a large surplus. For the period from 1800 to 1810 the revenues of New Spain amounted to about twenty million dollars a year. Of this only ten and a half millions was expended in the interior of the country. From the surplus about six millions a year, on an average, were remitted as tribute to Madrid, and over two millions were sent to Cuba, Florida, Porto Rico, the Philippines, Louisiana, and other Spanish possessions, all of which were, in some measure, supported by Mexico.

The outbreak of the revolution threw all the finances of New Spain into confusion, and produced continual deficits in the colonial administration, which were made good, partly by new forms of taxation and partly by forced loans (*préstamos forzosos*). The latter expedient, which necessarily involved disastrous although remote consequences, was much admired for its elegant simplicity. It was usually operated as follows: The commanding officer of an army would be authorized by the national authorities, or those acting as such, to resort to "exceptional means" to raise money. He would then assess individuals various sums according to what he believed they could be made to pay, and would give them notes in the name of the government for the amounts collected, which nobody ever expected to see paid, and which never were paid. It was, says a Mexican author, very much as if a highway robber should stop a lady on the street and pull off her rings, while handing her at the same time his promissory note.[1]

After the fall of Iturbide, the reorganization of Mexico, and the adoption of the Constitution of 1824, there began a period in which national revenues were increased, expenditures were cut down, and the methods of doing business were reformed and simplified by the intelligent men at the head of the treasury. It was, however, evidently impossible to create a satisfactory budget so long as the conditions of trade, and especially of the import trade, were daily changing, and while the effects of the new federal form of government could only be conjectured. Consequently it is not

[1] Bulnes, *Grandes Mentiras de Nuestra Historia*, 664.

surprising to find that the official estimates often proved very inexact, and that even with the help of large foreign loans the government was at times in straits for ready money.

For the two years and a half, from the beginning of the year 1824 down to June 30, 1826, the receipts of the federal government, as reported, were at the rate of about fifteen million dollars a year, including some part of the proceeds of loans; and the expenditures were at the rate of about sixteen millions.[1] These figures, however, seem to have varied a good deal in different years. Thus in the year 1825 the ordinary revenue was estimated at less than nine and a half millions of dollars, the expenditures at close to eighteen millions. But with the growth of imports the revenue largely increased, and for 1826 may be put at thirteen million dollars. At the same time the expenditures, including interest on foreign loans, were brought below sixteen millions, so that the true annual deficit (excluding proceeds of loans) had fallen from eight to about three millions a year.[2]

The foreign loans with which the deficits were covered were principally two in number, one made through Goldschmidt & Co., of London, and the other through Barclay, Herring, Richardson & Co., each for sixteen million dollars. The Goldschmidt loan was made at the beginning of the year 1824, before the independence of Mexico had been acknowledged by England or any other nation, and while the efforts of the Holy Alliance to re-establish the Spanish power in America still seemed likely to be formidable, and it was to be expected that usurious terms would have to be submitted to, but the reality of the extortions surpassed expectations. The report of the agent of the Mexican government, Francisco de Borja Migoni, gives a very full account of the difficulties he encountered, and a scandalous but most amusing history of the partially successful attempts of men in semi-official positions to get a share of the plunder.[3] He ultimately made a contract by which he sold to Goldschmidt & Co. the whole issue of sixteen million five-per-cent

[1] Romero's *Mexico*, 139.
[2] Ward's *Mexico*, I, 275-287.
[3] Tornel, *Breve Reseña*, 117-128.

bonds at fifty, less deductions for commissions, interest retained, etc., which amounted to over two million dollars, so that all the Mexican government actually got was $5,900,-323, or less than thirty-seven per cent of the face of the loan.

The Barclay & Co. loan was issued in February, 1826, after Canning had called his New World into existence. This firm acted merely as agents, and sold the bonds by subscription to the public at eighty-six and three-quarters, but the commissions, interest, and sinking-fund payments for the first eighteen months retained, and "contingent expenses" absorbed over five hundred thousand pounds, so that this loan only produced a little over eleven million dollars, or something more than seventy per cent of its face. But even this sum was not actually received, for shortly after the bonds had been sold Barclay & Co. failed, owing the Mexican government nearly three hundred thousand pounds.[1]

The revenues of the government were derived from customs duties, the monopolies of tobacco, gunpowder, and salt, the post-office, the lottery, the revenues of the estates formerly belonging to the Inquisition or suppressed convents, and a direct tax apportioned among the several states. Of these items, the customs duties were much the largest, amounting to about sixty per cent of the whole. All other sources of revenue were declared by statute to belong to the several states.[2]

