BRAZIL.

TREATY SUBMITTING TO ARBITRATION THE QUESTION OF THE BOUNDARY BETWEEN BRAZIL AND BRITISH GUIANA.

Mr. Dawson to Mr. Hay.

No. 396.] LEGATION OF THE UNITED STATES OF AMERICA, Petropolis, Brazil, February 6, 1902.

Sir: I have the honor to forward you herewith the English and Portuguese texts of the arbitration treaty recently negotiated in regard to the boundary between Brazil and British Guiana. The Brazilian congress ratified it on December 27; January 28 ratifications were exchanged by the minister for foreign affairs and the British chargé d'affaires here accredited, and the treaty was immediately proclaimed.

It will be observed that the supplementary “declaration” annexed to the treaty virtually settles the southern boundary of British Guiana. In that region the Amazon-Essequibo watershed is agreed upon as the dividing line.

The part of the line in dispute constitutes, roughly speaking, the southern half of the western boundary of the colony, the northern half being its Venezuelan frontier. The territory in question is about 300 miles long and 100 miles wide in its broadest place. Great Britain claims the line to be the Takutu and Cotinga rivers, which unite to form the Rio Branco, which in turn flows into the great Rio Negro. Her success would therefore give British Guiana a navigable tributary of the Amazon as a boundary. On the other hand Brazil claims the division to be partly the watershed between the Amazon and Essequibo basins and partly the Rupununi, a navigable tributary of the Essequibo. The Takutu and Rupununi approach very near each other and there is no well-defined watershed; the altitude above the sea is only about 350 feet; portage is easy, and a railroad would be cheap. If Brazil’s claim is sustained she will have the essential link of the proposed Georgetown-Manaus route all within her own territory, the Essequibo will be an international stream, and no European power will have a foothold anywhere in the Amazon Valley.

If a sketch map would be useful to the Department, it can be obtained.

I have, etc.,

THOMAS C. DAWSON.

[Inclosure.—Translation.]

The President of the United States of Brazil and His Majesty the King of the United Kingdom of Great Britain and Ireland, Emperor of India, being desirous to provide for an amicable settlement of the question which has arisen between their respective governments concerning the boundary between the United States of Brazil
and the colony of British Guiana, have resolved to submit to arbitration the question involved, and, to the end of concluding a treaty for that purpose, have appointed as their respective plenipotentiaries:

The President of the United States of Brazil, Señor Joaquim Aurelio da Aranjo, envoy extraordinary and minister plenipotentiary of Brazil to His Britannic Majesty;

And His Majesty the King of Great Britain and Ireland, Emperor of India, the Most Hon. Henry Charles Keith Petty Fitz Maurice, Marquess of Lansdowne, Earl Wycombe, Viscount Calm and Calstone and Lord Wycombe, Baron of Chipping Wycombe, Baron North, Earl of Kerry and Earl of Shelburne, Viscount Clanmaurice, and Fitz Maurice, Baron of Kerry, Lixnaw, and Dunkerron, a peer of the United Kingdom of Great Britain and Ireland, a member of His Britannic Majesty’s most honorable privy council, a Knight of the Most Noble Order of the Garter, etc., His Majesty’s principal secretary of state for foreign affairs;

Who, having communicated to each other their respective full powers, which were found to be in due and proper form, have agreed to and concluded the following articles:

Art. I. The President of the United States of Brazil and His Majesty the King of the United Kingdom of Great Britain and Ireland, Emperor of India, agree to invite His Majesty the King of Italy to decide, as arbitrator, the question as to the above-mentioned boundary.

Art. II. The territory in dispute between the United States of Brazil and the colony of British Guiana shall be taken to be the territory lying between the Takutu and the Cotinga and a line drawn from the source of the Cotinga eastward, following the watershed to a point near Mount Ayanganna; thence in a southeasterly direction, still following the general direction of the watershed as far as the hill called Annay; thence by the nearest tributary to the Rupununi, up that river to its source, and from that point crossing to the source of the Takutu.

Art. III. The arbitrator shall be requested to investigate and ascertain the extent of the territory which, whether the whole or a part of the zone described in the preceding article, may lawfully be claimed by either of the high contracting parties, and to determine the boundary line between the United States of Brazil and the colony of British Guiana.

Art. IV. In deciding the question submitted the arbitrator shall ascertain all facts which he shall deem necessary to a decision of the controversy, and shall be governed by such principles of international law as he shall determine to be applicable to the case.

