

COINAGE of Mexico from 1535 to 1849, inclusive, omitting the fractions of a dollar.

MINTS.	SILVER.	GOLD.	COPPER.	TOTAL.
1535 to 1690.				
City of Mexico.....	\$620,000,000	\$31,000,000		\$651,000,000
1690 to 1844.				
City of Mexico.....	1,606,225,922	88,597,827	\$5,323,765	1,700,147,514
1811 to 1844.				
Chihuahua.....	6,629,875	368,248	50,428	7,048,551
1811 to 1844.				
Durango.....	21,815,913	1,986,069		23,801,982
1812 to 1844.				
Guadalajara.....	17,840,720	364,629	61,217	18,266,566
1844.				
Guadalupe y Calvo..	338,124	95,004		433,128
1812 to 1844.				
Guanajuato.....	50,998,241	4,370,700		55,368,941
1827 to 1844.				
San Luis Potosi.....	18,531,428		23,517	18,554,945
1810, 1811, and 1812.				
Sombrerete.....	1,561,249			1,561,249
1828, 1829, and 1830.				
Tlalpam.....	959,116	203,544		1,162,660
1810 to 1844.				
Zacatecas.....	120,375,366		107,949	120,483,315
All the Mexican mints, from the end of 1844 to the end of 1849, at the rate of \$14,000,000 per annum, which was the approximate total coinage in 1844 <sup>1</sup>				70,000,000
Totals.....	\$2,465,275,954	\$126,986,021	\$5,566,876	\$2,667,828,851

RESUME.

Silver coinage from 1535 to 1844, inclusive	\$2,465,275,954
Gold do 1535 to 1844, do	126,986,021
Copper do 1811 to 1844, do	5,566,876
General coinage, from 1845 to 1849, both inclusive	70,000,000
Total coinage of Mexico to present time, or in 314 years	\$2,667,828,851
Or, avoiding fractions, nearly	\$8,500,000 yearly.

<sup>1</sup>The actual coinage of all the mints in the republic in 1844 amounted, in fact, to the sum of \$13,732,861; but we assume \$14,000,000 as a fair annual average for a period of several years.

CHAPTER VII.

INCOME OF NEW SPAIN 1809 — EXPENSES OF NEW SPAIN 1809.

MINERAL PRODUCTIONS — MILITARY FORCE — AGRICULTURE — MANUFACTURES. — COMMERCE — EXPORTS — IMPORTS. — PRESENT COMMERCE — IMPORTS — EXPORTS. — NINETEEN YEARS TRADE BETWEEN THE UNITED STATES AND MEXICO. — CHARACTER OF IMPORTS — CHARACTER OF EXPORTS — SILVER EXPORTED. — FAIRS IN MEXICO. — THE FUTURE PROSPECTS AND POSITION OF MEXICO — NOT A COMMERCIAL COUNTRY. — RAILWAY FROM VERA CRUZ TO THE CITY OF MEXICO.

FINANCIAL AND PRODUCTIVE CONDITION OF MEXICO OR NEW SPAIN BEFORE HER REVOLUTION, AND AT THE PRESENT DAY.

In order to exhibit a connected and comparative view of the financial and commercial condition of Mexico, we have assembled in this section a number of tables which exhibit, at a glance, the state of New Spain in relation to her mines, agriculture, manufactures, commerce, and the income and expenses of the viceroyalty in 1809.

TABULAR STATISTICAL VIEW OF THE INCOME AND EXPENSES OF THE VICEROYALTY OF MEXICO IN 1809, ANTECEDENT TO THE REVOLUTION — ITS MINES, AGRICULTURE, MANUFACTURES AND COMMERCE.

1st. INCOME.