The receipts from customs were, however, much less than they might have been under a more liberal policy. Protectionism run mad had not been content to impose heavy duties upon articles grown or manufactured in the country, but from the very first years of independence had adopted the policy of prohibiting the importation of such things as were produced in Mexico, as well as of some things that were not, but might be, produced.[3] Among the results of this

[1] According to Alaman, the loss through the failure of Barclay & Co. amounted to considerably over two million dollars.—(*Liquid. Gen. Deuda Exter.*, 92.)

[2] Law of Aug. 4, 1824.—(Dublan y Lozano, I, 711.) By the law of Dec. 22, 1824, the states were also permitted to collect a duty of three per cent on foreign goods which were consumed within their borders.—(*Ibid.*, 748.)

[3] Lerdo de Tejada, 31.

policy were the loss to the treasury of a large revenue that might have been derived from duties on the goods thus prohibited, and also the continuance and growth of the system of contraband trade which the colonial policy of Spain had notoriously fostered.

Of the national expenditures, the heaviest annual item was for the maintenance of the army and navy, amounting in 1825 to about eighty per cent of the whole cost of the government.

In 1823 a few vessels had been purchased and the naval force was gradually increased until in January, 1827, it consisted of one ship of the line,[1] two frigates, a corvette, four brigs, and some smaller vessels. In 1826 Commodore David Porter, formerly of the United States navy, was appointed "General of Marine," with a salary of twelve thousand dollars a year and perquisites, besides the control of the castle of San Juan de Ulúa. He cruised off Cuba and committed great havoc on the Spanish commerce, but lost one of the frigates in action, and finally resigned in 1829, after a series of vexatious controversies with the Mexican government.[2] The fact was that the natives of Mexico had no maritime aptitude or experience, and their attempt at creating a navy was a foregone failure.

The army, whose organization and equipment was inherited from colonial times and was chiefly commanded by men brought up in the Spanish service, was much more formidable. On paper, it consisted of about thirty thousand men actually with the colors, with reserves of about thirty thousand more, but it was always doubtful how far the returns were to be relied on.

The regular army (*ejército permanente*) consisted of twelve battalions of infantry, whose peace strength was just short of ten thousand; twelve regiments of cavalry, with a peace

[1] This was a Spanish ship, the *Asia*, whose crew mutinied while *en route* to Manila and carried her into Monterey in California. From there she was brought at great expense to Vera Cruz, round Cape Horn. She proved perfectly useless to the Mexicans, and was used for years as a prison hulk.

[2] An account of Porter's career in Mexico will be found in *Memoir of Commodore David Porter of the U. S. Navy*, by his son, Admiral David D. Porter, 347–391.

strength of sixty-seven hundred; and three brigades of artillery, numbering about eighteen hundred in all. The aggregate was therefore about eighteen thousand five hundred, which, in time of war, would be increased to over twenty-six thousand. The presidial companies and certain companies of coast-guards added about four thousand five hundred men to the nominal force of the regular army.

There were also always under arms over nine thousand militia (*milicia activa*) who were, for all practical purposes, a part of the standing army. The enrolled militia amounted altogether to a little over thirty-six thousand men, but the military value of three-quarters of them, for any purpose, was probably very trifling.[1]

The army was scattered over the whole of Mexico in relatively small detachments, so that it always proved a matter of the utmost difficulty to concentrate a respectable force at any threatened point, even when ample warning of the need of men was given. This was due in part to the great difficulties in the way of transporting men and supplies, either by land or sea—by land, because of the non-existence of decent roads or navigable rivers; and by sea, because of the non-existence of a considerable body of shipping. A second reason why troops could not readily be collected was that they were universally relied on to do the work of preserving order, and it was never considered safe to leave the larger towns without substantial garrisons, and as the garrisons were frequently mutinous, other troops within a reasonable distance were always maintained to help preserve discipline. *Quis custodiet custodes?* was a question that often arose to perplex the federal authorities.