Art. V. The printed case of each of the two parties, accompanied by the documents, the official correspondence, and other evidence on which each relies, shall be delivered in duplicate to the arbitrator and to the Government of the other party within a period not exceeding twelve months from the date of the exchange of the ratifications of this treaty.

Art. VI. Within six months after the cases shall have been delivered in the manner provided in the preceding article, either party may in like manner deliver to the arbitrator and to the Government of the other party a counter case and additional documents, correspondence, and evidence in reply to the case, documents, correspondence, and evidence as presented by the other party.

If in the case or counter case submitted to the arbitrator either party shall have specified or alluded to any other report or document in its own exclusive possession without annexing a copy, such party shall be bound, if the other party thinks proper to apply for it, to furnish that party with a copy thereof; and either party may call upon the other through the arbitrator to produce the originals or certified copies of any papers adduced as evidence, giving in each instance notice thereof within forty days after the delivery of the case or counter case, and the original or copy so requested shall be delivered as soon as may be within a period not exceeding forty days after the receipt of notice.

Art. VII. Within four months after the expiration of the time fixed for the delivery of the counter case on both sides, each party shall deliver in duplicate to the arbitrator and to the Government of the other party a printed argument showing the points and referring to the evidence upon which each Government relies; and the arbitrator may, if he desires any further elucidation in regard to any point in the argument of either party, require a further written or printed statement or argument upon it; but in such case the other party shall be entitled to reply by means of a similar written or printed statement or argument.

Art. VIII. The arbitrator may, for any cause deemed by him sufficient, extend the periods fixed by Articles V, VI, or VII, or any of them, by the allowance of thirty days additional.
Art. IX. The high contracting parties agree to request that the decision of the arbitrator may, if possible, be made within six months of the delivery of the argument on both sides.

They further agree to request that the decision may be made in writing, dated and signed, and that it may be in duplicate, one copy to be handed to the representative of the United States of Brazil for his Government and the other copy to be handed to the representative of Great Britain for his Government.

Art. X. The high contracting parties engage to accept the decision pronounced by the arbitrator as a full, perfect, and final settlement of the question referred to him.

Art. XI. The high contracting parties agree that the Indians and other persons living in any portion of the disputed territory which may by the award of the arbitrator be assigned either to the United States of Brazil or to the colony of British Guiana shall, within eighteen months of the date of the award, have the option of removing into the territory of the colony or of Brazil, as the case may be, themselves, their families, and their movable property, and of freely disposing of their immovable property, and the said high contracting parties reciprocally undertake to grant every facility for the exercise of such option.

Art. XII. Each Government shall provide for the expense of preparing its case. Any expenses connected with the arbitral proceedings shall be defrayed by the two parties in equal moieties.

Art. XIII. The present treaty, when duly ratified, shall come into force immediately after the exchange of ratifications, which shall take place in the city of Rio de Janeiro within four months of this date, or sooner if possible.

In faith whereof we, the respective plenipotentiaries, have signed this treaty and have hereunto affixed our seals.

Done in duplicate at London, the 6th day of November, 1901.

Landsdowne.

Joaquin Nabuco.

DECLARATION.

The plenipotentiaries on signing the foregoing treaty declare, as part and complement of it and subject to the ratification of the same, that the high contracting parties adopt as the frontier between the United States of Brazil and the colony of British Guiana the watershed line between the Amazon basin and the basins of the Corentyne and the Essequibo from the source of the Corentyne to that of the Rapununi, or of the Takutu, or to a point between them, according to the decision of the arbitrator.

Landsdowne.

Joaquin Nabuco.

INADVISABILITY OF AMERICAN EMIGRATION TO THE UPPER AMAZON REGION.

Mr. Bryan to Mr. Hay.

No. 411.]

Legation of the United States,

Petropolis, April 30, 1902.

Sir: I have the honor to state that, having received many written inquiries concerning the opportunities for Americans to earn money in the rubber-producing region of the Upper Amazon, I deem it my duty to report to the Department the real conditions confronting settlers in that territory known as the Acre.

