ger. At the same time General Medina's lack of wisdom in yielding to the selection (as President) of a man who from the dictates of a cowardly or cruel policy thought it necessary to select so illustrious a victim as himself, has led to this deplorable event.

Another somewhat distinguished man, Marin of Salvador, was shot at the same time and place with General Medina. It is said neither the victims nor any one else believed the sentence of the council of war would be either approved or executed.

The execution of the sentence was a great surprise to most persons here.

* * * * * * *

I have, &c.,

GEO. WILLIAMSON.

No. 65.

Mr. Williamson to Mr. Evarts.

No. 777.] LEGATION OF THE UNITED STATES AT CENTRAL AMERICA,

Punta Arenas, September 2, 1878. (Rec'd Sept. 16.)

SIR: I have the honor to state that, having touched at several Pacific ports on my way from Guatemala to this place, and having gathered information in respect to public affairs in Central America from sources considered reliable, I am able to report that all the States are at peace, and that there is no immediate prospect of disturbance from war or revolution. The crops are reported to be unusually promising for this season of the year, and it is expected the yield of coffee will be larger than it has ever been.

The only notable public event that has occurred during my absence is the reestablishment of friendly relations between the governments of Nicaragua and Costa Rica.

I hope to be again at the seat of the legation by the first of October.

I have, &c.,

GEO. WILLIAMSON.

CHILI.

No. 66.

Mr. Osborn to Mr. Evarts.

No. 12.] LEGATION OF THE UNITED STATES,

Santiago, Chili, October 8, 1877. (Received November 22.)

SIR: On the 1st instant occurred one of the most interesting events which it has been my pleasure to witness in Chili. It was the occasion of the formal presentation to the persons entitled thereto, of the awards made at the exhibition at Philadelphia to exhibitors from this country. The ceremony took place in the "Quinta Normal de Agricultura," or agricultural grounds, situated in the suburbs of Santiago, and was witnessed by many thousands of people. In fact it seemed that the population had turned out *en masse* in honor of the event. It was in this

"Quinta" that the great Exhibition of Chili, of 1875, took place, since which it has been fostered by the government, and it is now a beautiful park.

The ceremony was under the direction of the national authorities, and I could not but feel gratified at the marked deference which was paid, at every convenient opportunity, to the Government which I have the honor to represent. On the platform of the main hall where the ceremony occurred, were the President of the Republic and his Cabinet Ministers, the Diplomatic Corps, and many distinguished citizens. The great hall was decorated throughout with flags of the United States and of Chili, in their order alternating; and the music of numerous bands and the singing of hymns by a thousand voices contributed to the festivities.

The presentation of the awards was made by the President in person, and as each successful competitor presented himself he was greeted with rounds of applause from the thousands there congregated.

Prior to the formal presentation of the awards a short address was made by Hon. Edward Séve, commissioner of Chili to the Philadelphia exposition. His remarks were well received by all. They were characterized by their expressions of regard and friendship for the United States, and their complimentary mention of the management of our Exposition. He had no word of complaint to utter, but on the contrary spoke of our Government and our people, and especially of those having in charge the direction of the Exposition, in the highest and most flattering terms.

In addition to this the Government had selected for the delivery of addresses two of her most eloquent citizens, Señor Amanátequi, Minister of Justice and of Public Instruction, and Señor Abelardo Nunez, a citizen and lawyer, distinguished for his culture and his powers of oratory. I cannot but regard the selection of these gentlemen for the performance of the duties assigned them, as a compliment to my country. Señor Amanátequi, the Minister of Justice, is one of the first men in Chili today. A man of culture, and of advanced ideas, he is, too, a man of great courage. Under his management the public schools have been fostered, and the cause of education is being rapidly advanced. Popular education is his hobby, if you please, and to this cause his entire energies seem to be directed. It is not long since it was generally regarded as the reverse of reputable, to permit children to attend the public schools here; but it is quite different now. In fact the public schools in Chili are fast approaching that standard of perfection which they have acquired in our own country. To this cause more than to any other, in my judgment, is to be attributed the conceded superiority of Chili among the nations of South America. To accomplish this work in this country, where the priesthood has been so powerful, has required no little labor and a vast deal of courage.

I speak thus at length of these distinguished gentlemen to make more clear to you the remark made above, to the effect that I look upon their selection for this duty as a compliment paid to my country.

In view of the prominence given to the occasion by the government here, as well as of the character of the gentlemen referred to, I have concluded to accompany this dispatch with a printed copy, in Spanish, of the addresses delivered, together with a translation of the same in the English language. They will be found with the inclosures.

