

**SCOPE AND METHOD OF
CONSULAR TRADE
REPORTS; NO. 68
1/2.-SEPTEMBER, 1886**

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Scope and Method of Consular Trade Reports; No. 68 1/2.-September, 1886 by Various

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[Circular.—Consular Reports.]

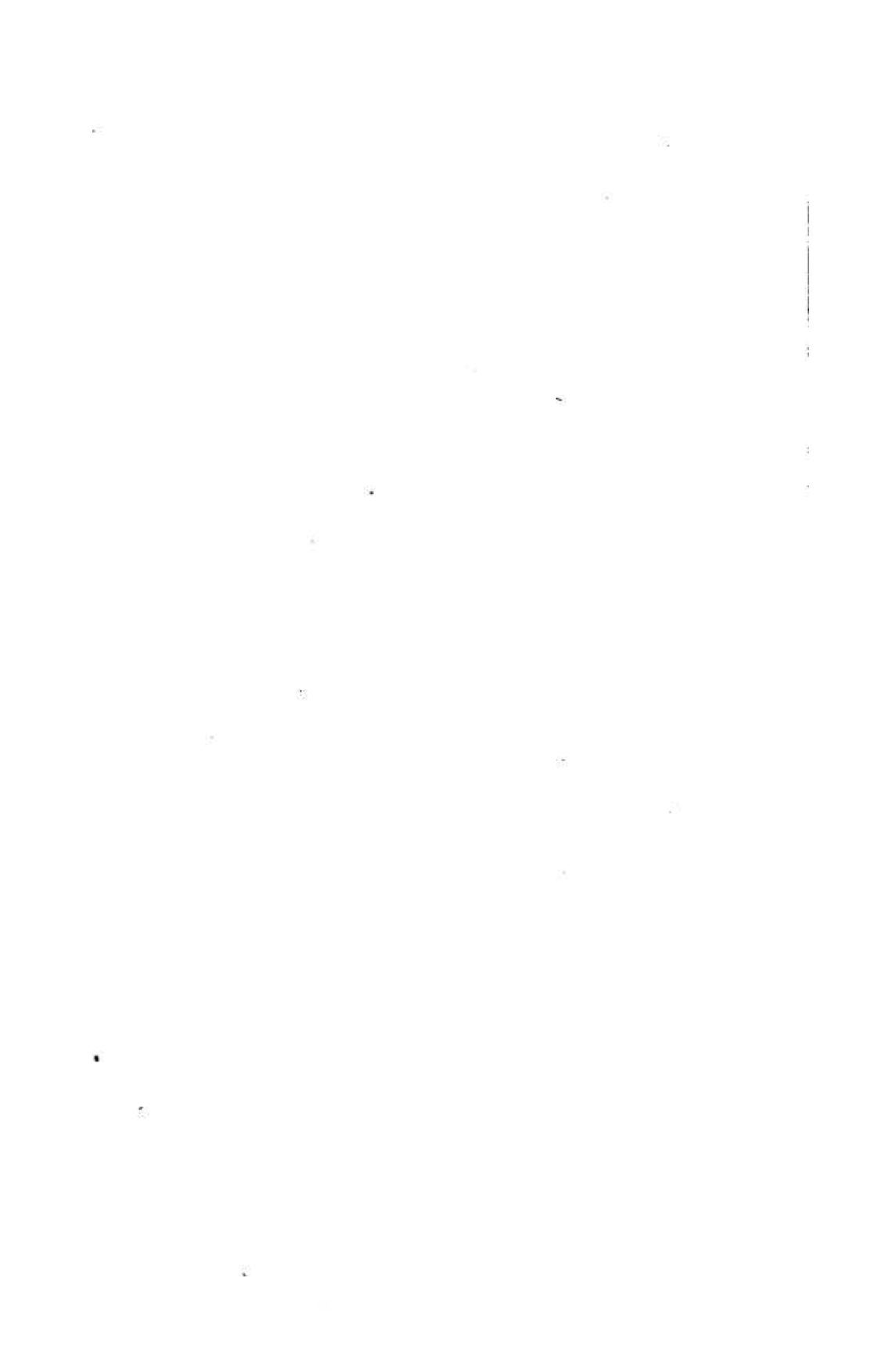
DEPARTMENT OF STATE,
Washington, September 20, 1886.

To the consular officers of the United States:

GENTLEMEN: I inclose for your information a memorandum prepared by Mr. James Bryce, of Her Majesty's foreign office, with accompanying papers, having in view certain reforms in the English consular service. There can be little doubt that these reforms are enforced, if they were not suggested, by the series of reports of American consuls printed during the last five years, and that an attempt will be made to equal them in fullness of detail and merit. In calling your attention to this plan, I cannot but express the hope that you will continue your efforts with renewed diligence, and give the earliest possible information to the Department of whatever may be of interest to merchants and manufacturers of the United States occurring in your consular district. Measures will be taken in the Department to secure the prompt publication of the reports received, and every opportunity will be extended to consuls to maintain the high standard which these reports have attained.

