Mr. Stevens to Mr. Wharton.

No. 28.]

UNITED STATES LEGATION,
Honolulu, July 23, 1891.

SIR: In reply to dispatch circular of the Department of State of June 25 relative to the inquiry of the Acting Secretary of the Treasury relative to sugar bounties, I have to reply that the Hawaiian Government pays no bounty whatever "directly or indirectly" on the production or the exportation of Hawaiian sugar.

I am, sir,

JOHN L. STEVENS.

Mr. Stevens to Mr. Blaine.

[Confidential.]

No. 30.]

LEGATION OF THE UNITED STATES,
Honolulu, August 20, 1891.

SIR: Touching the import of the inclosed clipping from the San Francisco Chronicle, which has the appearance of being authentic, it is proper for me to say that the present political aspect here is peaceful. All the parties, since the death of Kalakaua, have been trying to gain the support of the new Sovereign and the influence of the palace, and this is tending to help keep things quiet in the immediate present. The selection of a new Legislature will occur in January, and the business men, as well as the leading political factions, are each hoping to secure a majority at the polls, and this tends to maintain present quiet. The probabilities strongly favor the presumption that a United States war ship will not be pressingly necessary in the two or three immediate months.

But as early as the first of December, without fail, the month preceding the election, and for sometime thereafter, there should be a United States vessel here to render things secure. I have strong reluctance to being regarded an alarmist, but with due regard to my responsibility I am impelled to express the opinion that a proper regard for American interests will require one ship here most of the time in 1892. In case of disturbance the only legal force here is the city police and the palace guard of 60 men, both composed of natives and half-castes, a very frail and uncertain reliance in the time of special need. The rifle companies, composed of whites, were dissolved a year since by vote of the Legislature, which was done mainly to propitiate native prejudices and to secure native votes. The best security in the future, and the only permanent security, will be the moral pressure of the business men and of what are termed "the missionary people," and the presence in the harbor of Honolulu of an American man-of-war. The presence of a United States vessel not only operates strongly to secure good order among the many nationalities here, but it is a standing notice to foreign nations that the United States has a special care for these islands.

I am, etc,

JOHN L. STEVENS.