Branches of income.	Clear product in dollars.
Duties on assay,	\$ 72,506
“ on gold and bullion,	24,908
“ on silver,	2,086,565
“ on vajilla,	25,716
Coining of gold and silver,	1,628,259
Tributes,	1,159,951
Taxes, (alcabalas)	2,644,618
Pulque, (a national beverage made of aloe,)	750,462
Powder,	370,829
Lotteries,	109,002
Novenos,	192,333
Saleable and remisable offices,	27,106
Stamped paper,	64,900
Medias anatas.	37,338
Amount carried forward,	\$9,174,493

Amount brought forward,	\$9,174,493
Chancery,	1,035
Cock fights,	33,322
Liquor shops,	22,883
Ice,	31,814
Salt works and duties on salt,	132,982
Licenses for ballast in Vera Cruz,	29
Bakeries, liquor shops in do.	11,989
Fortifications,	8,003
Donations,	1,480
do. for war purposes,	646,459
Caldos,	36,181
Dyes and vainilla,	45,740
Almojarifazgos,	275,894
Aprovechamientos,	57,967
Small incomes,	76,151
Balances of accounts,	24,989
Bulls of Santa Cruzada, (Roman Catholic,)	271,828
Ecclesiastical tithes,	30,320
do. (subsidies,	4,686
Medias anatas y mesadas id,	50,540
Vacantes mayores y menores,	112,733
Spanish quicksilver,	474,722
German "	42,583
Freight of quicksilver,	2,757
Cards,	148,861
Tobacco,	3,927,822
4 per cent. of salary of employes,	25,632
Gross income,	\$15,693,895
From this should be deducted for salaries and expenses of administration,	\$596,260
For donations received this year, but which should not be counted as income,	\$647,939
Net income,	\$14,449,696
2d. EXPENSES IN THE YEAR 1809.	
Expenses of fortification,	\$800,000
Pay of army, veteran troops, arsenal of San Blas, powder factories and other expenses,	3,000,000
Amount carried forward,	\$3,800,000

Amount brought forward,	\$3,800,000
Pay of Oidores, and other persons employed in judicial functions and measures for the conversion of the Indians,	250,000
Pensions,	200,000
Hospital expenses, repairs of factories,	400,800
Return of imposts,	1,496,000
	\$6,146,800
Amount of Income,	\$14,449,696
" " Expenses,	6,146,800
Balance,	\$8,302,896

This was then the clear income of Mexico in the year 1809. The same amount may be considered as the usual yearly revenue from the close of the eighteenth century, and if we deduct a half of this sum as being afterwards expended on this side of the Atlantic, it may be calculated that about four millions of dollars were transmitted to Spain annually.

3d. MINERAL PRODUCTIONS.

In order to judge what regions of New Spain were most productive in mineral wealth and their relative productiveness, we will insert the value of the royal dues upon silver, amounting in all to the rate of 10½ per cent. in 1795, in which year \$24,593,481 were coined in gold and silver at the Mexican mint.

San Luis Potosi,	96,000	} Marks of silver,— which may be estimated at eight dollars and a quarter per mark.
Zacatecas,	69,000	
Guanajuato,	67,000	
Rosario,	45,000	
Bolaños,	41,000	
Mexico,	36,000	
Guadalajara,	19,000	
Durango,	33,000	
Zimapan,	10,000	
Sombrerete,	7,000	
Chihuahua,	7,000	

All the mines in the Spanish possessions consumed annually 30,000 quintals of quicksilver, which, at the rate of \$50, (at which they might be calculated, on an average of years,) amounts to a million and a half.

When fifteen millions were annually coined the king received 6 per ct. upon that sum; and when the amount exceeded 18 millions, scarcely 7. This difference was owing to the rules and system of the mint, in which there were the same expenses in coining from

twenty to twenty-four millions that were incurred in coining fifteen millions. In 1809 \$26,172,982 were issued, in gold and silver, from the Mexican mint, and this, with the exception of 1804 and 1805, is the largest amount of coinage either under the Viceroyal or Republican government.

4th. MILITARY FORCE BEFORE THE REVOLUTION.

Veteran troops, . . . . .	7,083
Garrison troops and viceroyal guards, . . . . .	595
Garrison troops and guards. Internal provinces, . . . . .	3,099
Provincial militia, . . . . .	18,884
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	29,661
The maintenance of these cost annually, . . . . .	\$1,800,000
The fort of St. Carlos at Peroté absorbed, . . . . .	200,000
Costs of fortifications and casual expenses, . . . . .	2,000,000
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	\$4,000,000

5th. AGRICULTURE.

