington, on the 30th of April last, and contained in seven articles, which have been presented to this government by Messrs. Robert M. Walsh, envoy of the United States, and Charles L. Wyke, consul general of her Britannic Majesty, especially authorized to that effect, and the republic will, in due time, co-operate in the formation of a definite treaty, which is to be concluded upon said basis. Let the legislative power be informed of this resolution, in order that it may be pleased to approve the same if it thinks proper, and let Messrs. Walsh and Wyke be notified of the fact, for their information.”

And in transmitting to Messrs. Walsh and Wyke the foregoing resolution, the undersigned has been ordered to state that it would be desirable that, in the definite treaties, Costa Rica might not be so much sacrificed in defining her territorial limits, by taking, at the north, the Rio Colorado instead of the northern branch of the river San Juan, seeing that the right which the republic preserves and possesses, from time immemorial, to the aforesaid river of San Juan to the point where it empties itself into the Atlantic is indisputable; which is the northern limit of said republic, designated by the constitution and recognized by Spain, the Holy See and other powers with which there are treaties in existence. That it would be likewise to be desired that no right should be vested in the interoceanic canal company to ask any tract of land over the territory of Costa Rica, in view of the fact that neither the government of Nicaragua nor the aforesaid company invited the government of the republic to co-operate in the contract relative to the canal enterprise, but that, on the contrary, said government was disregarded, by disposing de facto of the territory of its jurisdiction, or which at least was questionable, but which it possessed in good faith and by a just title. But if it should be insisted to grant to the canal company the right aforesaid on the territory of Costa Rica, then it is to be hoped that each section of territory shall not exceed three square miles, or what is the same, one league in longitude and ditto in latitude—the republic reserving to itself full dominion and the exercise of its sovereignty over any company or colony which may be established in each of the aforesaid sections of land. That in the same manner it would be desirable that if, owing to circumstances beyond our control, it should be sought to carry out the right of the company to occupy other sections of land on the territory of Costa Rica instead of taking the same on the territory of Nicaragua, this government shall not be compromised into any subsequent arrangement with the government of that State, but that the company shall negotiate with the former the indemnity which may be due to Costa Rica—a convention to that effect being previously concluded. That it would be likewise to be desired to lay down in the treaty this principle: that in no case shall discriminating import duties be established in San Juan in regard to any State, nor heavier duties than those which are levied on the most favored nations, whatever may be the port duty and whatever may be the produce and articles of exportation; and finally, that it would be likewise to be desired that the fulfilment of the treaty should be left, by an express article, under the respected guaranty and vigilance of the governments of the United States and Great Britain.

The government of Costa Rica hopes, from the enlightened judgment of Messrs. Walsh and Wyke, that they will be pleased to take fully into consideration the arguments advanced, and that they will use their immediate influence in enforcing said arguments upon the high consideration of their respective governments, whose equity inspires the authorities and the people of this republic with the utmost confidence.

The undersigned, &c., &c., &c.

J. BERNARDO CALVO.

SAN JOSÉ, *June 17, 1852.*

The undersigned have the honor to acknowledge the receipt of the note of his excellency the minister of foreign relations, dated yesterday, communicating to them the resolution of the president of the republic, by which he consents to the propositions made by their governments for the adjustment of boundaries between Costa Rica and Nicaragua, and which, he informs them, will be submitted to the legislative body for approval.

It is with sincere gratification that the undersigned have learned this decision of the president, so worthy of his eminent character; and they doubt not that the wisdom and patriotism of the legislature will sanction it without delay.

The remarks added by the minister respecting the changes which the government of Costa Rica would wish to have made in the definitive treaty to be celebrated at Washington, will be conveyed to the two governments at the earliest moment, and cannot fail to receive a respectful and friendly consideration, &c., &c., &c.,

R. M. WALSH.

C. L. WYKE.

[Translation.]

Inasmuch as there has been received from the M. E. national executive the decree No. 10, of yesterday, which says:

“No. 10. Juan Rafael Mora, president of the republic of Costa Rica. Inasmuch as the M. E. constitutional congress has decreed the following: The M. E. constitutional congress of the republic of Costa Rica, in view of the bases agreed upon in Washington, by the representatives of the two great powers of Great Britain and the United States of the north, relative to the question of territorial limits which exists between the State of Nicaragua and the republic of Costa Rica, and in view of the approbation which the supreme executive power has given to the same, decrees—

“*Only Article.*—The assent, adherence, and approval, which the supreme government of the republic has given, in the decree of the 16th instant, to the bases agreed upon in Washington on the 30th of April last, by the representatives of the governments of Great Britain and the United States, for an adjustment between the republic of Costa Rica and the State of Nicaragua, relative to the question of territorial limits, are approved. To the executive power.

“Given at the palace of the supreme powers, at San José, on the 22d day of the month of June, 1852.

“MIGUEL MORA, *Vice President.*

“BRUMO CARRANZA, *Secretary.*

“JOSE MARIA GARCIA, *Secretary.*

“NATIONAL PALACE, *San José, June 23, 1852.*

“Therefore, let the above be carried out.

“JUAN RAFAEL MORA,

“*Minister of State in the department of the government.*

“JOAQUIN BERNARDO CALVO.”

Therefore, I have thought proper to approve, confirm, and ratify, as by these presents I do approve, confirm, and ratify, the aforesaid bases, consisting of seven articles, and signed at Washington, on the 30th of April of the present year, by Mr. Daniel Webster, Secretary of State of the United States, and Mr. John F. Crampton, envoy extraordinary and minister plenipotentiary of her Britannic Majesty, the resolution of this government, of the 16th of the present month, being likewise approved, confirmed, and ratified by these presents; and, in virtue of the same, all that relates to it, respecting the aforesaid bases and the above mentioned resolutions, shall be fulfilled and observed in the republic of Costa Rica.

In faith of which, I have caused these presents to be issued, per triplicate, signed with my hand, sealed with the great seal of the republic, and countersigned by the secretary of state in the department of foreign relations, at San José, on the 23d day of the month of June, 1852.

JUAN R. MORA,
Minister of State for Foreign Relations.
 JOAQ. BERNARDO CALVO, [L. s.]

SAN JOSÉ, June 24, 1852.

The undersigned have had the honor to receive the decree of the legislative body confirming the consent of his excellency the president to the propositions made by their governments, together with the note of his excellency the minister of foreign affairs. They beg leave to express their high sense of the excellent feeling and judgment displayed by the government of Costa Rica in the important business which has been so happily arranged. Its whole action in the matter will be duly appreciated by their governments and must tend to strengthen the friendly sentiments which they cherish towards this well regulated and prosperous republic.

The undersigned would avail themselves of this occasion to tender their warmest thanks for the kindness and distinction with which they have been treated since their arrival in the country. It is their intention to leave to-morrow for Punta Arenas, there to embark for San Juan Del Sur. Wherever they go they will carry with them a grateful impression of their residence in Costa Rica, and the sincerest desire for the welfare of its government and people.

The undersigned, &c., &c., &c.

ROBERT M. WALSH.
 C. L. WYKE.

Mr. Kerr to Mr. Webster.

[Extracts.]

[No. 10.]

LEGATION OF THE UNITED STATES OF AMERICA,
Managua, July 28, 1852.

SIR: Having arrived at Leon on the 13th ultimo, I took occasion to forward to the department immediately afterwards by the hands of Mr. Heine, a responsible person, the copies of the treaties with Guatemala and San Salvador. I could have no guarantee of safety for these public papers except through a special messenger, and after guarding them in person along the whole route, it would have been extremely vexatious to have lost them by any negligence in others casually in charge. Your Nos. 11, 12 and 13, with accompanying papers, have been received, and my last communication, with the treaties, must now be in Washington.

The letter of Mr. R. M. Walsh, of the 27th of May, with a copy of the proposed adjustment of all boundary and territorial difficulties in Nicaragua, as arranged between Mr. Crampton and yourself on the 30th April last, reached me on the 21st ultimo, and you will perceive in my letter of the 23d how promptly I took the matter in hand. The papers were transmitted to Mr. Castillon at Managua, and I followed in a few days, expecting that Messrs. Walsh and Wyke might even then be on their way from Costa Rica. It is a long and tedious route, and within a few days only they have reached Nicaragua. Mr. Walsh, overcome by his fatigue, probably, has declined to visit Managua, intending to wait for my dispatches at Granada, and Mr. Wyke, by way of Realejo, came on here two days ago.

A speedy settlement of the Guanacaste question, desirable on so many accounts, had always been kept in view by me, and in my conversations with the more prominent men of the country, I had never failed to point to existing difficulties, as barriers, not only to private enterprize, but to the general good of both States. You may imagine, however, with what pertinacity the Nicaraguans must hold on to the popular idea of rights in Guanacaste and Mosquito, when most of their leading and influential men have, in some form or other, lent their name and influence to the controversy. The present director, Mr. Pinedo, has been a commissioner at one time in behalf of Nicaragua, and the secretary of foreign affairs, Mr. Castillon, won all his laurels in the discussion of the question. In fact, when I arrived at Granada last July, they were, one and all, rabid on the supposed backing of Costa Rica by England, and all my well intentioned arguments to soothe their offended pride were received with distrust and suspicion. The only hope was, that practical views might take the place of party virulence, so soon as their high hopes of further commerce and wealth should be realized in a judicious and liberal management of the canal and transit scheme. Through the agency of both these corporations they allege, that as a government and a people, they have been grossly duped and deceived. It was just at the moment when such malign

influences were at work, that I was called to lay before the government the advisory paper of Mr. Crampton and yourself.

The letter of Mr. Castillon, accompanying the decree of the senate and chamber of representatives, has, as you will perceive, negatived, in the most positive terms, the proposed basis for adjusting the outstanding questions. Strong motives may be found for their decided course in the sneers and insinuations of the other states conveyed in the oft repeated sentiment that Nicaragua was already lost to Central America, having been passed over into the hands of Americans.

The publicity given to my official conduct during the outbreaks at Leon seemed for a while to have neutralized all force in such an idle and mischievous idea, but it has been found to rankle among the politicians so as to exhibit itself under the slightest and most flimsy pretexts.

In my last dispatch, I forwarded the protest of this government of the 8th of May last, which was published at Salvador before it could have been received by me at Guatemala, in due course of mail; and a protest to a like purpose, under date of 6th instant, has been renewed by Mr. Castillon; mere rumors have been exaggerated into hostile acts on the part of Americans at Castillo Viejo, and the proofs, such as they are, will be found attached to the copy of his protest.

The same advantages could have been secured by a slight show of deference to the government; but on the 17th of October last, without consultation with the existing authorities at Granada, a deed was given in the name of the Transit Company to Mr. Wiener, for the site of a house near the old fort. Here is the direct attack on their eminent domain, to which the protest refers in such bitter terms, and, simple as it seems, it has proved the source of actual resentment among these people. * * * * *

I have never been able to ascertain how far the accessory transit, as distinct from the canal company, was a measure positively needed to conserve, in their original integrity, the privileges under the charter and its supplements; but I did not think August last a proper time to enter upon negotiations with a provisional government, when a civil war was flagrant between two of the leading parties of the State. The subject was successfully pressed, even under such peculiar circumstances, and now it seems there is here a decided reaction, and but for the present effort on the part of the United States and Great Britain, presenting a moral spectacle to the world for the applause of just and generous men, the great project of an interoceanic canal would have failed, for a time at least, to secure the least confidence or respect. * * * * *

Though quite ill on arriving at Managua, I sought an early interview with Mr. Castillon. In this private and informal meeting, he laid much stress on the allegation that the honor of the United States had been compromitted during the mission of Mr. Squier, when the Nicaraguans were induced to forego an opportunity for more favorable terms in regard to a canal with commercial men in England. I could only answer, that the government of the United States had nothing to do with the actual construction of such a work, that being reserved for the individuals incorporated for the purpose by his own

State; while Mr. Squire's instructions merely authorized his good offices in facilitating, on all proper occasions, so grand an object. Though resentment for wrongs, alleged to have been perpetrated by England at this very juncture, was the prevailing sentiment, yet he intimated a charge of inconsistency in then entering the market against her, though we were now combining with that power against the rights of Nicaragua. His favorite idea was a guarantee from both powers, that the canal should be successfully prosecuted, else there might be an unqualified abandonment of just claims without equivalent. With himself the question was, in fact, a mere matter of dollars and cents—the general good of the world being a mere feather in the balance against any violation of the eminent domain of Nicaragua in Mosquito or Guanacaste. Of course I could not but see that they had no disposition whatever to entertain the propositions made by the United States and England, and the decided negative in the letter of the 20th instant did not surprise me.

After being able to point to this spirited course towards the American chargé, they may now give the matter a new phase in the reply to Mr. Wyke; there will be nothing really definitive, but they may hit on some plan to gain time, till an answer from Mr. Marcoleta may be received. A dispatch, as I ascertained yesterday, was sent off to him at Washington. The papers, though recommendatory and advisory, I must, from the closing paragraph, regard as an ultimatum from Mr. Crampton and yourself. It will be my duty, therefore, to relieve you from embarrassment in any immediate action you may contemplate, by refusing to receive, officially, all evasive matter, however cunningly prepared for the nonce. * * * *

I have the honor to remain, with high respect and regard,
JOHN BOSMAN KERR.

[Enclosure.]

Mr. Walsh to Mr. Kerr.

SAN JOSÉ, June 28, 1852.

SIR: I have the pleasure to inform you that the government of Costa Rica has given its full assent to the proposed treaty, as you will see by the enclosed paper. The English consul general and myself will leave here in a few days for Nicaragua, embarking at Punta Arenas for either San Juan del Sur or Realejo. I trust that the Nicaraguan government has manifested a willingness to accept the propositions, and that I shall be able to proceed at once to Greytown to embark in the steamer of the 15th of July, in which case I shall, in all probability, reach Washington before the dissolution of Congress.

I have the honor to be, sir, with great respect, your obedient servant,

ROBERT M. WALSH.

Mr. Walsh to Mr. Kerr.

GRANADA, *July 22, 1852.*

SIR: I have just arrived in this place, not being very well, and having nothing to do in Nicaragua but to get any dispatches which you may wish to send to Washington, I propose to remain here until the first of next month for the purpose of taking whatever you may have to transmit. I cannot remain longer than that time as my instructions require me to return before the dissolution of Congress, which in all probability will take place some time in August. Hoping to hear soon that you have been successful in your negotiations with the Nicaraguan government,

I have the honor to remain, with great respect, your obedient servant,

R. M. WALSH.

Mr. Kerr to Mr. Walsh.

MANAGUA, *July 24, 1852.*

MY DEAR SIR: A special courier has just arrived from Realejo, and on Monday afternoon Mr. Wyke will be in Managua, when we may renew the attempt to bring about a better understanding with the government in regard to the various points embraced in the recommendatory paper of the representatives of the United States and England forwarded to me at Leon.

Having pressed the matter in every way personally, it is my intention to have a joint appeal on the arrival of Mr. Wyke, and the session of the chamber, having been prolonged by a decree of yesterday, something may possibly be effected. I have very little hope, however, after so decided a stand from the first on the part of Mr. Castillon. Mr. Pinedo, the director, was once a commissioner in this boundary controversy with Costa Rica, and the minister of foreign affairs obtained much of his reputation from his polemic writings in England against Lord Palmerston on these identical points.

