

CUBAN ANNEXATION.

Influence of Annexation on the Sugar Interest —Letter from John S. Thrasher.

SAMUEL J. PETERS, Esq.: *Dear Sir:* I cannot submit the following observations upon the effect which a change in the political condition and relation of Cuba, would have upon the commercial interests of New-Orleans, and the agricultural interests of Louisiana, to any one with greater propriety than to yourself. Your long continued acquaintance with these important sources of our wealth and prosperity, and the solicitude you have ever exhibited, for their increase and permanent establishment and welfare, have given you an intimate knowledge of their wants and of their tendencies, while your acknowledged judgment and experience will enable you to detect at a glance any fallacy or error which I may incur. I would submit my opinions to the scrutiny of experience, and to the test of truth.

The industry of Cuba is almost entirely absorbed in the culture of the sugar cane and the tobacco plant, and its attendant labors; and the necessary supplies for its consumption come almost entirely from abroad. These supplies properly divide themselves into two classes; that of sustenance, or food, and that of use, or utensils and clothing; the former of which greatly preponderates in value.

The natural source of supply for the class of sustenance is the great valley of the West, as is evident from the following table of eight of its principal articles, taken from the official returns of the commerce of Cuba:

Average of Imports for three Years, 1843-50.	
Flour, bbls.	234,264
Lard, lbs.	10,193,370
Olive Oil, lbs.	1,322,635
Beef, dry and wet ...	562,625
Pork, dry & wet, lb.	1,431,778
Jerked beef, lb.	30,566,950
Hams, lb.	2,017,496
Butter, lb.	685,349

The fact that New Orleans is the great exporting port of nearly all these articles, and that it is the one most easily accessible to both the producer and the consumer, would induce the supposition that the greater portion of them are obtained from thence. How erroneous this supposition is, will be seen in the following classification of the foregoing table:

Whence Imported and Rate of Duty.			
From United States.	Duty.	Other places.	Duty.
Flour, bbls.	5.642 \$10 81 bbl.	228,002	\$2 52 bbl.
Lard, lbs.	4.36 qtl.	121,225	4.30 qtl.
Olive Oil, lbs.	2.87 qtl.	8,451,900	57 qtl.
Beef, lbs.	1.75 qtl.	143,604	1.75 qtl.
Pork, lbs.	2.86 qtl.	1,213	2.16 qtl.
Jerked Beef, lbs.	1.96 qtl.	30,566,990	1.17 qtl.
Hams, lbs.	3.58 qtl.	818,263	3.50 qtl.
Butter, lbs.	4.77 qtl.	66,252	4.77 qtl.

Here we find that unequal fiscal impositions change the natural current of trade, and that Flour instead of being brought from the cheapest mart in the world, is sought on the other side of the Atlantic; that Olive Oil of the most inferior quality is enabled to compete largely with Lard for domestic purposes; and that of 34,531,959 pounds of meats consumed, only 2,890,259 pounds, or a fraction over 8 per cent. is imported from the United States; while Butter and Pork, being subject to an equality of fiscal exactions, are imported to the extent of more than 90 per cent. from this country.

In contemplating the commerce of Cuba, there is another point worthy of our dispassionate attention. Under its present excessive fiscal burdens, prices are maintained at a point that materially diminishes consumption. The mean price of flour there at this time is \$16 per barrel; that of lard 15 cents a pound; olive oil, 12 cents; beef, 7 cents; jerked beef, 6 cents; hams, 11 cents; and butter, 25 cents a pound. I do not hesitate to say, and I believe every unprejudiced mind will agree with me, that with a tariff that should not exceed one dollar a barrel on flour, and one cent a pound on lard and meats, not only would the revenue of the Government be increased, but the commerce of the island, and the welfare of its inhabitants would be vastly augmented.

The following table of comparative consumption at present mean prices, and estimated consumption at mean prices which would leave an abundant margin for profit and charges, I do not deem in the slightest degree exaggerated:

	Mean price.	Present consump.	Mean price.	Estimated consump.
Flour, bbl.	\$16	234,264	\$10	500,000
Lard, lb.	15c.	10,168,595	11c.	25,000,000
Olive oil, lb.	12c.	8,451,900	12c.	3,500,000
Beef, lb.	7c.	562,625	6c.	20,000,000
Pork, lb.	8c.	1,431,778	7c.	10,000,000
Jerked beef, lb.	6c.	30,566,950	6c.	10,000,000
Butter, lb.	25c.	685,349	20c.	2,000,000

In this estimate I assume that flour would double in quantity, and the consumption would be entirely of American product; that lard would not only experience its natural increase of consumption from the diminution of cost to the consumer, but that it would displace in a great measure the inferior olive oil that now competes with it; and that the consumption of meats would undergo a moderate increase, excluding in a great degree the very poor article of jerked beef now imported so largely from Buenos Ayres, in consequence of its less cost to the consumer.