This branch of industry produced a sum equal to the mines; that is to say — from twenty-two to twenty-four millions. The following calculation is founded upon the basis of the *diezmos* or tithes of the several bishoprics, which may be regarded as the best territorial measure.

Bishoprics.	Product of Agriculture in 1790.	Diezmos.
Mexico, . . . . .	\$8,500,000	850,000
Puebla, . . . . .	4,400,000	440,000
Valladolid, . . . . .	4,000,000	400,000
Oajaca, . . . . .	1,000,000	100,000
Guadalajara, . . . . .	3,400,000	340,000
Durango, . . . . .	1,200,000	120,000
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In 6 Bishoprics, . . . . .	\$22,500,000	2,250,000

6th. MANUFACTURES.

The cotton and woollen factories, of the most important and extensive character, were those of Puebla and of Queretaro. In the latter place, in twenty factories, and 300 small establishments, 46,000 arrobas of wool were consumed, out of which 6,000 pieces of cloth, or, 226,000 varas (yards); — 280 pieces of *jerguetilla* or 39,000 yards (varas); — 200 pieces of baize, or, 15,000 varas; 161 pieces of baizes and coarse woollens, or, 18,000 varas; the

value of all which manufactures exceeded \$600,000. In Queretaro there were moreover consumed 200,000 lbs. of cotton in the manufacture of cotton stuffs and rebosos, or shawls usually worn by the women throughout Mexico. The factories in the Intendency of Puebla, comprehended in that city, Cholula, Tlascala and Guejo-cingo, produced fabrics, in peaceful times, to the value of a million and a half of dollars. Besides these there were other factories in various parts of the country.

7th. COMMERCE.

The imports through Vera Cruz, before the war, averaging one year with another, exceeded, . . . . .	\$19,000,000
The exports, inclusive of silver, . . . . .	21,000,000
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Difference in favor of exports, . . . . .	2,000,000
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Total of mercantile exchanges, . . . . .	40,000,000
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The above exportations may be divided into —	
Silver, . . . . .	\$14,000,000
Agricultural products, . . . . .	7,000,000

CLASSIFICATION OF EXPORTS.

	Weight in arrobas.	Value in dollars
Cochineal, . . . . .	24,500	\$1,715,000
Sugar, . . . . .	500,000	1,500,000
Vainilla, . . . . .		60,000
Indigo, . . . . .	60,000	2,700,000
Sarsaparilla, . . . . .	20,000	90,000
Pepper from Tabasco, . . . . .	24,000	40,000
Flour, . . . . .		500,000
Tanned leather, . . . . .		80,000
Sundries, . . . . .		315,000
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		\$7,000,000
Add export of precious metals, . . . . .		14,000,000
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		\$21,000,000

## CLASSIFICATION OF IMPORTS.

Wine, . . . . .	25 to 30,000 barrels . . . . .	\$1,000,000
Paper, . . . . .	125,000 reams, . . . . .	375,000
Cinnamon, . . . . .	100,000 lbs. . . . .	400,000
Brandy, . . . . .	32,000 barrels, . . . . .	1,000,000
Saffron, . . . . .	17,000 lbs. . . . .	350,000
Iron, . . . . .	50,000 quintals, . . . . .	600,000
Steel, . . . . .	6,000 " . . . . .	110,000
Wax, . . . . .	26,000 arrobas, . . . . .	500,000
Cacao, . . . . .	20,000 fanegas, . . . . .	1,100,000
Clothing, hardware and other manufactures, . . . . .		14,000,000
		<u>\$19,335,000</u>

From a statement published by the Consulado of Vera Cruz it appears that the IMPORTATION FROM SPAIN in 1802 was as follows:—

