dish authorities, of one C. M. Cedergren and one Peder Sighjornsen, Skoland.

Your action, as reported in the said dispatch, is approved.

I am, &c.,

FREDK T. FRELINGHUYSSEN.

TURKEY.

No. 300.

Mr. Wallace to Mr. Blaine.

No. 30.]

LEGATION OF THE UNITED STATES,
Constantinople, November 22, 1881. (Received Dec. 14.)

SIR: The consul at Smyrna, Mr. B. O. Duncan, sent me, some days ago, a communication touching the imposition by the Turkish authorities in that city of an extraordinary duty upon alcohol. The case arose in course of the business of Messrs. Reggio & Belhomme, merchants and representatives of a Boston firm entitled Laforme & Frothingham.

Under § 4, Consular Regulations 1881, I referred the papers to Consul-General Heap for his consideration and action, and he returned them to me. Copies are herewith inclosed.

After an examination of the treaty of commerce between Turkey and the United States and the agreed specified duty upon the article in question, it seemed plain that the additional duty demanded was unwarranted; and as the alcohol was of American manufacture I thought it my duty to present the matter to the Porte. My communication addressed to his excellency the minister of foreign affairs is also inclosed herewith. The demand made, you will observe, has reference to the language of the treaty.

As the inclosures contain a full and particular statement of the affair, I think it superfluous to enter into further explanation. Hoping my action will meet approval,

I have the honor, &c.,

LEW. WALLACE.

[Inclosure 1 in No. 30.]

Mr. Duncan to Mr. Wallace.

UNITED STATES CONSULATE,
Smyrna, November 3, 1881.

SIR: I have the honor to call your attention to a new regulation of the Turkish customs first put in force at the custom-house here, which I think you will agree with me in regarding as a manifest and intentional violation of Article V of our treaty of commerce with the Ottoman Empire. That article clearly provides that with the exception of tobacco and salt "that duties to be imposed on every article the produce or manufacture of the United States of America, imported into the the empire and possessions of His Imperial Majesty the Sultan, shall in no case exceed one fixed rate of 8 per cent. ad valorem, or a specific duty, fixed by common consent, equivalent thereto"; and also that "neither the buyer nor the seller shall be charged with any further duty with respect to them."

The equivalent of the 8 per cent. "fixed by common consent" for alcohol, which is one of the most important articles of American production imported here, is 16 paras per oke, or 2½ English pounds. As you will see from the letter of Messrs. Reggio & Belhomme, prominent merchants of this place, a translation of which I inclose,
the custom-house here now demands of them the payment of 45 paras per oke as a fiscal duty, as it calls it, over and above the former custom-house duty of 16 paras; that is 64 paras per oke, or 32 per cent. ad valorem, just four times the duty allowed in the treaty.

Note, too, that Article XIV of this new regulation speaks of 32 paras increase, whereas the actual increase demanded by the custom-house here is 48 paras, and of 60 paras in case the goods are placed in a store, whereas the actual demand is for 90 paras. This difference is explained by the custom-house as being made on private instructions from Constantinople.

I cannot myself see any possible way of reconciling this new regulation with the language of our treaty, and that of the French treaty which I have seen is in almost exactly the same words as ours. It is presumed that the change has grown out of the financial negotiations now pending at Constantinople. But if so, it should certainly not have been put in force until fully agreed upon and sanctioned by all the powers including the United States.

The fact that Messrs. Reggio & Belhomme are not Americans—they are French—I presume has nothing to do with the matter, as they represent here an American house of Boston. The language of our treaty is as to the rights of American “produce and manufactures,” and must, I suppose, be equally applicable whether imported into Turkey by an American or a foreigner.

I submit the case for your consideration and action according as you may see fit and proper under the circumstances. I have taken no steps here except to write to the governor-general, Ali Pasha, quoting the above-cited passage of our treaty, and entering my protest against its violation.

I shall also immediately report the case fully to the Department of State, sending my report first to you, to forward with any additional report you may see fit to make. I shall be obliged to you for any advice or instructions you may be able to give me for my guidance as early as possible.

I am, sir, &c.,

B. O. DUNCAN,
United States Consul.

[Appendix 1 to inclosure 1.—Translation of extract from the new regulations of the Turkish custom-house on spirits.]

ARTICLE 14.—On the importations of spirits (alcohol) from foreign countries, and which are to come for the manufacture of can de vie, there will be collected, in addition to the custom-house duties (droits de douane), another fiscal duty (droit de fisc) of 32 paras, payable in cash, for each oke (24 pounds) of alcohol in a proportion of two paras of can de vie for one oke of alcohol.

If, at the time of the importation of the spirits, there be persons who do not wish to pay in cash this fiscal duty, then the spirits will be placed in a store designated by these same persons, provided that the position of the store or depot is in a place authorized by the police regulations. This store must have two locks, and consequently two keys, of which one will be kept at the custom-house and the other in the hands of the owner (of the spirits). Each oke of alcohol withdrawn from these stores to be sold must pay a duty of 60 paras.

[Appendix 2 to inclosure 1.—Translation.]

Messrs. Reggio & Belhomme to Mr. Duncan.

SMYRNA, October 31, 1881.

SIR: The undersigned, Reggio & Belhomme, merchants established in this city, representatives of Messrs. Laffonne & Frothingham, of Boston, have the honor to represent to you that having imported some alcohol from the United States, the direction of the “indirect contributions” at Smyrna refuse to deliver it to them for the purpose of sale on the market, on the payment of the custom-house duty of 16 paras per oke as fixed by the treaty of commerce.

It claims a supplementary duty of 48 paras the oke, according to a new regulation for the sale of spirits, prepared at Constantinople, and of which a copy is herewith inclosed.

The undersigned recommend to your attention Article 14 of this regulation fixing the new duty at 32 paras the oke, and not 48 paras, which the direction at Smyrna demands.

In addition, they beg you to remark that the new duty of 45 paras the oke is payable at the custom-house, at the same time as the old duty of 8 per cent. If the alco-
hol is sold on the market after having been in the stores of the undersigned, without
the payment of the duty of 48 paras the oke, then the duty is raised to 90 paras the
oke (instead of 60 paras as given in Article 14 of Regulations).

To resume, up to the present the undersigned have paid the single and unique duty of
16 paras the oke on alcohol, and have had the faculty (right) to sell it freely on the
market.

Since the 21st of October, N. S., 1881, in order to have these same advantages, the
old duty of 16 paras the oke is required of them, and in addition the new duty of 48
 paras, in all 64 paras the oke, or a duty of 32 per cent. instead of 8 per cent., paid
heretofore, and all that is recognized by the existing treaties of commerce.

The undersigned, finding themselves under the necessity of paying this duty of 64
 paras the oke on a lot of 77 barrels of alcohol, which they could not allow to remain
longer on the quays of the custom-house exposed to all kinds of risks, protest against
this new state of affairs, for the damages which have already arisen and which may
result therefrom, which they receive to themselves to establish with all necessary
evidence, and they beg you to intervene with the minister of the United States
at Constantinople to have instructions sent to the direction of the indirect contribu-
tions at Smyrna not to insist longer on the collection of this new duty of 46 paras the
oke, and that it be limited to the old duty of 8 per cent. or 16 paras the oke, this be-
ing the only duty sanctioned by the treaties of commerce in force.

They have the honor, &c.,

REGGIO & BELHOMME.

[Enclosure 2 in No. 30.]

Mr. Wallace to Assim Pacha.

UNITED STATES LEGATION,
Constantinople, November 17, 1881.

Sir: I have the honor to ask your attention to a matter which is the subject of an
official report to this legation from the American consul at Smyrna.

Messrs. Reggio & Belhomme, merchants of Smyrna, are representatives of Messrs.
Laforme & Frothingham, of Boston, United States of America. In course of their
business, the latter consigned seventy-seven barrels of alcohol to the former. Upon
the arrival of the goods at Smyrna the direction of the indirect contributions refused
to deliver them for the purpose of sale on the market, for a reason heretofore unheard
of and clearly unwarranted. Messrs. Reggio & Belhomme tendered payment of the
usual custom duty of 16 paras the oke, which was the amount fixed by the agreed
tariff upon alcohol under the treaty of commerce between Turkey and the United
States. The direction declined the tender, and demanded a supplementary duty of
48 paras the oke, giving us a reason that they were acting in accordance with a new
regulation for the sale of spirits prepared at Constantinople.

Messrs. Reggio & Belhomme at first resisted the demand, but were at length driven
to payment at the rate of 64 paras the oke. They made the payment under protest,
reserving the right to claim damages then accrued, and such as might thereafter
accrue.

Investigation of the affair was at once instituted by the American consul at Smyrna,
which brought to the surface some new regulations said to have been prepared and
sent down from Constantinople; amongst them one numbered Article 14, against
which he promptly protested.

Apropos this statement of facts, I have the honor to ask that the direction of indirect
contributions at Smyrna be required to suspend the further execution of the said Article
14, in so far as it has any effect upon any article of production or manufacture in the
United States of America, imported into the empire and possessions of His Imperial
Majesty the Sultan; that as respects even articles the produce or manufacture of the
United States of America, whether in the hands of a buyer or seller in His Majesty's
capital, the said Article 14 be entirely canceled and revoked; and in particular that
the duties upon alcohol be returned and limited to the rate of 16 paras the oke. As
Messrs. Reggio & Belhomme have reserved the right of making demand for damages
sustained by them in this business, no claim of that nature is now presented to your
consideration.

To obtain the relief asked I think it only necessary to present two points for consid-
eration, and those in the briefest manner.

First, The Article 14, new regulations referred to, is in palpable violation of Article
V of the treaty of commerce between the United States and the Ottoman Empire,
Article V of the treaty, with exception of tobacco and salt, provides that His Majesty
engages that the duties to be imposed on every article, the produce or manufacture of
the United States of America, imported into the empire and possessions of His Imperial
Majesty the Sultan, shall in no case exceed one fixed duty of 8 per centum ad valorem
FOREIGN RELATIONS.

on a specific "duty fixed by common consent, equivalent there to," and also, that "neither the buyer nor the seller shall be charged with any further duty with respect to them."

Under the common-consent clause of the Article V the specific duty agreed to be fixed upon the item alcohol is 16 paras per oke of 24 English pounds, that rate having been accepted as the equivalent of the 8 per cent. recited in the treaty. (See tariff, Turkish and American.)

In the face of this plain treaty provision the Article 14 of the regulations proposes to collect on alcohol, in addition to the custom-house duty (of 16 paras), another fiscal duty of 32 paras cash per oke; that is, 48 paras in all.

To make the imposition worse, there is a clause in the article objected to, evidently of a penal character, providing that in a certain contingency the so-called fiscal duty shall be increased to 60 paras. The word fiscal applied descriptively to the new duty can be of no assistance in giving validity to the measure as against the treaty.

Second. Turning in the next place to the operation of the Article 14, as it was exemplified in this case by the direction of indirect contributions in Smyrna, it appears from the report given by the American consul that before the Messrs. Reggio & Belhomme could get the 77 barrels of alcohol they were compelled to and did pay in all at the rate of 64 paras the oke. When in protest they represented that Article 14 stopped at 48 paras (the goods not having been put in store), and asked the authorities demanding 64 paras; they were told that it was according to private instructions from Constantinople. This fact is given your excellency without comment further than it indicates a tendency to lawlessness, which I do not doubt will be promptly checked.

I avail myself, &c.,

LEW. WALLACE.

No. 301.

Mr. Wallace to Mr. Blaine.

No. 33.]

LEGATION OF THE UNITED STATES,
Constantinople, November 23, 1881. (Received Dec. 13.)

