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The Virgin Islands

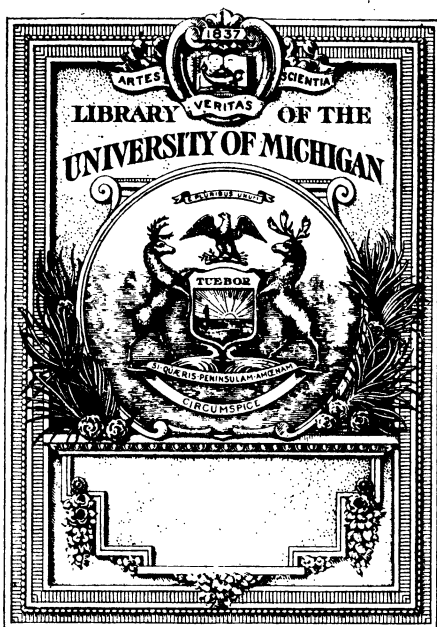
**A Description of the
Commercial Value of the
Danish West Indies**



**National Bank of Commerce
in New York**

April, 1917

[SECOND EDITION]



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Bank of Commerce in New York.

The Virgin Islands

“The opportunities for the extension of American trade in this district were probably never half so good as now, for the conditions existing in other great manufacturing countries have caused this field to be left almost entirely free for American manufacturers.”—
Report of Consul CHRISTOPHER H. PAYNE,
St. Thomas, July 15, 1916.

Service Department

**National Bank of Commerce
in New York**

April, 1917





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View of St. Thomas, Showing City of Charlotte Amalie and Inner Harbor

The Virgin Islands*

The group of small islands forty miles east of Porto Rico, for which the United States paid the seemingly exorbitant price of \$25,000,000 on March 31, 1917, is destined to become vastly more important under the government of the United States. The group comprises more than fifty islands, but only three of them are large enough to be considered except on hydrographic charts. These are St. Croix, adapted from the old Spanish name Santa Cruz, St. Thomas which has one of the finest harbors in the world, and the smaller island of St. John.

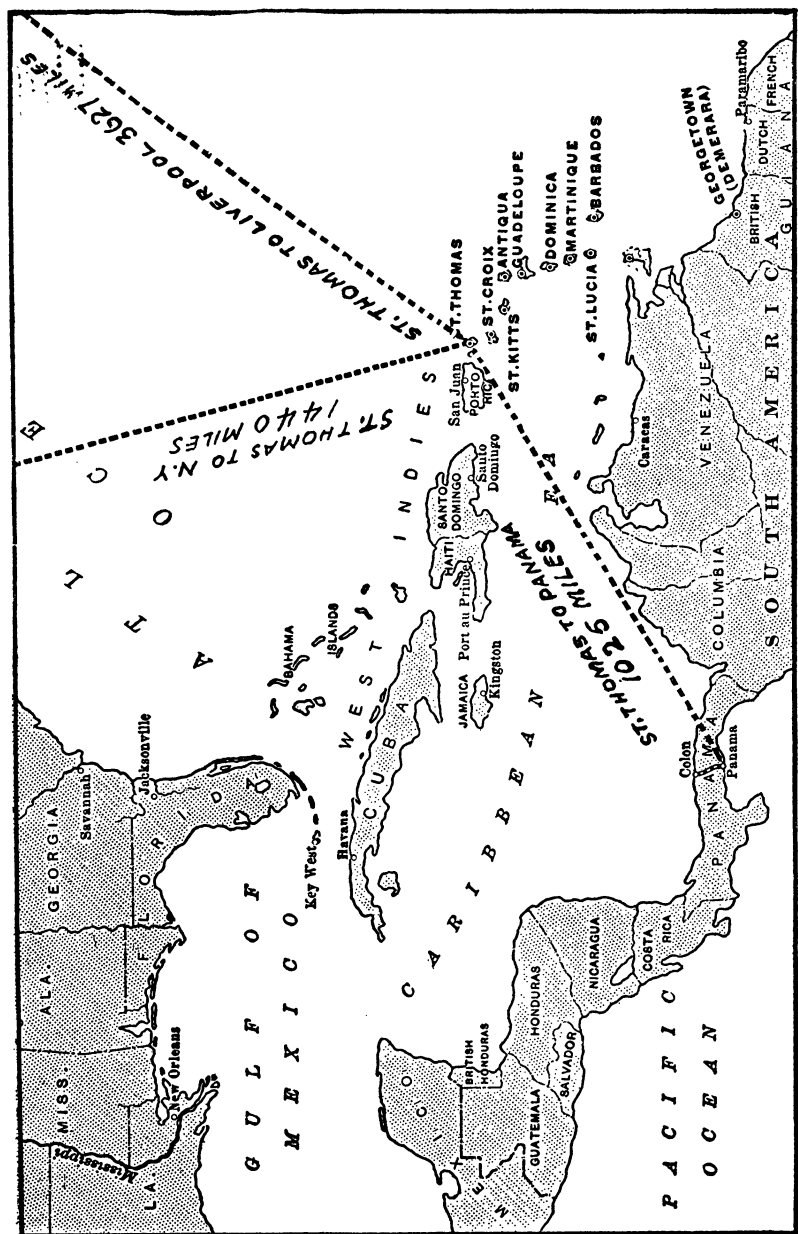
The islands belong to the Virgin group discovered by Columbus in 1493 and since then the inhabitants have been under Spanish, British, French, Dutch, and Danish rule.