Had a commissioner of Costa Rica accompanied you, I have some slight faith in the idea that a renewal on his part of the equivalents actually offered for a cession of Guanacaste years ago might have opened a postern of escape to Nicaraguan pride and obstinacy. This subject has always made capital for one or the other of the factions at work in the State—just now very unsettled, as there are vague apprehensions of fresh disturbances in November on the approach of the election for director.

It is out of my power to leave here in the morning, as I proposed, in order to have a conference with you at Granada, and I regret it the more as the sons might thus have reciprocated the friendly feelings subsisting for thirty years between the fathers. From some expressions of Mr. Lawless yesterday, I fear I should have missed you at

Granada, as the steamer he said was in the offing merely waiting for you. The neglect of Mr. Wyke in such case, who has advised me of his coming on Monday by special courier, would have been inexcusable, and I am constrained to remain here.

I have had the decree copied, refusing to accede to the basis of settlement, but I should like to have had time for copying out the letter of Mr. Castillon forwarding it. It is somewhat piquant; and the whole subject had unfortunately to be presented by me just at a moment when there was much of spleen at the scandalous conduct (as the protest to me terms it) of the Americans at San Juan del Norte and Castillo Viego. I am making up a package for Washington which will be sent by the next steamer.

I remain, my dear sir, very respectfully and truly yours,
J. B. KERR.

Mr. Walsh to Mr. Kerr.

GREYTOWN, *May 27, 1852.*

SIR: I have the honor to forward to you a package from the Department of State, which I trust will speedily reach you. I arrived here yesterday in the United States steamer Saranac, in company with the new British consul general for Central America, Mr. Wyke. We proceed at once to San José, Costa Rica, for the purpose of persuading the government of that country to accede to the views of England and the United States in regard to the affairs of this region. Thence we go to the capital of Nicaragua, where I hope to have the pleasure of meeting you, and learning that no opposition has been made to these views by the Nicaraguans. It is necessary for me to return to Washington in July, so that I would take the liberty of begging to have everything arranged, if possible, by the beginning of that month. The proposed treaty appears to be so favorable to Nicaragua, that I presume little objection will be made to it there.

I am, sir, with great respect, your obedient servant,
ROBERT M. WALSH,
Special Envoy to Costa Rica.

Mr. Kerr to Mr. Castillon.

LEGATION OF THE UNITED STATES OF AMERICA,
Leon de Nicaragua, June 23, 1852.

SIR: The commercial advantages in the construction of an inter-oceanic canal over this isthmus, so long an object of interest to the world, have given occasion to renewed efforts on the part of the governments of the United States of America and Great Britain, which the accompanying paper will better explain in full detail.

So long as the boundary question between Nicaragua and Costa
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Rica remains in litigation, (liable, after years of fruitless negotiations, to the final arbitrament of the sword,) it is not to be expected that prudent capitalists will be ready to advance the necessary millions for the commencement and prosecution of such a work.

The claim of Costa Rica, in regard to a full and entire participation in steam power on the lake and river, has been met in a way to leave exclusive control over these waters with Nicaragua, and the cession of Guanacaste, as advised and recommended, would seem only to be in exact accordance with the will and wishes of the inhabitants of the district, unequivocally expressed during recent years. In truth, its possession, with so much of lukewarmness among the actual residents, would render it a nucleus for disaffection in Nicaragua, and even as a free gift, worthy of rejection. Besides, under the recent report of Colonel Childs, the accomplished engineer in the service of the Atlantic and Pacific Ship Canal Company, Salines bay has ceased to be of importance as the possible terminus of the canal. The most eligible spot has been designated by him at a port always within the acknowledged limits of Nicaragua.

The position taken by the English government, in the forcible expulsion of Nicaragua authority at San Juan, must be presumed to have been satisfactory to that power, and hence, in any arrangement, the alleged rights of the Mosquito Indians would naturally have a prominent place. In allowing a portion of territory to these native tribes, within which they may without molestation pursue their nomadic life, the government of Nicaragua is not urged to any course inconsistent with national honor and dignity. It is precisely thus that the United States government has dealt with a similar race within its limits.

I abstain from going more at large into these questions, so long a barrier to peace and progress in Central America, as I am fortunate in now signifying to the government of Nicaragua this evidence of good will, through the medium of a gentleman of enlarged views and practical experience, from whom an attentive and liberal consideration may be anticipated.

The legislature and executive have now in their own hands the extinguishment of all causes of external discord, and with prudence and moderation the Nicaraguan flag may soon wave at the mouth of the San Juan in token of possession and sovereignty. The completion of the canal under the auspices of Nicaragua will eventually outweigh a hundred fold the equivalents proposed in this recommendatory paper, which I have now the honor to enclose.

The decision of Costa Rica may be looked for in a few days, and I would ask the immediate and serious attention of the Nicaraguan government for the present propositions. In a week or ten days Mr. Walsh, a special agent of the United States to Costa Rica, in company with the British consul general for Central America, Mr. Wyke, will have reached Managua from San José, and in case of a favorable hearing measures may at once be taken for a quadripartite treaty to be submitted to the Senate of the United States before its adjournment to the next session. Mr. Walsh is ordered to return to Washington immediately.

I propose to be in Managua in a day or two, when we may confer in perfect frankness together, and in the meanwhile I beg that you will accept the assurances with which I have the honor to be, sir, your obedient servant,

JOHN B. KERR.

Mr. Kerr to Mr. Castillon.

LEGATION OF THE UNITED STATES OF AMERICA,
Managua, July 13, 1852.

SIR: In my communication of the 23d ultimo I ventured to press upon the early action of the supreme government of Nicaragua a basis of settlement for certain long pending questions, offering, to this day, almost insuperable obstacles to the commencement and progress of a canal over the isthmus.

Some definitive arrangement has become indispensably necessary, and it would give me much pleasure to know that the overture just made has been met in the true spirit of conciliation that prompted it.

Since communicating that paper I have been advised that future complications may be avoided in regard to grants of land within the Mosquito territory, by inserting towards the close of article I, after the words "in that part of the territory hereby ceded to Nicaragua," the following: which grants shall have been attended with residence on or possession of the lands granted. Again it might be advisable in the same article to strike out after the words "interfere with," the following: "Other legal grants made previously to that date by Spain, by the Central American confederations or by Nicaragua."

To article III add the following: But it is understood that nothing in this article contained shall prevent the republic of Costa Rica from resuming its rights to navigate the said rivers and lake by steam vessels, when the charters of the Atlantic and Pacific Ship Canal Company and Accessory Transit Company shall either have expired by their own limitation or shall have been legally forfeited.

Permit me to acknowledge the receipt of your communications of the 6th instant, and the moment I can procure reliable information in regard to Mr. Wiener's alleged claims under the Accessory Transit Company I may be able to place his conduct in a more favorable light.

I arrived at San Juan del Norte in July, eighteen hundred and fifty-one, and this declaration of rights to which your protest alludes had even then been made by resident foreigners in charge of the municipal authority of the place. The best answer I have will be found in the paper which I have already submitted. The government of the United States would gladly see that important point in the hands and under the flag of Nicaragua.

I have the honor to remain, with much respect, your obedient servant,

J. B. KERR.

[Translation.]

HOUSE OF GOVERNMENT,
Managua, July 6, 1852.

By the department of state for foreign affairs, now in my charge, and by the order of the supreme government of this State, a formal protest was sent to your excellency against the acts of usurpation being committed in the old castle, and the destruction of those historical monuments which Nicaragua had preserved as unequivocal evidence of the supreme dominion which it had and now has over that territory, from very remote times.

A protest likewise and denouncement was made before your excellency against the plundering conduct of certain Americans, who, in connexion with those of other nations, have made of San Juan del Norte a Hanseatic city, making a regulation or constitution, establishing authorities, and exercising acts of sovereignty and independence of that which Nicaragua has proclaimed in her constitution.

Although your excellency has not replied to the above mentioned communication, to-day the government learns by divers ways, and from certain testimony, that not only did not Mr. Weiner suspend the erection of the building for a hotel, which he has established in the castle, in opposition to the prohibition intimated to him by the agent by order of government, but that others have built various other edifices on the platform of the fort, the builders taking the bricks and other materials therefrom, that they have thrown down the earth on which the castle is built, and will probably cause thereby the destruction of that fortress.

And finally, the documents, an authentic copy of which I now have the honor to enclose to your excellency, will show that every day the independence and liberty of the country is threatened by the introduction of arms and the elements of war, in express violation of pre-existing laws, and of the stipulation of the 14th article of the contract of 22d of September, 1849, celebrated with the company for the inter-oceanic canal, and which is declared valid by the convention of 20th August of last year.

My government, in entering into the aforesaid arrangement, had in view to bind itself with the United States and its citizens by the strongest bonds of friendship, thereby obtaining, by means of civilization, its more rapid progress and social advancement; it never could suspect that from its sincerity and benevolence that it would be threatened with the sacrifice of its most vital rights, and that it would see itself compromised so far as to be thrust into a series of consequences so truly lamentable as those which must result from a violation or usurpation of its territory by individuals.

Wherefore, without prejudicing the right to take any other steps that may be considered necessary for the faithful enforcement of the laws confided to him, and to maintain the integrity of its territory and the sovereignty of the State, the supreme director has directed to me an order to protest anew against the aggression committed on this State by individuals, or companies, from the United States, for the

serious and disagreeable consequences resulting therefrom, and for the damages and expenses that may be caused to its citizens, or to its foreigners residents.

The director cherishes the hope that the conduct of your excellency, always conciliatory, and the enlightenment and principles which you have professed since your residence in the country, will smooth all difficulties and obviate every act which might tend to humiliate the rights and privileges of Nicaragua.

Be pleased, excellent sir, to receive the present protest, and if you think best, to call to it the attention of your government, that such a course may be taken as may be deemed most proper, and at the same time to accept the assurance of the high esteem and respect with which I have the honor to be your faithful servant, &c., &c.,

FRANCISCO CASTILLON.

Hon. JOHN B. KERR,

Chargé d' Affaires of the United States near Nicaragua.

[Translation.]

GOVERNMENT HOUSE,

Managua, June 25, 1852.

SIR: The esteemed official note of your excellency, of 23d instant, is received, as also the accompanying copy of a treaty agreed upon by the government of your excellency and that of her Majesty, the queen of Great Britain, with the object of regulating the differences which exist between Nicaragua and Costa Rica, in relation to their territorial limits.

My government, to which I gave notice of their reception, is informing itself in relation to the subject matter therein referred to, so as to be enabled to reply to your excellency in such manner as the interest, honor, and dignity of the State shall require in an affair in which its rights may be so sensibly affected.

Opportunely I will communicate to your excellency the resolution of my government, and in the meantime I have the honor to be, with all consideration, the attentive servant of your excellency,

FRANCISCO CASTILLON.

Hon. J. BOZMAN KERR,

Chargé d' Affaires in Nicaragua.

[Translation.]

Mr. Castillon to Mr. Kerr.

HOUSE OF GOVERNMENT,

Managua, July 20, 1852.

HONORABLE SIR: Conformably with my promise made to your excellency in my dispatch of 26th June last, my government has examined

the stipulations agreed upon between his excellency the Secretary of State of the United States and his excellency the envoy minister plenipotentiary of Great Britain in Washington, on the 30th of April of this present year, for the settlement of the territorial questions between Nicaragua, Costa Rica and Mosquito.

My government comprehending the importance and consequence of this business, and not finding itself invested with the requisite power to resolve within itself the important questions involved in the aforesaid stipulations, has found itself under the obligation to transmit it to the legation chambers for such action as might be judged proper. The chambers having thereupon the subject under consideration, and inspired not only by the confidence which they have in the justice of the cause of Nicaragua, whose rights they believe to be greatly affected, but also in the enlightenment and moderation of the principles of the governments of Great Britain and the United States, and of the guarantees granted by international law in favor of all States, thought proper to refuse their acceptance of the aforesaid stipulations; at the same time, in the name of Nicaragua, a disposition to submit to an impartial arbitration of the questions in dispute, referred to in said stipulations, as your excellency will perceive in the decree, an authenticated copy of which accompanied this.

My government, therefore, in conformity with said decree, has directed me to manifest to your excellency that with all deference for the governments referred to above, the American Union and Great Britain, as far as reconcilable with the honor and dignity of the State, finds itself in the painful situation of not being able to accede to the proposed stipulations; at the same time it has a high appreciation of the friendly offices and sentiments which your excellency has expressed, in their name, in communicating the reflections with the character of recommendations for the consideration of the governments of Nicaragua and Costa Rica.

Your excellency will see in this declaration that, although my government does not accede to the articles of agreement submitted to it, it evinces itself, nevertheless, no less disposed to cultivate with the governments of the United States and Great Britain the relations of friendship and good correspondence, now happily existing, and which tend to peace and the general good.

God grant that a similar disposition may be preserved by the two governments aforesaid; and that duly appreciating the sentiments of that of Nicaragua, they may be willing to interpose their friendly interference in order that the reasonable proposition for an impartial arbitration, suggested by Nicaragua, may be adopted by Costa Rica and Great Britain, so that the territorial question now under consideration may be harmoniously terminated.

As to the stipulation between Great Britain and the United States relating to the affairs of the Atlantic and Pacific Canal Company and accessory to the transit, and contained in articles 4th, 5th, 6th, and 7th of aforementioned stipulations, my government protests that it will not agree, as it has not agreed, to any regulation which shall in any manner alter the conditions of the primitive contract of the 22d September, 1849, the modifications of the 11th April, 1850, and of

the agreement of the 19th August, 1851, which shall in all cases be the invariable rules for its conduct; that it will none the less refuse to accept any other arrangement which shall directly or indirectly jeopard the rights of Nicaragua either on its coasts, ports, rivers, or lake, or even in the canal and its dependencies, or in any point of its territory whose integrity may be desirable to preserve, notwithstanding that the said regulations should have been agreed upon by the aforesaid governments of the United States and Great Britain, or with any other power, unless there should be present on the part of this State a minister plenipotentiary and he concurring thereto; and not even then until the agreement of said minister has been previously ratified by the legislative power.

With the foregoing, which I hope your excellency will make known to your government, as I now request of you, I have, by order of my government, replied to your highly esteemed communications, dated on the 23d of June last, and on the 13th of the present month.

I have the honor to renew to the Hon. Mr. Kerr the assurances of my distinguished consideration and friendship.

FRAN. CASTILLON.

Hon. Mr. KERR,
Chargé d'Affaires of the U. S.
near the Government of Nicaragua.

No. 32.

The Director of the State to its inhabitants.

Inasmuch as the legislative assembly has decreed as follows: The senate and chamber of representatives of the State of Nicaragua in assembly constituted—

DECREE.

ART. 1. The State of Nicaragua does not accept the projet of agreement or recommendatory bases adjusted on the 30th of April last between his excellency Daniel Webster, Secretary of State of the United States, and his excellency John F. Crampton, envoy extraordinary and minister plenipotentiary of her Britannic Majesty in Washington, for the regulation of the territorial boundaries of Nicaragua and Costa Rica, and for the separation of the Mosquito coast.

ART. 2. The State of Nicaragua is disposed to an examination (ventilar) of the questions referred to in said bases by an impartial arbitrament.

ART. 3. The State of Nicaragua solemnly protests against all foreign interference in matters of her administration, and against the use of force to restrain her will and rights.

Done in the saloon of session of the chamber of representatives,

Managua, July 14, 1852. Augustin Aviles, N. President ; J. Joaquin Cuadra, R. Secretary ; J. Mar. Bolaños, R. S.