In national vessels, . . . . .	\$11,539,219	} \$19,600,000
In foreign " . . . . .	8,060,781	
EXPORTATION in the same year, . . . . .	33,866,219	
Difference in favor of exports, . . . . .	\$14,266,219	
Commerce of the metropolis, . . . . .	\$53,466,219	
Importation from America, . . . . .	\$1,607,792	
Exportation for " . . . . .	4,581,148	
General importation . . . . .	\$21,207,792	
General exportation, . . . . .	38,447,367	
Total trade of Vera Cruz in 1802, . . . . .	<u>\$59,655,159<sup>1</sup></u>	

From this view of the anti-revolutionary condition of Mexican commerce and financial interests, we pass properly to the examination of the same affairs at the present day. In order to judge this subject fairly, however, we have adopted the commercial standard of the year preceding the war with the United States. During and since that period, the commercial results of the country must naturally have been so greatly disturbed as to afford altogether inadequate tests.

<sup>1</sup> Zavala's Historia de las Revoluciones de Mejico. Tomo 1.

## COMMERCE AT THE PRESENT DAY.

Imports and exports of the Mexican republic for the year ending on the 1st of January, 1845, calculated on the duties collected at the maritime and frontier custom houses.

## 1st. IMPORTS.

Duties according to tariff.	Duties collected.	Capital or value of imported articles to which these duties correspond.
At 40 per ct., there were collected, \$	200..45	\$ 501..12
" 30 " " " "	5,999,282..87	19,997,609..56
" 30 " provisions, . . . . .	14,592..98	48,643..26
" 30 " timber, . . . . .	3,539..49	11,774..96
" 25 " . . . . .	152,916..18	611,664..72
" 12½ " . . . . .	6,190..11	49,520..83
" 6 " jewelry, . . . . .	1,171..22	19,520..33
30 " advanced to the treasury for permission to import 20,000 quintals of cotton, . . . . .	120,000..00	400,000..00
	<u>\$6,297,886..30</u>	<u>\$21,139,234..83</u>

## 2d. EXPORTS.

Duties according to tariff.	Export duties collected.	Value of exports to which these duties correspond.
At 6 per cent., on export of gold and silver coin, . . . . .	\$524,349..63½	\$8,739,160..58
" 3½ " on silver coin, . . . . .	2..08	59..42
" 5 " on uncoined silver, . . . . .	22,949..23	458,984..45
" 7 " in Vera Cruz on ditto, . . . . .	12,687..60	181,251..42
" 7½ " in Mazatlan " . . . . .	103,636..81	1,381,824..13
" 9 " at do. on gold, . . . . .	14,479..14½	160,879..39
" 9½ " on silver, . . . . .	48..59	511..39
" 6½ " on wrought gold, . . . . .	22..36	344..00
" 7 " on wrought silver, . . . . .	658..11	9,401..57
" 6 " on dye wood, . . . . .	6,025..14	100,419..00

## RESUMÉ No. 1.

Export of money, . . . . .	\$524,351..71½	\$8,739,220..00
" of uncoined gold and silver, . . . . .	153,801..37½	2,183,450..79
" of wrought gold and silver, . . . . .	6,680..47	9,745..57
Total export of the precious metals, . . . . .	<u>\$678,833..56</u>	<u>\$10,952,416..36</u>
Export of dye woods, . . . . .	6,025..14	100,419..00
Total, . . . . .	<u>\$684,858..70</u>	<u>\$11,032,835..36</u>

COMPARATIVE RESUMÉ No. 2.

Value of the imports into the republic, . . .	\$21,139,234..83
“ “ exports from the republic, . . .	11,032,835..36
Excess of imports above exports, . . .	<u>\$10,106,399..47</u>

COMPARATIVE RESUMÉ No. 3.

	Duties.	Value of Articles.
Imports, . . . . .	\$6,297,686..30	\$21,139,234..86
Deduct \$557,76..16 charged to the Vera Cruz custom house for income of previous years not collected in 1844, and which sum is calculated on 30 per cent. duties, . . . . .	557,767..16	1,859,223..86
	<u>\$5,739,919..14</u>	<u>\$19,280,011..00</u>
Value of exports deducted, . . . . .		11,032,835..36
Effective excess of imports in 1844, . . . . .		<u>\$8,247,175..64</u>

COMPARATIVE RESUMÉ No. 4.

