

COLONIAL INTERCOURSE.
CONTINUATION OF DOCUMENTS COMMUNICATED TO THE CONGRESS OF THE UNITED STATES BY THE PRESIDENT.

[In our last we published—1, General Instructions from Mr. Clay to Mr. Gallatin—2, Mr. Gallatin's Letter to Mr. Canning, and 3, Mr. Canning's Reply to Mr. Gallatin. The next Document, No. 4, is Mr. Gallatin's rejoinder to Mr. Canning, dated Upper Seymour-street, Sept. 22, 1826. This letter we omit, as Mr. Clay's letter, which we give to-day, enters into an elaborate detail of the whole question, as viewed and argued by the American Cabinet. No. 5 is a letter from Mr. Vaughan to Mr. Clay, dated Oct. 11, 1826, announcing the determination of Great Britain to let the act of Parliament of July 5, 1825, take its course, which enacts that vessels of such foreign countries as do not admit British Colonial vessels into their ports on the footing of the most favoured nations cannot partake of the benefit of the said act. The prohibitory provisions of this act had been suspended one year, with the expectation that the American Government would accede to the requisitions of the same. No. 6 is Mr. Clay's reply to Mr. Vaughan, regretting and complaining of this resolution of the British Government. No. 7, Letter from Mr. Clay to Mr. Vaughan, asking the construction intended to be put by the British Government upon certain clauses of the act of July 5, 1825. No. 8 Mr. Vaughan's Reply. No. 9, is that which follows.—*Ed. Albion.*]

FROM MR. CLAY TO MR. GALLATIN.
To Albert Gallatin,
Envoy Extraordinary and Minister Plenipotentiary of the United States, London.
DEPARTMENT OF STATE,
Washington, 11th, Nov. 1826.

SIR: Agreeably to the intimation given in my letter, under date the 31st ultimo, I proceed to communicate to you the view which has been taken here of the official note of his Britannic Majesty's principal Secretary of State for Foreign Affairs, addressed to you on the 11th of Sept. last.

If the British Government had contented itself with simply announcing in that note, its determination no longer to treat with that of the United States, on the intercourse with the British Colonies, however unexpected by us such a determination would have been, we might have felt ourselves bound, silently to acquiesce in the declared pleasure of his Britannic Majesty's Government. Two parties, at least, are necessary to the conduct of any negotiation, and if one absolutely declines treating, the other, of necessity, must abide by his decision. But the British Government, not satisfied with merely communicating the fact of its resolution, no longer to negotiate with the United States, for an arrangement of the colonial trade, which might reconcile the interest and wishes of both parties, brings forward new principles, to some of which we cannot subscribe, and seeks to cast upon us the blame of the want of success which has attended past endeavours to effect that object, which we cannot admit. The frankness which has ever characterized all our correspondence with the British Government, requires that our objections to those principles, and our dissent from such an imputation, should be respectfully stated. In doing this, I will begin with a brief statement of certain general propositions which are supposed to be in contest.

It is the undoubted right of every nation to prohibit or allow to foreign commerce with all, or any part, of its dominions, wherever situated, and whatever may be their denominations, parental or colonial, or the modes of Government in the respective

parts. It may prescribe for itself the conditions on which the foreign trade is tolerated; but these conditions are not obligatory upon other nations, unless they, in some form, assent to them. All such conditions, in respect to Foreign Powers, are in the nature of proposals which they are at free to accept or decline, as the other party was to tender them. If a nation has colonies it may unquestionably reserve to itself, exclusively, the right of trading with them.

But it cannot be admitted that, in regard to foreign powers, there is any thing in the nature and condition of colonies, or in the relation which subsists between them and the country to which they belong, which distinguishes the power of regulating their commerce from that which is exercised over the parent country. That parent country may have its motives of jealousy or policy for a rigorous exclusion of all intercourse between its colonies and foreigners.—But the moment it chooses to relax and open its colonial ports to a foreign trade, whether the relaxation is moved by a temporary or permanent interest, or necessity, the right is acquired by foreign States to examine and judge for themselves the conditions on which they are proposed to be admitted, and to reject or accept them accordingly. This right of foreign nations is conceded in the official note which I am considering, when the colonial power is urged, by the pressure of immediate want, to throw open, for a time, its colonial ports, but is denied when it chooses to open them permanently. The right, in both instances, rests upon the same grounds, and that is, that, in all commercial exchanges, national or individual, the parties to them are equal, and have the same independent power of judging each for himself; and there is much more reason, on account of the greater duration of the interest, that the right in question should be exercised in a permanent than a temporary trade.

All commerce is founded upon mutual convenience and advantage. And this principle is equally applicable to a commerce with colonial possessions, and with the country to which they belong, or to any other country. In trading with any colonies, we have no more imagined that a privilege had been gratuitously conceded to us than that we had made such a concession to the colonial power, in allowing its colonies to trade with the United States. It cannot, therefore, be admitted, that any other compensation is due from the United States to Great Britain for the permission to trade with her colonies, than that which springs from the mutual exchanges which are the object of that & of all commerce. If the prosecution of any given trade found upon experiment unprofitable to either party, that party will no longer pursue it; and we may safely confide in the discernment of individuals to repress or stimulate adventure, according to the loss or gain, which may be incident to it. The British Government, fully sensible of this salutary law, was supposed in the recent liberal commercial policy which it professed to have intended, by the example of her homage, to have inculcated its observance upon all nations.

