

**REPORT ON TRADE
CONDITIONS IN MEXICO, 59TH
CONGRESS, 1ST SESSION,
NO. 246, MARCH 5, 1906**

Published @ 2017 Trieste Publishing Pty Ltd

ISBN 9780649251810

Report on Trade Conditions in Mexico, 59th congress, 1st session, No. 246, March 5, 1906 by
Charles M. Pepper

Except for use in any review, the reproduction or utilisation of this work in whole or in part in any form by any electronic, mechanical or other means, now known or hereafter invented, including xerography, photocopying and recording, or in any information storage or retrieval system, is forbidden without the permission of the publisher, Trieste Publishing Pty Ltd, PO Box 1576 Collingwood, Victoria 3066 Australia.

All rights reserved.

Edited by Trieste Publishing Pty Ltd.
Cover @ 2017

This book is sold subject to the condition that it shall not, by way of trade or otherwise, be lent, re-sold, hired out, or otherwise circulated without the publisher's prior consent in any form or binding or cover other than that in which it is published and without a similar condition including this condition being imposed on the subsequent purchaser.

www.triestepublishing.com

CHARLES M. PEPPER

**REPORT ON TRADE
CONDITIONS IN MEXICO, 59TH
CONGRESS, 1ST SESSION,
NO. 246, MARCH 5, 1906**

105
C 27
no. 4
59TH CONGRESS }
1st Session }

SENATE

} DOCUMENT
} No. 246

REPORT

ON

TRADE CONDITIONS IN MEXICO

BY

CHARLES M. PEPPER

SPECIAL AGENT OF THE DEPARTMENT OF COMMERCE AND LABOR

TRANSMITTED TO CONGRESS IN COMPLIANCE WITH
THE ACT OF FEBRUARY 3, 1905, AUTHORIZING
INVESTIGATIONS OF TRADE CONDITIONS ABROAD

MARCH 5, 1906

Referred to the Committee on Finance
and ordered to be printed

WASHINGTON
GOVERNMENT PRINTING OFFICE
1906



HF
105
C27
nc.7

DEPARTMENT OF COMMERCE AND LABOR,
OFFICE OF THE SECRETARY,
Washington, March 5, 1906.

SIR: I have the honor to herewith transmit, in compliance with the act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1906, approved February 3, 1905, the final report of Special Agent Charles M. Pepper on trade conditions in Mexico.

Very respectfully,

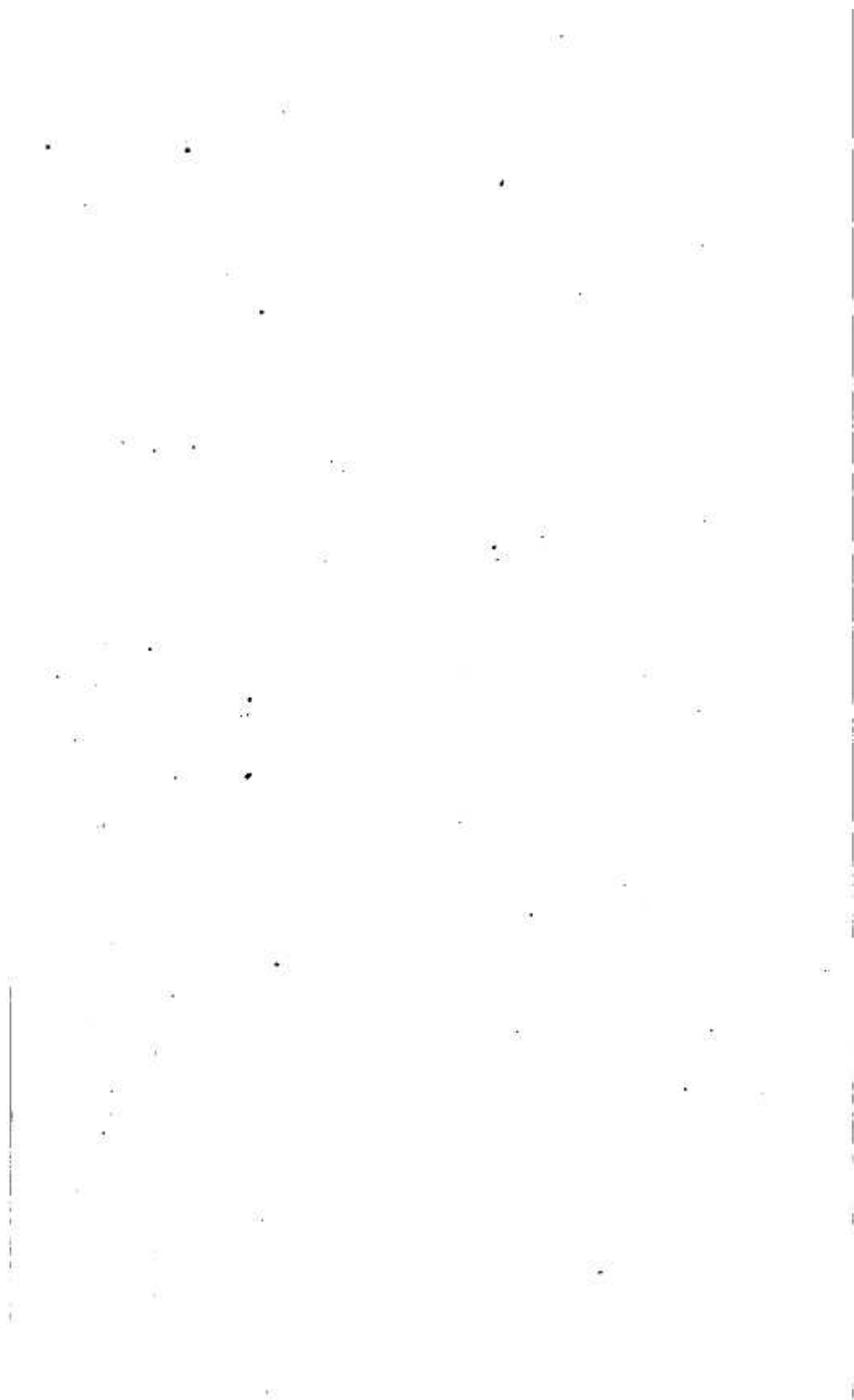
V. H. METCALF,
Secretary.