To the EXECUTIVE.

Hall of senate, Santiago de Managua, July 16, 1852.—Miguel R. Morales, S. P. ; J. Guerra, S. S. ; José de Jesus Robleté, S. S.

Therefore let it be complied with.—Managua, July 19, 1852. J. Laureano Pineda.

To minister of foreign relations and government.

True copy :

CASTILLON.

MANAGUA, *July* 20, 1852.

[Translation.]

Mr. J. de la Rocha to Mr. Kerr.

HOUSE OF GOVERNMENT,
Managua, May 8, 1852.

On the 19th of February last a communication, by order of the Director, was addressed to your excellency, denouncing the works commenced by certain Americans at the old castle—the destruction of its platform and the appropriation of the materials thereof and construction of edifices therewith, without even having the courtesy to advise with the supreme government and the legitimate representative of the interests of the State to which belongs the ground and the works thereon erected, the antiquity and importance of which are self evident.

In your reply of the same date your excellency offered to make all possible efforts to prevent the destruction of the remains of the ancient fortress identified with the history of the country; you assured that if the transgressors were your fellow citizens they would promptly listen to a just representation against their illegal proceedings. The government, at a consultation held on the 24th December, year before last, having resolved to establish a preventive post of the customs at the aforesaid point, the old castle, being the most fit for the suppression of smuggling carried on in the State, and even in vessels belonging to the interoceanic company, directed the collector of customs at San Juan to make a reconnaissance of those works, and that he should order them to be suspended, for the government had properly understood that the execution of said works was nothing else but an abuse committed by some private speculators; but how great was the surprise of the Director to find among the documents with which he was furnished by the commissioners the act of cession made by the interoceanic canal company on the 17th of October, 1851. This surprise was increased by finding that the company assured to Mr. Wiener and his successors the absolute right of property in the ground, thus showing an evident determination to usurp in fact the territory of the State, reckless of its rights and without any consideration for its dig-

nity, which demands a satisfaction and indemnity for the State. In order that the government should be informed of these transactions, and standing as it did by the act above cited, that the hotel ordered to be erected in the old castle would be under the direction and approval of the company, resolved to call upon Mr. John Doyle, the accredited agent of the company near this government, and when it expected a satisfactory reply was only told that the resolution of the company, in relation to the house of Mr. Wiener, having been anterior to his arrival in this country, he had written to his principals for information and instruction. In the meanwhile the government, vigilant in preserving the rights and privileges of the State, directed its subaltern agents to omit no important notification concerning ulterior steps in an affair in which was no less compromised the integrity of the territory than the independence and liberty of the country. In compliance therewith the functionaries of the occidental department have manifested to the government that the contractor at the old castle not only continued his first work, but that he had formed a parapet on the ground and mounted a piece of artillery; that he has thrown down the earth and thrown broken bottles into the water at the landing for the purpose of preventing the landing of our canoes, and that many of our sailors who were obliged to work at this place, stuck full of these articles artificially arranged, were thereby wounded; that a public sale of liquors, (a monopoly of the State,) was established. In addition to these, and by a rare coincidence, the English authorities established in San Juan del Norte having withdrawn from that point, and the American residents there, with other foreigners, have declared the territory independent of Nicaragua, made a constitution, by popular election chosen a mayor, and established a tribunal of justice; that is, to have consummated an overt act of usurpation, occupying in fact the most interesting part of the territory of the State in opposition to the stipulations agreed upon between the enlightened government of the United States and that of Great Britain, on the 19th of —, 1850, and contrary to the hopes which Nicaragua had conceived as much from the magnanimity of the American government, as from the generosity with which it, Nicaragua, had offered the advantages of its position to the fallen citizens of your excellency. The intention was truly foreshadowed even in the newspapers of the United States. In the Herald of 30th of March, year before last, which your excellency has probably read, alluding to the restitution of above mentioned port (San Juan del Norte) to the dominion of Nicaragua, are the following words, without any attempt at concealment: "With the slightest pretext we will drive out, without much ceremony, its officers, for we are no more favorably disposed to the cause of Nicaragua than we are to the Anglo-Mosquito flag."

The impatience to arrive at this end was such that they anticipated all faction, and the most scandalous separation was effected; scandalous for the great indignity and serious offence given to a friendly nation; scandalous for the violence which was committed on international law, without any motive whatever from Nicaragua, without pretext which would authorize it, and without permission from the supreme authority, which, in the name of the State, holds in that

territory the eminent dominion; scandalous, finally, for the active part taken in it by the individuals of that nation which is probably the most favored in Nicaragua.

The supreme government of the State, so far from believing that the United States have acquiesced or concurred therein, has instructed its plenipotentiary to that government to make a proper claim for the offence which Nicaragua has received by these acts committed by citizens of that republic. But while, in the meantime, that the enlightened government of the American people is taking cognizance of and determining in relation thereto, the silence of the government of Nicaragua might be interpreted as a renouncement of its rights, or as a toleration of the same, it has expressly directed me to address to your excellency the present communication, protesting, through me, that now, nor at any time whatever, has Nicaragua renounced her rights of proprietorship and present dominion over the port of San Juan, the old castle, and adjacent territories, no matter what may be the consideration and political existence with which it may be designed to invest the act of usurpation; that Nicaragua will make proclamation of her rights in all the civilized nations of the world, before whose tribunals her rights will be vindicated, notwithstanding her debility, in opposition to the strength with which she is threatened and cannot resist. I am furthermore directed to make manifest to your excellency the hope that even now inspires it of your excellency's mediation, and, from your reconciliatory character, that you will be enabled to arrange the differences to which I have above referred without any grave and serious results, and without any interruption of the friendly relations of both countries.

With this inducement, I have the peculiar satisfaction of renewing to your excellency, with the utmost sincerity, the offering of friendship and esteem with which I sign myself your humble servant,

JESUS DE LA ROCHA.

True copy. MANAGUA, *July 28, 1852.*

The CHARGÉ D'AFFAIRES,
Of the United States of America.

[Translation.]

Mr. Calvo, minister of foreign affairs of Costa Rica, to Mr. R. M. Walsh, special envoy.

NATIONAL PALACE, *San José, June 25, 1852.*

SIR: It is very acceptable and satisfactory to the undersigned to be able to place in the hands of Mr. Walsh an authenticated exemplification of the decree which the president of the republic, with full authorization on the part of the national representatives, has promulgated on the 23d instant, confirming and ratifying the assent and adhesion of Costa Rica to the bases signed at Washington on the 30th of April of the present year, for an agreement, which gives as its result the

definitive and friendly determination of the question of territorial limits pending between this republic and that of Nicaragua, and removes the difficulties which might embarrass the prompt projected construction of the interoceanic canal.

The government, convinced of the stringent necessity and convenience of maintaining, without change, the fraternal relations which happily exist between Costa Rica and Nicaragua, and that every source of disagreement which might affect the two countries should be removed, has considered this matter with the greatest interest, giving to it the preference which its importance demanded, subscribing, after mature deliberation, to the bases indicated, in testimony of its adhesion to the conservative principle of all communities, which is universal peace.

But not this alone has determined the government to accept the bases referred to. It is the desire to contribute, on its part, to the well-being of the human race; it is the hope that it will positively improve the condition of Costa Rica and Nicaragua, by the achievement of that great work the interoceanic canal; it is the supreme confidence which it places in the greatest maritime powers of Europe and America which take such interest in the future of these regions; it is, in fine, the sincere respect with which it contemplates the high intermediation of these governments in affairs which, perhaps, might present in the future serious results, contrary to the peace and security of peoples who are brothers and neighbors. Therefore, this government is much gratified that an occasion like the present has provided the means to express the conformity of its sentiments with those of the United States and of Great Britain, in the important matter which they have treated, and offers its fervent wishes that the conclusion may have the happy result which is to be desired.

The undersigned avails of this occasion to signify afresh to Mr. Walsh that he is, with expressions of true friendship and sympathy, his obedient humble servant,

JQ. BERN. CALVO.

[Translation.]

Juan Rafael Mora, President of the Republic of Costa Rica in Central America.

Whereas, Mr. R. M. Walsh, special envoy of the government of the United States of North America, and Mr. Charles L. Wyke, consul general of her Britannic Majesty, have presented to this government the bases agreed upon in Washington by the governments of the United States and Great Britain, on the 30th April last, for a definitive settlement of the questions of territorial limits pending between this republic and the State of Nicaragua, and other important subjects, which bases, translated into Spanish, article by article, read as follows:

* * * * *

[Here follow the Webster and Crampton bases.]

Whereas, upon consideration of the herein before recited bases, this department on the 16th instant adopted the following resolution :

NATIONAL PALACE,
San José, ——— 16, 1852.

Having read and examined the convention signed at Washington on the 30th of April of the present year by the representatives of the governments of Great Britain and the United States, the purport of which convention is to propose bases for an accommodation between the republic of Costa Rica and the State of Nicaragua of the question of territorial limits, and at the same time defining in said bases other points relating to the Mosquito territory and Atlantic and Pacific interoceanic canal, having had several conferences of the ministry of foreign affairs of this government with Mr. R. M. Walsh, special envoy of the government of the United States, and Mr. C. L. Wyke, consul general of her Britannic Majesty, and considering that, although one of the northern boundaries of the territory of the republic has been and is, by the constitution, and by various existing authentic documents, the place at which the river St. Juan empties itself into the Atlantic ocean, and notwithstanding that the republic was not consulted on the occasion of closing the agreements which have been made for the great work of the interoceanic canal across the isthmus, nor that the independence of Costa Rica is not directly affected by the Mosquito question, yet in deference to the respected mediations of the governments of the maritime powers of Great Britain and of the United States of North America, to the great interests of all the commercial nations of Europe and America in the construction of the interoceanic canal, and to the desire to terminate pacifically and amicably with our neighbor, the State of Nicaragua, the pending territorial questions, the executive power of the republic of Costa Rica, in Central America, assents, adheres, and subscribes to the bases agreed upon at Washington on the 30th of April last, and contained in seven articles, which have been presented to this government by Mr. Robert M. Walsh, envoy of the United States, and Mr. C. L. Wyke, consul general of her Britannic Majesty, specially empowered for this purpose; and on fitting occasion the republic will concur in framing the definitive treaty which is to be made upon the bases. Let this resolution be communicated to the most excellent legislative authority, that it may be approved if judged proper, and notified to Messrs. Walsh and Wyke, for their information.

JUAN RAFAEL MORA,
Minister of State, Department of Foreign Relations.
JOAQUIN BERNARDO CALVO.

And whereas, the decree No. 10, of yesterday, has been received from the most excellent the legislative authority, which says :

No. 10. Juan Rafael Mora, president of the republic of Costa Rica.

Whereas, The most excellent constitutional congress has decreed what follows :

The most excellent constitutional congress of the republic of Costa Rica having before it the bases agreed upon at Washington by the

ministers of the two great powers, Great Britain and the United States of the north, on the question of territorial limits which is pending between the State of Nicaragua and the republic of Costa Rica, and in view of the approval accorded to them by the supreme executive power,

DECREES :

Article 1st and only one.—Approval is given to the assent, adhesion and subscription which the supreme government of the republic has accorded, under date of the 16th instant, to the bases agreed upon at Washington on the 30th of April last, between the representatives of the governments of Great Britain and the United States, for an accommodation between the republic of Costa Rica and the State of Nicaragua on the question of territorial limits pending between both countries.

To the EXECUTIVE POWER.

Given at the palace of the supreme authorities at San José, the twenty-second day of June, 1852. Miguel Mora, vice president. Brumio Carranza, secretary. Jose Maria Garcia, secretary.

Therefore, let it be executed. National palace, San José, June 23, 1852. Juan Rafael Mora, minister of state, office of executive administration, Joaquin Bernardo Calvo.

Wherefore, I have deemed good to approve, confirm and ratify, and by these presents do approve, confirm and ratify the enunciated bases consisting of seven articles, and signed at Washington the 30th of April in this instant year, by Daniel Webster, Secretary of State of the United States, and John F. Crampton, envoy extraordinary and minister plenipotentiary of her Britannic Majesty; also approving, confirming and ratifying by these presents the resolution of this government of the 16th of this present month, and in virtue thereof the republic of Costa Rica will fulfil and observe all that concerns her in respect of the expressed bases of the resolution mentioned.

In testimony whereof, I have caused these presents to be done in triplicate, signed with hand, sealed with the great seal of the republic, and countersigned by the secretary of state of the department for foreign affairs on the 23d day of the month of June, 1852.

JUAN R. MORA. [L. S.]

JOAQUIN BERNARDO CALVO,

El Ministro de Estado en el

Depacho de Relaciones Exteriores.

Mr. Kerr to Mr. Webster.

[Extracts.]

[No. 11.]

LEGATION OF THE UNITED STATES OF AMERICA,
Managua, July 30, 1852.

SIR: On closing my dispatch of the 28th instant, and just as I was in the act of paying him a visit at Granada, Mr. Walsh came up here. We have been now two days together, and, by a personal in-

terview with the director and Mr. Castillon, he will have detected under what complications the government here is disposed to embarrass the subject of a settlement with Costa Rica, and all regulations touching the future disposition of the Mosquito coast. They have most certainly hardened their hearts with more than Egyptian stubbornness against every attempt on the part of the United States government to lead them otherwise than their pride suggests.

That which I mentioned on Wednesday, as a probable thing, has actually occurred. Mr. Wyke last evening had a reply to his communication, and, by way of set-off to the proposed bases of settlement at Washington, he received a series of articles as modifications, duly drawn in strict adherence to their ancient claims and pretensions. These Mr. Castillon sent also to me in a special communication. My reply of this morning is submitted for your examination, and all the papers have been copied for this dispatch. * * *

With sincere respect and regard, your obedient servant,

J. B. KERR.

[Translation.]

Mr. Castillon to Mr. Kerr.

GOVERNMENT HOUSE, *July 29, 1852.*

HONORABLE SIR: Charles Lennox Wyke, consul general of her Britannic Majesty, has presented the bases agreed upon at Washington for the adjustment of the territorial questions between Costa Rica and Nicaragua, which your excellency was pleased to recommend to the attention of my government, inciting it, notwithstanding my reply to your excellency of the 20th instant, to take into its consideration this business, and to select some other medium through which to put a speedy and friendly termination to the differences.

My government, abounding in the same wishes and philanthropic sentiments as the American Union and Great Britain, has not been able to do less than comply with the friendly invitation of Mr. Wyke, and having entered into a new examination of the aforementioned basis, analysed its articles and meditated maturely on each one of them, guided by the spirit of good faith and honesty which forms the distinguishing feature of its character, has instructed me to say to the aforementioned consul, notwithstanding its having declared the disposition of the State to terminate these questions by means of an impartial arbitrament, it might accede to the proposed basis, if it were possible to adopt certain modifications which I have the honor to enclose to your excellency, supplicating, at the same time if you should think it proper, to be pleased to submit them, with your recommendation, to the consideration of your government for the purposes that they may give rise to.

My government, with the expectation that they will meet with a favorable reception, has instructed its minister plenipotentiary in

Washington to confer with the ministers of Great Britain and the United States in relation to the points embraced in said modifications, without prejudice of the arbitrament referred to in the decree of the chambers, which I communicated to your excellency in my aforesaid communication of 20th instant, in the case that the said modifications should not be accepted as is desired.

Accept, &c.,

FRANCISCO CASTILLON.

Hon. Mr. KERR,

Chargé d'Affaires of the United States.