The great Centennial Exposition of 1876 had a peculiar interest for all true Americans. In it was centered the grand idea of self-government, upon which our nation is founded; and it is but natural that we

should contemplate with pride a scene in a foreign land, in which, in commemorating our country's anniversary, such marked prominence has been given to that idea.

I have, &c.,

THOMAS A. OSBORN.

No. 67.

Mr. Osborn to Mr. Evarts.

No. 29.] LEGATION OF THE UNITED STATES,
Santiago, Chili, January 24, 1878. (Received March 5.)

SIR: In my dispatch to the State Department, No. 22, of date November 28, 1877, in regard to the revolt at Punta Arenas, in the Territory of Magallanes, I mentioned the fact that it had been reported here in the newspapers that Commander Rodgers, of the United States Steamer Adams, had sent on shore, at the suggestion of the local authorities at Punta Arenas, for the purpose of assisting in the re-establishment of order, 150 marines with two Gatling guns.

Since writing that dispatch I have had the pleasure of a personal interview with Commander Rodgers, from whom I learn that this report was not correct. The Adams remained in the harbor at Punta Arenas several days, and her commander afforded such aid to the authorities as seemed to be required, but it was not deemed necessary to send any men on shore, and none were sent for the purpose mentioned.

The action of Commander Rodgers has won for him the gratitude of the people of Chili. While he was in the port of Valparaiso, he was the recipient of numerous courtesies from officials and prominent citizens. Upon hearing of his arrival, the Minister of Foreign Relations, under date of December 19, addressed me a note, in which he stated that the government had been informed of the valuable services rendered by Commander Rodgers, of the Adams, on the occasion referred to, and that it was exceedingly grateful to him for his action therein. He closed his note with a polite request that I should cause Commander Rodgers to be informed of the expression of these sentiments, and I promptly, and with pleasure, complied with his request. The note of Hon. José Alfonso, Minister of Foreign Relations, in Spanish, with English translation, is herewith inclosed.

Not only has the action of Commander Rodgers created a warm feeling for him personally among the people of Chili, but it has also done much to augment and intensify the friendly sentiments entertained here toward the Government of the United States.

Some time since, in conversation with the Minister of Foreign Relations in regard to the Punta Arenas difficulty, I took occasion to say to him that I was apprehensive that if the government should continue to make of Magallanes a place for colonizing its criminals, the safety of navigation in the Straits of Magellan might be seriously endangered. He listened attentively to what I had to say on the subject, and seemed to be much impressed by it, and in a few days thereafter he caused me to be informed that the government had definitely determined to send no more criminals to that territory. Those now there will be allowed to remain, but new convicts will be sent to some one of the islands of Chili, in the Pacific, probably Juan Fernandez.

The government has appointed a commission for the purpose of in-

quiring into the losses incurred by persons residing at Punta Arenas by reason of the revolt. The commission is instructed to include in its investigations the losses sustained by foreigners as well as by citizens. While the government has not committed itself to the reimbursement of those who were damaged, the creation of this commission would seem to point to some action in that direction in the future. I have not learned that the sufferers include any citizens of the United States.

I have, &c.,

THOMAS A. OSBORN.

[Inclosure 1 in No. 29.—Translation.]

Mr. Alfonso to Mr. Osborn.

SANTIAGO, *December* 19, 1877.

SIR: The governor of Magellan has informed my government of the important and disinterested services which the United States Steamer Adams rendered our colony of Sandy Point (Punta Arenas) on the occasion of the deplorable occurrences which took place there during the middle part of November last. Mr. Rodgers, commander of that vessel, not only attended with benevolent solicitude the inhabitants of the colony who sought his protection, but, yielding to his humanitary sentiments, sent from his vessel all those articles which in the distressing circumstances could contribute to relieve in some degree the abandoned condition in which numerous families had been left.

My government has not informed itself of these facts without experiencing a strong sentiment of sympathy and acknowledgment toward the commander of the United States Steamer Adams, whose noble conduct has entitled him to the gratitude of the people of Chili.

I request that your excellency will please make known to Commander Rodgers the expression of these sentiments, and that your excellency accept once more the considerations of the high esteem with which I am

Your excellency's obedient servant,

JOSÉ ALFONSO,
Minister of Foreign Relations.

Hon. THOMAS A. OSBORN,
Envoy Extraordinary and Minister Plenipotentiary of the United States in Chili.

No. 68.

Mr. Osborn to Mr. Evarts.

No. 30.] LEGATION OF THE UNITED STATES,
Santiago, Chili, January 31, 1878. (Received March 19.)

SIR: The Congress which convened in regular session in June last has finally adjourned. Following the passage of the necessary appropriation bills, on the 16th of this month the members abandoned their seats and left for their customary summer resorts, but the decree of the executive by which the session was closed was not issued until the 22d.