I am, gentlemen, your obedient servant,

T. F. BAYARD.



CORRESPONDENCE RESPECTING THE QUESTION OF DIPLOMATIC AND CONSULAR ASSISTANCE TO BRITISH TRADE ABROAD.

No. 1.

Memorandum by Mr. Bryce respecting the question of diplomatic and consular assistance to British trade abroad.

The impression that British trade suffers through insufficient action being taken on its behalf by Her Majesty's diplomatic and consular officers has been so frequently conveyed, both in Parliament and in the press, that the grounds for it deserve to be carefully examined, and a respectful consideration given to the suggestions offered by merchants and manufacturers for directing and enabling these officials to render more active help to interests admittedly vital to our prosperity. I must, however, begin by observing that, after reading many communications from mercantile persons and bodies, listening to many speeches, and conversing with many persons of ability and experience in commercial questions, I cannot discover that any want of efficiency is chargeable on the diplomatic and consular services as a whole. They seem, in the great majority of instances, to have carried out the instructions given them by the foreign office with energy and tact, and their unflinching courtesy is admitted even by those who allege that their zeal lags behind their discretion.

The communications received by the foreign office on this subject include both complaints and suggestions. I will take the former first. They are reducible to two—

1. It is said that the traditions of the foreign office and of the diplomatic service are unfriendly or, at best, indifferent, to the promotion of commercial interests; that there exists a certain disposition to snub British traders and to leave them without the countenance and support to which they are entitled.

A charge of this kind is so vague that it can only be tested by instances. The few instances that have been cited do not bear it out. Whatever may have been the case in time past, when rich men often entered the diplomatic service as an excuse for fashionable idleness, there seems to be at present a full appreciation on the part of the diplomatic and consular services of the extreme importance of our foreign trade to the general well-being and prosperity, as well as to the political influence, of this country. The duty now imposed on secretaries of legation and consuls of preparing annual commercial reports reminds the members of both services of the value which this office sets upon their functions in regard to trade, just as the creation and constant activity of a commercial department within the foreign office testify to the anxiety of

successive secretaries and under-secretaries of state, as well as of the permanent staff, to provide for the prompt and efficient handling of questions of this nature.

Sometimes it may happen that a consul does not identify himself so fully with a merchant's projects as the merchant expects, or is not found able to supply all the information which his traveling fellow-countrymen desire. It must, however, be remembered that the consul living on the spot sees difficulties which the visitor ignores, that in many foreign countries information is hard to procure, that a British consul at a busy post is a hard-worked man, and that he is obliged to exercise much caution in espousing and aiding the schemes of persons whose commercial standing at home is imperfectly known to him.

Cases are of course put forward in which the diplomatists or consuls of other States have successfully pushed the interests of their countrymen. But those who dwell on these cases in Parliament or in the press omit to notice either the cases in which British subjects have been similarly helped, or those, not rare, in which foreigners have suffered from the obtrusive attitude or grasping intrigues of diplomatists purporting to act on their behalf. There are countries in which the commercial interests of a European nation have suffered from the excessive energy of its consular agents—an energy which has aroused the suspicion and alarm of the native authorities.

I may also remark that the countries in which British traders have been most largely supplanted by other foreigners are not those from which complaints of the interference of foreign Governments to help their subjects are most frequently received. There are, for instance, parts of Central and South America where we appear to have lost ground, but where our rivals are not believed to owe their success to any official action on their behalf.

One specific complaint, however, needs further notice. It is alleged that in some of the more remote and less developed countries, such as those of the east and in the Republics of Central and South America, British subjects who seek to obtain contracts or concessions from the Government of the country suffer from the reluctance of British representatives to push their claims, while the subjects of some other state benefit by the constant pressure which the envoys of their Governments exert.

Even admitting this to be the case—though there seems to be some exaggeration in the statements made as to the action of these envoys, and still more in the estimate of the results attained thereby—it must be asked whether Her Majesty's representatives ought to be instructed to follow such an example. Pressure upon such foreign Governments as those referred to usually means pressure upon some particular official who has the contract to give away. It is apt to be accompanied and softened by corruption in the form either of a bribe or of some service to be rendered or commission paid to this official inconsistent with the duty which he owes to his own Government. A diplomatic representative joining in or even conniving at such inducements runs a double risk, that of lowering the dignity and character of his own country, and that of soiling his own personal reputation. People begin to hint that he is himself to share the expected gains, and as he cannot tell the whole truth he is obliged to remain under imputations which go far to destroy his influence and usefulness.