The rank and file of the army were, of course, Indian peasants. There was no regular system of conscription, but some mode of compulsion seems to have been almost always resorted to in order to get men into the army. One very

[1] As to the army statistics, see Ward's *Mexico*, I, 228–236, which probably represents the average figures. The report of General Mier y Terán gives the figures on Dec. 14, 1824, as follows: Troops of the line, 22,534; active militia, 40,018; making a total of 62,552, as against Ward's total of 61,000.—(*Memoria del Secretario . . . de la Guerra, presentada á las Cámaras en enero de* 1825.)

favorite expedient was to send into the ranks men who were convicted of petty offences, and parties of handcuffed recruits were constantly to be met marching to join their regiments.

The number of officers was always disproportionately large, even from the time of Iturbide. At the beginning of his reign, out of a force of about thirteen thousand men there were over eighteen hundred commissioned officers under the rank of general,[1] and the number of generals was always great. This disproportion increased in subsequent years.

The cost of maintaining the army and navy in 1825 was estimated at about fifteen million dollars. In addition the salaries of President and Vice-President and the expenses of the Ministry of Finance were estimated at two millions, the Ministry of Internal and Foreign Relations at a hundred thousand, and the Ministry of Justice and Ecclesiastical Affairs at seventy-seven thousand dollars.[2]

The last item was much below the amount required when the federal tribunals authorized under the Constitution of 1824 were fully established. The estimates for 1827 called for over one hundred and sixty-three thousand dollars for the maintenance of the supreme tribunal of justice, the inferior federal courts, and the local courts of the Federal District.

In general, the laws of Mexico were necessarily based upon those of Spain as applied in her colonies, but after independence there was a large mass of legislation which affected both the procedure of the courts and the main body of the law. The clergy and the army had, besides, their own special tribunals, which administered separate codes of law and had extremely wide jurisdiction. The administration of justice in the regularly constituted courts, both state and federal, was dilatory both in civil and criminal cases, and in the latter the proceedings were largely conducted in secret.

To the foreign nations who had acknowledged the independence of Mexico all these questions—the administration

[1] Bancroft's *History of Mexico*, IV, 753. [2] Ward's *Mexico*, I, 275.

of justice, the strength and efficiency of the army and navy, the commerce and wealth of the country, her agriculture, mines, and manufactures—were of very great importance; but the chief inquiry, which really included all the rest, was as to the political capacity of the people and the probability of their being able in a shorter or longer period to establish an efficient, stable, and prosperous government capable of maintaining internal tranquillity and of performing the international duties which the nation owed to other countries.

It is easy now to see that a nation constituted of such materials as were united in the people of Mexico, and governed for three centuries as Mexico had been governed, was inevitably doomed to suffer, at least at the outset of its independent career, from political incapacity and inefficiency. But the conditions of the country were not very generally or very clearly understood at that time, and foreign observers were often perplexed and disappointed by the patent inability of the Mexicans to establish a government which was either stable or efficient.

In the United States particularly a complete misconception of the essential facts was prevalent. The people of the United States were apt to think of Mexico as a country inhabited by a European race—a nation consisting of the descendants of immigrants who had overrun Mexico as the English had overrun the North Atlantic seaboard, and who had driven out the aborigines as the Algonquins and the Six Nations and the Cherokees had been got rid of from Maine to Georgia. Nothing could have been more erroneous. The Mexicans were not to be regarded as a European but rather as an indigenous race, and although the original occupants of the country had been conquered they had neither been exterminated nor expelled. In fact, they remained the predominant element in the population so far as numbers went, very much as the Saxons remained in the majority in England after the Norman conquest.

There were few analogies between the Spanish colony in Mexico and the English colonies of North America. When the English, French, and Dutch first settled in America they

found the land thinly occupied by a few groups of wandering savages who were skilful and formidable warriors. These Indians lived by hunting and fishing and had only the most elementary notions of agriculture. They were sudden and violent, treacherous and thieving. Not a man of them would work for wages. The British settlers found them impossible neighbors, and from the very first became involved in long and doubtful struggles for mere existence. It was universally believed that if the British settlements were to survive at all their people must destroy or banish the native Indians; and therefore from East to West one tribe after another was conquered and driven back into the wilderness. The native savage, who was incapable of work as a servant, was swept away like the wild-cat and the wolf in order that life might be a possible thing for the white farmer and his negro slave.

In Mexico all the conditions were reversed. The first Europeans found the land occupied by a tolerably dense population which had already made considerable advances toward civilization. These people—although passing under the generic name of Indians—were totally unlike the Indians of the British colonies. They were essentially a peaceful race, well advanced in agriculture and in some of the simpler domestic arts. They had learned to build houses of brick and stone, to weave cloth, and to communicate by a system of hieroglyphics. They had a form of religious ritual. They had built great temples. And they had no skill in war.