The financial situation and the questions affecting the civil powers of the Roman Church have claimed the attention of Congress throughout its session, and have occupied nearly all of its time. The church question was introduced early in the session in the shape of a bill to throw open the public cemeteries to the burial of protestants, and its discussion has caused great excitement. The power of the church is by no means insignificant; and such as it was, with all its force, was brought to bear, and for a time at least the passage of the bill has been prevented.

It originated in the house of deputies, or lower house, and after being

discussed at great length finally passed that body by a large majority. But the friends of the measure have not been so successful in the Senate. Those competent to know, assure me that the higher branch of Congress is very evenly divided on the question. I apprehend that both sides are fearful of the result of a vote; at all events the bill has been allowed to quietly rest there without action. By some it is believed, and perhaps with good reason too, that the depressed financial condition of the country, and the extreme anxiety of the government to devise some means by which to extricate itself from its embarrassments, have had more or less to do with the indisposition of the more conservative branch of Congress to permit this disturbing question to be brought forward at present.

The financial situation presents a very difficult problem to the wise men of Chili. A combination of causes, among which I may mention as prominent, the low price of coffee, and a comparative failure, for several years, of the wheat-crop, has contributed to make the condition of this country, in a financial view, quite the reverse of flattering. Business is, comparatively prostrated, and failures among the banks and mercantile houses are becoming quite common. This depression has necessarily led to a curtailment of expenses on the part of the people, and the imports have, of course, been correspondingly decreased. And here is one of the immediate causes for the present very annoying situation of the government.

The public revenues are derived, in the main, from duties on imports, and as these have gradually decreased, in a corresponding degree has the revenue fallen short of the estimates. The deficiency the past year was nearly $3,000,000, and it is announced authoritatively that this year it cannot be less than $2,000,000. To provide for these deficiencies, and to so reorganize the financial system as to make the revenues sufficient to meet the demands upon the treasury, are the problems which are just now perplexing the government.

At the opening of Congress the President urged upon that body the necessity for a general reduction of expenses in all the various branches of the government, and much time was spent during the session, in discussing the various propositions which were presented having that end in view. Something was accomplished in the direction indicated, bu not sufficient, by a considerable, to meet the necessities of the hourt The deficiency in 1876 was about $2,000,000, and Congress then, after. spending much time in discussing the situation, and finally advancing the duties on imports to an extent which was deemed necessary to produce the needed revenues for the future, provided for the immediate wants of the government by authorizing the President to negotiate a loan. Bonds were issued and sold, and the difficulties were for the moment bridged over

But it appears that the legislation of that year has utterly failed to accomplish the purpose for which it was intended, and the revenues, instead of being increased, have been absolutely reduced. At the close of the late session, after all methods had been discussed, there seemed to be no way out of the dilemma, except by a repetition of the action of the previous year, and therefore Congress, among its last acts, authorized the President to borrow, on the credit of the government, three and a half millions more. To this add the acknowledged fact that the deficiencies for this year cannot be less than two millions notwithstanding the earnest efforts which have been made to avert such a result, and you will understand why the problem seems so difficult.

The determination to preserve the credit of the government is every-

where manifest, but just how to do it does not clearly appear to those who have the interest of the public in charge. At the suggestion of the President, a short time prior to the adjournment of Congress, a law was passed providing for the creation of an extraordinary commission, to which was referred this troublesome question. The commission is now engaged in the consideration of the subject, and it is announced that it will be ready to report to a special session of Congress which, it is understood, will be convened about the last of April.

Meanwhile, the means by which the threatened evils are to be averted and the credit of the government placed upon a sound financial basis, continues to be the all-absorbing topic of discussion in the public prints and in business circles.

I have, &c.,

THOMAS A. OSBORN.

No. 69.

Mr. Osborn to Mr. Evarts.

No. 33.] LEGATION OF THE UNITED STATES,
Santiago, Chili, March 1, 1878. (Received April 2.)

SIR: A question has presented itself to my mind upon which I desire the advice of the State Department. It is as to the status of our treaty relations with Chili. I am aware that in 1849 Chili, in so far as it could under the first clause of Article XXXI of the treaty of 1832, terminated said treaty by giving the notice provided for in said article.

The treaty of 1832 was a treaty of peace and friendship and commerce and navigation. By reference to the clause above referred to it will be observed that each of the contracting parties reserved to itself the right to terminate the treaty at the expiration of twelve years in all its parts relating to commerce and navigation, but that in all its parts relating to peace and friendship it was to remain permanently and perpetually binding on both parties.