The bartering began in 1865, when Secretary Seward offered \$5,000,000 for the islands. This offer was increased to \$7,500,000 two years later, but the project was never ratified. Secretary Seward bought Alaska in 1867 for \$7,200,000. Negotiations with Denmark were started again in 1901 and another attempt was made in 1910, but each time the project failed.

The National Geographic Society states that the cost per acre of the present purchase is \$295, that the cost per acre for the purchase of Alaska was two cents. It was also calculated that less than twenty-seven cents an acre was paid for the Philippines, and that we bought the Canal Zone at \$35.83 an acre.

The value of the harbor of St. Thomas and its strategic advantages have been recognized since the days of the Spanish buccaneers. It was formerly the headquarters for ships sailing under the black flag and two

*The State Department has requested that inquiries regarding the Danish West Indies be addressed directly to the American Consul at St. Thomas.



ancient castles in the mountains back of Charlotte Amalie, the port city of St. Thomas, bear the names Blue Beard and Black Beard.

President Wilson Asks for Appropriation.

The islands were formally taken over by the United States and the money paid March 31, 1917, seventeen days before the 90 days' credit extended by Denmark would have expired. Following is the communication from President Wilson urging Congress to appropriate the money:

To the Senate and House of Representatives:

I transmit herewith a report by the Secretary of State, with accompanying papers, concerning the treaty signed August 4, 1916, between the United States and Denmark for the cession to the United States of the Danish West Indian Islands and the obligations of the United States under the convention.

The attention of the Congress is especially invited to the necessity for action being taken by the Congress during its present session that will enable the Government of the United States to discharge its conventional obligation to pay to the Government of Denmark the sum of \$25,000,000, which, by Article V of the convention, the United States agrees to pay in full consideration of the cession within 90 days from the date of the exchange of the ratifications of the convention. This exchange of ratifications was effected on January 17, 1917, so that the good faith of the United States requires the payment of the \$25,000,000 not later than April 17, 1917, and to do this, provision by the Congress during its present session for the payment is imperative.

WOODROW WILSON.

THE WHITE HOUSE,
January 22, 1917.

Commercial Value Undoubted.

In the Secretary of State's Report which President Wilson transmitted, Mr. Lansing described the former negotiations with Denmark and concluded with this comment on the present value of the islands:

"All of the reasons upon which the two prior treaties were based, whether strategic, economic, or political, are of more force to-day than in previous years. There can be no question as to the value of St. Thomas Harbor as a naval port, with its circular configuration, ample roadsteads, protection from prevailing winds and seas, and facilities for fortifications. Moreover, the advantages of the possession of a naval base off the entrance of the Panama Canal and near the island of Porto Rico are self-evident.

"The commercial value of the islands cannot be doubted. Lying in close proximity to many of the passages into the Caribbean Sea, the use of St. Thomas Harbor as a supply station for merchant ships plying between the United States and South America, and for vessels in other trades, is of great importance. The existing modern harbor works, floating docks, marine slip and wharves provided with electric cranes, oil reservoirs, coal depots, fresh-water tanks, machine shops, and warehouses contribute to the commercial advantages of St. Thomas Harbor as a port of call and transshipment for ships in the Central and South American trades.

"The political importance of extending American jurisdiction over the islands is not to be overlooked. The Caribbean is within the peculiar sphere of influence of the United States, especially since the completion of the Panama Canal, and the possibility of a change of sovereignty of any of the islands now under foreign jurisdiction is of grave concern to the United States. Moreover, the Monroe doctrine, a settled national policy of the United States, would have caused this country to look with disfavor upon the transfer of sovereignty of the Danish West Indies to any other European nation.



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Business Street in Charlotte Amalie, Island of St. Thomas



"In view of these considerations, the treaty of cession of these islands to the United States is a matter of no small moment to this country. I do not hesitate, therefore, to recommend that the Congress be urged to take action during the present session to enable this Government to discharge its conventional obligation to Denmark by the payment to the Government of Denmark of the sum of \$25,000,000 by April 17 next."

Danish Expansion in Greenland.

In addition to making the money payment the United States is also bound by the following declaration:

"In proceeding this day to the signature of the convention respecting the cession of the Danish West Indian Islands to the United States of America, the undersigned Secretary of State of the United States of America, duly authorized by his Government, has the honor to declare that the Government of the United States of America will not object to the Danish Government extending their political and economic interests to the whole of Greenland.

(Signed) **ROBERT LANSING.**"

NEW YORK, *August 4, 1916.*

Rear-Admiral James H. Oliver, Chief of Naval Intelligence, has been named as Governor of the islands until Congress shall provide a permanent form of government. It is provided that the present laws and government institutions will be continued to as great an extent as possible under this temporary government.