[Translation.]

Modifications with which the basis established at Washington on the 30th of April, for the arrangements of the questions concerning territorial boundaries may be made acceptable to Nicaragua.

ARTICLE 1. The Mosquito Indians and the territory bearing the same name are incorporated and united forever with Nicaragua, in which they shall enjoy the same rights, and will be subject to the same obligations as the other inhabitants of that State and in the terms established in its fundamental charter. Said territory shall be considered as a department of the State, and as such shall contribute with its respective representatives and senators to the legislative chambers, in the form and in the ratio which shall be determined by a special law; consequently commerce between that territory and the other towns of the State shall be entirely free and untrammelled, as in the ports, rivers and lakes and in the respective portions of territory for the navigation and transit of effects and carriages which shall obtain perfect security.

ARTICLE 2. Nicaragua nevertheless promises—

1st. To grant an indemnization for the edifices and improvements made in the port of San Juan, to the Mosquito Indians four per cent. of the nett products of said port for the space of five years, said sum to be paid annually at the custom-house of aforesaid port to the municipality which may be established there, in order that it may be applied to objects for the common benefit of said inhabitants.

2d. To assign an equitable pension to the cuzique or chief of the Mosquitos during his life.

3d. To recognize and respect as lawful the grants of lands which, since the 1st of January, 1848, to the present time, have been made by the authorities of Mosquito territory, with the exception of those grants which may be opposed to those which were formerly made by the Spanish government, by the federal government of Central America, or by that of Nicaragua, or that may be contrary to the privileges or operations of the Atlantic-Pacific Canal Company and accessory to the transit, or even if such grants be at those points which the State may require for forts, arsenals, or other public buildings, which points must remain at the disposal of the State itself.

ARTICLE 3. The port shall be denominated hereafter San Juan de Nicaragua, and the public municipal authority shall be exercised in the name of the State, the same as in all the rest of the territory united and incorporated within it in virtue of the present treaty.

ARTICLE 4. The limits of the territory of Nicaragua on the side of Costa Rica shall be those which comprised anciently the province of Nicaragua from the river Salto on the Pacific, and stretching a diagonal line to the river Parismina on the Atlantic. Both States shall, within one year from the ratification of this treaty, appoint one commissioner and one surveyor for each one of said States, in order that they may make a reconnaissance of the ground and proceed to a demarcation of the boundary conformably with this stipulation. The said commissioners shall take the necessary observations to make a special map of the dividing line, which (said map) shall be an integral part of this treaty, and shall have the same force as if it were inserted in it, giving to each party the copies that may be desired, to be signed by all, so that if hereafter any dispute should arise from any infraction thereof, in which event it shall be considered authentic and shall be held as full proof; and in order that in this operation there may not be the slightest difficulty, said commissioners shall give names, by common consent, to the rivers and woods which have none, and shall distinguish them on the map with all minuteness, and shall erect with stone and mortar, in the proper places, corners or marks; but it is stipulated that the navigation for the entire course of the rivers which may be within the limits of Nicaragua, from that point at which each one commences to be navigable to its mouth, as likewise that of the lake or lakes and navigable waters, shall be entirely free and common to the citizens of both States without any restriction or special condition which may favor the one more than the other, it being well understood that the citizens of Costa Rica shall be bound as well as those of Nicaragua to the only limitation established in the 23d article of the contract celebrated with the company of White on the 22d September, 1849, and that all will have to conform to the rules concerning the government of the navigation and other laws of the State.

The State of Costa Rica shall enjoy—

1st. Entire exemption from payment of introduction duties, for the space of ten years, in the port of San Juan del Norte.

2d. Absolute exemption, forever, from duties on the exportation of her products, manufactures, &c.

3d. Like liberty and exemption from duties in the navigation of the Sarapiqui, with an obligation on the part of said Costa Rica to make, at its expense, to render it navigable, and preserve it in that state, in the State in which it may be after the execution of said works.

4th. To establish at that point in said river where it joins the San Juan, or in any other point which it may deem convenient, edifices for custom-house stores or warehouses, and for the situating of custom-house officers.

5th. Power or liberty for its citizens to hold warehouses in San Juan for depositing their merchandise, which they may import for the interior of its territory, for the space of fifteen years. All the foregoing points shall be regulated by a special convention.

ARTICLE 5. The State of Nicaragua, with a view to facilitate the execution of the great interoceanic canal, in the terms stipulated by the contract on the 22d September, 1849, binds itself by these presents not to construct, nor permit to be constructed, any mole, wall, or place of embarkation, or any other work whatever, which may embarrass the works of the canal, or the navigation or entrance to the ports, rivers, or lakes, where said work may be executed. It is well understood that the exclusive privilege granted to the company accessory to the transit, and the authorizations which is given to it in the 1st article of the agreement of 19th August, 1851, is not to exceed the limits and objects designated in the 30th article of the primitive contract, of 22d September, 1849, which is to promote the prompt execution of the canal, and for, in case that it should be impracticable, according to what has been declared to the company, said company being bound to submit strictly to said article 30th, conformably with the 9th of aforementioned agreement, of 19th of August.

ARTICLE 6. In case of the accomplishment, in whole or in part, of the projected interoceanic communication through the territory of Nicaragua, the flag of Great Britain and also of the United States, as well also as the merchandize and subjects of both said powers, shall enjoy, in the transit, the same advantages and exemptions which may be granted to the flag, merchandize, and subjects of the most favored nations; Nicaragua will regulate these points by means of the treaties of amity, alliance, and commerce, which it is disposed to make with the two high contracting powers; and they obligate themselves, on their part, to unite their efforts with those of the government of Nicaragua to guarantee the neutrality of this important route for interoceanic communication, for the purpose of protecting the sovereignty of the State and a free transit against all embargo or confiscation, and to secure the capital invested in the expenses for said work; which said guarantee is conditional, and with previous announcement thereof to the government of Nicaragua, can be retracted in the cases especially set forth in the fifth article of the agreement adopted in Washington by the ministers of Great Britain and the United States; and, for the purpose of fixing the distance within which vessels of all nations shall be exempt from blockade, detention, or capture, by any of the belligerent parties, it is declared by this, that it shall extend to all the waters comprehended within the distance of thirty nautical miles from low water mark, at the two extremities of said canal.

ARTICLE 7. It being desirable that time should not be unnecessarily lost in the commencement and construction of said canal, the governments of the United States and Great Britain and Nicaragua agree, by these presents, in case that the company to which has been conceded the privilege of carrying out the enterprize shall not accredit, within the space of one year from the date of the ratification of the present contract, that said company has subscribed a capital sufficient for the execution of the same, or of insuperable obstacles and difficulties of a nature to impede the work or the construction of a railroad, then there shall be no obligation on the part of Nicaragua to observe said contract, and the company shall lose the privilege the moment

that any other company, disposed to commence and continue the construction of the canal, shall ask for it in the proper form. The government of Nicaragua, after having heard from those of the United States and Great Britain, will grant the privilege under such stipulations and conditions as may be most adapted to complete the great object.

ARTICLE 8. The company accomplishing the transit shall obtain the same protection agreed upon in the convention of April 19, 1850; and, in the present one, it shall be enjoyed by the Atlantic-Pacific Canal Company, always, however, on condition that it shall be limited to the purpose of promoting and facilitating the canal on the terms stipulated in article 30th of the primitive contract of September 22, 1849; the which shall be inviolably observed in conformity with article 9th of the agreement of August 19, 1851. It is understood, however, that any other article of said agreement, which might alter it, shall be considered as null, of no value or effect, and the authority granted to the company, in virtue of article 8th, shall cease.

ARTICLE 9. The present convention shall be ratified by the contracting parties, and exchanged at Washington, within six months, to be counted from this date.

CASTILLON.

MANAGUA, *July 29, 1852.*

Mr. Kerr to Mr. Castillon.

LEGATION OF THE UNITED STATES OF AMERICA,
Managua, July 31, 1852.

SIR: You will remember that, in our informal meeting on the evening of the 8th instant, just after my arrival at Managua, an idea was thrown out of the existence of some documentary evidence upon which you felt authorized to base, on behalf of your government, complaints of a want of good faith in this recent *projet*, recommended as the result of the joint councils of the United States and Great Britain.

It was reiterated with marked emphasis yesterday, when I had through you the honor of presenting to his excellency the director the distinguished gentleman sent in behalf of the United States to Costa Rica, and now on his way to Washington.

I am just closing a dispatch to the Department of State, and you will oblige me very much by stating the circumstances under which any such documentary evidence could have had its origin at twelve o'clock to-day. This afternoon early I am to leave for Granada.

I remain, with high respect and consideration, your obedient servant,

JOHN B. KERR.

Mr. Kerr to Mr. Castillon.

LEGATION OF THE UNITED STATES OF AMERICA,
Managua, July 30, 1852.

The undersigned chargé d'affaires of the United States has the honor to acknowledge the receipt of the communication of the honorable Mr. Castillon, minister of foreign relations in Nicaragua, just handed to him, with a request for the transmission to Washington of certain modifications of the basis of settlement between Nicaragua and Costa Rica, proposed by the joint councils of the United States and Great Britain.

It might prove a source of future embarrassment to all parties if the fact were disguised that the questions now at issue are no longer to be narrowed down to mere polemics, interminable from their very nature and past experience, and not at all calculated to allay the pride and prejudice of a quarter of a century in regard to the territorial limits between these conterminous States in Central America. No one can know better than the honorable Mr. Castillon how utterly groundless all hopes of conciliation and compromise must prove after abortive efforts so long at adjustment, under crimination and recrimination between these respective governments and people protecting the same holy religion and enjoying the same language and the same laws.

The paper which the undersigned had the honor to communicate from the city of Leon on the 23d ultimo, was advisory and recommendatory and the honest truth, never now at war with diplomatic etiquette is, that the commercial world, generally, is looking to the noble lake and waters of Nicaragua, for such a right of way as may be exercised in perfect harmony with the true dignity of this State under international rules and regulations. In regard to the impartial arbiter to which the decree of the honorable the senate and chamber of representatives refers, let the undersigned, in all sincerity, ask the honorable Mr. Castillon, where better and more assuredly could it be found than in the two greatest of maritime nations, whose words of advice and recommendation have just been set aside, though acting from no selfish purposes whatever, and in the name and behalf of the world at large.

The undersigned, in deference to the wishes of the Nicaragua government, expressed in the most solemn form known to her constitution, will at once forward the decree of the legislative body, negating the proposed arrangement, suggested for her onward progress, as also these modifications thus ripened and matured by the executive in virtue of his powers.

The undersigned must take the occasion, however, to express his earnest conviction that the latter paper, after so pointed a refusal by the legislative branch of the government, will not in the slightest degree stay any such prompt action by the government of the United States as may be needed to advance the great enterprise of inter-oceanic communication, to which it stands as one of the sponsors.

The views and feelings of another zealous and sincere sponsor, (so

beautifully and eloquently expressed by the right honorable the Earl of Derby, as the British prime minister,) may not be out of place in the present connexion as essential, indeed, to disabuse the public mind here in Nicaragua of false impressions just now rife in regard to presumed changes in the policy of England. On a very recent occasion this distinguished peer made the following reference to the condition of things on this isthmus:

“At this moment I may mention, as an illustration, that we are engaged with a great and powerful neighbor, whose military prowess all the world acknowledges, (and of whose prowess we have ourselves had great experience,) not in those hostile armaments which have formerly deluged the world in blood, but we are engaged in a united effort, by united councils, in endeavoring by peaceful negotiations to extend, not for our own individual benefit, but for the benefit of the world at large, the sphere of peaceful commerce through the interior of the vast continent of America. Our plenipotentiaries are, indeed, different in person, but the instructions upon which they proceed, and the spirit by which they are animated, are essentially and unequivocally the same.”

Deeply sensible of the comity and kindness at all times extended to him, the undersigned renews to the honorable Mr. Castillon the assurances of his respect and most distinguished consideration.

JOHN BOZMAN KERR.

Mr. Molina to Mr. Hunter.

LEGATION OF COSTA RICA,
New York, August 6, 1852.

SIR: I have the honor to accompany, herewith, a sealed dispatch from the minister for foreign relations of Costa Rica to the honorable Secretary of State of the United States, which I have been charged to deliver.

Official engagements in this city preventing my performing that duty personally without delay, I have been induced to employ the present channel, as the simplest manner to effect the early transmission of that communication.

In so doing, I am instructed to reiterate my government's confident hope that, in the final adjustment of the treaty to be signed between Costa Rica and Nicaragua, the governments of the United States and Great Britain will exercise their friendly influence to have such provisions inserted in it as may lessen the sacrifices and secure the interests of Costa Rica.

Accept the renewal of my highest regards, with which I remain, sir, your most obedient humble servant,

F. MOLINA.

WILLIAM HUNTER, Esq.,
Acting Secretary of State, Washington.

Mr. Webster to Mr. Molina.

DEPARTMENT OF STATE,
Washington, August 12, 1852.

SIR: I have the honor to acknowledge the receipt of your note of the 6th instant, accompanied by a sealed communication to this department from the minister for foreign affairs of Costa Rica.

In reply, I have the honor to inform you, that your government may rely upon any friendly influence which it may be in the power of this government to exert, for the purpose of making the proposed convention with Nicaragua and Costa Rica acceptable to the latter.

I avail myself of this occasion, sir, to offer to you a renewed assurance of my very high consideration.

DANIEL WEBSTER.

Señor DON FELIPE MOLINA, &c., &c., &c.

Mr. Walsh to Mr. Webster.

NEW YORK, *August 15, 1852.*

SIR: I have the honor to inform you of my arrival here yesterday in the steamer Northern Light from Greytown. I am unable to proceed at once to Washington in consequence of illness. In Nicaragua I was attacked by fever, brought on by the unavoidable exposure and fatigue of travelling in that country, and am still suffering from it in a way that may render repose necessary for a few days. As soon as I can I will report myself to you personally.

With great respect, your obedient servant,

ROBERT M. WALSH.

HON. DANIEL WEBSTER,
Secretary of State.

No. 12.

[Extract.]

Mr. Kerr to Mr. Webster.

LEGATION OF THE UNITED STATES OF AMERICA,
Leon de Nicaragua, September 2, 1852.

SIR: * * * * My official note of the 31st of July, in the accompaniments to No. 11, has drawn a reply which must preclude any future reference to documentary or other evidence, by which it could be pretended that the honor of the United States had been compromised through pledges of protection to Nicaragua. Mr. Castillon dwelt with much earnestness on the existence of such evidence, and in Mr. Walsh's presence the like idea was subsequently reiterated by

the minister of finance, Mr. Rocha, and echoed back by the director. Mr. Castillon, however, has thought proper to protest against such inferences from his expressions, or those of the director; and the government of the United States is officially absolved.

The Guatemala Gazette, to which I would call your attention, contains much balderdash from a recent member of the Nicaraguan legislature, evidently desirous of making capital for himself out of the Guanacaste question. It will serve as an index to the style of argument in regard to the basis of settlement recommended by Mr. Cramp-ton and yourself.

Nothing definitive has been heard from the city of Tequziqualpa, where the constituent national assembly is in session. A quorum was formed recently, after months of delay, and it is apparent that Honduras is the only one of the States which has no double dealing, under an affectation of zeal for nationality.

* * * * *

I have the honor to remain, with much respect and regard, your obedient servant,

JOHN BOZMAN KERR.

[Translation.]