I have searched the archives of the legation in vain for some information touching the views of the Department of State as to the effect of the notice given by Chili. The legation does not seem to have been furnished with a copy of the notice. Article X of the treaty of 1832, as explained in Article II of the treaty of 1833, guarantees to the citizens of each country "transient or dwelling" in the other the full protection of the laws of the country in which they may be.

Does the notice given by Chili terminate this section, and thus leave to our citizens here such guarantees only as they may have under the public law, or does the section still stand?

Several other sections of the treaty present the same question, but I have deemed it sufficient to refer to this one.

I attach some importance to the question in view of the effort which is being made in the United States to increase our commerce with this country. To effect much in this direction I anticipate that our manufacturers will consider it necessary to establish here branch business houses, but I am fearful that a total absence of treaty guarantees may have a tendency to deter our citizens from embarking in business enterprises here.

The government officials have been absent from the capital since early in January. They will probably return this month or next, when I will

take occasion to sound the Minister of Foreign Relations as to the desires of Chili concerning a new treaty with our government. I have some reason on which to base a belief that the Chilian officials will be found ready to meet us half-way in the establishment of regulations which shall have in view the mutual interest of both countries, commercially and otherwise.

I have, &c.,

THOMAS A. OSBORN.

No. 70.

Mr. Osborn to Mr. Evarts.

No. 34.] LEGATION OF THE UNITED STATES,
Santiago, Chili, March 9, 1878. (Received May 3.)

SIR: For many years the boundary line between Chili and the Argentine Republic has been, with those countries, a subject of diplomatic discussion. The controversy relates, in the main, to the exercise of jurisdiction in the Straits of Magellan and in the country contiguous to the mouth thereof on the Atlantic coast. Chili has for a long time been in actual possession of the Straits, and has likewise asserted her right of dominion to that portion of the Atlantic coast lying between the mouth of the Straits and the river Gallegos; while the Argentine Government maintains that this possession has been in violation of her rights, and that the claim in regard to the Atlantic coast is without merit. In the question is involved the dominion to a considerable part of Patagonia, but I judge that it is regarded with comparative indifference by the parties concerned, except in so far as it may affect jurisdiction to the Straits and the contiguous Atlantic coast.

The controversy is as old as the republics engaged in it, and on more than one occasion it has seriously threatened the peace of the southern part of South America. It has, indeed, been a constant source of anxiety. Both governments have always professed to be desirous of settling their differences amicably, and for many years negotiations to that end have been pending, but from time to time they have been broken off and then again renewed, only to be interrupted again, until each government was led to regard the other with suspicion, if not with enmity. The dispute has latterly assumed a more threatening aspect than at any former time, and it has seemed to me, from the tone of public sentiment as it has manifested itself through the public prints, that unless the differences should soon be settled amicably, war must certainly follow. The danger seems to have been comprehended by both governments, and with a view of averting a war, for which neither of them is prepared, they have, during the past few months, labored assiduously, apparently, to arrive at an amicable arrangement. The negotiations have been conducted at Buenos Ayres. The information which we get here is not entirely satisfactory, but enough is known to warrant the statement that a basis for a peaceable settlement has been arrived at; that the protocol, which has been signed by the representatives of both governments, names the King of Belgium as arbitrator, to whom is to be referred the matters in dispute; and that pending the settlement, Chili is to retain jurisdiction of the Straits of Magellan to the Atlantic, and the Argentine Government is to exercise jurisdiction of the Atlantic coast to the mouth of the Straits.

For some reason the government here is exceedingly reticent on the subject of the negotiation, and inquiries at the foreign office are universally answered that "negotiations are proceeding satisfactorily," but nothing further. My information is derived from Buenos Ayres, but I regard it as reliable. In an interview which I had yesterday with the diplomatic representative here of Belgium, he informed me that he had a short time since addressed the Minister of Foreign Relations on the subject, and expressed a desire, inasmuch as it was reported that the King of Belgium had been named as arbitrator, to be furnished with information for the use of his government in regard thereto. But he was informed by the Secretary that it was not deemed advisable at present to furnish any information on the subject.

It is asserted that since the signing of the protocol an effort has been made by Chili to reopen the discussion with a view to a settlement without arbitration, and that to this is to be attributed the reticence of the authorities here. By others it is claimed that this reticence comes from the fact that the protocol cedes to the Argentine Government, pending the arbitration, jurisdiction of the Atlantic coast to the mouth of the Straits. It has always been the policy of Chili, they say, to insist upon its right to a part of that coast, and that the government is loath to meet the storm of indignation which would follow an authoritative promulgation of the terms of the protocol. With this latter class I do not agree. It does not stand to reason that the government would become a party to a contract the terms of which it knew to be absolutely obnoxious to the country. I am, however, inclined to believe that Chili is making another effort to settle the dispute without the aid of an arbitrator, and in this, it seems to me, she is to be commended.