While rubber is abundant, with the chances great of ample returns for its exploitation, the climate and topography of this remote country are such as to imperil life even during the briefest sojourn for those unaccustomed to uninterrupted equatorial heat. Swamps, miasmas, numberless mosquitoes and venomous insects, none but foul water to drink, insufficient nourishment, torrential rains, all contribute to a mortality which is conservatively reckoned at two lives to each ton of rubber exported. The deadliness of this climate explains the anxiety of the Bolivian Government to rid themselves of the direction of the
Acre territory, where they could not induce either soldiers or customs officers to go, the reports from the few survivors of early expeditions thereto having been tragic in the extreme. Such statements are confirmed by a notice, which I herewith send, from the Brazilian Review of April 29. The Brazilian expedition under Dr. Cruís, recently sent to determine the boundary lines between this country and Bolivia, lost 12 men, despite the utmost care.

There is an area of the Acre where more favorable conditions exist than those herein described, but just where the land rises the rubber growth decreases.

Large rubber companies can doubtless derive great profit from their investments, but it will be to their advantage to employ acclimated natives in this section of Brazil rather than laborers imported from northern countries.

In view of the facts given and of other dangers that confront the foreigner in this remote region, I earnestly warn our countrymen against emigration to the Upper Amazon country.

I have, etc.,

CHARLES PAGE BRYAN.

[In enclosure.]

Extract from the Brazilian Review, of Rio de Janeiro.

APRIL 29, 1902.

River Acre.—Reports in regard to the sanitary conditions of this river are very unfavorable. Beriberi and fevers prevail throughout the country. The steamer Brazil had on board 38 Bolivians, mostly officers of the army, who were suffering from beriberi, and were consequently leaving the country. One of these passengers, the commander of a battalion of infantry, died on board and was buried on the bank of the Purus.

PROTECTION OF CUBAN INTERESTS BY UNITED STATES CONSULAR OFFICIALS.

Mr. Bryan to Mr. Hay.

No. 434.]

LEGATION OF THE UNITED STATES,
Petropolis, July 11, 1902.

SIR: Referring to your telegraphic instruction a of May 24, in regard to permission to United States consuls to act for Cuba, and your unnumbered instruction b of May 20, in regard to notifying this Government of the inauguration of an independent government in Cuba, I have the honor to report that the permission asked has been granted.

It will be noted that the Brazilian Government suggests that a direct communication is also expected from Cuba.

Copies of my notes to the foreign office and of the reply just received thereto are inclosed.

According to the instructions sent by you, I have notified the consuls through the consulate-general.

I have, etc.,

CHARLES PAGE BRYAN.

a Printed, ante, page 6.
b Printed, ante, page 6.
BRAZIL.

Mr. Bryan to Dr. Magalhaes.

LEGATION OF THE UNITED STATES,
Petropolis, May 27, 1902.

Mr. Minister: Pursuant to instructions from my Government, I have the honor to ask, through your excellency, the kind permission of the Government of Brazil that until consul shall have been appointed by the Government of Cuba the consular officers of the United States of America may use their good offices within the jurisdiction of Brazil in representation of the interests of Cuba and its citizens.

His Excellency Tomas Estrada Palma, President of the Cuban Republic, has asked that this permission be requested.

I improve the opportunity, etc.,

CHARLES PAGE BRYAN.

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Mr. Bryan to Dr. Magalhaes.

LEGATION OF THE UNITED STATES,
Petropolis, June 23, 1902.

Mr. Minister: Pursuant to instructions received from the President of the United States of America through the Secretary of State, I have the honor to convey to the Government of Brazil, through your excellency as minister for foreign affairs, that the military occupation of the island of Cuba by the United States of America ceased on the 20th day of May, 1902, and that an independent government, republican in form, has been inaugurated there under the presidency of His Excellency Señor Tomas Estrada Palma.

I improve this opportunity, etc.,

CHARLES PAGE BRYAN.

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Dr. Magalhaes to Mr. Bryan.

MINISTRY OF FOREIGN AFFAIRS,
Rio de Janeiro, July 3, 1902.

I have received the two notes which Mr. Charles Page Bryan, envoy extraordinary and minister plenipotentiary of the United States of America, addressed to me on the 27th of May and the 28th of June, requesting, at the desire of the Cuban Government, permission for the consular officers of the United States to exercise provisionally their good offices in behalf of that Republic and its citizens; and informing me that the military occupation of the island by the American Government ceased on the 20th of the month just past (May), an independent and republican government having been organized under the presidency of Señor Estrada Palma.

The Government of Cuba has not yet communicated to that of Brazil the important events referred to by Mr. Bryan, and that Government has therefore not been recognized in the usual form, but the President of the Republic, assured that this action will not be delayed, gives with pleasure the permission requested.