Mr. Castillon to Mr. Kerr.

GOVERNMENT HOUSE,
Managua, August 16, 1852.

SIR: The undersigned has the honor to reply to the official letter of the honorable Mr. Kerr, chargé d'affaires of the United States to Nicaragua, dated on the 31st of July now last.

The undersigned does not recollect to have uttered to the honorable Mr. Kerr, either officially or confidentially, a sentiment from which he could deduce an intention to make any complaint in the name of the government of Nicaragua of the want of good faith on the part of the government of the United States in the recent convention adjusted at Washington with the British minister, relative to proposing bases for an arrangement between Costa Rica and Nicaragua on their territorial questions, and for the separation of Mosquito. That which, alone, the undersigned recollects to have said to the honorable Mr. Kerr is, that the government of Nicaragua, in view of the bases enunciated, had come to the understanding that that of the American Union had proceeded without knowledge of the case, in a business of such vital interest to this State, because, not only was a considerable portion of the possessions which Nicaragua believes to be fundamentally her own conceded to Costa Rica, but also great and important advantages to her commerce and navigation in the rivers and lakes of this State, advantages which Costa Rica herself did not believe she could attain without making the sacrifice of pecuniary indemnifications, which she had already offered, and which were refused, with the object of bringing her to those principles of justice she was under obligation to observe relative to the question of the Guanacaste district,

which that government has always eluded under protests not very justifiable.

The undersigned, in support of his assertions, referred to a memorial which he had written in London upon these questions, and other unpublished documents in the keeping of the government of Nicaragua.

As to the segregation of Mosquito, the undersigned also declared to you the regret it had caused to his government that that of the American Union had acceded to it, notwithstanding the grounds adduced by Nicaragua for refusing to recognize in the character of an independent State the hordes of Indian savages who inhabit that portion of territory originally called Mosquito, which the government of the undersigned had the right to expect would have been recognized by that of the American Union, in whose States principles have been proclaimed and adopted which, for identity of cause, of reason, of interest and of object the State of Nicaragua has maintained from the beginning of this question.

These were the only ideas expressed by the undersigned, in relation to this business, at the conference to which you are pleased to allude.

These were the very sentiments expressed by the director at the conversation which took place with Mr. Walsh, when he was introduced by you without previous announcement, or any of the formality of ceremonial. An annunciation which he made without emphasis, although with a tone of dignity not foreign to a governor who knows how to reconcile what is due to his honor, and the honor of the country which he governs, with the consideration and regard which he owes to those of other sovereign States, at the moment when Mr. Walsh declared, with a certain air of disrespect and menace, "That the principles of international law on which the director sustained the rights of Nicaragua were written in Vattel, and other authors of treatises, but that governments acted always as suited their interests and their power, and that the bases proposed by his government and that of Great Britain ought to have the effect of a definitive decision, since it was, as to them, a business brought to a close, notwithstanding any opposition on the part of that of Nicaragua."

The undersigned, in making this explanation to you, feels the deepest regret to perceive in your letter opinions which indicate a disposition little favorable to the consolidation of the relations of friendship and cordial understanding existent between the republics of the United States and Nicaragua, but the government of the undersigned believes, notwithstanding, that such disposition will readily be dissipated, and that once convinced of the sincerity of its sentiments, you will make them known to your august government, as well as the principles according to which it will become her to act in the negotiations relative to the territorial questions under discussion, so as to preserve to Nicaragua that which is due to her propositions, her justice, and her interests, which are considered entirely identified with the dignity, principles, and interests of the United States.

In fine, the undersigned requests you to accept the assurance of the high consideration and friendship with which he has the honor to be Mr. Kerr's very obedient, humble servant,

FRANCISCO CASTILLON.

[Translation.—Extract.]

*Mr. Castillon to Mr. Kerr.*GOVERNMENT HOUSE,
Managua, August 3, 1852.

SIR: * * * * * I must also here say to the honorable Mr. Kerr that the memorial which he has transmitted in respect to the military detachment ordered to the "Old Castle," is not accurate.

The military force ordered to that point has no object hostile to Mr. Wiener; it has no other than to constitute the guard to be stationed at that point to prevent the smuggling which is carried on to the prejudice of the State by the company itself, and, after having remonstrated with it, and protesting against the establishment which was being formed there contrary to the reservations contained in article 27 of the contract of the 22d of September of the year 1849. My government would have congratulated itself, and would have congratulated Mr. Wiener, if promptly leaving the castle, which is a military post, and an historic monument which the country should preserve, he should have erected his edifices at another of the many points which are to be found on the unoccupied and uncultivated margins of the San Juan. But you will comprehend that the rights of a State to the sites which it requires for objects of public interest and service are not to be postponed, nor ceded, on the mere consideration that that establishment is intended to facilitate the transit from one sea to the other.

The consequences which may follow the occupation of the castle by a military force, which may obstruct Mr. Wiener in the free use of this building, will bear upon the company itself, which, not even in the way of courtesy, treated with the government to have possession of that point; but, by giving too broad a construction to the 27th article referred to, makes to itself a donation of eight sections of ground, on both banks of the river, at its own selection—a grant which, even if it give the right to indicate the sites at which each section is to be surveyed, does not give to it the privilege to reduce them into possession without the intervention of the government to which it belongs to select, as well the points which it has need of for fortifications and construction of buildings, as to name commissioners for the demarcation of each section.

But these and other questions which turn on the original contract of the 22d of September, on its modifications, and on the last agreement of the 19th of August, of the year 1851, will undoubtedly be arranged with the company itself, without giving them more political importance than that which the natural course of events and of circumstances may suggest to the government of Nicaragua.

Finally, this government being convinced of the need for a consular agent of the United States at the port of San Juan del Sur, directs me to repeat to you what I said by its order in my dispatch of 21st July last, that is to say, it will confirm any provision for a con-

sul which your government may please to make of any other person having the confidence of that government, who is free from all obligation or committal to Nicaragua.

My government hopes you will understand, through these explanations, that nothing is more settled than its desire to bind and cement the relations of friendship and good understanding which exist between the republics of the United States and Nicaragua, as well as to set at a distance any cause which might change them, or lead to disagreement between the two governments.

In this manner the director has instructed me to reply to your respected communication here referred to; and, in making this assurance, I am honored in repeating the perfect demonstration of respect and esteem with which I am accustomed to subscribe myself, sir, your obedient humble servant,

FRANCISCO CASTILLON.

[Translation.]

Mr. Marcoleta to Mr. Conrad.

NEW YORK, *October 16, 1852.*

The undersigned, envoy extraordinary and minister plenipotentiary of the republic of Nicaragua, has the honor to inform the Hon. Mr. Conrad, Secretary of State of the American Union, that he has received orders from his government to propose to the government of the Union certain modifications to the bases signed at Washington, on the 30th of last April, by the Hon. Daniel Webster and the minister of her Britannic Majesty.

Consequently, the undersigned requests the Hon. Mr. Conrad, that he will be pleased to inform him whether his government is disposed to listen to the propositions of Nicaragua, and to proceed to a new discussion upon matters which are of vital interest to both States.

The undersigned avails himself of this opportunity, and has the honor of tendering to the Hon. Mr. Conrad the assurance of his high and distinguished consideration.

J. DE MARCOLETA.

Hon. Mr. CONRAD,
Acting Secretary of State.

No. 13.

Mr. Kerr to Mr. Webster.

[Extract.]

LEGATION OF THE UNITED STATES OF AMERICA,
Leon de Nicaragua, October 27, 1852.

SIR: * * * Coquetting had commenced between the Nicaraguans and some few of the townfolk at San Juan del Norte. One hundred and fifty men were to be sent to the fort of San Carlos; but they must

prefer their present position as a free town to anything that Nicaragua could offer in exchange.

Had such a scheme succeeded, the Granada party would have claimed the dictatorship for General Fucto Chamorro; and the small force received as mere police would, in a bulletin extraordinary, have achieved a triumph over the United States and England combined. The *statu quo* should be insisted upon till these two states can settle their boundary difficulties. Any precipitancy at San Juan del Norte would greatly embarrass future negotiations. I have secured myself from chances of misconstruction by the most guarded correspondence at that point; and, in fact, as facilities are here, San Juan del Norte is far more removed from us than from you in Washington. The route to California carries the Americans through the centre of the broad lake to Virgin bay and San Juan del Sur, so far out of the regular line to Granada that letters and papers seldom reach here under two months—the duplicate of No. 15 was handed to me by a Granada merchant, immediately from New York, and dispatch No. 14 has not reached me. * * * * *

I have the honor to remain, with high respect and regard, your obedient servant,

JOHN BOZMAN KERR.

Mr. Conrad to Mr. Marcoleta.

DEPARTMENT OF STATE,
Washington, October 28, 1852.

SIR: Your note of the 16th instant has been received.

The President directs me to say in reply, that at the solicitation of the republic of Nicaragua this government was induced to interpose its good offices in order to bring about, if possible, a settlement of the long pending territorial difficulties between Great Britain and the so-called Mosquito nation and herself. It succeeded in obtaining the assent of Great Britain to an arrangement which, although it did not award to Nicaragua all the territory she claimed, awarded to her much more than Great Britain had ever before consented to admit to belong to her.

This arrangement, however, whether advantageous or not to Nicaragua, was only recommended to her, leaving it to her discretion to adopt or reject it.

But not satisfied with rejecting it, (which they had a perfect right to do,) the legislative assembly of Nicaragua saw fit "solemnly to protest against all foreign interference in the affairs of their government." Had this censure, as unjust as it was unexpected, emanated from a more powerful nation, this government would, from a proper sense of what was due to its own dignity, have declined any further connexion with the subject. But, as it is unwilling that the important interests involved in this controversy should be compromised by what it is inclined to consider an inconsiderate resolve of the govern-

ment of Nicaragua, I am directed to say, that any propositions emanating from that government will be received and respectfully considered.

I avail myself of this opportunity to renew to you, sir, the assurance of my high consideration.

C. M. CONRAD,
Acting Secretary.

SEÑOR DON JOSE DE MARCOLETA, &c., &c., &c.

Mr. Marcoleta to Mr. Conrad.

[Translation.]

LEGATION OF NICARAGUA,
New York, November 2, 1852.

MY DEAR SIR: The undersigned, envoy extraordinary and minister plenipotentiary of the republic of Nicaragua, has had the honor to receive the dispatch which the Hon. Mr. Conrad, acting Secretary of State, has been pleased to address him, under date of the 28th of October last, in reply to his communication of the 16th of the same month.

The aforesaid dispatch contains two essential points:

The first relates to the terms in which the legislative assembly of Nicaragua refused its sanction to the bases signed in Washington on the 30th of last April, by the Hon. Daniel Webster, of national and civic memory, and her Britannic Majesty's representative to the United States of North America.

The second merely goes to show that the President, with that kindness which is characteristic of him, and, in consideration of the vital interests that are involved in the territorial questions between Great Britain, Nicaragua, and Costa Rica, is disposed to listen to, and to take into consideration, the propositions that may be made by the government of Nicaragua.

With regard to the first point, the undersigned may be allowed to call the attention of the honorable acting Secretary of State to the motives which actuated the members of the legislative assembly of Nicaragua in issuing the decree of the 19th of July, 1852.

First of all, although it is true that in the preamble to the aforesaid bases it was laid down that the latter were merely recommendatory, yet the chambers did not fail to notice that; in the last article, it was intimated to the government that on such bases being rejected, or failing to respond to them in proper time, the United States or Great Britain would, by themselves, adopt such measures as they might think necessary, in order properly to carry out the stipulations contained in the treaty concluded between the United States and England on the 19th of April, 1850.

The legislative assembly of Nicaragua saw nothing in this clause but a contradiction and a threat.

A contradiction, because the assembly had fully in mind the first article, to which reference was made, and in which both England and the United States, according to the text, renounced all ideas of occupation, every kind of jurisdiction and protection in Central America, especially as regarded Costa Rica, Nicaragua, and Mosquito; and because it saw, notwithstanding such binding clauses, that Great Britain was assuming the right of a protective power, in order to treat in the name of the protected party, the Mosquito chief; it appearing to the legislative assembly, that the government of the American Union might very well have avoided the interference of Great Britain in these questions by merely asking and exacting from her a faithful, precise and strict adherence to the article mentioned in the treaty aforesaid. Nor did the general assembly think that the right of conquest, which England arrogated to herself to the port of San Juan, could, in any way, be admitted without setting up and establishing a precedent which would be pernicious to the tranquility, security, and independence of nations. England was fully at peace with Nicaragua when the former took forcible possession of said port, for the restitution of which a price is demanded of the latter, in the bases, which is both unjust, excessive, and exorbitant.

The assembly could not help wondering, at the same time, at the kind of imperative manner in which the government was asked to give an immediate answer, knowing that the first dispatch which its plenipotentiary in Washington had the honor of addressing to the department of State on the 24th of February, 1851, a dispatch containing and treating of a question of vital interest to Nicaragua, had remained unanswered; and that a reply to the same had always been evaded, under various pretexts, for a period of seventeen months, and that this reply was still waited for at the present day.

A threat, because the assembly looked upon the articles contained in the bases aforesaid as offensive and aggressive in many of their provisions to the national sovereignty; articles and provisions totally and diametrically opposed and at variance with the instructions which the assembly itself had examined, discussed, and approved, and recommended the government to transmit to its plenipotentiary at Washington, who received them in due time; the same instructions which called forth the protest the undersigned plenipotentiary found himself compelled to address to the honorable Secretary of State, Mr. Daniel Webster.

To these and other considerations of various kinds may be added the conduct pursued by Mr. Walsh, who neither presented nor recommended, but mentioned, the bases to the supreme magistrate of the State, in whose official residence he introduced himself without being previously announced, without showing afterwards, either in his language or his deportment, the respect due to the representative of the supreme magistracy, breaking out into threats unbecoming the place where he was and to his own self-respect, and the decorum due to the government which had sent him there as commissioner, and to the chief magistrate of the State, all of which conduct, standing out in singular contrast with the courtesy, circumspection, and amenity of Mr. Wyke, the British consul, who was entrusted with a similar mis-

sion, was the cause of the unpalatable truths which Mr. Walsh heard from the lips of the supreme director of the State.

In reviewing the circumstances above stated, it is not the purpose of the undersigned to indulge in any kind of recrimination; his object is simply to show to the honorable acting Secretary of State that the terms and the language in which the legislative decree of the 19th of July last was conceived were solely the result of a fatal combination of circumstances, which the government of Nicaragua regrets as much as that of the American Union, but which, nevertheless, the irresistible force of public opinion, of the duties incumbent upon the legislative assembly and the executive power, could not otherwise than have compelled the adoption of, as most conformable to the interests and rights which each of the powers aforesaid is respectively called upon to defend and protect.

The undersigned being convinced that the foregoing statement will suffice to mitigate, and certainly to do away with the impression produced on the minds of the President and of the honorable Secretary of State relative to the conduct which an imperative sense of duty on this occasion compelled Nicaragua to pursue, and reiterating, at the same time, to the honorable acting Secretary of State the sincere and ardent wishes of Nicaragua to cultivate and to continue on the best and most cordial friendly terms with the government of the American Union, he will now have the honor of explaining to him the means which Nicaragua considers best calculated to secure a favorable result, and to put an end at once to the existing state of things with the least possible detriment to the parties interested.