The North American Indian fought desperately for several generations, upon not altogether unequal terms, with the British settler; but a few hundred Spaniards were able in ten years to overrun and permanently subdue a Mexican native population of several millions.

New Spain resembled British India much more than it resembled any British colony in America. Both in Mexico and Hindustan a small number of adventurers had quickly subdued, by craft or by violence, a huge, ill-organized, docile, and hard-working population composed of a number of

different and generally hostile tribes. In neither case were the natives expelled. They were simply made to work for the benefit of their new masters, and the bulk of the inhabitants continued after the conquest, as before, to be made up of the same indigenous races that the conquerors had found in the land. Both in Mexico and in India an unwarlike people were readily kept in control by a small but relatively efficient European garrison, and in neither did the people love their rulers.

But no analogy is ever complete at all points, and the analogy between New Spain and the East Indies breaks down in several particulars.

In the first place, Englishmen did not go to India with the intention of settling. They did not intermarry with the natives, and white children born in India did not thrive. The Spaniard, on the other hand, who went to Mexico very generally looked forward to making that his permanent residence, and his children and his children's children lived and flourished and often married Indians or half-breeds and became merged, more or less, in the native population. The result was a far less rigid demarcation between the native and the European races than existed in British India and a larger percentage of European blood, although even in New Spain the Indian blood greatly predominated.

Another very important difference was the existence of the religious motive in the Spanish conquest. The Honourable East India Company was frankly commercial. Its court of directors and their officers, with Roman impartiality, allowed Mussulman and Hindu to exercise their religions freely so long as they did not disturb the British peace, and would never for one moment have dreamed of forcing the Church of England upon Asiatics. The Spanish government had a very different opinion of the obligations of religion. They were quite as much concerned with saving the souls of the natives as in exploiting their labor, and accordingly all native forms of worship were persistently broken up and supplanted by an official and rigidly intolerant creed from one end of New Spain to the other. All the

influences of religious unity were obviously favorable to a fusion between the conquered and the victorious races.

The people of the United States also failed to recognize the important fact that the people of Spain itself, although classed as Europeans, had a very considerable infusion of Asiatic and African blood, and were of very different descent from the other races who inhabited western Europe. "Of the many races which have gone to make up the varying types of men in the Spanish Peninsula," says an accomplished historian, "the early Afro-Semitic and the Saracen have made the strongest impress upon the national character, and have given it mainly its qualities, good and bad; its tribal tendencies, its fatalism, its gloomy pride and conservatism, and, not least, its cruelty. . . . We have in the Spaniard a man in whom so much is not understandable until we reckon with him, not as a European, but as the Moro-Iberian which he is; a man apart, and differentiated from the other races of Europe. Looked at so, much becomes explicable which is otherwise strange, and has defied the effort of the Anglo-Saxon to understand the philosophy of the acts and ways of the conglomerate race of the Peninsula, which, in its incapacity for government, its regionalism, its chronic state of revolution, its religiosity, its fatalism and procrastination, its sloth in material development, have made the Spanish nation an enigma to the northern mind." [1]

The population of New Spain at the time the Spanish domination came to an end was thus made up of a mixture of races in which there was in reality but a comparatively small infusion of European blood, and in which the descendants of the feeble folk whom Cortés had so quickly and completely subdued were in a very large majority. But whether Saracen, Moor, or Aztec, the people of Mexico inherited from their ancestors no capacity for self-government,

[1] Chadwick, *The Relations of the U. S. and Spain, Diplomacy*, 4–6. "It has been said that a Spaniard resembles the child of a European father by an Abyssinian mother. Whether or not the statement is literally true, the simile may be accepted as a convenient symbol of the most fundamental fact about Spain and her people."—(Ellis, *The Soul of Spain*, 29.)

and to that inborn defect there was added a fatal lack of experience.