I have, etc.,

OLYNTHO DE MAGALHAES.

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INHERITANCE TAX ON ESTATE OF BARON THOMSEN.

Mr. Hill to Mr. Bryan.

[Telegram.—Paraphrase.]

DEPARTMENT OF STATE,
Washington, July 30, 1902.

(Mr. Hill states that it is represented that the Brazilian Government is proceeding, without judicial process, to enforce the payment of
inheritance tax of Baron Thomsen at Rio Grande do Sul by seizure of property of the copartnership of Thomsen & Co. Mr. Bryan is instructed to invoke good offices of the Brazilian Government with a view to assure due legal process and judicial hearing and decision of question of amount of inheritance tax justly due, payment of which Baron Thomsen’s son represents his willingness to make.)

Mr. Dawson to Mr. Hay.

[Telegram.—Paraphrase.]

Legation of the United States,
Petropolis, July 31, 1902.

(Mr. Dawson reports that vigorous steps have been taken in the Thomsen inheritance tax case by Minister Bryan.)

Mr. Bryan to Mr. Hay.

No. 438.]

Legation of the United States,
Petropolis, August 4, 1902.

Sir: I have the honor to acknowledge the receipt of your telegram of July 30, and to confirm Mr. Dawson’s reply of July 31 thereto; and to state that I had received on July 19, through the consular agent, a statement of the difficulty from Mr. E. H. Müller, an American citizen resident in Rio Grande do Sul, and the managing partner of Thomsen & Co. A copy is herewith inclosed. At the same time the legal statement of Mr. Müller’s Brazilian counsel was received.

It was clear to me that the attachment would greatly injure an important American business enterprise and, after carefully considering the legal question involved, that the firm of Thomsen & Co. would have a right to ask the Brazilian Government for damages through the diplomatic channel should it be enforced, accordingly I determined to take personal and unofficial action.

I received the following telegram from Consular Agent Vereker:

Rio Grande, July 25, 1902.

With reference to my letter of the 12th instant, Edward Müller has been summoned to pay the amount claimed by the Government under penalty of summary attachment, which is now imminent. Legal measures have been exhausted, and he represents the urgent necessity of intervention to avoid vexatious injury.

Vereker, Consular Agent.

and the following cablegram from Mr. Thomsen’s lawyer in New York:

New York, July 26, 1902.

Retained by Thomsen, American citizen, in inheritance tax matter. Believe proceedings illegal and threatened attachment oppressive and unconstitutional. Desire same prevented if possible.

Eugene Robinson.

Knowing that the attachment was in the hands of an executive officer of the State of Rio Grande for enforcement, and being confident of the friendliness of the eminent president of Rio Grande, Dr. Borges

aPrinted, ante.
Medeiros, to American interests as shown during my visit there and repeatedly since, I ventured to send him the following telegram.

PETROPOLIS, July 28.

I ask your excellency's intercession with the minister of justice to delay the attachment against Thomsen & Co. until I shall have an opportunity to investigate the matter.

To this was received the following favorable response:

PORTO ALEGRE, August 1.

Complying with your wishes, I have to advise you that I have taken measures in the direction of sustaining the inventory of Thomsen & Co. Cordial greetings.

BORGES MEDEIROS.

On receipt of your telegram of July 30, Mr. Dawson went to Rio and called upon the minister for foreign affairs, asking for his good offices with the State authorities of Rio Grande. Dr. Magalhaes stated that the executive had no power to intervene with the administration of justice by the courts, and was reluctant to promise to take any action. At his suggestion Mr. Dawson left with the director-general the following memorandum note:

RIO DE JANEIRO, August 1, 1902.


DEAR SIR: I have just seen Dr. Magalhaes about the Thomsen penhora, according to your suggestion, and he has asked me to put our request in writing in the form of a note to you, so as to furnish a basis for telegraphing.

We ask respectfully that your department represent to the procurador especial de fazenda do estado do Rio Grande do Sul that his insisting upon an immediate penhora against Mr. Müller and the property under his charge will be unnecessary and otherwise.

A penhora being a process, Mr. Müller will undoubtedly, after it is imposed, make a claim through our legation on the ground that he had no opportunity to have a court of law ascertain how much he and the firm he represents really owes on account of the inheritance tax of the former partner in the other firm.

A telegram to the procurador or his superior officers need not be in any sense an intervention. It would only be a request that he delay the matter of the penhora until it can be investigated, thus relieving the United States legation and your office of a tedious diplomatic claim.