The government of Nicaragua thinks, and has the honor at the same time to submit to the American government, that the 1st and 2d articles of the bases of the 30th of April last may, with propriety, be mended; and with this view, it begs to suggest, and is ready to adopt, a new wording, modified as follows:

“The Mosquito Indians and the territory known by that name, including the port of San Juan del Norte, shall in future, and for all times, be incorporated with, and re-annexed to, the State of Nicaragua, in which they shall enjoy the same rights and be subject to the same obligations as the rest of the inhabitants of the State, said territory being considered as one of its departments; and, as such, it will contribute representatives and senators to the legislative chambers in the form and on the principles specified by special law. The commerce of said territory, with the other portions of the State, shall be entirely free and open, both by land and water, for the navigation of vessels and the transit of vehicles, which shall enjoy the utmost security.

“Nicaragua binds herself to grant to the Mosquito Indians, by way of indemnification in consequence of the improvements made in the port of San Juan del Norte—

“1st. Four per cent. on the net proceeds of said port for a period of five years; this sum to be paid annually by the collector of the port into the hands of the municipal authorities hereafter to be established there, in order that the same may be invested in objects of common advantage to those inhabitants.

“2d. Nicaragua will assign an equitable annuity for life to the *cacique* or chief of the Mosquitos.

“3d. Nicaragua will pledge herself to recognize and to respect as lawful the grants of lands that may have been made since the 1st of January, 1848, until the present day, by the authorities of the Mosquito territory, with the exception of those grants that are in opposition to the grants of lands made by the Spanish government, by the federal government of Central America, and by the government of Nicaragua, and those grants which clash with the privileges of the canal companies accessory to the way of transit, or when the lands thus granted are located at those points which the State wants for building forts, custom-houses, arsenals, and other public edifices, which points shall remain at the disposal of said State.

“The port of San Juan shall preserve this, its original appellation, and the public municipal authority shall be exercised in the name of the State, in the same manner as in all the other parts of the territory incorporated with and annexed to Nicaragua in virtue of the present treaty.

“The republic of Nicaragua, with a view of facilitating the construction of the great interoceanic canal on the terms stipulated in the contract of September 22, 1849, binds herself not to construct, nor to allow the construction of, any work which might interfere with the labors of the canal or the navigation and entrance of the ports, rivers, and lakes where it may be necessary to carry on those works of interoceanic communication; it being well understood that the exclusive right granted to the company accessory to the transit enterprise, and the power which is conferred upon the same by the 1st article of the agreement of August 19, 1851, is not to exceed the bounds and objects specified in the 30th article of the original contract of September 22, 1849, the scope of which is to promote the speedy construction of the canal in case the latter should not be practicable, as it has been stated to the company, which company must strictly submit to the provisions of said article 30th, agreeably to the stipulations contained in the 9th article of agreement of August 19, 1851, alluded to.

“In case the interoceanic communication should be effected, either wholly or in part, through the territory of Nicaragua, the United States and England shall become respectively bound to unite their efforts to those of the government of Nicaragua, in order to guaranty the neutrality of this important way of communication, with a view of protecting the sovereignty of the State, and the free transit against all seizure or confiscation, on the same terms, and in all such cases, as are specified in the 5th article of the treaty of April 19, 1850, adjusted between the United States and Great Britain.

“And with a view of fixing the distance within which vessels of all nations must be exempt from blockade, detention, or capture, by any of the belligerent parties, in case of war, this distance shall be declared to extend for thirty nautical miles, from the water mark at low tide, at both extremities of the canal.

“It being desirous that no time should be lost in beginning the construction of said canal, the government of the United States, Great Britain, and Nicaragua shall agree, that in case the company,

recipient of the grant, should not succeed, within the term of one year, counting from the date of the ratification of the treaty, in obtaining the subscription of a capital necessary and sufficient for executing the work, or in case of there being any other insurmountable natural impediment to prevent the construction of the same, in the same manner as in regard to the construction of a railroad, in such case, there shall be no obligation on the part of Nicaragua to observe and abide by said contract, and the company shall lose the privilege.

“The government of Nicaragua, having consulted that of the United States and of Great Britain, shall grant the privilege to any other company, upon such conditions and stipulations as shall be most suitable for carrying out so stupendous a project.

“The transit company shall enjoy the same protection as was guaranteed in the treaty of April 19, 1850, to the Atlantic-Pacific Canal Company, provided that the former confines itself to the object of promoting and facilitating the construction of the canal, on the same terms as those stipulated in the 30th article of the original contract of September 22, 1849, which shall be inviolably observed, in conformity with the provisions of the 9th article of the agreement of August 19, 1851, it being understood that any other article in said agreement, tending to alter the sense of the above, shall be considered as null, of no value nor effect, and the power previously granted to the company shall cease.”

Such are the modifications which the undersigned has been directed to suggest to the government of the United States, concerning the Mosquito question, the port of San Juan, and the canal and transit companies. Those which relate to the two companies, however, are not definite. This is another proof that the government of Nicaragua is disposed to favor, in all that depends upon itself, the construction of an interoceanic communication, without intending to constitute itself the protector of a new speculation on the part of any number of persons or companies, not actuated by a similar desire to carry out a work so advantageous to the commerce of the world.

The Canal and Transit Companies are now in a different position from that which they occupied at first, before they had invited European capitalists to take part in this gigantic work; and not being able to command at present, from all appearances, the necessary capital nor the means to carry out the undertaking by themselves, they would want to obtain some modifications in the original contract, modifications to which the government of Nicaragua cannot pledge itself *a priori*, before having seriously considered the subject, as well as consulted the great powers friendly to said government.

The modifications, therefore, that may be required by said companies are henceforth subjected to others, according to the condition in which said companies find themselves, or according to the greater or lesser guaranties and probabilities which they may offer, of being able to consummate an undertaking which shall be entitled to general approbation.

Moreover, according to the legal opinion of that worthy and distinguished jurist, Daniel Lord, of New York, the conduct and actual management of these companies has given rise to well founded suspi-

cions, in consequence of the excesses and irregularities committed by their agents in Nicaragua, the tone and complexion of their official communications, and especially on account of their having evaded, under specious pretexts, the performance of many of the obligations to which they were pledged by the contracts of April 22, 1849, and of August 19, 1851.

With regard to the territorial boundaries between Nicaragua and Costa Rica, although Nicaragua is of opinion that this is a family question which ought to be settled between its own members, avoiding thereby those rocks upon which all the efforts that have been made, until now, for the settlement of the main question have been wrecked, which have, at the same time, served as an obstacle against the consummation of the splendid project of peace and good harmony between all, and for the establishment of a canal on the Isthmus of Nicaragua, yet the government being desirous to give some evidence of the wishes by which it is actuated, to secure a good understanding between two sister republics, comes forward to manifest its solicitude for the mutual welfare of both, without jeopardising, however, the important interests which said government is bound to protect and to defend.

And if by chance the government of the United States thinks it proper that the settlement of this question should henceforth be resolved and included in some treaty, which circumstances may give occasion for, Nicaragua makes the following propositions:

“The boundaries between Nicaragua and Costa Rica shall be the same as were formerly comprised by the old province of Nicaragua, to wit: from the *Rio del Salto*, in the Pacific, following a diagonal line towards the interior to the *Rio Paritina*, in the Atlantic.

“At the same time, Nicaragua pledges herself that the navigation of those rivers which are located within the boundaries of Nicaragua, from the point where they begin to be navigable, as well as the waters of the lake, lakes, and all navigable waters generally, shall be entirely free and common to the subjects of each State, without any restriction, nor any special condition favoring one party more than the other, it being understood that the citizens of Costa Rica, as well as those of Nicaragua, shall be subject to the only limitation established by the 23d article of the contract concluded with the canal company on the 22d of September, 1849, and that they shall conform with all the regulations concerning the navigation law and the other laws of the State.”

Costa Rica shall, moreover, enjoy the following privileges:

“1. Entire exemption from importation duties for the port of San Juan during a period of ten years.

“2. Absolute exemption, for all time, from duties on exported articles of her own produce and manufacture for said port.

“3. Equal immunity and freedom, for all time, to navigate the *Rio Serapiquí*, with the obligation of constructing, at her own expense, (Costa Rica's) the works necessary to render said river navigable, and to preserve it in the condition it will be after the works necessary for such purpose shall have been executed.

“4. To establish at the confluence of the rivers San Juan and Sera-

pique, or at any other point she may think proper, custom-houses, stores, warehouses and revenue station.

“5. The privilege empowering her subjects to keep, in the port of San Juan, warehouses for depositing such merchandize as they may have to import through the interior of her territory, for a period of fifteen years. These points to be adjusted and agreed upon by means of a special convention, which shall, at the same time, designate the mode and the manner in which the boundaries of the frontier between the two States have to be established.”

The government of Nicaragua hopes that the foregoing modifications and propositions, which embrace the various points in question, will meet with the approbation of the government of the United States, and that, with the zeal and interest it has always manifested for good harmony and friendly relations between the parties interested, it will contribute to the acceptance, on the part of all, of an arrangement which Nicaragua considers the most just and equitable for the common and general interests, obtaining in this manner, and very briefly, the results which are desired.

The undersigned begs the honorable acting Secretary of State that he will be pleased to submit the contents of this dispatch to the President of the republic, and at the same time he avails himself of this new opportunity to renew to him the assurances of his high and distinguished consideration.

J. DE MARCOLETA.

Hon. MR. CONRAD,

Acting Secretary of State, Washington.

Mr. Molina to Mr. Everett.

LEGATION OF COSTA RICA,
Washington, November 11, 1852.

The undersigned, minister of Costa Rica, has the honor of addressing himself to the honorable Secretary of State, for the purpose of calling his attention to the unfinished state of the negotiations set on foot by this government in the month of last April, respecting the settlement of the territorial differences and other matters pending between the State of Nicaragua and the republic of Costa Rica, and between the former State and the Mosquito Indians.

Mr. Everett is, no doubt, aware that his illustrious and lamented predecessor in office, the honorable Daniel Webster, in concert with Mr. Crampton, her Britannic Majesty's minister to this government, and with a view of facilitating the construction of the contemplated ship canal, took pains to draw a plan of adjustment in as fair and equitable terms as it was possible, under existing circumstances, to devise.

That project having been agreed upon and signed on the 30th of April, it was to be recommended to the immediate and earnest consideration of the governments of Costa Rica and Nicaragua respect-

ively, by means of special agents sent there for the purpose, as it appeared desirable to insure their prompt decision. Mr. Walsh was accordingly appointed, on the part of the United States, and was authorized to communicate on the subject with the governments aforesaid, acting in connexion with Mr. Wyke, the newly appointed British consul general to Central America, then on his way to his future sphere of action.

For greater dispatch the two commissioners were conveyed to their destination in an American man-of-war, showing thereby that there was a determination to bring matters to a speedy issue.

The commissioners directed their course first to San José, where they met the cordial welcome that the nature of their errand and their personal merits entitled them to expect.

The government of Costa Rica, however, having fully considered the propositions presented by them, could not fail to find strong objections in regard to some of the arrangements contemplated. The direct advantages of the interoceanic communication were intended by these arrangements to accrue exclusively to Nicaragua, as long as the companies' charters lasted, the boundary of Costa Rica was to be removed from the northernmost branch of the river San Juan to the Colorado branch, the Atlantic-Pacific Ship Canal Company was to be allowed to locate, on the Costa Rican side of the river San Juan, certain sections of land that Nicaragua had granted to it, in defiance of the sovereignty of Costa Rica over those territories.

It is a well known fact that neither the government of Nicaragua, nor the company to which the already mentioned privileges had been granted, had in their mutual transactions paid any regard to the claims of Costa Rica, as if the latter republic had no right to be a party in the affair. And it was natural, therefore, for the government of Costa Rica to feel itself aggrieved on the subject.

Nevertheless, desirous of removing any difficulties that might impede the success of the canal enterprise, on the conviction that it is always judicious to compromise matters in dispute, and from a sense of grateful regard for the powers that were thus exerting their kind mediation and proffering their advice, the government of Costa Rica gave, on the 22d of June, with the sanction of the legislature, an unqualified assent to the propositions recommended, confining itself to invoke the friendly offices of the mediating powers, in order to obtain some slight modifications in favor of Costa Rica.

Nicaragua, on the other side, who had been the most favored party, by the provisions of the proposed adjustment, has shown a quite different disposition. The government of that country has rejected the project in a manner which, to say the least, deserves to be qualified as very inconsiderate, while the counter propositions of the 29th of July, presented to the commissioners in that quarter, require no comment on the part of the undersigned, such propositions being nothing more than a demand that every point at issue should be settled according to the views of that government. This unsatisfactory result must have proved to the American cabinet that there is no hope of ever bringing that State to a correct appreciation of its position, interests, and duties.

In the meantime, Costa Rica stands on a false position, having pledged herself to abide by the opinion of the governments of the United States and Great Britain, as set forth in the propositions, without obtaining in exchange any security against the assumptions and encroachments of Nicaragua; the adoption of other means of self defence being denied to her, whilst her rights are actually disregarded, and her interests deeply injured in various ways.

It seems to the undersigned, that the governments of the United States and Great Britain are both pledged by the concluding words of the project to take a final action on the premises. Costa Rica, trusting on this declaration, did not hesitate to concur in their views.

The undersigned, therefore, in compliance with the repeated instructions he has received from his government, begs leave to call the attention of the honorable Secretary of State to the expediency and propriety of concluding a treaty between Costa Rica and the United States, according to the tenor of the propositions; Costa Rica, on one part, agreeing to convey, on her own and indisputable title, to the American Atlantic-Pacific Ship Canal Company the right of way, privileges of navigation, and sections of land; all of which concessions that company is in need of at present, in order to legitimate the tenure of its charters; and the United States, on the other part, engaging to support Costa Rica in the maintenance of her boundaries and rights against the assumptions of Nicaragua.

This proceeding appears to the undersigned to be the only course now open for both parties, in order to terminate this affair, which has been kept in suspense since Mr. Walsh's return, three months ago. Any further attempts at negotiation with Nicaragua would, no doubt, result in fresh disappointments.

The minister of Costa Rica earnestly and respectfully requests Mr. Everett's early attention to the contents of this note, trusting that the conduct of Costa Rica in the premises has been duly appreciated by the American government.

And he has the honor of renewing to Mr. Everett the assurance of his very distinguished consideration, with which he begs to remain his most obedient humble servant,

F. MOLINA.

Hon. EDWARD EVERETT,
Secretary of State of the United States.

MR. MOLINA'S PROJECT FOR THE SETTLEMENT OF CENTRAL AMERICAN AFFAIRS.

Suggestions as to the course that may be adopted for the settlement of the Central American affairs.

Firstly. A treaty can be signed between the United States and Costa Rica as I have proposed, providing the maintenance of the state of things contemplated by the propositions of April, as regards Costa Rica and Nicaragua and the canal company; such state of things to be considered as a finality.

Secondly. Should not this plan seem advisable, a treaty could be concluded between the United States and Costa Rica, stipulating the maintenance of the contemplated arrangements as regards Costa Rica, Nicaragua, and the canal company, only as a temporary settlement, to be kept until such a time as the governments of Costa Rica and Nicaragua shall effect a peaceful adjustment of their differences, either by a direct agreement or through arbitration. Provided that these temporary settlements shall not prejudice any of the claims of the contending parties, which claims shall be discussed and adjudicated upon in their full extent and in all their bearings.