There were coined in the Mexican mints in 1844, . . . . .	\$13,732,861..04
There were exported in money, . . . . .	8,739,220..00
Difference in favor of the mint, . . . . .	<u>\$4,993,641..04</u>

As the commercial relations of the United States with Mexico, of course concern us most intimately, and are those in which we take the deepest interest, we have formed from official data in the reports of our Secretaries of the Treasury the following table of our mercantile intercourse from 1829 to 1849 :

COMMERCE BETWEEN MEXICO AND THE UNITED STATES FROM 1829 TO 1849.

	Imports from Mexico.	Exports to Mexico.
For year ending 30th Sept., 1829	\$5,026,761	\$2,331,151
“ “ “ 1830	5,235,241	4,837,458
“ “ “ 1832	4,293,954	3,467,541
“ “ “ 1833	5,452,818	5,408,091
“ “ “ 1834	8,066,068	5,265,053
“ “ “ 1835	9,490,446	9,029,221
“ “ “ 1836	5,615,819	6,041,635
“ “ “ 1837	5,654,002	3,880,323
“ “ “ 1838	3,127,153	2,787,362

	Imports from Mexico.	Exports to Mexico.
For year ending 30th Sept., 1839	3,500,707	2,164,097
“ “ “ 1840	4,175,001	2,515,341
“ “ “ 1841	3,484,957	2,036,620
“ “ “ 1842	1,996,694	1,534,233
Last quarter of '42 and first two quarters of 1843	2,782,406	1,471,937
For year ending 30th June, 1844	2,387,002	1,794,833
“ “ “ 1845	1,702,936	1,152,331
“ war year, “ 1846	1,836,621	1,531,180
“ war year, “ 1847	481,749	238,004
“ “ “ 1848	1,581,247	4,054,452

By this table, covering the commerce between the United States and Mexico for nineteen years, we observe that from having a trade worth, *in imports and exports*, about nineteen millions and a half, in 1835, it is now reduced, in years undisturbed by war or the results of war, to not more than two millions and a half or three millions. As commerce usually regulates itself, in spite of personal or national prejudices, this fact is doubtless attributable to the lower rates at which European manufacturers and producers are enabled to afford their merchandise in the Mexican market. Nevertheless, we doubt not that the trade might be improved considerably by certain modifications of the tariff, especially upon the article of cotton, which as will be seen in our notices of the manufacturing establishments of Mexico is largely demanded from abroad in consequence of the failure from personal causes to produce an adequate supply within that republic.

The IMPORTS OF MEXICO consist chiefly of the following articles:

LINENS; five-eighths of which are received from Germany, while three-eighths are of Irish, Dutch, French and North American manufacture. The German linens are chiefly obtained from Silesia, and the finest kinds are in great demand.

COTTON goods are imported largely from England, the United States and France.

The importation of the best qualities of SILKS reaches annually about one million of dollars in value, and they are the productions of France and Germany; about three-fourths of the trade, in this article, belonging exclusively to France.

For her WOOLLEN FABRICS Mexico relies upon England and France, though Germany participates in the importation of some qualities.

ORNAMENTAL WARES, MILLINERY or articles of personal and fashionable luxury are obtained from France.

Genoa and Bordeaux furnish PAPER;— GLASSWARE, window glass and looking glasses are imported from the United States, England and France, but the finer kinds are exceedingly rare and costly, in consequence of the risk of transportation through the country by the present imperfect modes of carriage over bad roads. IRON WARE, of all kinds, and iron machinery for manufacturing or mining purposes, are imported from the United States, England, France, Germany and Spain.

QUICKSILVER, one of the most important articles for the miners, is brought in French and Italian ships from Idria and Almaden. WINE, BRANDY and GIN are consumed from France, Germany, Spain, Portugal and Holland; while fine *liqueurs* are largely imported from France and the Dutch West Indies.