The great advantages which the market of New-Orleans presents for this commerce, would undoubtedly attract to itself by far the largest portion of it; and a moderate calculation demonstrates that the increased value of trade which would accrue to its merchants by a change to a liberal fiscal system in Cuba, would not be less than \$25,000,000 annually, or nearly one-fifth of their present export trade.

The effect which a change in the political condition of Cuba and her relations to the United States would have upon the great staple of Louisiana cannot be submitted to the same severe calculation; but deeming, as I do, that misapprehension pervades the public mind on this point, I would submit, with due deference, the following observations:

The present aim of the people of Cuba is to establish, through a successful revolution there, a free Government, and to secure by this means the right of self-government, and a permanent safeguard against the present nefarious system of importing large numbers of savage negroes from Africa, which menaces the future safety of society in that island.

No man there dreams that this revolution, however rapid and successful it might be, can be effected without a temporary interruption of the industrial labors of the country, and a subsequent temporary diminution of its productiveness.

The duration, or the ultimate effect of this disturbance upon the supply and the prices of sugar, now become an article of necessary consumption in the world, cannot be estimated by any process of calculation. That its present effect would be to diminish the production and to enhance prices, no one can doubt.

The establishment of a free Government in Cuba could not produce any immediate prejudice to the sugar-planting interest of Louisiana, for it would not disturb in any way the fiscal protection which the present tariff extends to it.

It is the subsequent admission of that island as one of the States of this Union, which is supposed to nurture disaster and ruin for the sugar planters of Louisiana.

I will not deny my fixed belief that the vast majority of the people of Cuba desire the admission of their country to the benefits of this confederacy, when it can be attained with honor to themselves as a people, and with due regard to their social institutions and interests.

But I do not entertain the belief that this event is pregnant with ruin, or even with injury to the sugar planting interest of this State, and to such as suppose that such a result follow the admission of Cuba in the Union, I would suggest the following reflections.

The product of sugar to the acre in Cuba differs very slightly from that of Louisiana, while the difference in the amount produced per hand is even less than the difference of product to the acre, and is probably in favor of the Louisiana planter from his improved system of culture, and better care and feeding of his hands.

The great elements of the less cost of production of sugar in Cuba than in this country, consist in the superior cheapness of labor, and the lower value of land there. The average value of field hands in Cuba is \$500, while in this State their value is \$1,200; and the mean value of land is known to be far less than here. In these great items consist almost the entire advantage which the planter of Cuba possesses over him of Louisiana. In other respects he labors under disadvantages; for instance, the cost of his supplies, which is greater from his greater distance from their place of production.

The first great result of the establishment of a free Government in Cuba, or of its admission to this Confederacy, would be the immediate cessation of the African Slave-trade, and the appreciation in value of the slaves there, consequent upon the cutting off of this source of cheap supply.

Next in the scale of economic results, attending the admission of Cuba to the Union, would be the equalization of the value of slaves. They could not remain at an average value of \$500 there, while they bore that of \$1,200 here, and freedom of intercourse between the two countries existed. They would either advance in value in Cuba, or decline here. As the numerical preponderance is so great on the side of this country, it is a legitimate supposition, that by far the greatest effect would be produced upon the smaller mass in Cuba, and that consequently, their value would advance there.

Such an equalization in the value of labor in this country and in Cuba, would contribute in a great degree to an equalization of the cost of production of sugar in each, increasing it in Cuba and diminishing it in Louisiana, in the exact proportion of its effect upon the value of labor respectively.

That a great increase in the value of land in Cuba would follow the admission of that island to the benefits of this Confederacy, I presume no one doubts. Such a result would contribute also to augment the cost of its agricultural products, thus removing another of the important constituents of the product of cheap sugar there.

The increase in the cost of production of this staple in Cuba, would be a far more permanent and efficient protection to the sugar planter of Louisiana, than the present fiscal impost upon sugar; while so long as Cuba is enabled to produce it at less cost than Louisiana, and the desire in the North to obtain cheap sugar exists, the danger to the sugar planting interests in this country will not only remain, but may continue to increase.

The effect of great changes in the value of labor upon agricultural products, is notably exemplified in the course of the culture and the price of coffee.

Cuba was formerly a coffee exporting country. Subsequently to the partial suppression of the Slave-trade under the treaty between England and Spain, the average value of negroes in Cuba was, for a long period, from \$160 to \$450. Brazil continued the Slave-trade, and from her proximity to the coast of Africa, and the abundant supply of slaves, their average value in her markets fell to from \$250 to \$300.

The Coffee culture requiring no expensive machinery, or other outlay than that for hands, was largely entered into there, and Brazil was enabled to compete successfully with Coffee-producing countries. She could under- sell every one else, and the mean price of Coffee in her ports fell to six cents a pound. Cuba with her dearer labor could not produce it at this price, and her Coffee fields were abandoned, and her labor transferred to other and more remunerating employment.