Thirdly. With reference to the Mosquito part of the affair, should it appear advisable to transfer Greytown to Costa Rica, this republic will accept the transfer on the terms proposed to the advantage of the Mosquito Indians; granting likewise municipal privileges to the inhabitants of that port, and a perfect freedom of trade. Costa Rica would be willing, likewise, to hold that place only as a kind of trust, until such a time as Nicaragua shall give its acquiescence on the same conditions, and reimburse Costa Rica of the outlays which she would have made in order to pay the indemnity to the Mosquito Indians, or for other objects, regarding the possession of that port.

WASHINGTON, *November 17, 1852.*

Mr. Walsh to Mr. Everett.

[Extracts.]

WASHINGTON, *November 19, 1852.*

SIR: I have had the honor to receive your communication of yesterday, enclosing an extract from a note of the minister of Nicaragua, in which I am accused of grossly improper conduct towards the government of that country. I at once pronounce the accusation to be false.

* * * * *

After accomplishing my mission to Costa Rica I proceeded, in pursuance of my instructions, to Managua, for the purpose of getting any dispatches which our chargé d'affaires might wish to send by me to the United States. *Before my arrival there* the propositions of Great Britain and the United States, for the settlement of boundaries, had been rejected by the government of Nicaragua, in a way that indicated feelings of great irritation. I remained a few days in Managua to give Mr. Kerr time to prepare his dispatches, and deemed it proper, whilst there, to pay my personal respects to the minister of foreign affairs. Accordingly, I called upon him in company with Mr. Kerr, by whom I was introduced in due form. In the same apartment with him were the president and two other ministers of state, and to them, also, I was presented, although my visit was only meant for Mr. Castillon. After a few complimentary allusions to the beauty of their country, I said that although I held no official position in regard to them, and had, therefore, no right to speak to them on official matters,

yet I hoped they would permit me to express my regret at not being able to take to the United States a favorable answer from them to the propositions, such as had been given by the government of Costa Rica. This led to a conversation on the subject of the treaty, in which, as they seemed disposed to carry it on, I endeavored, to the best of my ability, to make them sensible of the mistake they had committed in refusing the propositions, by representing to them the benefits which, in my opinion, would accrue from their acceptance, and the evils which would flow from their rejection.

As I was talking merely as a private individual, I thought myself free to speak more unreservedly than, perhaps, would have been "diplomatic" if any official relations between us had existed. This fact they must have perfectly understood, and the charge, therefore, of "neither presenting nor recommending, but mentioning the bases," is simply absurd, as far as the non-presentation of those bases is concerned, I having, as they well knew, no authority to present them; as to the non-recommendation of them it is absolutely false, for I urged every argument in their favor that could be employed. To the next charge, that of "introducing myself to the supreme magistrate without being previously announced," the foregoing account of my visit is an answer quite sufficient to show how contemptible it is. Equally false is the charge that I broke out into threats or showed disrespect in either language or deportment. If any one were obnoxious to the imputation of unbecoming behavior, it would be the President himself, in the remarks that he ventured to make about the government of the United States, which he accused of breach of faith in its conduct towards Nicaragua. That my indignation was aroused by this accusation, and that I replied to it with emphasis, I freely avow. I should indeed have been wanting in "self respect," and in the respect due to my government, if I had not done so; but that I went a step beyond the limits of decorum, I deny. My language might, with all propriety, have been more energetic even than it was, in repelling the unwarrantable remarks on this head of both the President and the ministers. An idea of them may be derived from the fact that Mr. Kerr deemed it his duty to address a note to the minister of foreign affairs, soon after the conversation, asking for the evidence on which they were based, no answer to which had been given up to the time of my departure. I presume that "the unpalatable truths" which it is said that I heard "from the lips of the supreme director of the State," were these aspersions on the government of the Union, as I can recollect nothing else that was uttered to which the phrase can refer.

The truth is, sir, that the government of Nicaragua was in very angry mood against that of the United States. It had been led to believe that our government would sustain its pretensions in every way, and its irritation was great on discovering its mistake. *Conflata magnâ invidiâ, seu bene, seu male, gesta premunt.* The good understanding between the American and British cabinets was unpalatable to it in the extreme, giving, as it did, a death-blow to its hopes of profiting by the rivalry of the two powers. It was also engaged in vexatious disputes with the transit company; and not long before my arrival serious difficulties had occurred with the American residents

in the town of Granada. The idea, moreover, of yielding aught to Costa Rica, hating that country as it does for its immense superiority in all that renders a nation respectable and prosperous, was more exasperating, even, than the loss of the most valuable territories and privileges. It would, indeed, be matter of deep regret, if our government had in any way abetted its enmity to the Costa Ricans, who, by their industry, integrity, and progress, are doing credit to republican institutions. * * * *

I beg pardon for trespassing at such length upon your patience, but I am anxious to remove at once from your mind the slightest suspicion that I could be guilty of such conduct as is charged. I have been many years in the diplomatic service of the country, and this is the first time that aught to my disparagement has been placed on the files of the Department of State; whilst I might adduce various testimonials on record there of the manner in which I have discharged my duties, as evidence of the improbability of guilt in the present instance. * * * * Nevertheless, as Mr. Kerr was present at the interview, I respectfully request that you will send him copies of the accusation against me, and my reply, in order that his testimony as to what passed may be obtained.

I have the honor to be, sir, with great respect, your obedient servant,

ROBERT M. WALSH.

Hon. EDWARD EVERETT,
Secretary of State.

Mr. Kerr to the Secretary of State.

[Extract.]

[No. 14.]

LEGATION OF THE UNITED STATES OF AMERICA,
Leon de Nicaragua, January 13, 1853.

SIR: * * * * * Guatemala and Costa Rica boldly avow that they intend to remain as they are, distinct republics; and Salvador, with actual revenues and available resources, through the important seaport in the gulf of Fonseca, the entrepôt, in fact, for the whole country, must necessarily be trammelled just now by a political connexion with States so unsettled as Honduras and Nicaragua. This sentiment is deeply fixed in the minds of the intelligent men of San Salvador, while the importance of nationality is understood and appreciated by all classes of persons.

In Nicaragua and Honduras there is no heartfelt reverence for the principle, and with much more of bluster and pretence it has now become a mere juggle of state to cozen others.

The idea artfully disseminated among these poor people is, that England, in fear and jealousy of their growing power and importance, stands in awe of a confederation, against which it is essential for her interests to be constantly aiming an envious missile.

The possession of the Belize by the English is a fixed fact, dating back many years as against Spain, and the Mosquito question has been a subject for discussion and negotiation for nearly two centuries. It is now questionable to whom this insalubrious sweep of country on the Atlantic belongs; while in view of our policy in regard to Indian tribes, the protectorate of Mosquito must be taken as a shift and subterfuge. Save at one or two points at the mouths of the rivers, it is along its whole extent a wilderness, unexplored and almost inaccessible. Held by Spain as a sort of trust fund for the benefit of her transatlantic possessions when disposed to traffic, New Granada, to this day, makes continual claims for a sliver, notwithstanding the possession of the States proper of Central America. Guatemala and Costa Rica, seemingly indifferent to the discussion of these political questions, have been bending their energies to the development of trade. Such lukewarmness has been stamped with opprobrious epithets, and they are hated yet the more for their evident prosperity; there might now be just grounds of objection to the strong executive power as wielded by General Carrera, but it is in virtue of a constitutive act, behind which the leading men there hope to find a breathing time for progress, social as well as political. The influence of Guatemala is very marked. The city has its schools of law and medicine, and it has been the fashion to look upon it as the headquarters of learning and refinement. The government is not permitted, however, to enjoy the requisite repose, as there is a party in the mountains under the name of Lucios, from a chief executed as a felon some years ago, infesting the highways and keeping up a constant state of alarm—so confident at times in strength and numbers as to have threatened the capital. These mountaineers, partially quelled by General Carrera, are supplied with arms and suborned, it is alleged, by Salvador and Honduras. Recently, matters have been brought to a crisis, as in the pursuit of some fugitives the Guatemala officers have not hesitated to cross the frontier. The peace policy of Salvador, under Mr. Dueñas, has led to something like accommodation, but the latest intelligence from Honduras is that a force has been called out by General Cabañas, the president, to meet fifteen hundred men now led by General Carrera. The fair at Esquipulas is at hand, and the Guatemala Gazette mentions General Carrera's departure in that direction with a small number of men. This may have been exaggerated for some political purpose in Honduras. There have been intimations given of the application of forcible measures to sustain nationality in case the programme of the Tequiequalpa convention be not accepted. A somewhat notorious character, a sort of free companion, after the irregular practice of the middle ages, professing military skill, is now lying perdue at Managua. The presence of Guardiola, in this State, trifling in itself, is yet particularly suspicious, as it indicates a settled apprehension of political turbulence on the part of the Nicaraguan government.

* * * * * I have the honor to be, with very distinguished consideration, sir, your most obedient humble servant,

JOHN BOZMAN KERR.

Mr. Molina to Mr. Marcy.

LEGATION OF COSTA RICA,
Washington, September 26, 1853.

The undersigned, minister of Costa Rica, thinks it his duty to trespass once more upon the time of the honorable Secretary of State with reference to the long pending negotiation for the adjustment of the differences between Costa Rica and Nicaragua, and of the questions concerning the Mosquito coast.

The government of Costa Rica apprehends that there is a disposition on the part of the American government to confine the negotiation with Great Britain, that Mr. Buchanan is going to take up again in London to that part only which regards the Mosquito territory and the port of San Juan del Norte, without making any arrangement respecting the conflicting claims of Costa Rica and Nicaragua.

Heretofore the constant policy of this government has aimed at disposing of all those matters in one general settlement, in order to meet the interests of the several parties concerned; and the undersigned, with due respect for the reasons that may have suggested a change of views, does not hesitate to say, that in the opinion of his government the course formerly pursued would still be the most consistent with justice.

But should a different one be adopted, and supposing that, in consequence of an arrangement with England, the port of San Juan should be transferred to Nicaragua, the government of Costa Rica flatters itself that such a transfer shall not be made but under certain qualifications, with a view to preserve the claims of Costa Rica to one half of the same port and to the other objects in litigation, unimpaired and unprejudiced.

Since the occupation of San Juan by the Mosquitos, on the 1st of January, 1848, the position of Costa Rica, as regards her differences with Nicaragua, has become a highly disadvantageous one, owing to the support that the pretensions of the latter republic have derived from the formation and establishment of the American company holding the canal and transit charters, and from the opinions expressed in official documents in favor of Nicaragua by Mr. Squier, when he was chargé d'affaires of the United States in that country.

Hence it follows that the transfer of San Juan to Nicaragua, if done without any qualifications, would no longer be a restoration of the ancient state of things, when the contending parties (Costa Rica and Nicaragua) were both left to their own resources and titles, each of them unaided by foreign intervention; but that, on the contrary, it would operate as the consecration of a new state of things decidedly injurious for one of the parties; a result at variance with the avowed policy of this nation, which professes an equal friendship and impartial regard for each of the contending republics.

The deference shown by Costa Rica, on previous occasions, to the advice of the American government, and her readiness to terminate the existing difficulties, by any means in use among civilized nations, are circumstances which the undersigned trusts, will always be remem-

bered as entitling that country to the regard and kind offices of the United States.

On this reliance, the undersigned ventures to request that Mr. Marcy will have the goodness of addressing particular instructions, if necessary, to the distinguished representative of the United States near her Britanic Majesty.

The undersigned has the honor to remain, with the highest consideration, Mr. Marcy's most obedient humble servant,

F. MOLINA.

HON. WILLIAM L. MARCY,
Secretary of State of the United States.

Mr. Marcy to Mr. Molina.

DEPARTMENT OF STATE,
Washington, October 14, 1853.

The undersigned, Secretary of State of the United States, has the honor to acknowledge the receipt of the note of Mr. Molina, envoy extraordinary and minister plenipotentiary of Costa Rica, of the 26th ultimo, and to assure him, in reply, that there is no just grounds for his apprehension that the rights of his government may be prejudiced or in any way disregarded by any arrangements which Mr. Buchanan may enter into with Great Britain in regard to the affairs of Central America. In several interviews with Mr. Molina, the undersigned has had occasion to explain to him the views of the government of the United States in regard to the questions of boundary and jurisdiction between the several States of Central America. This government is sincerely desirous that these States should settle these questions in an amicable manner among themselves.

Mr. Borland, the United States minister to Central America, is instructed to use his good offices in regard to any controversies that may exist among the Central American States, but at the same time he is cautioned against any interference in these matters which may be objectionable to any one of them.

The undersigned has the honor, &c.,

W. L. MARCY.

Señor Don FELIPE MOLINA, &c., &c., &c.

Mr. Marcoleta to Mr. Marcy.

[Translation.]

WASHINGTON, December 5, 1853.

On the 24th of February, 1851, the undersigned, envoy extraordinary and minister plenipotentiary of the republic of Nicaragua, had the honor of addressing a communication to the Hon. Mr. Webster, then Secretary of State, the contents and solution of which were, as

they are at the present time, of the greatest and utmost interest to the republic of Nicaragua.

The documents accompanying the communication aforesaid set forth the erroneous interpretation that, in the opinion of Nicaragua, Great Britain gave to the treaty of April 19, 1850, an interpretation which the British government maintained, or pretended, to be identical with that given to the said treaty by the government of the American Union.

The undersigned asked the honorable Secretary of State to have the kindness to inform him if such were, in fact, the deductions it had made with regard to the clauses and the spirit of said treaty. Circumstances, perhaps, prevented a reply from being given.

The undersigned is fully convinced that the Hon. W. L. Marcy appreciates, as well as the government of Nicaragua, the vital interest of the matter in question; and he hopes, therefore, that he will have the goodness to take the same into proper consideration.

The undersigned avails himself of this opportunity to have the pleasure of renewing to the honorable Secretary of State the assurance of his highest and most distinguished consideration.

J. DE MARCOLETA.

Hon. W. L. MARCY,
Secretary of State.

Mr. Marcoleta to Mr. Marcy.

[Translat'on.]

LEGATION OF NICARAGUA,
Washington, December 6, 1853.

On the 2d of November, 1852, a communication was sent to the Department of State, setting forth and explaining the means by which the government of Nicaragua understood and wished that the restoration of the port of *San Juan del Norte*, and of the Mosquito territory, could be duly and fully carried out; modifying, in the terms stated in that communication, the bases signed in Washington on the 30th of April of the same year, by the Hon. Daniel Webster, Secretary of State, and Mr. J. Crampton, her Britannic Majesty's minister; bases which the senate and chamber of deputies of Nicaragua did not deem it proper to sanction nor to admit, in consequence of their being in direct opposition with the rights and interests of Nicaragua.

The undersigned, envoy extraordinary and minister plenipotentiary of Nicaragua, who had the honor of addressing the aforesaid communication to Hon. Daniel Webster, has now likewise the honor of calling the attention of the Hon. W. L. Marcy to the glaring evils and injuries which the actual state of things in relation to said questions originates and occasions to the interests of a sister republic, who, with the utmost confidence, has placed and still places in the hands of the American people the custody and defence of these dear and vital interests.

One of the evils which weigh most heavily upon the State is an enormous foreign debt which the government of Nicaragua wishes to cancel; relying for that purpose upon one of the most fruitful sources of revenue which, before the British invasion, were wont to feed the public exchequer with the annual product of the port of San Juan.