SIR: When, after addressing the demand to the Porte for the execution of Ali, the murderer of Rev. Mr. Parsons (see dispatch No. 22, October 22), I set about preparing a paper to cover the further instructions in your dispatch No. 3, I could find nothing on file touching eight cases of robbery, &c., of missionaries in His Majesty's dominions. Only five cases seemed to have been reported, including the matter of Rev. Mr. Knapp, which has to do with a purchase of real property, and is, as I am now informed, pendente lite on appeal to some superior court.

On this I requested Mr. Bliss, of Constantinople, who seems to be the active agent of the American missionaries in general, to send me a statement of all cases of the kind in his knowledge. To-day Mr. Pettibone replies for Mr. Bliss. A copy of his letter is inclosed herewith.

Of the cases reported by Mr. Pettibone, Nos. 1, 2, 3, and 5 were never communicated to the legation. There being no particulars about them at hand, it is not possible for me to decide if they are cases proper for presentation and demand under your instructions.

Of the others—No. 4, Rev. J. W. Parsons—the case is in form of a demand for the execution of Ali, the murderer. In an interview had yesterday the minister of foreign affairs assured me I would have answer about the execution in a few days—probably to-morrow. He gave me no indication of the purport of the reply.

No. 6. Rev. Mr. Barnum is also concluded. The victim got back his property and the robbers are reported to have been all killed.

No. 8. Rev. Mr. Pierce is also at an end. Five of the robbers escaped for want of identification on the trial. Two of them were convicted and sentenced to hard labor in prison.

Mr. Pettibone at my instance has kindly undertaken to write to Mr.
Pierce to know if he wants return of the property taken from him; if so, to furnish me with an itemized statement of it.

No. 7. Rev. Mr. Montgomery is the only case really remaining without disposition. As to it, I am informed that the robbers have been arrested. Through Mr. Pettibone, I have sent for a statement from Mr. Montgomery himself as to the present status of the affair, including a statement of the property taken from him, with its value, without which it is not possible to make demand for compensation. When that comes to hand I shall present it according to instructions.

Let me add that an examination of the records of the legation satisfies me, not merely that my predecessors, including Mr. Heap, as chargé d’affaires, are exonerated from the charge of indifference in connection with the foregoing cases of outrage, but that they are entitled to the greatest credit. Mr. Pettibone, in behalf of his brethren here, is about to write to Mr. Clark, at Boston, to that effect.

I have, &c.,

LEW. WALLACE.

[Incluse in No. 33.]

Mr. Pettibone to Mr. Wallace.

CONSTANTINOPLE, November 23, 1881.

DEAR SIR: You request me to give you a statement indicating the particulars of the eight cases of robbery of Americans in the Turkish Empire, to which cases allusion is made in the communication addressed to the President of the United States by the W. T. Mission at its annual meeting in May, 1881. They are the following:

1. Rev. J. W. Parsons and his wife, together with Miss L. Farnham, were robbed by a Circassian on a mountain road near Koordjebeleng in 1879.
2. Rev. L. Bartlett and wife, of Cesarea, and Dr. Davis and wife, with Miss Laura Chamberlain, of Sivas, were robbed while journeying from Broossia to Cesarea in 1879.
3. Rev. J. Leonard and wife, with Miss Eliza Fulcher, of Marsowan, were robbed and Mr. Leonard beaten by Circassians while journeying at a few hours’ distance from their home in 1879.
4. Rev. J. W. Parsons and his servant were robbed and murdered on the mountains near Baghiachejuk in 1880.
5. Rev. H. Perry was robbed while journeying east of Sivas in 1881.
6. Rev. H. N. Barnum was robbed on his journey from Harpoot to Sivas in the spring of 1881.
7. Rev. G. Montgomery, of Marash, was robbed while traveling from Marash to Adana in 1881.
8. Rev. J. Pierce was robbed on the mountains a few hours from Nicomedia in 1881.

At the time when the communication was made to the President none of the authors of these outrages had been brought to justice. Since that time some or all of the persons guilty of the robberies specified in cases 4, 7, 6, and 8, have been arrested and punished.

Very truly, &c.,

J. T. PETTIBONE.

No. 302.

Mr. Wallace to Mr. Blaine.

No. 45.] LEGATION OF THE UNITED STATES, Constantinople, December 20, 1881. (Received Jan. 10, 1882.)

SIR: I have the honor to inform you that on the 16th instant I received from the Rev. R. M. Cole, an American missionary resident at Erzroom, but temporarily visiting this city, a note stating that on or about September 17 ultimo, Major Everett, British vice-consul at Erzroom, had sent him a communication saying that from a circular then at hand he was afraid he would not be able to look after American
interests thereafter, and advising him (Mr. C.) that he had better see
the ambassador at Constantinople about the matter. A copy of Mr.
Cole's letter is inclosed.

The evening of the 16th I called to see Lord Dufferin to ascertain if
the circular was of general application, and whether it was possible to
obtain a modification of it so as to allow Americans to have the benefit
of the protection theretofore generously accorded them in localities
where there was no American consul. His lordship explained that the
circular had not been issued from any indisposition to give needful se-
curity to my countrymen, especially American missionaries, but was
really to enable Her Majesty's consuls to prevent the abuse of the priv-
ilege by unworthy characters. He suggested that if I would address
him a note of request in behalf of Americans, it would give him pleasure
to submit it to the proper home authorities, and he had no doubt it
would receive favorable consideration.

Following this suggestion, next day I addressed a note to his lord-
ship, of which a copy is inclosed.

A copy of his lordship's reply is also made an inclosure herewith, to-
together with the circular referred to in his note.

I have little doubt that Her Majesty's authorities will kindly permit
the modification requested. In the event they do not, however, it will be
matter of serious concern by the President and his advisers to remedy
speedily as possible the situation in which our people in the distant
parts of the empire and elsewhere unfortunately find themselves. In-
deed, I submit the propriety of some action looking to protecting them
independently of English courtesy.

Very respectfully, &c.,

LEW. WALLACE.

[Inclosure 1 in No. 45.]

Mr. Cole to Mr. Wallace.

SCUTARI, December 14, 1881.

MY DEAR SIR: As Americans resident in Erzroom, Armenia, permit me to call your
excellency's attention to the following statement:

We, like other American missionaries of Armenia, have hitherto received the kind
consideration of English consuls so far as to secure all needed personal protection,
the same as British subjects. But on about September 17 I received a communi-
cation from Major Everett, Her British Majesty's vice-consul at Erzroom, reading
something as follows:

"I am sorry to say that from a circular just at hand, I am afraid I shall not be able
to look after American interests in the future. You had better see the ambassador
at Constantinople about it," &c.

Now I beg to submit to your excellency as to whether such a decision has been
come to by Her Majesty's Government, or may we not yet hope that the former court-
esy will be extended to us, especially as in those interior towns it will be very dif-
ficult to arrange suitable consul agencies.

I am, &c.,

B. M. COLE,
American Missionary, Erzroom.

[Inclosure in No. 45.]

Mr. Wallace to Lord Dufferin.

UNITED STATES LEGATION,
Constantinople, December 17, 1881.

MY LORD: I have the honor to advert to the many instances in which American
citizens resident in the Ottoman Empire, and elsewhere in the East, have been recipi-
ents of the very efficient protection heretofore extended them in times of danger by
Her Majesty's consuls, and in behalf of my government to make grateful acknowledg-
ments for all such favors. The extent to which such American residents have come
to confide in the sufficiency of that protection and the certainty of its being given
them on proper appeal, is so well known to your lordship that you can imagine with
what consternation notice was received from your vice-consul, Major Everett, at Erz-
room, to the effect that it would not be longer in his power to look after their interests.
Moved by great solicitude for the good people left thus exposed, I make haste to
inquire if it would be inconsistent with your lordship's views or the policy of Her
Majesty's Government to so modify the instructions issued to your consular authorities
in Turkey, and elsewhere in the province of your embassy, as to permit of the ancient
protection as respects my countrymen. If compliance with my request should be
found possible, will your lordship permit me to hope for speedy action in the matter?
I avail myself, &c.,

LEW. WALLACE.

[Inclosure 3 in No. 45.]

Lord Dufferin to Mr. Wallace.

CONSTANTINOPLE, December 19, 1881.

SIR: I have the honor to acknowledge the receipt of your letter of the 17th instant
in which you beg that Her Majesty's consular agents in the Ottoman Empire may con-
tinue to afford consular protection to American citizens in places where there are no
United States consular representatives.

In reply I have the honor to transmit to you herewith a copy of a circular which,
in obedience to instructions from Her Majesty's principal secretary of state for foreign
affairs, I addressed some months ago to Her Majesty's consular agents in Turkey, by
which you will perceive that British consular protection cannot be afforded to sub-
jects of foreign powers before the consent of Her Majesty's Government has been
requested and obtained.

I have accordingly forwarded your request to Earl Granville, and will not fail to
communicate to you his lordship's reply.

I beg to thank you for the high terms in which you speak of the services which Her
Majesty's consular officers have been enabled to render your countrymen hitherto,
and have the honor to remain, &c.,

DUFFERIN.

[Inclosure 4 in No. 45.]

Lord Dufferin's circular instruction to British consular officers.

TERAPIA, August 26, 1881.

SIR: The question of granting British consular protection to persons who are not
British subjects, or who are not actually in the service of British consular officers,
has recently been brought to the notice of Earl Granville.

It appears to his lordship that even as regards foreigners actually in the service of
Her Majesty's consulates, protection should only be extended to a limited number,
but that, as regards any other foreigner who may claim it, nothing short of the most
special circumstances would warrant the grant of protection, unless the government
of the country of which the foreigner applying for protection is a native shall have
previously requested and obtained the consent of Her Majesty's Government to such
protection being accorded, on the ground that the applicant has no consular authority
representing his own country in the locality to whom he can appeal.

I have, therefore, to request that, in dealing with applications from foreigners for
protection, you will act in accordance with the principles laid down in this dispatch.

I am, sir, &c.,

DUFFERIN.

No. 303.

Mr. Bancroft Davis to Mr. Wallace.

No. 27.]

DEPARTMENT OF STATE,

Washington, December 23, 1881.

SIR: Your dispatch No. 30, of the 22d ultimo, touching the increased
duty levied on alcohol by the Turkish customs authorities at Smyrna,
has been received, and your action in consequence thereof meets with the Department's approval.

I am, &c.,

J. C. BANCROFT DAVIS,
Acting Secretary.

No. 304.

Mr. Frelinghuysen to Mr. Wallace.

No. 32.]

DEPARTMENT OF STATE,
Washington, January 7, 1882.

SIR: Adverting to the paragraph in the President's recent message to Congress touching the insecurity of life and property in Turkey, I have now to transmit for your information a copy of a letter from the secretary of the American Board of Commissioners for Foreign Missions, of the 13th ultimo, respecting the reported action of the Turkish Government in rejecting the good offices of British consuls in the behalf of our citizens.

Alluding to the uniform courtesy of diplomatic intercourse which permits consuls of friendly powers to exert good offices in the interest of strangers whose country maintains no consular representatives in regions where such offices are be availed of, I desire to observe that we are naturally anxious to learn what channel of protection will be available for our citizens in those regions, in view of the Turkish Government having withdrawn its courteous recognition of British good offices in behalf of Americans in places where we have no consular officers. The labors of American missionaries in the domains of the Porte, and their exemplary self-sacrificing devotion to the interests of suffering humanity, whatever creed in times of pestilence and famine, entitle them, it is believed, to the respect and gratitude of the Turkish Government and to the consideration of our own government and people in a peculiar degree. This government has been so often assured of the friendliness of the Porte in respect to our citizens in Turkey that we cannot permit ourselves to doubt that it will continue to be shown in this exigency.

You will accordingly bring this subject to the attention of the minister for foreign affairs and report the result of your application to the Department for its information.

I am, &c.,

FREDK T. FRELINGHUYSEN.

[Inclosure in No. 32.]