These dangers are especially visible in the case of loans at high rates of interest which the subjects of civilized states sometimes seek to press

on Eastern Governments. Besides the political mischief which is apt to flow from such usurious transactions (of which there has been ample evidence in recent years), they confer no benefit on either the commerce or manufactures of the country to which the lender belongs, and are therefore no proper objects of the benevolent intervention of his Government.

Moreover, he who forces a contract upon a foreign state makes his own Government to some extent responsible for the honesty and business capacity of the contractor—things which he may not be able to guarantee. In getting the better of competitors from other countries he rouses jealousies and creates grounds of quarrel between his own and other European Governments; and in identifying himself with the contractor he disposes the latter to believe that he may rely on the power of his Government to compel the payment of such debts as the foreign state may incur under the contract. Bearing all this in mind, I believe that if our diplomatists have erred in this matter by abstention they have erred on the safer side. Cases may of course occur where another European Government seeks to use its political influence to obtain exceptional advantages for its subjects from an Eastern state. In such cases it is no more than right that our envoys should remonstrate, and insist on an equally favorable hearing for British subjects as for other foreigners; but this, I believe, is the regular practice of Her Majesty's agents, and has been repeatedly approved by the foreign office.

2. The other complaint is that the information regarding commercial matters which is transmitted from abroad is not of the right kind, comes too late, and is not published in an accessible and attractive form.

There may be some foundation for this complaint. But it must be remembered that few of Her Majesty's representatives can be expected to possess special competence for reporting on technical questions relating to particular branches of industry. No person can enlighten British manufacturers on such special matters unless he has himself a practical knowledge of them, and has kept that practical knowledge up to the level of to-day's requirements. Taking the secretaries, and consular reports as a whole, they are equal in quality and superior in quantity to those prepared by the foreign representatives of any other European country or of the United States, and as good as can be looked for from persons few of whom possess special knowledge.

The suggestions made for the better promotion of British trade abroad by means of Her Majesty's representatives are as follows; I give not only those addressed to the foreign office by its correspondents, but such also of those made in Parliament or the press as have come to my knowledge:

1. The publication of a weekly commercial paper—somewhat analogous to the French "Moniteur Officiel du Commerce"—setting forth tariff changes, movements in foreign markets, foreign commercial legislation, port and harbor regulations, &c.

2. The establishment of an office in London—like the French "Bureau de Commerce"—where tariffs, circulars, items of commercial news, &c., can be referred to by the public, who may inspect and copy.

3. That sample and specimen rooms should be attached to the principal consulates abroad, where various classes of British manufactured goods would be on view, and that the expense of maintaining such rooms should be met by fees to be fixed by an order in council.

4. That commercial museums and exhibitions of manufactured goods be established in well-chosen manufacturing centers, and that floating museums or exhibitions should be sent to various ports with samples of British goods.

5. That foreign tariff changes and projected changes should be made known more rapidly than heretofore.

6. That Her Majesty's diplomatic and consular officers abroad should use their best efforts to place British subjects on a not less favorable footing than foreigners in search of concessions or other commercial enterprises.

7. That any such undertakings should be at once reported home by Her Majesty's representatives.

8. That consuls be chosen from men possessing commercial qualifications and technical knowledge.

9. That the names and addresses of consuls abroad, and their office hours, should be made public.

10. That trade reports should appear at fixed and stated intervals; that more details respecting wages, hours of labor, cost of living, &c., should be put in them.

11. That copies of these reports should at once be sent to trade journals. That samples of manufactured goods and of agricultural products be sent home with them.

12. That changes in the classification of goods for tariff purposes be noted, and the decisions of commercial tribunals.

13. That more commercial attachés be appointed to embassies and legations.

14. That consuls should assist in recovering debts, and recommend trustworthy lawyers and accountants.

15. That consuls should report what means other countries adopt to push their trade.

16. That naval officers should write trade reports.

17. That consuls, when at home on leave, should visit commercial centers, and acquire technical knowledge.

18. That they should answer inquiries regarding the stability of foreign business houses, and how far credit may safely be given them.

19. That commercial clerks (or *chanciers*) should be appointed to all consulates.

20. That a department be constructed in the foreign office specially charged with the prompt collection, publication, and diffusion of important information concerning commercial and industrial affairs.

21. That the foreign office should send abroad advertisements, commercial newspapers, &c., to consuls to distribute or show.

22. That every consulate should keep a registry of persons who are willing to act as agents abroad for British traders.

23. That Her Majesty's consuls should act as quasi public prosecutors in cases of trade-mark or patent infringements, &c.

24. That native agents be more employed by merchants in China and elsewhere than at present.

25. That the commercial department of the foreign office be "assisted by a council of advice, which should be drafted from the representative ranks of chambers of commerce, and that it should be assimilated with a kindred department of the colonial office and India office."

26. That consuls should be placed in direct communication with chambers of commerce.