The PRESIDENT OF THE SENATE.



CONTENTS.

	Page
Letter of submittal	5
Fiscal and industrial prospects	7
Temporary increase in cereal imports	7
Balance of trade tipping to Mexico	8
Benefit of stable currency	9
Selling silver dollars for gold	10
Wage scale and labor efficiency	11
Flow of foreign capital	12
Protective principle of new tariff	12
Problem of iron and steel interests	13
Water power and coal	14
Successful native industries	15
Revival of mining	16
Railway building	17
Gulf and Pacific coast systems	17
Interoceanic lines	18
Through lines	19
Rails and other material from the United States	20
Results from railroad construction	21
Demands of Mexican trade	21
Customs regulations	22
Packing and invoicing	22
Seat of the trouble	23
Suggestions concerning credits	24
Transportation rates and international competition	25
Trade in groceries	26
Hints for commercial drumming	27
The surplus stock theory	27
Commercial training and trade-marks	27
Growth of boot and shoe imports	28
Cottons supplied by native mills	29
Market for furniture	30
Sample form of shipping list	31
Irrigation and agriculture	32
Agricultural implements	32
Coffee and sugar cane	33
Cotton, henequen, rubber, and timber	34
The immigration movement	35
American colonists and settlers	36
Admonition for land buyers	37
Barrier of big estates	38
Conclusion	39



LETTER OF SUBMITTAL.

WASHINGTON, *February 7, 1906.*

SIR: I submit herewith a report on Trade Conditions in the Republic of Mexico, based on information gathered under the instructions of the Department of Commerce and Labor.

It is impossible for the American people not to share the satisfaction that is felt over the financial stability which now exists in that Republic, due to the establishment of a fixed relation between the silver currency and gold. The influence of the monetary laws and of the administrative action giving them force is reflected both in domestic transactions and in international commerce, while the effect on foreign investments is very beneficial.

With its fiscal affairs established on a known basis, the Government is now free to pursue other measures for the economic and industrial development of the country, including the promotion of agriculture through irrigation and immigration.

In following my investigations I have revisited various localities and have had the opportunity of making comparisons with previous inquiries into industrial and commercial conditions. The fact which has most impressed itself on me in the Pacific coast region, the central plateau, the Gulf districts, and the Isthmus of Tehuantepec has been the universality of the conditions of progress. Every section promises further development, and therefore enlarged markets.

The increase in the investments of United States capital is no longer confined to railroads and the mining industry. The overflow of our prosperity is encouraging investors in smaller lines. The direct returns on the capital which has gone into railways and similar large enterprises can now be calculated with certainty because of the fixed valuation given to the currency of the country. The indirect returns which should come from the sale of goods that are the product and manufacture of the United States are not so easily determined. Yet it is apparent that these indirect returns should be greater, and can be made greater.

Sales of \$50,000,000 of domestic merchandise annually are gratifying, but it would be more satisfying to know that they form a larger percentage of the total Mexican imports. The truth is that Mexico