This legation will insist that Mr. Müller promptly submit to the judgment of the Brazilian court, and will deeply appreciate anything Dr. Magalhaes may do to induce patience on the part of the procurador.

Please accept my thanks, etc.,

THOMAS C. DAWSON.

On the following day I saw the minister myself, and he guardedly told me that he had sent a telegram in the line suggested.

I inclose herewith a copy of a letter I have just sent the consular agent at Rio Grande do Sul.

In the absence of further instructions from the Department I shall continue to take such action as may seem likely to secure protection of the interests of Thomsen & Co. against injury.

I have, etc.,

CHARLES PAGE BRYAN.

[Inclusion 1.]

Mr. Müller to Mr. Vereker, consular agent.

RIO GRANDE DO SUL, July 12, 1902.

DEAR SIR: Referring to our verbal conversation I now beg to hand you herewith a letter directed to the Hon. Charles Page Bryan, minister plenipotentiary of the
United States of North America at Rio de Janeiro, which I request you to kindly forward with such comments as the case may warrant. I would state to you that the question involved is the following:

Baron C. de Thomsen, senior of the firm of Thomsen & Co., of this city and New York, died in New York in May, 1899. According to the laws of this State an inheritance tax of 11 per cent was to have been paid by the heirs to the State government on all funds and property which at the time of death belonged to the deceased in this country. The law further requires that whoever is authorized to liquidate the affairs of a deceased leaving property in this country is to hand in a statement of such account, showing clearly what property the deceased leaves here to the credit of his estate, so that the State can collect the tax of 11 per cent.

The affairs of the baron, whose interest in the firm of Thomsen & Co., as per contract, ceased on the 31st of December of the year of his decease; were liquidated by the then resident partner, Mr. Gustav Feddersen. As the law referred to had always been a dead letter, inasmuch as it had never been enforced, Mr. Feddersen undoubtedly was not aware of the existence of the same, liquidated the account of the baron and remitted the amount belonging to the heirs to the executors in New York, where the will of the baron was probated and the division of the estate made in conformity with the laws of the State of New York.

I will mention that the baron's account on the 31st December, 1898, showed a balance to the credit of the deceased of Rs. 152,308,650, consisting of Rs. 147,308,650 in actual cash and Rs. 5,000,000, nominal value of shares of the Companhia Hidráulica here. The baron possessed no real estate in Brazil and had no interest in any other business enterprise in Brazil.

On January 1, 1899, a new firm under the same name of Thomsen & Co., with branch in New York, was constituted here, the son of Baron de Thomsen, Mr. Hugo Adelberto Thomsen, and Mr. Gustav Feddersen being general partners, and the widow of Mr. G. Feddersen then left for Europe in May, 1899, leaving the firm in my charge, who had hitherto been an employee of the firm. On January 1, 1900, I was admitted as partner, as was also Mr. H. Joh's, Riedel, of New York.

I beg to say that Mr. H. A. Thomsen, hitherto a Brazilian, is now an American citizen; so is Mr. H. Joh's, Riedel, and so am I—the former two by naturalization and I by birth.

About the middle of last year I was notified by the government of this State to pay, within five days the inheritance tax due to the government by the heirs of the late Baron de Thomsen, the government claiming that I was the legal representative of said heirs.

I naturally refused such payment, as I in no wise whatever could be looked upon as the representative of the heirs of the late Baron de Thomsen. The law clearly states that such heirs should be personally summoned to pay the taxes, which was impossible, the heirs being absent, and the government of this State was therefore bound to summon the heirs by diplomatic channels. In order, however, to save time I agreed to notify the heirs and acquaint them with the facts of the case, and they were perfectly willing to abide by the laws of this country and State, and in order to show such willingness they did not wait for a legal subpoena, but at once volunteered to send the statement of the baron's account in this country at the time of his decease, authorizing me to pay the tax of 11 per cent on Rs. 152,308,650, amount referred to above, and if absolutely necessary also the exorbitant fine of 1½ per cent interest per month on the amount due, which fine according to law enters into force and is counted from one year after the death in case of nonpayment of the tax.

The government refused to acknowledge the correctness of the statement as rendered and arbitrarily decides that the tax should be paid on the capital contributed by the baron when the last business contract was registered, which was done in the year 1894. The baron then declared his capital here to be Rs. 776,752,600, and upon this sum the government claims 11 per cent tax and 1½ per cent per month interest from May, 1899, to the day of payment, or a total amount of Rs. 158,667,814! In case of nonpayment I am threatened with attachment proceedings.