The idea, that the admission into colonial ports of foreign vessels is a boon granted by the parent country, that is a benefaction without equivalent, is as new as it is extraordinary. In that intercourse which has been allowed by the British Government between its colonies and the United States, never fully opened, sometimes entirely closed, and when reluctantly admitted, fettered by numerous restrictions, we recognize any thing but a boon. The leading motive which appears to have actuated the British Government, in respect to the exchange of American and Colonial produce, has been to

sell here, what could be sold, if sold at all, no where else so profitably, and to buy of us exactly so much as she could obtain no where else, at least so profitably.

On our side, whenever the trade has been open, there have been no restrictions, as to the objections of exportation from the United States to the British Colonies. An enumeration here of the numerous prohibitions and restrictions on the British side, upon articles both of Colonial & American produce, would extend this paper to a most unreasonable length. And with respect to the transportation of the subjects of this limited trade, the aim of the British Government has been, by all its regulations, to engross a disproportionate share.

This intention was clearly developed in the treaty of 1794, and has been adhered to, with steady perseverance, during the thirty-two intervening years. Such an intercourse deserves to be characterized in any other way than that of a British boon to the United States.

It cannot be admitted, that the fact that the United States have no colonies, varies the principles applicable to an intercourse with the British Colonies. In the consideration of the conditions on which a foreign trade shall be tolerated, it is of no consequence what name, or what Government, a State may choose to bestow on the several parts of its dominions. Some of the territories of the United States are governed by peculiar local forms, altogether different from those of the States of the Confederacy, but we have never contended that this anomaly ought to affect the regulation of our commercial intercourse with foreign powers. A country having no colonies may be so situated as to afford the same kind of productions as both another country and its colonies. And there may be a greater difference in the nature and value of the productions of two different countries, neither of which have colonies, than exists between those of a country and its colonies, and another which has no colonies.—It might as well be argued that the fact of twenty-four States composing this Union, entitles it to demand concessions from all other Powers whose territory is not divided into an equal number of similar parts, or that the United Kingdom, being constituted by the union of three kingdoms, would be justified in demanding, upon that ground, from any power, composed only of a single kingdom, more than it granted. In all commercial intercourse between different Powers, the question resolves itself into one of profit and loss. If it be the interest of the parties, that the trade should be allowed, it is altogether immaterial how those territories are governed or divided; both have an equal right to judge of the conditions of the intercourse. It would be most strange if the fact of a foreign State (Sweden for example) possessing a colony no matter how unimportant, entitled such state to treat on different principles with Great Britain, in respect to an intercourse with her Colonies, from the United States.

Neither can it be admitted that the possession of Colonies entitles the nation holding them, to the exclusive enjoyment of the circuitous navigation between the parent country and a foreign country, through any or all of those colonies, upon the ground of its being the prosecution of a coasting trade, which is understood to have been taken by Great Britain. If the connexion between the United Kingdom and its numerous Colonies is to be regarded in the light of that of a continuous coast, it must be allowed that this coast has very great extent. It passes around Cape Horn, doubles the Cape of Good Hope, crosses the Atlantic Ocean, penetrates almost every sea, touches every continent, and encircles the Globe. A Colonial Coasting trade of this universal reach, presents none of the

properties of an ordinary coasting trade, except that of the identity of sovereign power. The foundation on which nations are supposed to reserve to themselves, exclusively, their own coasting trade, is not merely that of monopoly, but principally because they are thereby better enabled to check all invasions of their own laws—a reason which is inapplicable to the widely dispersed condition of the British Colonial possessions.

Entertaining such opinions as have been herein stated, in regard to the power of commercial regulation, the Government of the United States has always conceived that the trade between them and the British Colonies was open to all considerations, which are applicable to any other trade, and that it was consequently a fit subject of arrangement by treaty, or in any manner by which any other trade might be regulated. Great Britain may, undoubtedly, if she please, deny to herself the advantage of consulting with foreign Powers, through the accustomed organs of intercourse, as to the conditions on which, with mutual benefit, the trade may be carried on. But if she chooses to restrict herself to the single mode of regulating it by act of Parliament, it cannot be admitted either that such restriction is a necessary consequence from the nature of Colonies, or, as will be hereafter shown, that it is in accordance with the practice of the British Government itself.

"The British Secretary of State alleges that, in 1822, the British Government opened the Colonial intercourse to us, and withheld it from all other Powers; that in effect, we thereby acquired a monopoly in the supply of the consumption of the British West Indies; but that Great Britain did not preclude herself from the right to open her Colonial ports to other nations whenever it might suit her purposes. We did not ask that Great Britain should shut her Colonial ports to other Powers. The occlusion was, no doubt, in consequence of the estimate which she made of her own interests, without any intention to confer an exclusive benefit upon us, as the opening of them by the act of 1825, is according to a similar estimate. We have no right to complain, and never have complained, that Great Britain seeks for the United Kingdom and for its Colonies the best markets for sale and purchase, any more than we anticipate any complaint from her, if, when we are driven from her Colonial ports, we should exercise the like liberty. If she has reason to felicitate herself that, by the course of events, she is enabled to draw from sources those supplies which her Colonies had been in the habit of obtaining from the United States, we have, perhaps, occasion for equal congratulation that, by the same or other events, markets have been opened to us, which may be found ample substitutes to those which it is her pleasure to close against us.

As to the monopoly which it is alleged we have enjoyed it should be observed that the relative position of the British West India Colonies to the United States, and the nature of their respective climates and productions, are eminently favourable to a mutually beneficial commerce between them. From their proximity to the U. States, they find their convenience in drawing from those perishable and bulky articles which they want, rather than from more distant countries. If the West India Islands were situated on the European instead of the American side of the Atlantic ocean, and Europe could supply as cheaply and abundantly the same description of articles as the United States, the British West India Colonies would prefer obtaining their necessary supplies from Europe. The United States contribute to other West India Colonies, in as great extent, and share in the navigation between them as