On the 14th of November, 1850, the Emperor of Brazil issued the edict establishing measures for the final suppression of the slave-trade in the empire, and its result is shown in the following extract from the report to the British Parliament by the Select Committee on the Slave-Trade:

"The evidence before your Committee proves that the importations of slaves into Brazil in 1847 was 56,172; in 1848, 60,470; in 1849, 54,070; but that in 1851 it had diminished to 3,247, and in 1852 to 760, of which last importation a considerable portion had been seized by the Brazilian Government."

The cessation of the supply immediately enhanced the value of labor in her markets, and under the increase of the cost of its production the price of coffee began to appreciate in her markets, and it now stands at a mean of ten cents, with a prospect of gradual but continued advance.

But the coffee planters of Cuba had been ruined and

died in poverty, while their slaves passed into other hands, and their fields now lie fallow or have been sold to other uses. A new generation has grown up, skilled in new labors, and though the enhancing value of labor in Brazil should continue to enhance the price of her staple product, she will still have the markets of the world to her sole benefit. Great economic changes are not produced except by violence, or under the long continued action of powerful causes.

There is another argument of great weight bearing upon the question of the admission of Cuba to this Union, which should not be forgotten.

While the equalization of the cost of the production of sugar in Louisiana and Cuba would bring to the Louisiana planter a permanent protection, the admission of Cuba to the Union would make the United States the great sugar grower, as it is the great cotton grower of the world. Under the increasing power of our moral influence, relaxations of the fiscal regulations of other countries, (nearly all of which box sugar as a luxury,) would be obtained, and its consumption thereby vastly increased to the great benefit of the producer. The results that would flow from such an attainment cannot even be estimated.

If these views are correct, as I believe they will be found, upon a careful examination, to be, not only is there no danger to the sugar planting interest of Louisiana from the admission of Cuba to this confederacy, but great benefits will accrue to that interest upon its consummation.

So long as Cuba continues in her present condition, the Louisiana planter will be continually menaced by a cheap sugar producing community on one side, and an earnest desire on the part of all the other members of the confederacy to obtain their supplies at a low cost. One State, Ohio, has already begun the struggle against Louisiana, and has passed resolutions instructing her representatives in Congress to urge upon the Secretary of the Treasury that sugar and molasses be put upon the list of articles to be imported free of duty.

In this war of interests Louisiana stands alone. How long she will be able to maintain the struggle successfully can only be a matter of conjecture. The ultimate result cannot be doubtful even to the most sanguine advocate of fiscal protection to the sugar growing interest.

There is another greater and more immediate danger to this interest,—one which it would seem to me is not properly appreciated in this country.

The Spanish Government in Cuba has declared that its duty is to increase the supply of labor in that island at all hazards. A new code for the government and discipline of free laborers has been instituted, and great exertions are being made under it, with the favor of the Government, to bring in European, Indian and Asiatic laborers. Whatever the motives of the Government may be, its declared policy is to reduce the price of labor.

In pursuance of this idea, it is now seeking to establish a system of African apprenticeship, and offers to the planters in Cuba that it will give them apprentices to labor for a series of years, at prices most inordinately low, and that if they will sustain the Government in the measure it will introduce 100,000 negroes in one year. In the meantime, the Slave-trade is stimulated and encouraged in every way, and at this moment is carried on there with an activity that has not been equaled since 1810, when 20,000 negroes were brought in.

If this policy is successfully established and the cost of labor reduced to \$200 per hand, as the Spanish Government of Cuba argues it will be, what protection will the present duty on sugar in this country afford the Louisiana planter against the almost costless sugar of Cuba?

Five years of such competition would suffice to ruin every sugar-planter in this State. They would follow the coffee-planters of Cuba in poverty to the grave. Though the ruin of Cuba should then follow, as it doubtless would, and her now fertile fields be given up to thousands of semi-savage Africans, could Louisiana then recreate her sugar-growing interest? And if she did create it, would its present possessors enjoy its fruits? No man can believe they would.

These views, which I present in all candor, induce me to believe that so far from the admission of Cuba, as a sugar-growing region, to this Union, being in any way prejudicial to the same great interest in this State, its consummation is the only measure that will confer stability upon the culture of the sugar-cane here, and conduce to the permanent welfare of the planting interest of Louisiana.

The benefits of the measure to Cuba, in an economic point of view, will be equally great if they do not exceed those of Louisiana. An augmentation to more than double the value of every slave and a four-fold increase in the value of her lands will confer great individual wealth upon vast numbers of her people, and replace many-fold the undoubted sacrifices necessary for her revolution.

The effect of her admission to this Confederacy upon the body politic in Cuba are well and truthfully ascertained in the following words of one of her most illustrious sons:

"There will she find peace and consolation, strength and protection, justice and freedom; and, resting upon these solid foundations, will in a short period exhibit to the world the portentous spectacle of a people rising from the most profound degradation and passing with the rapidity of the lightning's flash to the highest point of greatness."

I have the honor to be, very respectfully and truly, your obedient servant,
J. S. THRASHER.

NEW-ORLEANS, May 4, 1854.