The peaceable solution of this dispute is to be attributed, in my judgment, more than to any other cause, to the depleted state of the treasuries of both countries. Chili is quite as well prepared, I judge, to carry on a foreign war as any other government in South America, except, perhaps, Brazil, and I am confident that her Exchequer is not in such a condition as to warrant her in entering upon the extraordinary expenditures required in such an emergency.

I can well understand why Chili should regard it as important that she should continue to exercise jurisdiction of the territory bordering upon the Straits of Magellan. Her commerce is almost entirely carried on by way of the Straits, and she might well regard with apprehension an effort upon the part of a neighboring government, having no such interest, to obtain control thereof.

I have, &c.,

THOMAS A. OSBORN.

No. 71.

Mr. Evarts to Mr. Osborn.

No. 25.] DEPARTMENT OF STATE,
Washington, April 12, 1878.

SIR: Your dispatch No. 33, of the 1st ultimo, has been received. It asks whether the termination by Chili of the treaty of 1832 with the United States, abrogated the clause of the tenth article, which guarantees to citizens of the parties the benefit of the laws of their respective countries. In reply I have to state that the termination of the treaty can only be regarded as a termination of all the special stipulations em-

braced in it, including the one adverted to. Even in the absence of a treaty, however, Chilians in this country would have the full protection of the law, and we should expect the same for citizens of the United States in that country. Although that instrument provided that those of its parts which related to peace and friendship were not repealable, as those parts are not specified, it would now be difficult to determine what were meant to be included in them.

Similar difficulties have been experienced on other occasions. The treaty of 1828 with Brazil contained a clause like that in the one with Chili. Under the eleventh article of that treaty, equitable provision was made for disposing of the property of decedent citizens or subjects of the parties. It was long strenuously, but ineffectually, contended by this Department that the stipulation adverted to was one of those relating to peace and friendship, and should therefore be regarded as in force. Much inconvenience has been experienced by the refusal of the Brazilian Government to admit this construction. As no treaty exists with Brazil, the estates of our citizens who die there are administered according to the local law, which is tardy in its proceedings, and is supposed to absorb, by the expense attending them, an undue share of the property.

You say that there is not on file in the legation any copy of the notice of the Chilian Government in regard to the termination of the treaty. A copy of Mr. Carvallo's note to Mr. Buchanan of the 19th of January, and of the reply of the latter of the 27th of February, 1849, on that subject, are consequently herewith transmitted. The question is referred to in the full and elaborate instructions of Mr. Clayton to Mr. Balie Peyton of the 10th of September, 1849, which it is supposed are on the files of the legation. The record of his dispatches to the Department will show you the steps he took toward a new treaty, and the reasons why negotiation upon the subject was abortive. Undoubtedly such an instrument, upon a fair basis, would be advantageous to the interests of the United States. You may consequently sound the minister for foreign affairs as to the disposition of his government upon the subject. If this should be favorable, a power will be forwarded to you, with such further instructions as the lapse of time since Mr. Peyton's mission, and the greater experience of the Department, may seem to render advisable.

I am, &c.,

WM. M. EVARTS.

[Inclosure 1 in No. 25.—Translation.]

Mr. Carvallo to Mr. Buchanan.

No. 18.] LEGATION OF CHILI,
Washington, January 19, 1849.

The undersigned, envoy extraordinary and minister plenipotentiary of Chili, has the honor to communicate to his excellency, Mr. Buchanan, Secretary of State of the United States, that in the exercise of the authority that by the Article 31 of the treaty of navigation and commerce concluded in Santiago on the 16th of May, 1832, is reserved to both governments, that of Chili desires to terminate the said treaty, which, agreeably to the said article, will take effect on the 20th day of January of the next ensuing year.

The undersigned has also the honor to inform his excellency in the name of his government that he is ready to renew the treaty with certain modifications that time and experience have shown to be necessary, and which will redound to the benefit of both countries.

The undersigned reiterates to his excellency the assurances of his very high consideration.

M. CARVALLO.

His Excellency JAMES BUCHANAN,
Secretary of State of the United States.

[Inclosure 2 in No. 25.]

Mr. Buchanan to Mr. Carvallo.

DEPARTMENT OF STATE,
Washington, February 27, 1849.

The undersigned, Secretary of State of the United States, has the honor to acknowledge the receipt of the note of Mr. Carvallo, envoy extraordinary and minister plenipotentiary of the Republic of Chili, of the 19th ultimo, giving notice, pursuant to the thirty-first article of the treaty of navigation and commerce concluded at Santiago on the 16th of May, 1832, that his government desires to terminate that treaty, and that, in conformity with the article referred to, the notice will take effect on the 20th of January next.