Mr. Clark to Mr. Blaine.

AMERICAN BOARD OF COMMISSIONERS OF FOREIGN MISSIONS,
Congregational House, 1 Somerset street, Boston, December 13, 1881.

DEAR SIR: Major Everett, the British vice-consul at Erzroom, in Eastern Turkey, has notified the missionaries of the American Board resident in Erzroom that an order has been issued by the authorities, as I understand it, to the effect that British consuls have no authority to interfere with the Turkish Government in the protection of foreigners not British subjects. Hitherto Americans resident in that part of Turkey have been protected and their interests cared for by British consuls. The paper communicated to our missionaries is as follows: "As regards any other foreigner who may claim it (British protection), nothing short of the most special circumstances would warrant
the grant of protection, unless the government of the country of which the foreigner applying for protection is a native shall have previously requested and obtained the consent of Her Majesty's Government to such protection being accorded, on the ground that the applicant has no consular authority representing his own country in the locality to whom he can appeal.

The Turkish Government is aware of this order and is taking advantage of it, to the very serious annoyance of our missionaries in many ways. I submit the case to the State Department. Will it be practicable for the Department to place American citizens in those portions of the Empire out of the reach of American consulates under the supervision of British officials for their protection, or will the State Department appoint consuls or vice-consuls to act in its behalf?

I beg to acknowledge the receipt of a letter of December 6 from your Department, informing us of the action of the Department in regard to Ali, the murderer of Dr. Parsons.

Very respectfully, yours,

N. G. CLARK,
Secretary.

No. 305.

Mr. Wallace to Mr. Frelinghuysen.

No. 56.]

LEGATION OF THE UNITED STATES,
Constantinople, January 13, 1882. (Received Feb. 6.)

Sir: I have the honor to inclose herewith a copy of a note received from the Porte upon the subject of the new regulations pertaining to the importation of alcohol. The paper is accompanied with the report referred to therein as from the administration of the six contributions, of which a translation is also herewith inclosed.

In the same connection I have the further honor of submitting for your consideration a copy of the reply which I thought best to make to the note above mentioned.

Hoping that it will also meet your approval, I am, &c.,

LEW. WALLACE.

[Inclosure 1—Translation.]

Assim Pasha to Mr. Wallace.

SUBLIME PORTE, MINISTRY OF FOREIGN AFFAIRS,
December 31, 1881.

Mr. MINISTER RESIDENT: I received the note you did me the honor to address to me on the 17th of November last, numbered 55, in relation to a claim of Messrs. Reggio & Belhomme, merchants and American citizens established in Smyrna.

The administration of the six indirect contributions, to which I have communicated this note, has sent me in reply a document, copy of which is herewith inclosed. The explanations it contains will convince you that the claim in question starts from a misunderstanding, and that it is based on an erroneous interpretation of the new regulations on alcohol intended for the manufacture of brandies.

Accept, Mr. Minister Resident, &c.,

M. ASSIM.

[Appendix to inclosure 1—Translation—memorandum.]

It results from the statement of the note of the United States legation, dated November 17, 1881, communicated to the administration of the six contributions by the ministry of foreign affairs, that the claim of Messrs. Reggio & Belhomme is started from a misunderstanding and is based on an erroneous interpretation of the new regulations relating to alcohol used for the manufacture of mastic (rakki).

Article 14 of this regulation does not bear any attempt to the provisions of article 5 of the treaty of commerce of the 13th (25th) of February, 1882. It has not in any
way in view the alcohol which is not intended for the manufacture of mastic. The alcohol as long as it is not transformed in mastic pays solely the custom duties, remaining, however, under the formalities which permit the administration to ascertain of its final use.

Article 14 has in view really the foreign alcohols intended for the manufacture of mastic.

The taxes of the manufacture of mastic are in existence since an immemorial time. Before the promulgation of the law of 1861, that tax was of 20 per cent.; the law of 1861 reduced it to 10 per cent. An imperial irade of the 15th of August, 1878, has increased that tax of half as much for alcoholic drinks as for tobacco, and so brought them to 15 per cent. It is in virtue of that irade, confirmed on the 8th of September, 1881, that the tax of 32 paras, mentioned in article 14 of the new regulation, became 48 paras per oke.

The new regulation of July 29, 1881, instead of aggravating the situation of the manufacturers who used to pay up to that time 60 paras per oke, gives them the benefit of a notable reduction, viz., 12 paras per oke, provided that the alcohol intended to be turned into mastic pays in advance, and on the moment of its importation, the tax of manufacture. This facility of payment in advance has been granted on the request of the manufacturers of Constantinople, who were desirous to franchise themselves from every formality and inspection in the storing of their importations of alcohol, and were demanding a reduction of tax.

Messrs. Reggio & Belhomme then had certainly the faculty of getting their barrels of alcohol by simply paying the custom duties of 8 per cent. and by submitting to the provisions imposed by the administration, in order to be able to follow the goods as to collect the tax of 60 paras by whomsoever it shall be due, in case that alcohol should be employed for the manufacture of mastic.

It is more than evident that the merchants who import alcohol for the manufacture of mastic (and nearly all importations have that object in view) have every interest to pay in advance the manufacturing tax, for this very reason, that the manufacturers who finally bear the tax get the benefit of 12 paras per oke. Anyhow, that payment in advance is not indispensable.

Besides it would be well to add that the administration reimburses to whomsoever the taxes already collected in advance on any quantity of alcohol finally to other use than the manufacture of mastic, such as to the use of apothecaries, &c.

As to the amount of 64 paras per oke, claimed by the direction at Smyrna, and interpreted at the end of the aforesaid note, as a penalty inflicted on Messrs. Reggio & Belhomme, it is far from having that character. It comes out as follows:

<table>
<thead>
<tr>
<th>Paris:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Custom duties (collected by the custom-house)</td>
<td>16</td>
</tr>
<tr>
<td>Manufacturing tax in advance</td>
<td>32</td>
</tr>
<tr>
<td>50 per cent. on the amount of tax collected by the imperial irade</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>64</strong></td>
</tr>
</tbody>
</table>

These explanations will bring the United States legation to the conviction—

1. That in the subject in question there is not any violation of article 5 of the treaty of 1882.

2. That the American alcohol imported by Messrs. Reggio & Belhomme has not been subjected to any arbitrary taxation, and that the regulation of the 22d of July, 1881, does not impose any new tax.

[Inclosure 2:]

Mr. Wallace to Assim Pasha.

LEGATION OF THE UNITED STATES,
Constantinople, January 11, 1882.

EXCELLENCY: I have the honor to acknowledge the receipt of your communication of the 31st December, ultimo, in reply to mine of the preceding 17th November, relative to the new regulations touching the importation of American alcohols. A report upon the same subject from the administration of the six contributions, considerably enlarged for my more definite information, was also received.

While your excellency is pleased to declare the action of the custom officers at Smyrna a mistake attributable to a wrong construction of Article XIV of the new regulations, your note fails to inform me that any corrective instructions have been sent to such officers. I am constrained, consequently, to ask you to be good enough to favor me with a copy of such instructions as have been sent to them. Only by such means can I ascertain how far and in what manner the requests which I had the honor to submit to you in my note of the 17th November have been complied with.
As to the project disclosed on the report of the administration of the six contributions, I am convinced that the assent of my government can never be had to it under cover of a regulation to facilitate the collection of a tax on mastic manufactured in Turkey. It is really a scheme to facilitate the collection of a duty on alcohol in excess of 10 paras the oke. Indeed, excellency, to reduce the matter to the utmost simplicity, you will excuse me for remarking that the abrogation of a treaty provision like that which fixes the duty on American alcohol, and which in such positive language protects both the importer of the article and the purchaser from him against a duty in excess of the fixed rate, to be acceptable to my government, must have some better ground than the making business easy for distillers of rakki in Constantinople. Under present circumstances it will continue to be my duty to persist in the protest and request addressed to you in my note of the 17th November.

I avail myself, &c.,

LEW. WALLACE.

No. 306.

Mr. Wallace to Mr. Freelinghuysen.

No. 62.]

LEGATION OF THE UNITED STATES,
Constantinople, February 1, 1882. (Received February 21.)

SIR: As pertinent to your dispatch, No. 32, January 7, ultimo, relative to the withdrawal of the protection our citizens have habitually enjoyed from British consuls at places in the Ottoman Empire where we had no representatives, I have the honor to inclose for your consideration a copy of a communication received this morning from Lord Dufferin, in which there will be found, I believe, a happy solution of the trouble which it was your purpose to provide against. Accordingly, until I hear from you further, I shall venture to delay addressing his excellency the minister of foreign affairs upon the subject.

If you will permit the suggestion, I have taken pains to inform myself of the views of leading missionaries resident here, and, without meaning any reflection upon the good-will of the Turkish authorities in whatever part, they are of opinion that British protection would be greatly preferred by their brethren in the interior. They say it has always been generously given; they are used to it, and have found it effective.

Your worthy correspondent, Mr. Clark, is mistaken in his idea that the British circular of withdrawal of protection was moved by the Turks. Besides the explanation of the objects of the circular given in Lord Dufferin's note as proceeding from Earl Granville, his lordship has assured me verbally that there was no interference in the matter by the imperial authorities. This, in justice to the latter, as well as to show that the right of the English to give protection at their pleasure, is still unquestioned.

The correspondence alluded to by Lord Dufferin in his first paragraph will be found in my dispatch to the Department, No. 45, dated December 20, 1881.

I have the honor, &c.,

LEW. WALLACE.

[Inclosure in No. 62.]

Lord Dufferin to Mr. Wallace.

CONSTANTINOPLE, January 30, 1882.

SIR: In my letter to you of the 19th ultimo I had the honor to inform you that I had submitted to Earl Granville your request that Her Majesty's consular officers in the
Ottoman Empire might continue to afford consular protection to American citizens in places where there are no United States consular representatives.

In reply to my dispatch, Earl Granville has begged me to assure you that Her Majesty's Government, in issuing the circular respecting the restriction of British consular protection to British subjects alone, did not contemplate the withdrawal from your countrymen of the benefits they might derive from the good offices of Her Majesty's consuls. Further, in order to remove all misunderstanding on this subject, Earl Granville has requested me to send fresh instructions to Her Majesty's consuls in the Ottoman Empire, to the effect that although by the circular in question they were desired to discourage as much as possible the granting of British protection to persons who were not British subjects, they may still continue to extend their good offices to foreign missionaries or religious communities in cases of unmerited violence or oppression by the local authorities, provided that no inconvenience has hitherto arisen from such action, and provided that their protection is not carried further than if the case were that of a British subject.

These instructions will accordingly authorize Her Majesty's consuls to continue to give such friendly assistance and support to American citizens as they have been in the habit of giving in places where no American consular authority resides.

I have the honor, &c.,

DUFFERIN.

No. 307.

Mr. Frelinghuysen to Mr. Wallace.

No. 40.]  

DEPARTMENT OF STATE,  

SIR: Referring again to your No. 45 and your No. 62, I have to say that the President has learned with great satisfaction that Her Britannic Majesty's Government is willing to extend to American citizens in the Ottoman Empire who may find themselves beyond the reach of the protection of a consul of the United States the same measure of protection they have hitherto enjoyed. This will give great satisfaction and sense of security to the missionaries and their friends in the United States.

I will thank you to convey to Lord Dufferin my thanks for the share which he has had in bringing about this satisfactory solution.

I am, &c.,

FRED'K T. FRELINGHUYSEN.

No. 308.

Mr. Wallace to Mr. Frelinghuysen.

LEGATION OF THE UNITED STATES,  
Constantinople, March 13, 1882. (Received April 3.)