CACAO is imported from several of the Southern American nations;— OIL from France, Gibraltar and Genoa;— and WAX, of which about 700,000 dollars worth is annually consumed, is received from the United States or Cuba. Salted and dried Fish or Flesh is chiefly monopolized by our traders.

The principal EXPORTS from Mexico have always been and still are, COCHINEAL, and the PRECIOUS METALS in bars and coined. Of the latter of these native products it is estimated by reliable authorities that one half is remitted to England and that the balance is divided between the United States and the continental states of Europe. The greater portion of silver is exported from Tampico, which is the nearest vent for the mineral wealth of Guanajuato, Zacatecas, San Luis Potosi, and the principal mining districts of northern Mexico. Large sums are also sent from Vera Cruz and from Mazatlan on the western coast, as will be seen by reference to our tabular statement of the value of exports. In 1845, before the war with the United States broke out, and when Mexican trade was in its ordinary condition, ten millions nine hundred and thirty-two thousand four hundred and sixteen dollars worth of the precious metals, coined and uncoined, left these several ports through the regular channels. But as we have no means of exactly estimating the contraband exportation, which is very large, we may safely calculate that at least five millions more found their way clandestinely to Europe and the United States. Of the regular and lawful exportation, eight millions seven hundred and thirty-nine thousand two hundred and twenty dollars were coined; two millions one hundred and eighty-three thousand four hundred and fifty, in uncoined gold and silver; and nine thousand seven hundred and forty-five, in wrought silver and gold.

The exportation of COCHINEAL is estimated to range from seven hundred thousand to one million of dollars worth;— and, when we add to these articles, DYE WOOD, Vainilla, Sarsaparilla, Jalap, Hides, horns, and a small quantity of Pepper, Indigo, and Coffee, together with an occasional invoice of sugar sent from the west coast to Columbia and Peru, we may consider the list of merchantable Mexican exports as completely ended.

In all the Mexican towns and cities, and in many of the large villages there are weekly markets held at which a considerable trade for the neighborhood is carried on; and, in addition to these, there are nine great FAIRS at which immense quantities of foreign manufactures are disposed of. These are held at the following places and times:

1. The Fair at Aguas Calientes—begins on the 20th of November and lasts 10 days.
2. The Fair at Allende in Chihuahua—begins on the 4th of October, and lasts 8 days.
3. The Fair at Chilapa in Mexico—begins on the 2d of January, and lasts 8 days.
4. The Fair at Chilpanzingo—begins on the 21st of December, and lasts 8 days.
5. The Fair at Huejutla—begins on the 24th of December, and lasts 4 days.
6. The Fair at Ciudad Guerrero—begins on the 12th of December, and lasts 6 days.
7. The Fair at Saltillo—begins on the 29th of September, and lasts 8 days.
8. The Fair at San Juan de los Lagos—begins on the 5th of December, and lasts 8 days.
9. The Fair at Tenancingo—begins on the 6th of February, and lasts 10 days.

It will not be considered singular when we recollect the colonial and subsequent revolutionary history of Mexico, that she has not fostered her shipping and become a commercial country. The original emigration to New Spain was not maritime in its character. The Spanish trade was carried on by the mother country in Spanish vessels exclusively, and these ships were not owned by or permitted to become the permanent property of the colonists. The settlers who emigrated retired from the coasts to the interior where their interests either in the soil, cities, or mines, immediately absorbed their attention. It was not to be expected that the Indians,

who could scarcely be converted into agriculturists, would engage in the more dangerous life of sailors. The whole industry of the foreign population was thus diverted at once from the sea board, and the consequence was, that notwithstanding the territory of New Spain is bounded on the east and west by the two great oceans of the world, those oceans never became the nurses of a hardy race of mariners whose labors would, in time, have fostered the internal productiveness of their country by creating a commerce. We are not astonished, therefore, to find that the whole marine of Mexico, on the shores of the Gulf, is confined to a petty coasting trade from port to port, and that her sea-going people are rather fishermen than sailors. On the west coast, however, the maritime character of the people has somewhat improved, and a very considerable trade has been carried on by Mexican vessels, in native productions, not only with Central America, Columbia, Peru and Chili, but even with the Sandwich Islands.