The intimation which Mr. Carvallo also expresses, that the Chilian Government is disposed to renew the treaty with some modifications, shall be submitted to the consideration of the President.

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

JAMES BUCHANAN.

Señor Don MANUEL CARVALLO, *&c., &c., &c.*

No. 72.

Mr. Osborn to Mr. Evarts.

No. 39.] LEGATION OF THE UNITED STATES,
Santiago, Chili, April 18, 1878. (Received June 3.)

SIR: On my way down the Pacific coast in August last my curiosity was especially excited concerning the disastrous earthquake and tidal wave with which that section had been visited on the evening of the 9th of May preceding. A memorandum was made of the result of my inquiries, and I have thought that it might possess sufficient interest to warrant me in basing a dispatch upon it.

The shock and the subsequent wave were experienced with more or less violence on the entire coast from Callao to Valparaiso, the center being near the southern boundary-line of Peru, in the neighborhood of the southern guano-deposits. At Callao the water rose several feet, but comparatively little damage resulted therefrom. In fact, I did not observe anything worthy of especial note, in view of the frequency with which this coast is visited with occurrences of this character, until my arrival at Arica, about 400 miles south of Callao. Here the shock was very violent. The sea, immediately after, rose to a great height, and rushed wildly in to finish the work which had been but begun by the quake. I did not go ashore at Arica, and was unable to learn of the exact rise in the water, but could plainly see from the ship some of the disastrous results. The fine iron mole which had been but a short time completed was almost entirely carried away. As evidence of the violence of the wave, I may state as a fact that the hull of the American war steamer Wateree, which had been thrown a mile or more inland by the great wave of 1868, was floated and deposited a considerable distance farther north and to the water's edge.

At Iquique, some 150 miles farther south, the quake was felt at 8½ o'clock, p. m., and the sea shortly afterwards rushed in upon the town, sweeping away the moles, and destroying the nitrate bodegas and the business houses which were situated near the sea. There was no loss of life, however, the people having fled to the hills. At this point the sea was very violently agitated, and during all the next day, at irregular in-

tervals, rose to an extraordinary height. There were many ships in the harbor, and, breaking from their moorings, they were recklessly tossed about on the waves, totally regardless of all efforts to control their movements. A German bark foundered, and a steamer, a schooner, and several lighters were thrown upon a small island in front of the town.

Some 50 miles to the south of Iquique are the southern guano deposits. There are three towns in this section, named, respectively, Point Lobos, Haunillos, and Pabellon de Pica. At the last-named place, at a few minutes past eight was felt the first shock, preceded by a loud subterraneous rumbling; and almost immediately came the great quake, the strongest felt in Peru since that which worked such ruin on the coast in August, 1868. It lasted about three minutes, and the violent motion of the ground caused the kerosene lamps by which the place was lighted to be overthrown, originating a number of fires. Many persons, remembering the wave of 1868, ran for the hills by which the town is surrounded, while many labored to extinguish the fires, which were threatening the destruction of the little city. The sea soon rose to an enormous height, and rushing violently through a gully formed by a point of high rocks called "Chanavaya" and the mountains behind, swept at one blow the entire town into the sea. Two hundred persons were carried off by the wave. With those who escaped it was a run for life, and nothing whatever was saved by them except the clothing they were wearing at the time. By the light of the burning buildings a number of women were observed together round the church engaged in prayer. The wave rushed in, and in a moment all was darkness and death. The sea came and retired, during that awful night, five times, at intervals of about thirty minutes, and the marks show that the water rose about 60 feet above its ordinary level. Previous to the shock there was bright starlight, but this gave way to inky darkness, with a slight drizzle of rain. The poor shivering people on the high ground, many of whom had only their night-clothes, suffered indescribable horrors. The grinding together of the ships which were at anchor in the bay and the crashing of the rocks as they fell from the precipitous and lofty hills in the neighborhood betokened great destruction; yet even these, ominous as they were, but poorly prepared those who had been saved for the sight which daybreak presented to them. Not only was the entire town swept away, but even the form of the ground on which it had stood was greatly changed, and the busy place of the day before remained only in memory. But great as was the ruin of the town, it was equaled, if not eclipsed, by the wreck among the shipping. The ships, parting their moorings, with the eddies created by the waves, collided promiscuously with each other. They rushed in with the waves and out again with the reflux, sometimes at a speed of eight knots an hour; and all were mixed up in the most dire confusion, and many were abandoned by their crews.