SIR: I have the honor to inclose a communication received from the Porte yesterday, from which it will appear that the Ottoman authorities are disposed to insist upon a revision of the tariff provisions of the treaty of 1862. The reference to the denouncement of the treaty itself is in terms somewhat vague, but may be understood, I think, as meaning that it is their desire that the revision of the present tariff shall be effected with a view to a correspondence between its terms and those of the treaty in prospect.

I will be happy to have your instructions touching the matter. Until they are received, I shall do no more than acknowledge receipt of the note inclosed.

Very respectfully, &c.,

lew. WALLACE.
TURKEY.

[Inclosure in No. 71.—Translation.]
Assim Pasha to Mr. Wallace.

SUBLIME PORTE,
March 11, 1882.

According to the language of the treaty of commerce concluded between Turkey and the United States of America on the 25th of February, 1852, each of the contracting parties has the right to demand the revision of the tariff one year before the expiration of each period of seven years.

This term, as respects the present period, expires on the 1-13 of this month. The undersigned, minister of foreign affairs of His Imperial Majesty the Sultan, has the honor to apprise the minister resident of the United States of America that the Sublime Porte demands the revision of the tariff at present in force.

As, however, the Sublime Porte has decided to denounce the treaty itself at the expiration of the twenty-first year, it is understood that the revision of the present tariff, which is an integral part of the treaty, shall be made on the basis to be fixed hereafter.

The undersigned begs the minister resident of the United States to be pleased to take notice of the preceding declaration, and takes this opportunity to renew, &c.,

M. ASSIM.

No. 309.
Mr. Wallace to Mr. Frelinghuysen.

No. 72.]
LEGATION OF THE UNITED STATES,
Constantinople, March 20, 1882. (Received April 10.)

SIR: In compliance with the directions in your dispatch No. 40, relative to the action of the British authorities in the matter of protecting American citizens in places in the Ottoman Empire where there are no United States consuls, I addressed a note to Earl Dufferin, British ambassador, a copy of which is inclosed.

Lord Dufferin acknowledges the note in such pleasant terms that I make haste to forward a copy of his reply.

I have the honor, &c.,

LEW. WALLACE.

[Inclosure 1 in No. 72.]
Mr. Wallace to Earl Dufferin.

LEGATION OF THE UNITED STATES,
Constantinople, March 18, 1882.

MY LORD: I beg to inform you that the decision of your home authorities to extend protection to American citizens in the Ottoman Empire in localities where there are no consuls of the United States has given the liveliest satisfaction to President Arthur and his official advisers.

In communicating the circumstance the Secretary of State, Mr. Frelinghuysen, instructs me specially to convey to your lordship his thanks for the share which you had in bringing the agreeable result about, and I do so with very sincere pleasure, and gladly make it the occasion to renew, &c.

LEW. WALLACE.

[Inclosure 2 in No. 72.]
Lord Dufferin to Mr. Wallace.

CONSTANTINOPLE, March 18, 1882.

MY DEAR GENERAL WALLACE: I am very sensible of your kindness in writing to me in the terms you have done. I can have no greater pleasure than in furthering the interests of American citizens in Turkey. As long as I live I shall never forget the kindness I received at the hands of their fellow countrymen of the United States. Ever yours, and sincerely,

DUFFERIN.
FOREIGN RELATIONS.

No. 310.

Mr. Wallace to Mr. Frelinghuysen.

[Extract.]

No. 74.]

LEGATION OF THE UNITED STATES,
Constantinople, March 21, 1882. (Received April 10.)

SIR: Mr. B. O. Duncan, while visiting the city last week, informed me that the customs officers at Smyrna were continuing to collect a duty upon alcohol in excess of the rate specifically agreed upon under the treaty. Inclosed please find a copy of a note which I will to-day send to the Porte upon the subject.

I have, &c.,

LEW. WALLACE.

[Inclosure in No. 74.]

Mr. Wallace to Assim Pasha.

LEGATION OF THE UNITED STATES,
Constantinople, March 8, 1882.

EXCELLENCY: In the correspondence relative to certain new regulations touching the importation of alcohols which were the subject of a protest from this legation, dated November 17, 1881, you were pleased in one of your notes to declare the action of the customs officials at Smyrna in that connection a mistake attributable to a wrong construction of Article XIV of the regulations. Accepting the admission as in good faith, and construing it as equivalent to a promise on your excellency's part that the mistake should be promptly corrected, and the practice of the officials reformed, I permitted the matter to pass out of mind. But now it is with regret that I have to inform you of the receipt of information from Smyrna to the effect that collections upon alcohol from the United States have there gone on under the so-called new regulations without stop or abatement. Upon the presumption that there must be a degree of respect for orders when received by customs officers from the Porte, the inference is scarcely to be avoided that no corrective instructions whatever were in this instance sent to Smyrna; much less were the officials at that place directed to return to collections upon alcohol from the United States within the terms of the treaty, as I had the honor to demand. Should this inference be correct, the failure is certainly liable to be received by my superiors in Washington as an omission hardly distinguishable from an act of unfriendliness which your admission above referred to will tend to make the more pointed.

In confidence that your excellency does not wish such an impression to go abroad, I beg to serve you with an opportunity to demonstrate your good intent, as well as your respect for existing treaties, by renewing the demand made upon you in my note of November 17, above mentioned, that the direction of indirect contributions at Smyrna be required to suspend the further execution of the said article 14 in so far as it has effect upon any article of production or manufacture in the United States of America imported into the empire and possessions of His Imperial Majesty the Sultan; that as respects every article the produce or manufacture of the United States, whether in the hands of a buyer or seller in His Majesty's Empire, the said article 14 be canceled and revoked; and in particular that the duty upon alcohol from the United States be returned and limited to the rate of 16 paras the oke, as fixed by the agreed tariff under the treaty. And that the customs officers at Smyrna may be left without excuse for further persistence in their unlawful collections, as well as that the American consul at that city may have information needful for the protection of the very important interest in question, your excellency will permit me to further demand a copy of the instructions which you may be pleased to issue to the said officials. I consider it proper to notify you also that in a few days I will present to you a statement showing the total amount of duty paid at Smyrna under the so-called new regulations on imported American alcohol, and demand payment of the charges in excess of the duty agreed upon under the treaty. Your excellency will oblige me by an early reply to this communication.

I avail myself, &c.,

LEW. WALLACE.
No. 52.]

DEPARTMENT OF STATE,
Washington, April 14, 1882.

SIR: Your dispatch of the 13th ultimo, No. 71, relative to the demand of the Sublime Porte for a revision of the tariff provisions of the treaty of commerce of 1862 between the United States and Turkey, has been received.

No specific items or particulars are mentioned in your dispatch or in Mr. Assim’s note to you of the 11th of the same month as to what the Turkish Government desires to have embraced in such revision. The Department must, therefore, reserve the expression of any opinion on the subject until more precise information in regard to the nature of the changes desired is obtained.

The question of the termination of the treaty at the end of the twenty-first year, of which the Turkish minister for foreign affairs desires that you should take formal notice, is reserved for consideration until the time mentioned shall have elapsed.

I am, &c.,

FRED’K T. FRELINGHUYSEN.

No. 312.

Mr. Wallace to Mr. Frelighuyse.

[Extract.]

LEGATION OF THE UNITED STATES,
Constantinople, April 21, 1882. (Received May 11.)

SIR: In the matter of collection of excessive duties upon American alcohols in the port of Smyrna, I am constrained to notify you again that there is little, if any, hope of bringing the Porte to an observance of our treaty rights.

Mr. Duncan, United States consul at Smyrna, informed me by note received last Sunday that—

Mr. Alexander Sidi, an American, and perhaps the largest merchant here of any nationality, expects next week a cargo of 2,100 barrels of alcohol from Lanman & Kemp, one of the leading New York exporters, to be followed soon by other similar cargoes. The difference in duty between 8 per cent. as authorized by our treaty and the 32 per cent. imposed will amount on this cargo alone to between 2,000 and 3,000 Turkish pounds.

He will make the first payment under protest, as I advise him, reclaiming the difference. But can nothing be done to compel the Turkish Government to respect our treaty while it remains unchanged?

Already three notes of protest upon this subject, as strenuous in terms as regard for courtesy would permit, had been addressed to the Porte from the legation, the first one dated November 17, 1881; the second, January 11, 1882; the third, March 18, 1882. Copies of these protests were immediately inclosed to the Department.

On the 31st December, the minister of foreign affairs, Assim Pasha, replied to my note of November 17, declaring the action of the customs
officers at Smyrna a mistake attributable to a wrong construction of a certain article of the new regulations which were the subject of protest.

The other notes have not as yet been answered in writing.

Upon receipt of the information quoted from Consul Duncan's letter, I called to see his excellency the minister, hoping he might by this time be able to give me some satisfaction about the business. The visit was on last Tuesday. As an introduction, I told him that an American was sending a large cargo of alcohol to Smyrna, and that it would arrive this or next week, making it a matter of renewed importance that the Article XIV of the new regulations should be canceled, and that the order to that effect should be sent to Smyrna immediately. I requested to know if any action had been taken by the Porte in the matter. He admitted no action had been taken. I reminded him he had admitted in a note to me that the customs officials at Smyrna were under a mistake as to the interpretation of the new regulations sent to them. To that he replied:

Well, if we recall the regulations, we have no means left to prevent smuggling and the evasion of the tax upon mastic. I think you might lend us that much help.

I told him there was no room to doubt the willingness of my government to lend aid to His Majesty in every way proper, but it could not do so to the sacrifice of the right of its own citizens; that it would be unreasonable if my government consented to stand by and permit another government to take large sums of money out of the pocket of Americans who were claiming its protection.

I reminded him of his failure to answer my objections, both verbal and written; that the last time I spoke to him on the subject, he suggested that I go and see the chief of the customs bureau and speak to him; that upon my objecting to such a course as out of the rule, he had agreed himself to send for that official and get information as to how the question stood. I asked if he had done so. Upon his replying that he had not had time, I told him that by my direction Mr. Gargiulo had called upon that official and received from him the reply that nothing had been ordered to be done in the business, and that he could do nothing without an order from the Porte. I told the minister further that I had come to know of him what was meant to be done; that the only question in the case was the correctness of the collection of 48 paras per oke in addition to the 16 paras allowed by the treaty; that he had admitted it was in excess of the provisions of the treaty; that our right and his duty were equally plain. He then said the question was a specialty; that he was not sufficiently advised of it to make an argument with me; but that he wished to inform himself about it, and for that purpose he suggested that I consent to let Mr. Gargiulo meet a Mr. Bertram, one of the chief customs officers here, and talk the business over before him. I asked him when the interview should take place. He said on Thursday (yesterday). I remarked that it was the policy of continuance over again, but that it would not be right for me to refuse. With that I adverted to another subject, and shortly after came away.

Yesterday, at the hour specified, Mr. Gargiulo went to the Porte and met not Mr. Bertram merely, but two other officials, one of them a lawyer of the department.

Instead of canvassing the subject then in presence of the minister, the party were sent into a room by themselves.

The officials representing the minister did not know what they were
there for, and Mr. Gargiulo had to tell them. They insisted upon the proposition that without such a regulation as the one we objected to the government would not be able to prevent smuggling and collect the excise tax upon mastic. Mr. G. answered that the question had reference to the treaty, and he was there to speak of that alone. To be brief, nothing came of the interview except an admission from the lawyer that the treaty was plain, and that the new regulation was not less plainly in violation of it, and that the Turks knew it. In the midst of the talk a messenger appeared and called Mr. Bertram to go to the palace. It was agreed before separation that the party should hold another meeting next Monday.

I have it in mind with respect to the next meeting to direct Mr. Gargiulo to attend it as per appointment, but to inform the gentlemen that he must excuse himself from further conversation upon the subject unless they can show him they are authorized to finally settle all questions involved.