The only heirs of the baron, namely, his two children, Mr. H. A. Thomsen and Mrs. Pepita Schiller, are interested in the firm of Thomsen & Co., the former as senior partner and the latter as special partner, and the government now threatens to attach funds belonging to the firm, in order to collect an inheritance tax on the estate of the late Baron de Thomsen.

I have employed the best legal advice, and am told that the government is acting arbitrarily against the constitution of this Republic as well as against the laws of this State. The letter enclosed herewith and addressed to the United States minister at Rio is inspired by my lawyers and clearly states all the legal points at issue. I send it in its original form and inclose a copy of this my letter to you, in case you
should think it advisable to forward the same. I would repeat that the heirs of the late Baron de Thomsen are willing to abide by the laws of this State and pay what is due to the government. The latter, however, is asking an extortionate sum in an arbitrary and illegal way; the law states that only if proof exists that the statement rendered is false, action can be taken against the heirs.

My counsel informs me, however, that the State government will not heed the laws; that for reasons best known to the authorities the latter will enforce their demands, even employing forcible and arbitrary means if the law is against them, irrespective of any consequences of their action, as has been done before, and I was therefore advised to ask the protection of my Government. It is only with great reluctance that I have now taken this step, but the question being one of the greatest importance, I respectfully request you to inform the United States minister, Col. Charles Page Bryan, of the occurrence, laying the whole matter before him in order to ascertain whether the minister can advise me in the matter or possibly take steps to prevent arbitrary and illegal action by the State authorities who threaten to embarrass the firm I represent, and whose interest is left to my care, in the most serious way. It can be easily understood that attaching the firm’s property at random would interfere with its business and may seriously hurt its credit. Our interests here, as well as in the United States, are quite important, and I cannot allow the government of this State to interfere with the same in an illegal and arbitrary way, but have no other means of defending the firm’s and my interest, but appeal to the United States Government, asking their representative to take my case into consideration, and if found worthy, of which I am convinced, kindly render me such assistance as the case requires.

Believe me, etc.,

EDW. H. MÜLLER,
Resident Partner at Rio Grande do Sul of the
Firm of Thomsen & Co.

[Inclosure 2.]

Mr. Bryan to Mr. Vereker, consular agent.

LEGATION OF THE UNITED STATES,
Petrópolis, August 4, 1902.

Sir: In reference to the Thomsen case I beg leave to acknowledge the receipt of your letters of July 12 and July 26, and of your telegram of July 25, and also of the following enclosures: Mr. Edward H. Müller’s letter of July 12, his reclamation directed to me of the same date, and his letter of July 25.

On receipt of your telegram of July 25, I directed a telegram to Governor Medeiros, to which I received a favorable reply. Copies of both telegrams are inclosed herewith. On July 26 I received a telegram from the gentleman who I presume is the attorney for the Thomsen heirs in the United States. Of this also I inclose a copy. Up to this time I had received no instructions from my Government, and my action in telegraphing Governor Medeiros was, strictly speaking, not official. On July 31, during my absence, there was received at the legation a telegram from the Secretary of State in Washington in regard to this matter, a copy of which I send you herewith.

Mr. Dawson at once went to Rio and saw the minister for foreign affairs, requesting him to represent to the State authorities of Rio Grande do Sul the advisability of reaching an amicable agreement with Mr. Müller, since, as you know, the Executive of Brazil has no power to interfere with the administration of justice by the courts. Any telegram sent by Minister Magalhães would be necessarily nonofficial and in the form of a request and advice, not as an order. You will therefore see the necessity of you and Mr. Müller not allowing anyone else to know of the fact of Minister Magalhães having sent the telegram. On August 2 I saw the minister myself and he guardedly told me that he had sent a telegram personally and unofficially in regard to the matter.

I sincerely hope that Mr. Müller will reach an amicable solution of the difficulty with the procurador and that in case the latter still refuses to come to any compromise, you and Mr Müller will go to Porto Alegre and see the minister of justice.

It is the rule of international law that a diplomatic intervention can not be made as long as the matter is pending in the courts. If the penhora should be enforced, Mr. Müller would almost certainly have a clear right to make a formal reclamation. In the present status of the matter the attitude of the legation and of the consulate.
must be that of friendly representations with a view to avoiding the necessity of such
a reclamation.
Please communicate the contents hereof to Mr. Müller in acknowledgment of his
letters, and assure him that I will continue to make every effort on his behalf.
I am, etc.,

CHARLES PAGE BRYAN.