The American ship Alida, of Thomaston, Me., carried away with her masts the principal platform and chutes by which the guano was laden, and then went ashore, where she now lies a total wreck. Two Norwegian ships, both named Drot, the German bark E. F. Gabian, the Italian bark Silvia B. and Antoni, and the English bark Lady Bellew, foundered. Several ships were so seriously injured that they have been condemned and sold, while all the remaining ones then in the harbor have been compelled to go to Callao and Valparaiso, for repairs. All the lighters and small craft were either foundered, dashed to pieces on the rocks, or deposited high and dry at a considerable distance from the sea.

At Point Lobos and Huanillos the same phenomena were experienced and with equal force. Great damage was suffered among the shipping, and part of the town of Huanillos was swept away.

At Point Lobos, the American ship Shamrock and an Italian vessel foundered; and at Huanillos, the English ships Avonmore, Conference, and Conway Castle, and the American ship Geneva suffered a like fate. Several lives were lost, among them the wife and family of the captain of the Avonmore and the captain of the English bark Arctic. The earth cracked in many places near Huanillos. A peculiar blue fire flashed on the hills, and a strong sulphurous smell prevailed, which caused a fear that the atmosphere might be destroyed, and greatly added to the terrors of the people.

Toward the south the violence of the quake and wave gradually diminished. At one or two points in Bolivia, I learn, some damage resulted. At Valparaiso the shock was comparatively slight, and no loss was occasioned by it.

I have, &c.,

THOMAS A. OSBORN.

No. 73.

Mr. Osborn to Mr. Evarts.

No. 44.] LEGATION OF THE UNITED STATES,
Santiago, Chili, June 5, 1878. (Received July 15.)

SIR: Congress was formally opened in regular session on the 1st instant. As is the custom, the President of the republic read his message in person to both houses of the National Assembly. Having been honored with an invitation from the minister of foreign relations to be present on the occasion, I attended the opening and witnessed the ceremony.

Inclosed you will find a copy of the message in Spanish, as also a faithful synopsis in English. This synopsis is all that has been published here in the English language, but it is so complete, that I have deemed it unnecessary to cause the message to be translated entire.

The message is a plain statement of the condition of the country as it appears on the surface, but it fails, in my judgment, to meet the necessities of the hour. It shows a prostration of business and a vast decrease of commerce; a diminution of the public revenues and an increase of the public debt; and yet, to my mind, it points out no adequate remedy for these evils. True, it proposes, with a view of creating additional revenues, an increase of the duties on imports and the creation of a light income tax; but these, even if they should be accepted by Congress, would prove inadequate, I fear, to the necessities of the country, and could not but fail, I judge, to accomplish the purposes desired.

It is due to truth, however, that I should not allow this to go upon record without saying that there is in this country a universal sentiment in favor of meeting promptly, in good faith, the public obligations, and that, in my opinion, the interest and principal of the public debt will continue to be paid when due.

"Imports," says the President, "which in 1876 amounted to $35,291,041, fell off in 1877 to $29,279,113; and exports fell from $37,771,039 to $29,715,372, due to the low price of copper in Europe and the deficient harvest." Continuing, he says "the revenue has experienced the effects of the reduction of trade; the ordinary receipts last year being $13,701,794.65,

inferior to those of 1876 by $1,658,922.35, and the extraordinary to $4,977,172.02. The expenditure amounted to $20,463,685.73, or an excess over the revenue of $1,784,729, to which must be added $634,393.61 deficit standing over from 1876."

It will be observed that the President announces that the dispute with the Argentine Government concerning their boundaries has not been definitely settled, from which you will understand that the treaty lately negotiated at Buenos Ayres, to which I referred in my dispatch No. 34, does not meet the approval of the Chilian Government. Of this I will write fully hereafter.

As soon as they shall assume tangible shape, I will inform you as to the proposed changes in the duties on imports.

I have, &c.,

THOMAS A. OSBORN.

[Inclosure in No. 44.—Translation.]

SYNOPSIS OF PRESIDENT'S MESSAGE.