Possibly you will excuse me if I take up the cargo proposed to be imported by Messrs. Lanman & Kemp and use it to show the effect of the regulations as against our treaty. Their importation will be 2,100 barrels of alcohol (40 gallons to the barrel), on which there would be collectible as follows:

Amount of duties by treaty stipulation .................................................. $3,652 00
Amount of excise claimed if paid in advance ......................................... 10,956 50

Dues to be paid in advance ................................................................. 14,608 50
Amount of overtax if excise be not paid in advance .................................. 2,635 60

Total .................................................. 17,304 10

So that instead of paying $3,652, as stipulated by the treaty of commerce of 1862, the agent of Messrs. Lanman & Kemp in Smyrna must submit to a tax amounting to $17,304.10.

I have the honor to again submit the matter with request for instructions.

It is for me to obey your directions, and I will do so with pleasure; at the same time it may not be improper for me to remark that in my judgment nothing further is to be hoped from protests and remonstrances.

Very respectfully,

LEW. WALLACE.

No. 313.

Mr. Frelinghuysen to Mr. Wallace.

No. 56.]

DEPARTMENT OF STATE,
Washington, May 12, 1882.

Sir: Acknowledging the receipt of your dispatch, No. 74, of March 21 last, I have to approve your therein reported action in addressing to the Turkish Government a further note in relation to the excessive collections of duty upon American alcohol.

I am, &c.,

FRED'K T. FRELINGHUYSEN.
FOREIGN RELATIONS.

No. 314.

Mr. Frelenghuysen to Mr. Wallace.

No. 57.]

DEPARTMENT OF STATE,

SIR: Your No. 90, of the 21st ultimo, in further relation to the excessive duty levied upon American alcohol in the port of Smyrna, has been received and read with interest.

I am constrained to ask, however, before the Department can proceed in the sense of your application, that you will cause it to be furnished with proof touching Mr. Alexander Sidi's citizenship. It is desirable to know whether he is a naturalized or native born citizen, and if the former, where and when did he obtain his papers; the originals or a certified copy thereof he should transmit hither. This request is not made to question the correctness of Mr. Consul Duncan's statement that Mr. Sidi is an American, but merely that the Department may be fully advised before giving you positive instructions in his case respecting our treaty rights with the Government of Turkey.

Meanwhile your action is approved.

I am, &c.,

FRED'K T. FRELINGHUYSSEN.

No. 315.

Mr. Wallace to Mr. Frelenghuysen.

No. 96.]

LEGATION OF THE UNITED STATES,
Constantinople, June 6, 1882. (Received June 26.)

SIR: A note verbal came to the legation under date of 3d June containing a sweeping interdiction against salted meats from America, including lards. There is not much direct importation of the prohibited articles; wherefore, besides that reflection, there is consolation in the facts that nearly, if not quite, nine-tenths of the salted meats consumed in Turkey will continue to be the American product under some foreign brand, and that whether first marketed in France, England, or Germany, the original dealer is not likely to be deprived of his profits by proclamations such as is here inclosed and translated.

Constraining the circular as one more to the several blows recently aimed at American products in this region, it seemed best to notice it with an immediate protest, a copy of which is also inclosed.

Very respectfully, &c.,

LEW. WALLACE.

[Inclosure 1 in No. 96.—Translation.]

Said Pasha to Mr. Wallace.

SUBLIME PORTE, MINISTRY OF FOREIGN AFFAIRS,
June 3, 1882.

Circular. Note verbal.]

The ministry of foreign affairs has the honor to inform the legation of the United States of America that the measure of interdiction which strikes the introduction of salted pork meats from America is also extended to the ham and lard of the same source, no matter by what way these articles are imported in Turkey.

The imperial ministry begs of the legation of the United States of America to kindly bring what precedes to the knowledge of his citizens.
Mr. Wallace to Suyd Pasha.

UNITED STATES LEGATION,
Constantinople, June 5, 1882.

EXCELLENCY: I beg to acknowledge receipt of the note verbal from the Sublime Porte, dated June 3 instant, in which you have been pleased to inform me that the measure of interdiction against the introduction of salted meats from America is extended to hams and lard, regardless of the form of their importation into Turkey.

Your excellency will pardon an expression of surprise at the action thus indicated, announced, as it is, without a reason given. If reference is had to the treaty between the powers, it appears to me arbitrary in the highest degree. While it continues in its present form it cannot but be construed as a discrimination against an important article of American manufacture, and peculiarly in violation of treaty rights, for which reasons it is my duty to earnestly protest against its execution. At the same time to open a way to an accommodation of the points presented, I will esteem it a favor if you will give me the reasons which have induced the Porte to resolve upon the interdiction, and give them to me before execution of the measure is entered upon. Not impossibly the operative causes may be explained away.

I avail myself, &c., &c.,

LEW. WALLACE.

No. 316.

Mr. Wallace to Mr. Frelinhuysen.

[Extract.]

No. 98.]

LEGATION OF THE UNITED STATES,
Constantinople, June 9, 1882. (Received July 3.)

SIR: Consul-General Heap has referred to me three communications which I inclose, one from Mr. Alexander Sidi, another from Messrs. Iasigi & Co., by their agents Jacob Balladur & Co., and another from Messrs. Reggio & Belhomme, described as agents of MM. Laforme & Frothingham. Iasigi & Co. and Laforme & Frothingham are of Boston, Mass. Sidi, Reggio & Belhomme, and Balladur & Co. are merchants resident and doing a good business in Smyrna.

The communications, as you will perceive, all have relation to the same subject—a scheme to impose an additional charge of 8 per cent. upon petroleum. If carried into operation the result will be to burden the article with 16 per cent., exactly double the rate authorized by the treaty between Turkey and the United States.

In protesting against the proposed measure, I availed myself of the opportunity to group with it the other infringements of American rights now in question between the governments, viz., the extra charges upon alcohol and the prohibition of salted meats, and to submit to the new minister a summary of the privileges, in my opinion, clearly deducible from article 3 of the treaty of 1862.

* * * * * * * * * * * * * * * * * * * * * *

I have, &c.,

LEW. WALLACE.
Mr. Sidi to Mr. Griffith.  

Smyrna, May 24, 1832.

Sir: The undersigned, Alexander Sidi, a citizen of the United States of America, has the honor to state as follows:

In the month of July, of the year 1873, the local authorities being justly preoccupied of the danger existing in the storage of a large quantity of petroleum in the store-houses of the city, desired to remedy this practice by submitting this sort of business to a special regulation. His excellency Vely Pasha, then governor-general of the vilayet of Aidin, has assembled at the Corak to that effect MM. all the consuls of the foreign powers, and the regulation, which you must have seen, has been published with the approval of the Idrâr Mejidllis of this vilayet.

It results from this regulation:

1st. That the merchants dealing in petroleum must have a store-house for this article at two kilometers distance from the town of their choice.

2d. That the local authorities reserve for itself the right of controlling the daily importation of petroleum into the town, that this quantity should not exceed the daily want of consumption.

The undersigned, who is engaged in the petroleum business in this town, has been obliged, therefore, in order to comply with the regulations in force, to hire store-houses in Holka Bonner.

The said regulation on the commerce of petroleum exists since 1873. It is therefore in force in Smyrna since nine years, and from the fact that during all this time it has not given rise to any complaint it is evident that the formalities resolved upon gave satisfaction to all interests concerned in the question.

I am informed, however, that the regulation now existing, so just and so equitable, is on the point of being modified so as to injure the interests of commerce and commit the security of the town.

The Idrâr Mejidllis of Smyrna is disposed to grant to a firm from Constantinople the privilege of establishing a single and unique store-house, for petroleum in Smyrna, forcing thus the merchants to abandon their own store-rooms, established in conformity with the provisions of the regulations of 1873.

The grantee of the new store-house for petroleum would collect a tax of about 8 per cent, making a return of 1 per cent. to the municipality of Smyrna, and the merchants would be obliged to pay this tax of about 8 per cent. when these same expenses are present in the stores of the undersigned amount scarcely to 2 per cent.

Should the above-mentioned decision of the Idrâr Mejidllis be put into execution the undersigned is convinced that not only it will be contrary to equity and to the treaties of commerce now in force between the Sublime Porte and the foreign powers, but that it will also constitute a danger for public security. It is contrary to equity, as the undersigned being forced to take the measures in accordance with the regulations of 1873, he cannot abandon them and make use of foreign store-houses, incurring tax four times superior to his present expenses.

It is contrary to the treaties of commerce, which reject all other tax except that of the custom-house duty of 8 per cent. on the merchandise imported.

It is contrary to commerce, which will not be able to insure its petroleum against the risks of fire, the good insurance companies refusing unlimited risks on petroleum which would be concentrated in a single store-house.

Besides, the commerce of petroleum in our city, burdened with new taxes, will see its customers from the islands and towns of the sea-coast supply themselves from the places of Syra and Pireus, where they will be able to procure this article in transit with better conditions than in Smyrna, and commerce would be thus deprived of this important outlet to the advantage of the places in Greece.

It is contrary to public security, because the fire of a unique store-house would constitute a much greater danger than the fire of private store-houses, dispersed at different points, and always at two kilometers from the town.

It is, therefore, as much in the interests of the town of Smyrna, in general, as in that of the merchants who obey the regulations prescribed with a view to public security that the undersigned protests against the decision taken by the Idrâr Mejidllis of this vilayet to establish a single and unique store-house for petroleum at Smyrna, to the prejudice of the merchants dealing in the commerce of this article.

They beg you, Mr. Consul, to be so kind as to take their just demands into consideration, and to grant them the support of your efficient intervention.

1st. Near his excellency Ali Pasha, governor-general of the vilayet of Aidin, for the maintenance of the regulation established in 1873, on the commerce of petroleum, and the rejection of the decision of the Idrâr Mejidllis.

2d. Near the minister of the United States at Constantinople, that the government of His Imperial Majesty the Sultan should refuse such a concession to a private individual to the detriment of commerce and of the public security of the town.
TURKEY.

Being confident in your enlightened solicitude for all that concerns the protection of the legitimate rights of American interests, the undersigned begs you, Mr. Consul, to be so kind as to accept the acknowledgment of his profound respect, with which he has the honor to be, &c.,

ALEXANDER SIDI.

[Inclosure 2 in No. 98.—Translation.]

Messrs. Balladur & Co. to Mr. Griffith.

SIR: We, the undersigned, Jacob Balladur & Co., merchants, established and residing in Smyrna, have the honor in our quality of representatives in this city of MM. Iasigi & Co., American merchants, established and residing in Boston, No. 30 Kilby street, by virtue of a regular procuration to bring to your notice, very respectfully, that the Ottoman Government intends to burden the importation of petroleum into Smyrna with a supplementary tax of 8 per cent. which is disguised under the name of ware-house duty, independently, of course, of the custom-house duty equally of 8 per cent.

In fact the authorities of Constantinople, on the recommendation of İdarı Medjilis of our city, would be on the point of granting to a private individual the privilege or monopoly to hold a unique store-house, where all the merchants of our city would be forced to deposit petroleum and to pay a tax of 8 per cent.

Conforming ourselves, therefore, with the provisions of the III article reproduced below, of the regulation of 13th (25th) October, 1873, made by the local authorities with the assistance and adoption of the consular body of this city, we have constructed since that time large stone built warehouses ad hoc, where we deposited the petroleum which our above-mentioned principals send us.

During the long period of nine years no misfortune has taken place, even the least accident, to authorize or excuse the modification of the regulation now in force. On the contrary, the dispositions being practical and wise and in conformity with the spirit of the general regulation of the month of December, 1874, concerning the commerce of petroleum, have, besides, the advantage of conciliating at the same time the public and private interests, and specially not to injure the spirit or the letter of the capitulations and of the international treaties of commerce, according to the terms of which nobody in Turkey has the right to collect under any title or any pretext whatsoever another duty, except the unique custom-house duty of 8 per cent.