The geographical position of Mexico, when considered in connexion with its agricultural riches and metallic wealth, is perhaps the most remarkable in the world. A comparatively narrow strip of land, possessing all the climates of the world, is placed midway between the two great bodies of the northern and southern continents of America, and midway, also, between the continents of Europe and Asia. In its central region it extends only five or six hundred miles from the Atlantic to the Pacific, while, at its southern end, it is swiftly crossed by means of its rivers or by railways, which, it is alleged, may be easily constructed. In the midst of this unrivalled territory, in the lap of the great plateau or table land, and far removed from unhealthy coasts, lies the beautiful city of Mexico, a natural focus of commerce, wealth and civilization. Such a picture of natural advantages cannot but strike us with admiration and hope. If ever there was a capital destined by nature to form the centre of a great nation, if not to grasp at least a large share of the North American, European, South American and Oriental trade, it unquestionably is the city of Mexico. Raised as she is far above the level of the sea and inaccessible by rivers, the development of her destiny may be postponed until genius shall inlay her valleys and ravines with railways, and thus connect her forever with the two coasts. But can we doubt that this mechanical miracle will be performed? It is not for us to say whether it shall be the work of the present generation, or of the present race in Mexico. It seems to be the law of nature that nations, like men, must advance or be trodden under foot. The vast army of

industrious mankind is ever marching. Nor can we doubt that unless Mexico learns wisdom from the past, and, abandoning the paltry political strife which has hitherto crushed her industrial energy, follows in the footsteps of modern civilization, her fate will be sure and speedy. The attention of the world is now riveted upon this region as the natural mistress of the Atlantic and Pacific. If Mexico covers the eastern and western slopes of her Cordillera with an intelligent, progressive and peaceful population, invited from abroad to amalgamate with her own races under the operation of permanent laws and wholesome government, the change may be slow and her power may be preserved. But if she will persist in the mad career of folly which has characterized her since her independence, she will not be able to resist the gradual and inevitable encroachments from the north, from Europe, and from the new establishments which are rapidly growing up on the Isthmus of Panama. These new foundations, based on the incalculable wealth of California will be fostered by means hitherto undreamed of in the wildest commerce of the world, and unless Mexico shall avail herself of their salutary monitions they will finally absorb both her people and her nationality.

## RAILWAY FROM VERA CRUZ TO THE CITY OF MEXICO.

NOTE.—In relation to the various modes of transit across the Isthmus of Panama or Tehuantepec, we do not deem it advisable to offer any speculations, at present, (April, 1850.) When reconnoissances of both routes have been completed and published, under the sanction of able and disinterested engineers, the world, which is so largely concerned in this subject, will be better able to decide as to their relative advantages. Both routes may ultimately be required, when the augmented commerce of the west coast of North and South America and the East Indies demands a speedy access to those regions. In the meantime, however, I subjoin the following extract from a report made by an officer of our army, during the war with Mexico, whilst our forces were still occupying the capital, in March, 1848. It apparently demonstrates at least the practicability of a railway from Vera Cruz to the valley:

“Of the different routes proposed, the one following the ridge which separates the towns or the two rivers of Tomepa and Obatejua, passing near or through the towns or villages of Acanisica, St. Bartolomé, St. Martin, Nopalpica, and Tlascalala, is not only the shortest and most level, but offers the fewest difficulties to overcome. This route does not offer the slightest obstruction, with the exception of crossing the river San Juan, till you reach the Boca del Monte, seventeen leagues from Vera Cruz; thence pursuing its course along the sides of the same almost continuous ridge, with an ascent of not more than one upon fifty, till you reach the deep Barranca of Chichiquila, twenty-three leagues from Vera Cruz; the road is thence across the Barranca, on embankments and stone walls, the materials for this purpose being plentiful and on the ground; the ten leagues from the Barranca of Chichiquila to the highest point of elevation, form the most difficult and costly section of the road. It must, however, be here taken into consideration, that at this very point of the road there are found in the immediate vicinity twelve Indian villages, capable of furnishing a large number of efficient workmen, who would be

willing and even anxious to labor at the very low price of 37½ cents per day, in the most healthy climate of the country.