Three centuries of Spanish autocratic government in New Spain would have inevitably rendered the natives unfit for self-government, even if they had ever possessed that difficult art; and it is probably true that when the republic was established the vast majority of Mexicans cared nothing whatever about republican principles or understood what self-government really meant. They hated the Spaniards and were glad to be rid of them. But they knew no more of the business of governing than they did of the business of fighting, and were quite content to leave such matters to those who cared for them. "The people," said a Mexican statesman and historian, in discussing the downfall of Iturbide, "were silent and obedient, as they have always obeyed and been silent; for no stimulus ever rouses them from the cool indifference with which they watch the coming and going of revolutions in which they have no part and from which they secure no advantage." [1]

But if the great majority of the population were sullen or silent in the face of political emergencies, there were always large numbers of men—mostly of Spanish descent—who were fiercely clamorous to undertake the affairs of the nation and to assume the honors and emoluments of office. Every garrison town swarmed with them. As a class they possessed only the limited education which the Mexican schools and universities of that day afforded, but they had inherited the Spanish pride and the peculiar Spanish inability to look facts fairly in the face. They had large aspirations and limited energy and knowledge. Their traditions forbade their earning money in trade or manufactures, even if a country so poor as Mexico had offered them many opportunities. Priest, lawyer, soldier, and government official comprised almost the entire list of careers open to them.

"Whether as the result of their vicious education," says Alaman, "or on account of the influence of the climate which tempts men to

[1] Tornel, *Breve Reseña*, 12.

easy-going indulgence, the white natives were generally idle and careless; ready to undertake but without foresight in measures of execution; giving themselves up ardently to the present and heedless of the future; prodigals in good fortune and patient and enduring in bad." [1]

A very great proportion, therefore, of the better-educated people of Mexico—that is to say, of the men who could read the newspapers and discourse of public affairs in the cafés and barracks—were constantly and deeply interested in the question of the possession of public office, because that was, in effect, the only means of livelihood of a great many of their number.

These men, of necessity, attached themselves to one faction or another, but most of them could have had very little real conception of the principles for which their parties nominally stood. They might call themselves Federalists, or Centralists, or Constitutionalists, but as they had had no experience in self-government and knew nothing of the rights of minorities, they never really comprehended the essential bases of free government. Above all, they never succeeded in understanding that the limitations of a paper constitution could be permitted to stand between them and the immediate satisfaction of their political desires.

With all this, the ruling class had a high sense of national dignity coupled with a great ignorance of the strength and power of foreign nations. That Mexico had conquered Spain, and that Spain had conquered the French, who were the first soldiers in Europe, was the national belief, and the inferences drawn from this assumption were very favorable to an opinion of the invincibility of Mexican arms.

It was therefore an impoverished, ill-organized, and inexperienced government which came into existence under the federalist Constitution of 1824, and which was destined to have as its most important neighbor the growing power of the United States. In the latter country the immense majority was as yet made up of people of English descent, although with considerable additions from the other vigorous nations of northern Europe. These people for two centuries had

[1] *Historia de Méjico*, I, 11.

been practising local self-government, and for fifty years had had the bracing experiences of independent national life.

Between two neighboring nations so singularly ill-assorted, a land frontier stretched for nearly twenty-five hundred miles through a vast region that was as yet almost wholly unpopulated and was very nearly unknown. It certainly did not need any great degree of political foresight to perceive that, sooner or later, questions arising along this far-extended line were bound to give occasion for serious differences, and that in the conflict of interests the weaker nation was extremely likely to go to the wall.

CHAPTER V

THE NORTHERN FRONTIER OF MEXICO

THE Spaniards first came to Mexico as conquerors, not as colonists. They were neither seeking an outlet for an overcrowded population, nor new avenues for trade. What they really hoped to discover were opportunities of wealth for a few lucky adventurers, and to this must always be added a sincere religious determination to convert the heathen—by force, if necessary.

The British colonies were established under totally opposite conditions. The needs born of the economic status of the country first directed the English, in the reign of Queen Elizabeth and her successor, to the fruitful field of emigration.[1] A little later, during the twenty years that preceded the meeting of the Long Parliament, the persecuting zeal of the Church of England also operated to force reluctant thousands into seeking new homes beyond the Atlantic. After the first venture into that unknown country successive generations of British emigrants went soberly forth in search of virgin lands. They went to seek farms, not gold mines. They did not gather into cities, but were scattered in little agricultural settlements that multiplied and were pushed slowly but constantly inland. They were not aided in any material respect by the British government, neither were they controlled by the Church of England. They made no systematic efforts to christianize the natives. They took care of themselves without the support of a military force or a state church, and they settled where they pleased and established their own forms of local government and their own laws. There were marked differences between the several colonies from New Hampshire to Georgia, and be-

[1] Leroy-Beaulieu, *Colonisation chez les Peuples Modernes*, 87.