Mr. Bryan to Mr. Hay.

No. 439.]  Legation of the United States,
Petropolis, Brazil, August 5, 1902.

Sir: Referring to my No. 438, I have the honor to send herewith
inclosed a copy of a letter just received from Mr. Jorge Vereker, the
American consular agent at Rio Grande do Sul, in which he reports
that the State authorities have ordered that proceedings against the
firm of Thomsen & Co. be for the present suspended.
I have, etc.,

CHARLES PAGE BRYAN.

[Inclosure.]

Mr. Vereker to Mr. Bryan.

Consular Agency of the United States,
Rio Grande do Sul, July 31, 1902.

Sir: Confirming my respects of the 26th instant, I beg to acknowledge the receipt
of your telegram of same day:
“Request authorities await my written answer;”
and of the 28th:
“Pedi intercessao presidente Estado assumpto Thomsen.”
I have spoken on the subject to Mr. Hon. Marques Vaz de Carvalho, clerk of the
state revenue board of this town and acting as special attorney for the treasury
department of this State, here, who has informed me that on the 28th instant he
received instructions, by telegram from Porto Alegre, to suspend for the present the
proceedings against the firm of Thomsen & Co. in relation to the inheritance tax due
by the heirs of the Barão de Thomsen.

Very respectfully, yours,

Jorge Vereker.

Mr. Bryan to Mr. Hay.

No. 454.]  Legation of the United States,
Petropolis, September 15, 1902.

Sir: In reference to the Department’s telegraphic instruction of
July 30 and to my No. 438 of August 4, regarding the appeal of E. H.
Müller for Thomsen & Co., of Rio Grande do Sul, against an attach-
ment threatened by the local authorities in the event of his failing to
pay an exorbitant inheritance tax, I have the honor to send herewith a
copy of a letter from Consular Agent Vereker. He therein commun-
icates the gratifying information that Mr. Müller with his attorney
has proceeded to Porto Alegre, the State capital, there, pursuant to
my advice, to seek a compromise through the executive.
I have, etc.,

CHARLES PAGE BRYAN.
BRAZIL.

[Inclosure.]

Mr. Vereker to Mr. Bryan

CONSULAR AGENCY OF THE UNITED STATES,
Río Grande do Sul, September 4, 1902.

Sir: I beg to acknowledge the receipt of your letter of the 4th ultimo concerning the Thomsen case.

Mr. Edward H. Müller has been informed of the contents of the same, and he has requested me to transmit his thanks to you for the interest you have taken in connection with this affair. He received in due time your message communicating that the governor had promised delay, for which he is obliged.

By the steamer Itapuru, which left our port this afternoon, he proceeded to Porto Alegre, where, together with his attorney, he will endeavor to arrive at a reasonable agreement with the State authorities in reference to the inheritance tax to be paid by the heirs of the Barão de Thomsen.

Mr. Müller’s lawyer at Porto Alegre is in friendly relations with the President and other members of the Government; I considered therefore it would not be of great value my going up there.

I am, etc.,

Jorge Vereker.

Mr. Bryan to Mr. Hay.

[Telegram.—Paraphrase.]

LEGATION OF THE UNITED STATES,
Rio de Janeiro, September 27, 1902.

(Mr. Bryan reports amicable settlement of Thomsen case.)

Mr. Bryan to Mr. Hay.

No. 455.]

LEGATION OF THE UNITED STATES,
Petropolis, September 27, 1902.

Sir: I have the honor to confirm my telegram of September 27, and the satisfaction to state that through the good offices of the governor of Rio Grande do Sul, which I had sought, the heirs of Baron Thomsen have effected a final arrangement with the State as to the terms of payment of their inheritance tax. I inclose herewith a letter from the American consular agent at Rio Grande do Sul reporting the amicable closing of the case.

I have, etc.

Charles Page Bryan.

[Inclosure.]

Mr. Vereker to Mr. Bryan.

CONSULAR AGENCY OF THE UNITED STATES,
Río Grande do Sul, September 29, 1902.