JUNE 1.—The ordinary session of Congress was opened to-day with the customary ceremonies. The President's message commenced with the announcement that the foreign relations of the republic are satisfactory; that no arrangement had been come to on the frontier question with the Argentine Republic, but that he hoped time would remove the obstacles which now prevent a settlement. The railway between Curicó, Los Angeles, and Angol was provisionally delivered to the state at the beginning of the current year, and its conclusion in a solid and permanent manner is desirable as early as possible, with which design the necessary plans and estimates are being prepared. The bill on the organization of the administration of the state railways is recommended to the consideration of Congress. The codes on civil and criminal judicial procedure are in an advanced state. Notwithstanding the lack of resources, public instruction is receiving the carefulest attention of government. Commerce last year suffered a notable diminution. Imports, which in 1876 amounted to $35,291,041, descended in 1877 to $29,279,113; and exports fell from $37,771,039 to $29,715,372—due to the low price of copper in Europe and the deficient harvest. These causes still continuing, much improvement cannot be looked for this year. The revenue has experienced the effects of the reduction in trade, the ordinary receipts last year being $13,701,794.65—inferior to those of 1876 by $1,658,922.35; and the extraordinary to $4,977,172.08. The expenditure amounted to $20,463,685.73, or an excess over the revenue of $1,784,729, to which must be added $634,393.61, deficit standing over from 1876. Reductions have been introduced into the expenditure as far as possible, but it must not be forgotten that economy has its limit, and the disorganization of the public service may be an evil of greater magnitude than additional taxation, even in the present hard times. For this reason the bills on the reform of the tariff, and the income tax, are recommended to the attention of Congress. The government has raised the loan of $3,000,000, which it was authorized to do to cover the deficit of last year, on advantageous conditions, and has satisfactorily settled the question respecting the admittance of bank-notes in the government offices. With the object of deciding the question of the mineral wealth of the desert of Atacama, an engineer was sent to make a detailed survey; his report, confirming many of the hopes entertained from previous explorations, will shortly be published. The advance of the Araucanian frontier is next alluded to, and the progress realized by the settlement of that region. The army is complimented on its efficiency and discipline, and the navy is maintained in as perfect a manner as the resources at disposal will admit. Some of the vessels have been laid up, and others, inadequate for the service, sold; the iron-clad Almirante Cochrane is shortly expected from England, whither she had been sent for repairs. The coast surveys are being continued successfully, and the fourth volume of the Anuario has recently been published, containing a report of the operations of that department. To improve the instruction of the officers of the navy, the government has obtained the admittance of some of them to vessels of the English, French, and German marine. The message concludes by an allusion to the difficulties existing with reference to the financial situation, and the hope that they will be overcome by the prudence and patriotism of the nation; and, in calling attention to the defects in the existing electoral law, recommends the careful study of the amendments that will be submitted to it during the present session of Congress.

No. 74.

Mr. Osborn to Mr. Evarts.

No. 66.] LEGATION OF THE UNITED STATES,
Santiago, Chili, October 24, 1878. (Received November 26.)

SIR: In a recent Valparaiso newspaper I find published a letter and census report from J. R. McKoy, the chief magistrate of Pitcairn's Island. It was brought to Valparaiso by Rear-Admiral de Houey, of the British navy, who, with the naval ship Shah, recently touched at the island. This island was, it will be remembered, colonized in 1789 by nine mutineers from the British ship Bounty, who took with them from Tahiti nine native men and the same number of women. The mutineers took the women for wives, and the present population is descended from this union. The island was first known to be inhabited in 1808, when it was visited by Captain Folger, of Nantucket, while on a sealing voyage. They subsequently became too numerous for the resources of the island, and in 1856 one hundred and ninety-eight, constituting nearly the entire population, were transported to Norfolk Island. In 1859, some seventeen of these returned, and these, with the few that were left, formed the basis of the present population of ninety. They are said to be an honest people, of simple habits, and of earnest religious convictions.

I have, &c.,

THOMAS A. OSBORN.

CHINA.

No. 75.

Mr. Seward to Mr. Evarts.

No. 333.] PEKING, *September* 22, 1877. (Received November 9.)

SIR: The consul at Canton, Mr. Lincoln, has lately addressed a dispatch to Mr. Campbell (No. 38, of August 14), in which he suggests that the circulation of the trade-dollar in this empire might be increased. The subject is of interest, and it seems to me desirable to take notice of his suggestions. These are contained, substantially, in two paragraphs of his dispatch:

> 1. If at Canton, where the subject has been brought to the attention of the authorities, and their action, in consequence, results in so increasing the circulation of the trade-dollar, why will not the same result be obtained by similar efforts in every province throughout the empire where foreign "coins" are in circulation?
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> 2. I am also of opinion that the circulation would be considerably augmented if the paymasters in our Asiatic squadron, and in fact our diplomatic and consular officers in China, were directed, when disposing of government drafts, to receive the trade instead of the Mexican dollars.

To the first suggestion I may say that Mexican dollars are in circulation at the ports of Canton, Swatow, Amoy, Foochow, Ningpo, and Shanghai, and trade-dollars at the ports named, Shanghai and Ningpo excepted. The ports of Canton and Swatow are within the jurisdiction of the viceroy of the Kwang provinces; those of Amoy, Foochow, and Ningpo fall within the view of the viceroy of Min-cheh, who is resident at Foochow. The proclamation referred to by Mr. Lincoln as having