It must not be understood by this, that the government contemplates re-establishing the maritime custom-house of that port; quite the contrary, the supreme director is fully convinced of the advantages which must accrue from the freedom of that port; but at the same time, he thinks it just and proper to restrain this advantage within certain bounds, in order to avoid thereby those abuses, evils, and pernicious consequences which, from the 1st of January, 1848, have been continually and palpably entailed upon the republic.

Consequently, the undersigned has received express orders to call, in a very particular manner, the attention of the American government to these and other serious evils, which it would be very tedious to detail in this place; he has been especially charged to make known to the honorable Secretary of State the wishes which the government of Nicaragua entertains, and the absolute necessity it is under to recover its unequivocal sovereignty over the Mosquito territory, and most especially over the port of San Juan del Norte, which is beyond the limits of the territory aforesaid.

In order to accomplish this object, the undersigned has the honor of renewing here to the honorable Secretary of State the conditions and sacrifices to which his government would submit, in order to do away, on its part, with the obstacles that have hitherto prevented a definite settlement of these questions.

These conditions are—

1st. To declare *San Juan del Norte* a free port.

2d. To pay, by way of indemnity, and for the extinction of any pretended title which the Mosquitos may set up, four per cent. on the net proceeds of the port for a period of five consecutive years.

3d. To designate and to pay a life pension to the prince or Mosquito chief, either at Leon, Granada, or at some other point which may be most suitable to the government.

4th. To acknowledge as lawful the *rational* grants of land which may have been made from January 1, 1848, by the actual authorities of the pretended kingdom of Mosquito, with the exception of those that are in opposition to the grants previously made by the Spanish government, by the federal government of Central America, or by the government of Nicaragua; those that may be at variance with the rights and privileges of the canal and accessory transit companies, and those made at such points or localities as the State may want for forts, custom-houses, barracks, warehouses, arsenals, light-houses, and other public edifices, such as quarantine hospitals, &c.

The government of Nicaragua understands that many grants of land have been made, with a mere mercantile or speculative object, and for insignificant considerations, the terms of which are not known, seeing that those improvements that are mostly called for in the port have not been made, and that the obstacles against the navigation of

the river, where it runs into the territory of the republic, have not been removed.

The government of Nicaragua has full knowledge of irregularities and abuses which cannot and should not be sanctioned. For this reason it will only acknowledge those grants that have been made for some other object besides a mere mercantile speculation, and such as do not exceed those bounds that are compatible with reason and justice.

The government of Nicaragua is not ignorant of the difficulties and complications which these subjects involve, and, therefore, it commits and entrusts the solution of the same to the prudence and sense of justice by which the people and the government of the American Union are governed. Nor is it blind to the fact that, in order to effect a definite settlement of these matters, a certain period of time is necessary, which, unfortunately, is in direct opposition to its interests; therefore, the government would wish that, while the anxiously wished for settlement is pending, the port of *San Juan del Norte* might be restored to its original and lawful authority and sovereignty, pledging itself to carry into effect at once that portion of the grants mentioned above, accordingly as it may be deemed necessary and proper.

And in order to show by what feelings the government is actuated with regard to a brother State, that of Costa Rica, with which there happily exist, at present, the best relations, the supreme director promises that, while the pending questions concerning boundaries between the two States continue unsettled, Costa Rica shall enjoy perfect liberty of egress and ingress by the port and river of *San Juan* as far as that of *Serapiqui*, which leads to its territory.

A commission of two individuals was formerly appointed in virtue of a gubernatorial decree; said commission is especially instructed to propose and to effect a settlement upon the most liberal bases, which will not fail to produce the desired result.

With regard to the canal and transit company, the undersigned begs to refer to his communication of November 2, 1852, inasmuch as circumstances in relation to these companies have not undergone the least variation, and because, at present, certain modifications are moreover required by mutual agreement in the original contracts.

In conclusion, the undersigned begs, with the utmost earnestness, that the honorable W. L. Marcy will be pleased to take into consideration the contents of this dispatch. He calls very particularly his attention to that point concerning which the government of Nicaragua has her most flattering hopes at stake, in consequence of her interests, not only material but even moral, being bound up in it. This point, of such transcendental interest, is the immediate restoration of the port of *San Juan*, while the questions are being settled, and the negotiations that are now pending with the government of her Britannic Majesty are being brought to a close.

Nicaragua pledges herself to give all the securities and guarantees which may be deemed necessary, and which are in accordance with the dignity of the government and of the nation. In view of these guarantees, the undersigned does not believe that any serious obstacle can

be opposed to the accomplishment of her just and natural desires, from the immediate realization of which, depend, in a great manner, the welfare, the peace, the security and the good order of the republic.

The undersigned cannot do otherwise than to insist upon this main point, and to renew his request for the prompt and immediate restoration of the port of *San Juan del Norte*; confiding, as he does, in the justice, equity, as well as in the sentiments of close and cordial friendship which govern and unite the American government and people to and in favor of their sister republic of Nicaragua.

The undersigned avails himself of this opportunity to renew to the honorable W. L. Marcy his sentiments of his high consideration.

J. DE MARCOLETA.

Hon. W. L. MARCY,
Secretary of State.

Mr. Marcy to Mr. Molina.

DEPARTMENT OF STATE,
Washington, December 17, 1853.

The undersigned, Secretary of State of the United States, has the honor to acknowledge the receipt of the note of Mr. Molina, envoy extraordinary and minister plenipotentiary of Costa Rica, of the 13th instant.

In reply, the undersigned has the honor to state, for the information of Mr. Molina, that should the Postmaster General deem it expedient to accept the proposition of the Nicaragua company for carrying the United States mail from the Atlantic coast to California, he is unable to discover any grounds for such an objection as the minister of Costa Rica has presented in that note. In employing that company for such a purpose, the United States make no decision or intimate any opinion as to the rights of either Nicaragua or Costa Rica to control the navigation of the river San Juan or the Nicaragua lake, nor do they undertake to enquire into the origin of that company's right of transit, now used by it, across the isthmus. All they know, or care to know, is that the Nicaragua company have established such a transit and constantly use it to carry passengers and merchandise over the isthmus to the Pacific coast. An agreement with it to carry the United States mail implies no expression of opinion as to which of the two States, Nicaragua or Costa Rica, has the right to grant, or has granted, the privilege of transit to that company. It is an entire mistake on the part of the minister of Costa Rica to assume that by employing the transit company to carry the mail, the United States would express, or intend to express, any opinion either in favor of or adverse to the claim of Costa Rica to control the navigation of the river San Juan or the Lake of Nicaragua. If the transit company are infringing the rights of that State, it will have the same authority to obstruct or withhold from the use of that company that navigation as well after as before a contract shall be made with it to carry the

United States mail. Such a contract is not, nor is it intended to be, any interference with the rights of Costa Rica, whatever those rights may be.

Taking this view of the subject, which is the correct one, Mr. Molina will see that the acceptance by the Postmaster General of the United States of the proposition of the company, should it be accepted, to carry the United States mail across the isthmus, affords not the slightest ground of complaint by Costa Rica that this government is in any way interfering in the dispute which exists between that State and Nicaragua as to the navigation of the river San Juan and Nicaragua lake.

In relation to the proposition referred to by Mr. Molina, of submitting the dispute to the arbitration of the United States, the undersigned will only say that the parties have not concurred in any such submission. If they should do so, the undersigned believes, as he has heretofore intimated to Mr. Molina, that the President would consent to act as umpire in that matter.

The undersigned, &c.

W. L. MARCY.

SEÑOR DON FELIPE MOLINA, &c., &c., &c.

Mr. Marcy to Mr. Borland.

[Extract.]

[No. 8.]

DEPARTMENT OF STATE,
Washington, December 30, 1853.

SIR: Your several dispatches, to No. 11 inclusive, have been received at this department.

In relation to the Clayton and Bulwer treaty, about which so much is said in your dispatches, I have only to remark that this government considers it a subsisting contract, and feels bound to observe its stipulations so far as by fair construction they impose obligations upon it. If Great Britain has failed, or shall fail, on her part to fulfil the obligations she has therein assumed, or if she attempts to evade them by a misconstruction of that instrument, the discussions that may arise on these subjects must necessarily take place between the parties to it. The views taken of that treaty by the United States, and your course in relation to it, pointed out in your first instructions, will be observed until you receive notice of their modification. In these instructions you were furnished with the views of one of the contracting parties, (Great Britain,) but at the same time you were informed that the United States did not concur in them. In the negotiations at London, in regard to the affairs of Central America, the meaning of that instrument will come directly under discussion. So far as respects your mission, you will regard it as meaning what the American negotiator intended when he entered into it, and what the Senate must have understood it to mean when it was ratified, viz:

that by it Great Britain came under engagements to the United States to recede from her asserted protectorate of the Mosquito Indians, and to cease to exercise dominion or control in any part of Central America. If she had any colonial possessions therein at the date of the treaty, she was bound to abandon them, and equally bound to abstain from colonial acquisitions in that region. In your official intercourse with the States of Central America, you will present this construction of the treaty as the one given to it by your government. It is believed that Great Britain has a qualified right over a tract of country called the Belize, from which she is not ousted by this treaty, because no part of that tract, when restricted to its proper limits, is within the boundaries of Central America.

* * * * *

I am, sir, respectfully, your obedient servant,

W. L. MARCY.

SOLON BORLAND, Esq., &c., &c., &c.

Mr. Marcoleta to Mr. Marcy.

[Translation.]

WASHINGTON, *January 24, 1854.*

The undersigned, envoy extraordinary and minister plenipotentiary of the republic of Nicaragua, has the honor of enclosing to the honorable W. L. Marcy, Secretary of State of the United States, a copy of the propositions he has just made in the name of his government to that of her Britannic Majesty, for the definite and final settlement of the matters relating to the port of San Juan del Norte, the territory and coast of Mosquitos.

The undersigned being convinced of the lively interest which the government of the Union feels to see these questions (in which, thanks to its sympathy for Nicaragua it has taken so active and favorable a part) at once terminated, has no doubt but that this project will elicit the fullest approbation of the honorable W. L. Marcy; seeing that while it meets all exigencies and protects the susceptibility of the parties interested, it likewise does away with every pretext for further delays, and removes all causes of future discord.

On the other side, the government of Nicaragua, the party principally interested in this matter, could not continue any longer in a state of endless expectancy, which, without any indication of the probability of a happy issue, seriously compromises her dearest and most vital interests. In contributing its proportion of sacrifices, it contributes to the re-establishment of good harmony between all parties, and secures at the same time its political and commercial relations with the great powers.

As the intricate questions and discussions of which Europe is now the theatre, and the eventuality of more serious complications on the old continent might perhaps compromise the desired result, the under-

signed has, at the same time, proposed to his lordship the Earl of Clarendon that he would be pleased to authorize, if he deems it proper, her Britannic Majesty's minister plenipotentiary in Washington to proceed, conjointly with the undersigned, to negotiate and adjust a treaty upon the bases herewith enclosed—bases which were agreed upon at Managua in September, 1853, between his excellency the general supreme director of Nicaragua and the honorable Solon Borland, minister plenipotentiary of the United States in Central America.

The undersigned, not doubting the approbation and co-operation of the Hon. W. L. Marcy, Secretary of State of the American Union, in this matter, avails himself of this new opportunity to renew the assurance of his highest consideration.

J. DE MARCOLETA.

The Hon. W. L. MARCY,
Secretary of State of the American Union.

[Translation.]

Project of settlement and object of the articles of a treaty between Great Britain and the republic of Nicaragua relative to the port of San Juan del Norte, territory and coast of Mosquitos, proposed to his lordship the Earl of Clarendon by the minister plenipotentiary of Nicaragua in the United States and in Great Britain.

1st. The Mosquito Indians, and the other tribes who inhabit the territory of that name, shall remain forever incorporated with, and perpetually united to, the republic of Nicaragua.

2d. The territory and coast of Mosquitos shall form for the future a department of the republic.

3d. The port of San Juan del Norte shall be replaced under the authority and sovereignty of Nicaragua.

4th. The same shall be declared a free port.

By way of compensation, Nicaragua engages—

1st. To exercise a special protection over the Indians; to promote their moral and material instruction, and not to molest nor trouble them on account of any act anterior to the ratification of the treaty.

2d. To pay to the Indians four per cent. on the net produce of the duties of import for the port of San Juan del Norte during five years.

3d. To award to the Mosquito chief an annual pension for life, in proportion to the salaries received by the functionaries of the republic.

4th. To recognize as legitimate the grants of land which have been followed by occupation made since the 1st of January, 1848, provided that said grants are not in opposition to those made by the Spanish government, by the confederacy of Central America, and by the government of Nicaragua, nor to the rights which the canal company has enjoyed until now.

To those that have been made in localities which the government

of Nicaragua might want for warehouses, custom-houses, barracks, arsenals, fortifications, light-houses, and other public edifices.

5th. Those grants will not be recognized which have been made before or after the 1st of January, 1848, for speculative and mercantile purposes, and the excessive extension of which leads to presume the existence of such an object.

J. D. MARCOLETA.

WASHINGTON, *January 21, 1854.*

Mr. Marcy to Mr. Marcoleta.

DEPARTMENT OF STATE,
Washington, February 21, 1854.

The undersigned, Secretary of State of the United States, has not been able to comply with the request contained in the note of the envoy extraordinary and minister plenipotentiary of Nicaragua, of the 24th ultimo, to co-operate with that republic in the effort he is making to negotiate a treaty between it and Great Britain, on the basis proposed by Mr. Marcoleta to Lord Clarendon, her Britannic Majesty's principal secretary of state for foreign affairs. Mr. Marcoleta must be fully aware that the United States deny that Great Britain has any sovereign rights over any part of Central America. To treat with her in the way proposed, or to co-operate in making such a treaty, would be a distinct acknowledgment that she has such rights. Such a treaty would also interfere directly with the claims set up by another of the central republics, Costa Rica; and very little would be accomplished towards settling the questions which are now disturbing Nicaragua in regard to boundary and jurisdiction, unless Costa Rica were a party to it. The principal matters embraced in the *projet* of the treaty submitted to the undersigned by Mr. Marcoleta, relate to the conflicting claims and pretensions between that republic and Nicaragua; and they could not, certainly, be disposed of by an arrangement with Great Britain, which has no sovereign rights whatever in Central America. It is true, the latter power claims a right as assumed protector of the Mosquito Indians, to see that they are fairly treated. To this end she would feel authorized to look to any settlement of the pending questions between the two republics which might affect the condition and well-being of this tribe of Indians; but beyond that object her interference could not be invoked without an implication that she had rights which the United States, as well as Costa Rica and Nicaragua, deny to her.

The negotiation proposed by Mr. Marcoleta, in which he solicits the co-operation of the United States, should be with Costa Rica, and not with Great Britain, and with it Great Britain should not be invited to interpose any further than to yield her acquiescence in any provision that may be made for the Mosquitos. It is very questionable whether the United States should or would countenance her interposition even to this extent, for they do not acknowledge that

Great Britain has now or ever had a rightful protectorate over these Indians. Entertaining these views, the United States cannot, as must be very evident to Mr. Marcoleta, co-operate with Nicaragua in the proposed negotiation with Great Britain. At the same time it is proper to say that the United States are anxious that all the questions which are disturbing the friendly relations between the Central American States should be amicably adjusted, and they are ready to lend their good offices to bring about such a desirable result.

The undersigned avails himself of this occasion to renew to Mr. Marcoleta the assurances of his distinguished consideration.

W. L. MARCY.

SEÑOR DON JOSÉ DE MARCOLETA, &c., &c., &c.