Sir: Confirming my respects of the 4th instant, I now take leave to apprise you that Mr. Edward H. Müller returned yesterday from Porto Alegre, where he came to an arrangement with the secretary of the treasury by paying into that department the sum of Rs. 35,000 ($000) as inheritance tax on the estate of the Barão de Thomsen, in Rio Grande do Sul, on the understanding that he should have the right of recovering

*Printed, ante.*
any excess paid if it be proved by the books when sent back here that the amount
due by the heirs is less than that, the Government being in like manner entitled to
any deficiency if it be otherwise.
I am pleased that this case has been amicably settled.
Very respectfully, yours,

Jorge Verreek, Consular Agent.

Mr. Hay to Mr. Bryan.

No. 296.]

Department of State,
Washington, October 6, 1903.

Sir: Referring to your telegram of the 27th ultimo, stating that the
Thomsen case had been settled, I now take pleasure in transmitting a
copy of an appreciative letter from Messrs. Dickerson, Brown & Rae-
gen, Mr. Thomsen's attorneys.
I am, etc.

John Hay.

[Inclosure.]

Dickerson, Brown & Raegener to the Secretary of State.

New York, October 1, 1903.

Sir: In the name of our client, Mr. H. A. Thomsen, and in our own behalf, we hereby
express our thanks to the Department of State and to the United States minister to
Brazil for their prompt and energetic assistance, without which a settlement would
have been impossible and but for which a valuable business would have been ruined.
I have the honor, etc.

Dickerson, Brown & Raegener.

Inauguration of President Alves—Address of United States Minister and President's Reply—Exchange of Courtesies Between Officers of U. S. S. Iowa and Brazilian Officials.

Mr. Bryan to Mr. Hay.

No. 470.]

Legation of the United States,
Petropolis, November 18, 1903.

Sir: I have the honor to inclose herewith my remarks as dean of the
diplomatic corps at the reception of the President to the foreign represen-
tatives on the day of his inauguration, and the answer of Dr.
Rodrigues Alves, with translations of these addresses.
I have, etc.,

Charles Page Bryan.

[Inclosure 1.]

Translation of Mr. Bryan's address.

Mr. President: The members of the diplomatic corps accredited to the Govern-
ment of Brazil come, on this anniversary so prized in your history, to wish Your
Excellency the most complete success in the discharge of this most honorable office
which has been intrusted to you.
We desire for this vast country an increasing prosperity under the wise administration of Your Excellency, to whom at the same time we wish all personal happiness. Those of us who have the good fortune to be present at your accession to power shall follow with sincere interest and sympathy the continued development of Brazil, a development which we hope to see crown the most brilliant ambitions of a people so richly endowed, as well as every ardent desire of Your Excellency for this great Republic.

It is the earnest prayer of the representatives of all our countries that your national strength may be such as will best assure the permanent peace and prosperity of the nation.

[Inclosure 2.]

Translation of the President’s answer.

Mr. MINISTER: It is with real satisfaction that I have received the courteous expressions of friendship which the members of the diplomatic corps have addressed to me on this memorable day, and I am grateful for the sincere interest which they manifest in the prosperity of my administration in the Government which I am assuming in obedience to the will of my fellow-citizens.

I shall do all that is in my power to maintain unchanged the relations of cordial friendship which happily now exist between our countries, and in furthering this end I hope that I shall not lack the effective help of the diplomatic representatives here present.

I thank them for their presence on this occasion and I reciprocate their wishes for the peace and prosperity of Brazil and for my personal happiness.

Mr. Bryan to Mr. Hay.

No. 471.]

LEGATION OF THE UNITED STATES,
Petropolis, November 18, 1902.

SIR: I have the honor to report that the presence of the Iowa in the harbor of Rio de Janeiro during the ceremonies connected with the inauguration of the new president has created an altogether favorable impression among all classes. It gave me an opportunity of calling the attention of the retiring and incoming Presidents to the absurd misrepresentations of the jingo opposition journals. These had stated, prior to the Iowa’s coming here, that the great battle ship was bound on a threatening errand to the high waters of the Amazon.

The American naval officers appeared at a ball given by myself at our legation and at all the functions of these days of celebration, representing the navy of our country in a most creditable manner and gaining golden opinions for their fine tact and handsome bearing. The entertainment which they gave aboard the Iowa November 17 was exceedingly well arranged, and was largely attended by Brazilian officials and society. The President of the Republic visited the Iowa on this day and repeatedly expressed to me his warm acknowledgments for the honor of our great battle ship’s presence at his inauguration.

I have, etc.,

CHARLES PAGE BRYAN.