To oblige us to part against our will with our petroleum in order to intrust it to the guard of an individual or his employees, whoever they may be, to force the merchants to any and supplementary tax by obliging us to pay, under a special title or the pretext of warehousing, a tax of 8 per cent., when our expenses in relation thereto scarcely amount at the most to 14 per cent., this is according to us a violation of the spirit and the letter of the capitulations and treaties of commerce existing between the foreign powers and the Sublime Porte.

It is for the safeguard of the rights and interests of our above-mentioned employers that we take respectfully the liberty, in this quality, to address to you these present in order to beg you to be so kind as to submit them urgently to his excellency the minister of the United States of America at Constantinople.

Being confident in his constant solicitude for the defense and the protection of the rights and legitimate interests of his fellow-citizens, we are sure that he will kindly think promptly of such measures as this grave and prejudicial state of things will suggest to him in order to stop the realization thereof, protesting especially, in the most formal and energetic manner, against any payment of a supplementary tax under any pretext and any title whatever, it may be, and rendering the Ottoman Government responsible for all damages foreseen or not, and which would result therefrom.

Begging you, sir, to kindly furnish us with a legalized copy of these presents, we have the honor, &c., &c.,

IASIGI & CO., of Boston.
JACOB BALLADUR & CO.

Article third of the regulation of 13th (25th) October, 1873, published in the Impartial of 27th October, 1873:

ARTICLE 3.—All petroleum contained in the vessel shall be deposited in a special store-house to the choice of the importer, provided that this store-house should be two kilometers distant at least from the town and one kilometer at least from the villages.
Smyrna, May 22, 1882.

Sir: The undersigned, Reggio & Belhomme, agents of MM. Laforne & Frothingham, of Boston, Mass., citizens of the United States of America, have the honor to state as follows:

In the month of July, of the year 1870, the local authorities considering justly the danger existing in the storage of a large quantity of petroleum in the warehouses of the town, desired to remedy this practice by prohibiting this sort of business to a special regulation. His excellency Vely Pasha, then governor-general of the vilayet of Aidin, has assembled at his coron, to that effect MM. the consuls of foreign powers and the regulation, copy of which is inclosed, has been published with the approval of Iدارة مدجيليس of this vilayet.

It results from this regulation:
First. That the merchants engaged in the petroleum business must have a store-room of their choice, for this merchandise, at two kilometers distance from the town.
Second. That the local authority reserves for itself the right of controlling the daily importation of petroleum into the town, that this quantity should not exceed the daily want of consumption.

The undersigned, who are engaged in the petroleum business in this town, have been obliged therefore, in order to comply with the regulation in force, to have stores constructed immediately on the coast of Cordeloio for their account and for that of MM. Laforne & Frothingham, of Boston, the cost of which amounts to 100,000 francs.

The said regulation on the commerce of petroleum exists since 1873. It has, therefore, been in force in Smyrna during nine years, and by the fact that it has not given rise to any complaint during all this time, it is evident that the formalities resolved upon gave satisfaction to all interests concerned in this question.

We are, however, informed the regulation now existing, so just and so equitable, is on the point of being modified in such a manner as to injure the interests of commerce and commit the security of the town. The Iدارة مدجيليس of Smyrna is disposed to grant to a firm of Constantinople, the privilege of establishing a sole and unique store-house of petroleum in Smyrna, and oblige in this way the merchants to abandon their own store-rooms which were established in conformity with the requirements of the regulation of 1873. The grantee of the new store-house would collect a tax of about 5 per cent, making a return of 1 per cent. to the municipality of Smyrna, and the merchants should be obliged to pay this tax of about 5 per cent, when actually these same expenses amount only to 1 or 1½ per cent.

Should the above-mentioned decision of the Iدارة مدجيليس be put in force, the undersigned are convinced that not only it will be contrary to equity and to the existing treaties of commerce between the Sublime Porte and the foreign powers, but that it will also constitute a danger for public security.

It is contrary to equity, because the undersigned being obliged by the regulation of 1873 to construct store-houses for petroleum for their own usage, costing them 100,000 francs, cannot abandon them and make use of foreign store-houses incurring a tax eight times superior to their present expenses.

It is contrary to the treaties of commerce, which reject all other tax except that of the customs duty of 5 per cent, on goods imported. It is contrary to commerce, which will be unable to insure always its petroleum against the risks of fire, the good insurance companies refusing unlimited risks on petroleum which would be concentrated in a single store-house.

Besides, the petroleum business of our time, burdened with new taxes, will see its customers from the islands and the towns of the sea-coast to supply themselves from the places of Syra and Piraeus, where it will be able to procure this article in transit with better conditions than in Smyrna, and business would be thus deprived of this important outlet to the advantage of the places of Greece.

It is contrary to public security, as the fire of a unique store-house would constitute a much greater danger than the fire of private store-rooms dispersed at different points and at two kilometers’ distance from the town.

It is, therefore, as much in the interest of the town of Smyrna in general, as in that of the honest merchants who obey the regulations resolved upon with a view to public security, that the undersigned protest against the decision arrived at by the Iدارة مدجيليس of this vilayet, to establish a single and sole store-house of petroleum in Smyrna to the detriment of the merchants dealing in this article.

They beg you, Mr. Consul, to be so kind as to take their just complaint into consideration and to give them the support of your efficient intervention.

First. Near his excellency Ali Pasha, governor-general of the vilayet of Aidin, for the maintenance of the regulation promulgated in 1873 on the commerce of petroleum, and the rejection of the decision of the Iدارة مدجيليس.
Second. Near the minister of the United States at Constantinople, in order that the
government of His Imperial Majesty the Sultan should refuse such a concession to a
private individual to the detriment of commerce and of the public security of this
city.

Being confident in your enlightened solicitude for all that concerns the protection
of the legitimate rights of American interests, the undersigned beg you, Mr. Consul,
to be so kind as to accept the acknowledgment of their profoundest respect, with which
they have the honor to be, &c., &c.,

REGGIO & BELHOMME.

[Appendix to inclosure 3 in No. 98.—Translation.]

VILAYET OF AIDIN.

REGULATION CONCERNING THE IMPORTATION OF PETROLEUM IN SMYRNA.

Considering the proceedings of deliberation taken by his excellency Vely Pasha,
governor-general of the vilayet of Aidin and MM. the foreign consuls residing at Smyrna
the 29th June-11th July, 1870, from which it results that the store-house of a large
quantity of petroleum in the town of Smyrna constitutes an imminent danger for the
city, and that it is urgent to think about the means for making this danger disappear;

That it was necessary to remove immediately from the town the petroleum existing
therein, and forbid the direct introduction of any other petroleum which may arrive in
future;

That it was necessary, in order to obviate the above-mentioned inconveniences, to
store all petroleum arriving in future at Smyrna in a remote place from the town:

A commission has been charged then to find a convenient place for the storage of
petroleum; but this mission having, unfortunately, remained without execution on
account of the difficulties that the choice of such a locality presented conciliating
the interests of the different importers, and his excellency Sureya Pasha, being justly pre-
occupied of this state of things which was prolonged until now, and considering the
urgency, after having consulted with the council of the administration of the vilayet,
has resolved and resolves the following:

ARTICLE FIRST.

Every vessel arriving in the harbor of Smyrna loaded with petroleum must anchor
outside of the other vessels which are anchored about the harbor, and stop at the place
which will be indicated to it by the harbor-master.

ARTICLE SECOND.

As soon as the vessel shall be at anchor in this way it will receive on board an offi-
cer of the municipality, who will remain on board until the complete discharge of the
petroleum. The salary of the said guard, fixed at nine piastres (two francs) a day, is
to the charge of the captain of the vessel.

ARTICLE THIRD.

All the petroleum found in the vessel shall be landed in a special store-house at the
choice of the importer, provided that this store-house should be distant two kilometers
at least from the town and one kilometer at the minimum from the village.

It is allowed, however, to transship all or a portion of the cargo of petroleum on
board another vessel for exportation. The vessel in which the petroleum would be
transshipped shall be subject to the precautionary measures established in Article 1,
as long as it shall remain in the harbor of Smyrna.

ARTICLE FOURTH.

The vessel loaded with petroleum shall not be allowed to change the anchorage
which was assigned to it by the harbor-master until the full discharge of the petro-
leum.

ARTICLE FIFTH.

The sale of petroleum shall not be made in the city, but in stone-vaulted stores.
The approximate consumption of petroleum in the town of Smyrna being about a
thousand cases (25,000 okes) per week, it is not allowed to keep a greater quantity at
a time in town. And until a distribution of this quantity be made by the municipality

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among the different stores authorized to sell, it shall not be permitted to each seller to have more than twenty-five cases of petroleum in his store. It is prohibited to have many retail shops in the same khan, or in one same street. It shall be permitted, however, to the bocals (grocers) and actors (chandlers) of the quarters which are distant from the retail shops to have one or two cases of petroleum in their shop, for the facility of the indigent families, in order to sell them at retail.

ARTICLE SIXTH.

Every retail dealer in petroleum authorized by law shall be furnished with a permit from the municipality, indicating his name as well as the quarter and the number of his shop. In case of a change of place, he must exchange his permit with another, which shall be delivered to him for his newly-situated shop.

ARTICLE SEVENTH.

Every surplus of cases of petroleum indicated in Article 5 which would be found in the stores or retail shops; all petroleum which would be stopped in transit either by land or by sea, for being introduced into the town without permit, shall be immediately seized and confiscated.

ARTICLE EIGHTH.

The present regulation shall be put into execution in all the vilayet of Aildin.

ARTICLE NINTH.

The municipality and the local police are charged with the strict execution of all the provisions contained in the present regulation. Done in Smyrna, the 13th (25th) October, 1873.

Mr. Wallace to Said Pasha.

LEGATION OF THE UNITED STATES,
Constantinople, June 7, 1882.

EXCELLENCY: For the purposes of the communication which I think it well to make to the end that a better understanding may be had of the commercial rights asserted for citizens of the United States of America, I respectfully invite your attention to the following quotations taken from Article V of the treaty of commerce between our respective governments of 1862:

"His Imperial Majesty further engages that, save as hereinafter excepted, he will not prohibit the importation into his dominions and possessions of any article the produce and manufacture of the United States of America, from whatever place arriving, and that the duties to be imposed on every article the produce or manufacture of the United States of America imported into the empire and possessions of His Imperial Majesty the Sultan shall in no case exceed one fixed rate of 8 per cent. ad valorem, or a specific duty, fixed by common consent, equivalent thereto. ** * * * If these articles, after having paid the import duty of 8 per cent., are sold either at the place of their arrival or in the interior of the country, neither the buyer nor the seller shall be charged with any further duty in respect to them," &c.

A reading of the text quoted discloses four points which would seem to be impossible of contradiction or evasion:

1. His Imperial Majesty is solemnly engaged not to prohibit the importation into his dominions and possessions of any article the produce and manufacture of the United States of America, from whatever place arriving, except tobacco and salt, they being the exceptions reserved in Article XIV of the treaty.

2. His Imperial Majesty is also solemnly engaged not to impose on any article the produce or manufacture of the United States of America, imported into his empire, a duty in any case exceeding one fixed rate of 8 per cent. ad valorem, or a specific duty, fixed by common consent, equivalent thereto.

3. His Imperial Majesty is further solemnly engaged that, if such articles (the produce or manufacture of the United States of America), having once paid the import duty of 8 per cent., are sold, either at the place of their arrival or in the interior of the country, neither the buyer nor the seller shall be charged with any further duty in respect of them.
4. The engagements so defined, in the nature of guaranties by His Imperial Majesty, have relation to the articles imported, not the citizenship or nationality of the person importing them. Enough always that the articles are the produce or manufacture of the United States of America.