“From this point of highest elevation, the route followed, reduces the distance to the city of Mexico to 37 leagues—making the whole distance from Vera Cruz to the capital not more than 73 leagues.

“It must be borne in mind, that in making the following estimate, we have taken into consideration the extreme low rate of wages in the country, as compared with the wages of the journeymen laborers in the United States; and this alone must make an immense difference in cost of works of the kind executed in Mexico, whenever we base our estimates upon the costs of similar works in England or in our own country.

ESTIMATE OF COST.

Section.	Leagues.	Description	Dollars.
1st.	3	Grading from Vera Cruz to the foot of the small ridge of the Molino de Ricato, over a sandy soil, easy to excavate and transport superstructure, . . . . .	125,000
2d.	2	Whole cost of the two leagues, from the last point to the river San Juan, nearly level ground, including superstructure and a stone bridge across this river, . . . . .	95,000
3d.	12	Twelve leagues from the river San Juan to Boca del Monte, . . . . .	450,000
4th.	6½	Six and a half leagues from Boca del Monte to the Barranca of Chichiquila—superstructure, . . . . .	275,000
5th.	6½	Six and a half leagues across the Barranca of Chichiquila. This section is the most difficult and costly part of the road, and will cost over \$300,000 per mile—say, superstructure, . . . . .	2,500,000
6th.	4	The next four leagues to the valley of St. Andres, . . . . .	245,000
7th.	34½	From the foot of the Sierra Madre, through the northern part of the valley of St. Andres, crossing the road from Perote to Puebla, near the village of Poctarus to San Cristoval, . . . . .	1,300,000
8th.	4	Four leagues from San Cristoval to the city of Mexico, Locomotives and cars, . . . . .	270,000 550,000
Whole cost of the road, . . . . .			5,810,000

P. O. HÉBERT,  
Lieut. Col. 14th Infantry”

CHAPTER VIII.  
MEXICAN FINANCES.

DISORDER OF MEXICAN FINANCES — ENORMOUS USURY. — CHARACTER OF FINANCIAL OPERATIONS. — EXPENSES OF ADMINISTRATIONS. — ANALYSIS OF MEXICAN DEBT — COMPARISON OF INCOME AND OUTLAY — DEFICIT.

THE distracted political condition of Mexico since 1809, has contributed largely to the proverbial impoverishment and financial discredit of a country, which, nevertheless, has during the whole intervening period, been engaged in furnishing an important share of the world's circulating medium. The revolutionary and factious state of parties; the unrestrained ambition of leaders; the violence with which they displaced rivals; their short tenure of office when they attained power and the consequent impossibility of maturing any permanent scheme of finance; the ordinary reliance of statesmen upon a large army, and the immense cost of its support; the continual and habitual recourse to loans at ruinous rates of usury; the comparative ignorance of domestic resources and their failure of development in consequence either of intestine broils or the ignorance and slothfulness of the population, together with the plunder of the treasury by unprincipled demagogues and despots, may all be regarded as the basis of Mexican misrule and pecuniary misfortune. For nearly forty years every minister of finance has been taxed to discover means for daily support. Let us illustrate the system commonly pursued.

On the 20th of September, fifteen days before the treaty of Estansuela, the administration of president Bustamante offered the following terms for a loan of \$1,200,000. It proposed to receive the sum of \$200,000 in *cash*, and \$1,000,000 represented in the *paper* or *credits* of the government. These credits or paper were worth, in the market, nine per cent. About one-half of the loan was taken, and the parties obtained orders on the several maritime custom houses, receivable in payment of duties.

The revenues of the custom house of Matamoros, had been always appropriated to pay the army on the northern frontier of the republic, but during the administration of General Bustamante, the commandant of Matamoros issued bonds or drafts against that cus-