These deductions, I beg to say, are not presented to your excellency because it is thought they are unknown to you, but to bring more clearly to your view the matters of complaint subjoined.

The note verbal from the Sublime Porte, No. 25, dated June 3, 1882, contains an interdiction absolute, and without pretense of justification, against the importation of salted meats of American manufacture. How, excellency, does that interdiction comport with the engagement of His Majesty first above given?

Then there are the new regulations under which your customs officers in Smyrna are collecting upon American alcohol, not 16 paras the oke, that being the amount specifically agreed upon as the equivalent of 8 per cent., but forty-eight paras the oke, the conditions being such that it is possible to carry the levy to ——, and even —— paras.

How, permit me to ask, do such regulations agree with the provision of the treaty second above given?

This, it must be added, has been going on against protest, and with the knowledge of the Sublime Porte, for quite —— months; your predecessor once declared the execution a mistake on the part of the customs officers; yet, though repeatedly besought to correct it, he did nothing. The unlawful collection is still going on.

And now I am called upon to present you another measure proposed of the same character relating to petroleum, an item, as your excellency knows, of vast consumption in Turkey, and almost exclusively an American product. In 1870 the practice of petroleum dealers in Smyrna was to store their stocks on hand in the city. His excellency, the then governor-general of the vilayet of Aidin, discerning the danger from fire incident to the usage, required the merchants to provide themselves with houses for safer keeping outside the city, limits at least two kilometers. This was done with consent of dealers, foreign consuls, and the Idaré Medjilliss, and upon compliance by the dealers became a contract, they on one part, the government on the other. Since 1873 the regulation has subsisted satisfactorily to all concerned. It would appear, however, that the present Idaré Medjilliss has other views. That body had decided to grant to a person or firm the privilege of establishing a general storehouse for petroleum in the city, and require merchants and dealers in the article to give up storage in the houses prepared by them under the regulation of 1873, and resort to the new one. No option is to be allowed. In a tax or charge for storage of 8 per cent. the enterprising grantees of the privilege are to find a profit of 7 per cent. and the Idaré Medjilliss 1 per cent. The same scheme, I am informed, is to be set at work in Constantinople, and probably in the empire generally. The effect will be to exactly double the rate of charge permitted by the treaty.

With His Majesty’s engagements in view, how, excellency, can the Sublime Porte permit a thing so plainly unlawful to go into execution?

In protesting against the three measures referred to, it may serve well to remark that I have grouped them together that your excellency may the better perceive the unpleasant suspicions to which their further continuance will certainly lead. A very singular coincidence indeed, that interdictions and oppressive duties should be the order of the day against articles so necessary, some to His Majesty’s subjects, others to foreigners resident in His Majesty’s dominions, and at the same time of chief supply from America! Whether the hostility proceeds from the Sublime Porte or at the instance of competitors in trade, the effects upon American industries and rights are the same. My government is bound to notice them.

I avail myself, &c.,

LEW. WALLACE.

Mr. Frelinghuysen to Mr. Wallace.

No. 317.

DEPARTMENT OF STATE,
Washington, June 14, 1882.

SIR: Adverting to previous correspondence upon the subject, I have now the pleasure to inclose, for your information, a copy of a note recently received from the British minister at this capital, covering a copy

* For this inclosure see Document No. 151, ante, page 324.
of a circular note addressed by Her Britannic Majesty’s ambassador at Constantinople to Her Majesty’s consular officers in the Ottoman Empire, defining the grounds upon which they shall extend protection to our citizens in Turkey in quarters where we maintain no consular representatives.

I am, &c.,

FRED’K. T. FRELINGHUYSEN.

No. 318.

Mr. Freelinghuyse to Mr. Wallace.

No. 68.]

DEPARTMENT OF STATE,
Washington, June 29, 1882.

Sir: Your dispatch No. 96, of the 6th instant, inclosing copy of your protest in reply to the note verbal of the Ottoman Government, prohibiting the importation therein of American salt meats, has been received, and your timely action is approved.

I am, &c.,

FRED’K T. FRELINGHUYSEN.

No. 319.

Mr. Wallace to Mr. Freelinghuyse.

[Extract.]

No. 107.]

LEGATION OF THE UNITED STATES,
Constantinople, July 11, 1882. (Received August 2.)

Sir: * * * * * * * * * * * * * * * * * * * * * * * * *

Through Mr. L. Oliphant I had an account of the Jewish exodus from Russia, and of the misery the refugees were undergoing in the towns north of this. Some of them having reached Constantinople, were starving in the streets. My sympathy was naturally excited in their behalf. On the 6th of June last two gentlemen were brought to the legation, and upon introduction presented a paper, of which a copy is inclosed. You will perceive that it is a petition craving assistance for their coreligionists in the Kingdom of Roumania; that the subscribers represent themselves as delegates acting for forty-nine local committees in their country; and that the point they wished to gain, through my services unofficially rendered, was the privilege of colonizing in such districts of Syria as contained localities available for the purpose. They seemed respectable men and very much in earnest. Mr. Oliphant was personally acquainted with them, and he recommended them to be what they seemed. The interview resulted in my telegraphing for permission to give them and their people my good offices in obtaining for them, if possible, permission to colonize themselves in Turkey.

Mr. Oliphant and a Mr. Alexander, both respectable gentlemen, were the agents of the movement in Constantinople. They met me, by my invitation, at the legation. A discussion of the best mode of procedure was had, and an agreement reached. I was to visit the Porte and use
my best efforts to get the privilege sought; having obtained it, my connection with the business was to end; they were to manage the immigration and the settlement of the colonists.

Agreeably to this arrangement, I visited the minister of foreign affairs, who informed me that the matter had been before His Majesty’s council of ministers, which had decided affirmatively that the Jews from whatever parts could come and settle in Turkey; that there was a general law of immigration in force which must be taken for the guidance of such as chose to come; that they could come when they pleased, and would be settled in groups of two hundred or two hundred and fifty families, that they could settle on any unoccupied lands in Mesopotamia, about Aleppo, or in the regions of the Orontes River; that they could not establish themselves in Palestine; that the firman of the Sultan was unnecessary, for, having once approved the law, he could not be called on to do so again; that every colonist was simply bound to become an Ottoman subject.

This, you will readily see, covered all my part of the business. The refugees could come immediately; the lands at their service were good; the law was liberal and encouraging; if they behaved themselves they would do well. I made report to Messrs. Oliphant and Alexander and discharged myself from the connection.

A little later, when the affair had an appearance of taking on extraordinary proportions, possibilities of trouble to the immigrants presented themselves, and I thought it safer to have the worthy minister of foreign affairs put his replies to me in writing. With that view, I addressed him a note, of which a copy is inclosed. In an interview, the under-secretary (Mr. Artin Effendi) assured me that as the immigration would be under the law, no further assurances were necessary; and as that seemed reasonable, I was satisfied, and did not press an answer to my communication. I make an inclosure of the note because it sets out the minister’s replies on nearer approach to exactitude.

For your more perfect understanding of the scheme as it now stands, and to enable you to answer questions upon the subject, should such be addressed to you, I take the liberty of making an inclosure of a copy of the Turkish law of immigration (translated).

In conclusion, there is nothing to prevent all the Israelites on the earth from settling in Asiatic Turkey. They shall not settle in Palestine—that is the only prohibition.

I have, &c.,

LEW. WALLACE.

[Inclosure No. 1 No. 107.]

Messrs. Ascher & Weinberg to Mr. Wallace.

CONSTANTINOPLE, June 6, 1882.

YOUR EXCELLENCY: We, the undersigned delegates of the central committee of Jewish emigration in Roumania, representing forty-nine local committees, beg to approach your excellency for the purpose of craveing your assistance and support in behalf of our oppressed coreligionists who are suffering under legal disabilities in the kingdom of Roumania, which render it impossible for them any longer to find means of subsistence in that country, where many thousands are reduced to starvation.

Sufficient funds have been subscribed by the Jewish committees in Roumania to enable many colonies to be formed in the dominions of His Majesty, and we would crave your excellency kindly to procure permission and liberty for our coreligionists to settle in any of the Mutasarrufiks of Syria wherever there are available localities.

The points which we desire to know are, viz: Whether Jews on becoming Turkish subjects will be permitted to settle in the waste lands of the Vilayet of Syria, excluding
the Pashalik of Palestine free of charge in groups of not more than five hundred families, and whether they will also be permitted to purchase lands and settle on them in agricultural communities.

2d. Whether, if so, they will be exempt from taxation for the next five years.

3d. Whether they will be permitted to construct roads to the nearest large town or seaport.

Some of these societies are wealthy, possessing in some instances a considerable capital, and their members are possessed by no other desire but that of developing the resources of the country and occupying themselves as peaceable citizens.

While only especially representing our Roumanian coreligionists, we would also venture to remind your excellency that owing to the daily recurrence of prosecution and disasters of the most fearful description our brethren in Russia are living in a state of panic-stricken suspense. In many instances they have realized all their worldly goods and abandoned their occupation, not anticipating any check to their desire to emigrate into Turkey, and are now rapidly consuming the capital with which they had hoped to start in their new home.

The matter has become one of the most serious and urgent necessities. Hundreds of thousands of people are awaiting with the utmost anxiety information upon which they can safely act, and your excellency and the great and the philanthropic nation which you represent would be performing an act of the highest benevolence and charity if, owing to your kind intervention in their behalf, they may be relieved from their present dread and extremity, and leave countries in which they have nothing but ill-treatment to anticipate, for one where the experience of their coreligionists has proved they may expect peace and protection, and where they would thankfully become loyal and patriotic subjects of His Magnanimous Majesty the Sultan.

President of the committee for Bucharast Jewish emigration.

M. ASCHER.

Founder and member of the committee in the Kingdom of Roumania.

MOYER WEINBERG.

[Inclosure 2 in No. 107.]

Mr. Wallace to Said Pasha.

LEGATION OF THE UNITED STATES, Constantinople, June 13, 1882.

EXCELLENCY: In the interview which I had the honor to have with you yesterday, I begged permission to express my great personal interest in measures for the relief of refugee Jews congregating in the north and to inquire, purely in the way of good offices and unofficially, if His Majesty or the Sublime Porte would be charitably disposed to allow refugee Jews to come into Turkey, and colonize on the public lands.

You were good enough to inform me that such a subject had been under consideration by His Majesty's Council, which had decided to allow colonization by those people, provided they did not settle on lands within the limits of Palestine. I asked then in what localities they would be permitted to settle. You replied they might settle about Aleppo and in Mesopotamia, and the region of the Orontes River. I then asked if they would be suffered to come in groups. You replied in groups of two hundred or two hundred and fifty houses, by which I understood families. I inquired if it would be necessary to have an imperial firman, or a permit in form from His Majesty before entering upon the movement of the people. You replied that there was a law already existing which covered the immigration proposed; that as the law had received His Majesty's sanction no further permit would be required from His Majesty. To my final inquiry, if I was at liberty to notify the parties who would interest themselves in the matter as active managers that they could begin the movement immediately, you said there was no objection to my doing so.

Now, excellency, should the movement take on the large proportions I anticipate, there would be a little responsibility attaching to me; and to relieve me of that, and enable the immigration to be conducted strictly according to the wishes and decision of His Majesty and the Sublime Porte, I have the honor to submit if it would not be better that you communicate your replies to me in writing, and in convenient form, that I may in turn communicate them to the persons to be intrusted with the active management. Would you allow a further expression, it is, in my judgment, especially important that the conditions which you desire to impose upon the colonization should be stated with explicitness. Such, for instance, as what the Sublime Porte holds to be the limits of Palestine, and the localities outside those limits to which you prefer the movement should be directed.
Your excellency will of course understand this, and my whole connection with the affair, to be unofficial.

It would be a great kindness to the people in question, if your excellency would favor me with the communication requested at your earliest convenience.

I avail myself, &c., &c.,

LEW WALLACE.

[Inclosure 3 in No. 107—Translation.]

COLONIZATION IN TURKEY BY FOREIGN FAMILIES.

No. 6.

Conditions established by the imperial government with regard to the colonization in Turkey of families coming from foreign countries who would like to settle on becoming subjects of the Ottoman Empire.

ARTICLE 1. The colonists will first take an oath to be always faithful to His Majesty the Sultan and accept the conditions of subjects of the empire without the least reserve or restriction.

ART. 2. They will conform to the actual and future laws of the empire.

ART. 3. In common with other subjects of the empire, colonists will be free from all kind of hindrance in the exercise of the religion they profess, and they will enjoy without any distinction the same religious privileges as all the other classes of subjects of the empire. If in the localities that may be given to them by the government for their installation there be any chapels of their rite and these in sufficient number, they will perform their devotions in them, but if they are to form new villages, they will apply for and obtain of the imperial government the permission to erect such chapels as they may need.

ART. 4. In the provinces of the empire that will be found suitable for their installation there will be chosen from government lands the most fertile and most healthy tracts, and to each colonist will be granted such a portion of land as may be suitable to his means, to enable him to carry on agriculture or any other trade.

ART. 5. The colonists being established on government lands, which will be given them gratuitously will be exempt from all land or personal taxation for six years, if they are established in Roumelia, and for twelve years if they are established in Asia.

ART. 6. In like manner the colonists are exempt from military service or its equivalent in money, those in Roumelia for six years, those in Asia for twelve years.

ART. 7. After the expiration of these terms of exemption the colonists will be subjected to all taxes and imposts on the same footing as the rest of the subjects of the empire.

ART. 8. The colonists will not be allowed to sell the land given to them gratuitously by the government, excepting after a lapse of at least twenty years.

ART. 9. Those who before the expiration of this delay may desire to leave the country or change their nationality will restore to the government their lands. In like manner they will be obliged to leave to the government without any compensation whatever all buildings they may have raised upon the lands, which will be no longer regarded as their property.

ART. 10. The colonists will acknowledge the authorities of the Caza or of the Landyok, to which the villages may belong, and little boroughs where they are established, and they will be governed and protected as the other subjects of the empire.

ART. 11. If before the expiration of the term of their exemption these colonists be obliged to change their abode and to establish themselves in any other place of the empire, they will be allowed to do it; but the term of their exemption from all taxation and imposts will still date from the time when the first ground was given to them.

ART. 12. The colonists must not have been criminals in their former country or of doubtful behavior, but must be honest men, laborers and tradesmen. And the imperial government reserves to itself the right to expel from the empire those who may subsequently be proved to have been in their own countries criminals or of bad character.

ART. 13. As each family, wishing to come to Turkey in order to colonize, will have granted to them as much ground as their means require before they start for Turkey, registers will have to be kept, containing minutely and in detail their names, their qualities, their means, and the sum of capital they possess. These must be put up and forwarded to the imperial government by its legations and consulates abroad, where there are any, and it is established that each family must have a capital equal to a sum of at least 60 medjities in gold (about 1,500 francs, or $54).
ART. 14. From the time of their departure from abroad as well as on arrival in Turkey, the consuls of the Porte abroad and the imperial authorities at home will have to give these colonists necessary facilities for the transport of their goods and luggage. Their passports will be given to them free of charge by all the Ottoman consuls.

The council of the Toujmat (of reform) considers it incumbent upon any families desiring to colonize in Turkey to inform the government thereof at least two months beforehand, so that by the resolutions or steps that have already been taken, the government may have time to designate in the provinces of the empire which may be chosen for their colonization convenient lands to be distributed amongst the colonists, so that upon their arrival in Turkey they should not incur loss of time and fatigue. Consequently instructions will be given to the representatives and to the consuls of the empire abroad in conformity therewith.

No. 320.

Mr. Davis to Mr. Wallace.


SIR: Your dispatch of the 9th of June last, No. 98, in relation to a proposed additional charge of 8 per centum on petroleum, has been received and read with interest.

Your views on the general subject are in entire accord with those of the Department, and your foresight and vigilance in giving the matter prompt attention meet with its unqualified approval.

The subject, so far as it could in its present inchoate condition, has received attentive consideration.

The proposed measure, or scheme, as you not inappropriately denominate it, cannot be viewed otherwise by this government than as an act unfriendly to American commerce, and in contravention alike of the spirit of the treaty of 1862 between the United States and Turkey and of the acknowledged principles of international law and comity.

You will take proper occasion, and in your own way, to make known to the Ottoman Government the disappointment with which this government learns that such a proposition should be held in contemplation for a moment by the Porte, and you will urge upon the minister for foreign relations the impolicy of such a measure at a time when the friendly relations of the two nations rest upon so harmonious a basis. You will also advise the parties who have sought interference to protest against the payment, should the scheme be persisted in. You will also promptly inform the Department of the proceedings in any and every actual case, should any occur, in which the payment may be sought to be enforced. Should the proposed measure not be abandoned, further consideration will be given to the matter, of the results of which you will be promptly advised.

I transmit herewith, as a part of the record in the matter under consideration, copies of two letters addressed to the Department by Messrs. Jasigi & Co. and by Messrs. Laforme & Frothingham, of Boston, complaining of the proposed exaction of the authorities at Smyrna, touching the storage of petroleum, and whose agents in Turkey, as appears from your dispatch, have furnished you with similar information.

I am, &c.,

JOHN DAVIS,
Acting Secretary.
SIR: We beg to call the attention of your Department to the following statement:
In October, 1873, the municipality of Smyrna, Turkey, enacted regulations for the safe storage of petroleum, under which importers were required to store this article in warehouses to be located at least two kilometers from the city. In compliance therewith, we instructed our correspondents in Smyrna, Messrs. Reggio & Belhomme, to erect a warehouse for the storage of our petroleum in Cordello, a suburb of the city of Smyrna, at a cost of about 100,000 francs. Our warehouse has given entire satisfaction to the authorities and no complaint of irregularity has ever been made. The expense of storage in our warehouse has never exceeded 15 per cent. of the value of the merchandise.

We are now informed that there is a proposition seriously pending before the authorities of Smyrna to grant a concession to parties in the city of Constantinople to erect in Smyrna a warehouse to be used exclusively for the storage of petroleum, compelling all importers to store this petroleum in this warehouse, and granting, in fact, a monopoly of the storage of this article in Smyrna to said parties. We are further informed that the monopoly in question proposes to impose a charge of 8 per cent. of the value upon the petroleum stored in said warehouse, refunding to the municipality 1 per cent. for the concession granted.

Not only would such a concession be entirely contrary to existing treaties, under which only 8 per cent. ad valorem can be assessed upon imports into Turkey, but it would involve a loss to us of the sum expended for the erection of our warehouse in Cordello, which would then become useless to us.

We therefore appeal to your Department to instruct the United States minister in Constantinople and the United States consul in Smyrna to protect by their intervention our interests, as American citizens, which are so seriously threatened.

Yours, respectfully,

LAFORE & PROTHINGHAM.

[Inclosure 2 in No. 11.]

Messrs. Iasigi & Co. to Mr. Frelinghuysen.

BOSTON, June 27, 1882.

DEAR SIR: We beg to call your attention to the inclosed translated copy of a letter addressed by our representatives in Smyrna to the acting United States vice-consul at that port, in relation to an extra duty of 8 per cent. which the authorities there wish to impose, under guise of warehousing charges, on imports of petroleum. This duty we feel to be in direct violation of the commercial treaty between Turkey and the United States, and any such action would be prejudicial in the highest degree to our business relations with that country, as the result would be the cessation of all shipments of petroleum to Smyrna.

Begging that you will give this matter your early attention, we remain, &c.,

IASIGI & CO.

[Appendix to inclosure 2 in No. 11.]

Messrs. Jacob Balamur & Co. to Mr. Griffith.

MR. ACTING CONSUL: We, the undersigned, Jacob Balamur & Co., merchants, established and resident in Smyrna, have the honor, as representatives in this city, by virtue of legal power of attorney, of Messrs. Iasigi & Co., American merchants, established and resident in Boston, No. 30 Kilby street, very respectfully to bring to your notice that the Ottoman Government proposes, we are informed, to burden the importation of petroleum at Smyrna with a supplementary duty of 5 per cent., disguised under the title of warehousing charges, and independent, be it understood, of the customs duty, also of 8 per cent. In fact, that the authorities at Constantinople, on the recommendation of the Idaré Medjiliss of our city, are on the point of according to one individual the privilege or monopoly of maintaining a warehouse, where all the merchants of our city shall be compelled to store their petroleum and to pay a duty of 8 per cent., under the title of warehousing. Now, in conformity with the limitations of article 3, cited below, of the regulation of October 13 (25), 1873, elaborated by the
local authorities, with the concurrence and adoption of the consular corps of this city, we have constructed, since the date given, large warehouses of stone, where we store the petroleum which the above-mentioned principals send us. During this long period of nine years there has been no disaster or even the slightest accident which could authorize or excuse the change in the regulation then in force. On the contrary, the arrangements, as practical and sensible as they were, in conformity with the spirit of the general police regulations of December, 1874, concerning the petroleum trade, have also the merit of reconciling both the public and private interests, and particularly of violating neither the spirit nor the letter of the capitulations and international commercial treaties, according to the terms of which no one in Turkey has a right to collect a duty under any title or on any pretext whatsoever, save the sole customs duty of 8 per cent.

To oblige us, in spite of ourselves, to deliver our petroleum to the care of any one individual or his representatives, whoever they may be, to exact from the merchants a new and supplementary duty compelling us to pay, under the specious title or pretext of warehousing charges, a duty of 8 per cent. when our storage expenses amount at the most to scarcely 1½ per cent., is, in our opinion, to violate the spirit and the letter of the capitulations and commercial treaties existing between foreign powers and the Sublime Porte. It is for the protection of the rights and interests of our above-named principals that we take, as representatives, the respectful liberty of addressing the present to you, and beg you to submit it with urgency to his excellency the minister of the United States of America at Constantinople. Trusting in his constant solicitude for the defense and protection of the lawful rights and interests of his compatriots, we feel sure that it will promptly determine him upon such measures as this grave and prejudicial state of affairs may suggest to arrest its realization, protesting officially in the most formal and most energetic manner against any collection of a supplementary duty under any pretext or title whatsoever, and holding the Ottoman Government responsible for all damages, foreseen or unforeseen, which may result.

Begging you to kindly deliver us an authenticated copy of the present, we have, &c.,

IASIGI & CO.
JACOB BALLADUR & CO.

Article 3 of the regulation of 13th (25th) October, 1873, published in L'Impartial of 27th October, 1873.

ART. 3. All the petroleum contained in the vessel shall be discharged in a special warehouse, at the choice of the importer, provided that this warehouse be removed at least 2 kilometers from the city and at least 1 kilometer from the villages.

No. 321.

Mr. Wallace to Mr. Freelinghuysen.

No. 129.

LEGATION OF THE UNITED STATES,
Constantinople, September 30, 1882. (Received October 25.)

SIR: I have the honor to acknowledge receipt of Mr. Davis' dispatch No. 11, dated September 4, 1882.

It gives me great pleasure to find my action in the matter of the proposed monopoly warehouse in Smyrna so heartily approved, and beg to say that the instructions now sent me shall be attended to. In a conversation had with the minister of foreign affairs since my dispatch No. 98, his excellency expressed his surprise at the proposed scheme of the authorities in Smyrna, and gave me to understand it was new to him, and that he did not understand where it could have originated. In this matter, as in all others, the difficulty is not to get the ministers to see the right or wrong and acknowledge it, but to act.

I have, &c.,

LEW. WALLACE.