The Danish flag was lowered and the Stars and Stripes run up on the three islands, Saturday, March 31, 1917, after Secretary of the Treasury McAdoo, in Washington, had handed a warrant for \$25,000,000 to Constantin Brun, the Danish Minister. Commander E. T. Pollock, U. S. N., took over the islands on behalf of the United States and acted as governor until the arrival of Rear Admiral Oliver.

Commander Pollock read to the people a proclamation from President Wilson notifying them that they had come under the government of the United States.

Duties and Taxes Provided.

The Act providing this temporary government (H.R. 20755, approved March 3, 1917) contains the following sections regarding duties and taxes:

Sec. 3. That on and after the passage of this Act there shall be levied, collected, and paid upon all articles coming into the United States or its possessions, from the West Indian Islands ceded to the United States by Denmark, the rates of duty and internal-revenue taxes which are required to be levied, collected, and paid upon like articles imported from foreign countries: *Provided*, That all articles, the growth or product of, or manufactured in such islands from materials the growth or product of such islands or of the United States, or of both, or which do not contain foreign materials to the value of more than twenty per centum of their total value, upon which no drawback of customs duties has been allowed therein, coming into the United States from such islands shall hereafter be admitted free of duty.

Sec. 4. That until Congress shall otherwise provide all laws now imposing taxes in the said West Indian Islands, including the customs laws and regulations, shall, in so far as compatible with the changed sovereignty and not otherwise herein provided, continue in force and effect, except that articles the growth, product, or manufacture of the United States shall be admitted there free of duty: *Provided*, That upon exportation of sugar to any foreign country, or the shipment thereof to the United States or any of its possessions, there shall be levied, collected, and paid thereon an export duty of \$8 per ton of two thousand pounds irrespective of polariscope test, in lieu of any export tax now required by law.

Sec. 5. That the duties and taxes collected in pursuance of this Act shall not be covered into the general

fund of the Treasury of the United States, but shall be used and expended for the government and benefit of said islands under such rules and regulations as the President may prescribe.

A Healthful Climate.

Experts have pronounced the climate of the islands healthful. They were more or less popular for tourists during the winter months before modern improvements at Bermuda and Porto Rico took this trade away.

The records of Dr. Longfield Smith, Director of the Colonial Agricultural Experiment Station in St. Croix, show that for the year ended June 30, 1915, an average year, the minimum temperature was 65° F., the maximum, 92° F. The minimum was in the latter part of January and the maximum early in September.

The rainfall in St. Croix has been recorded carefully for sixty-three years and has averaged 31.26 inches; no record has been kept for the other islands. There is no reason, according to consular reports, why Americans should not find these new possessions attractive winter resorts, provided modern improvements and hotel accommodations are supplied.

Hurricanes are not unusual. The most destructive storm in many years swept over the islands on October 9, 1916. The wind velocity was estimated at 125 miles an hour and the damage was approximately \$1,500,000.

The area of St. Croix is 84.25 square miles, that of St. Thomas, 28.25 square miles, and that of St. John, 19.97 square miles. St. Thomas is thirteen miles long with an average width of slightly over two miles. The islands are 1440 miles southeast of New York and 1,025 miles northeast of Colon.

Language of Islanders is English.

For many years education has been compulsory between the ages of seven and thirteen. The schools are free and many of the books have been furnished by the

Colonial Government. Danish and English are taught but the students prefer English. Danish is the official language, and most of the street signs are in Danish, but English is the language almost universally used. Very little Spanish is spoken. At last report, there were 3,500 children attending the schools, and the aim of late has been to teach subjects of a decidedly practical nature.

The population of the islands had been diminishing up to the last census in 1911, but is thought to have increased slightly during the last few years. The present population is estimated at 33,000, ten per cent. of whom are white.

In 1828, the population was 46,000; in 1841, 41,000; 1890, 32,000, and at the last census in 1911, 27,086.

National Bank Issues Currency.

The Colonial Bank, a branch of a British banking institution, which was founded in St. Thomas in 1836, was discontinued recently owing to lack of business. This left only the St. Thomas Savings Bank and the National Bank of the Danish West Indies, the latter with its main office at Charlotte Amalie on St. Thomas, and branches at Frederiksted and Christiansted on St. Croix.

The National Bank has the sole right to issue bank notes for use in the islands, \$250,000 of them now being in circulation. It makes loans with real estate mortgages as security. The capital is \$1,000,000 and the reserve fund amounts to \$15,089.72. This bank also furnishes credit information. The deposits in the St. Thomas Savings Bank for the year ended October 20, 1915, amounted to \$13,323, and 1,644 accounts are carried. Credits on the island are said to be good and long credits have not been often desired by importers.

Recent statements of these banks may be inspected at the Bureau of Foreign and Domestic Commerce, Room 409, Custom House, New York City.

The National Board of Marine Underwriters of New York is the only American association of its kind on the

islands. There are insurance agencies representing Danish, German, British, French, and Canadian companies.

According to a report of the Department of Commerce, it is believed that there is an opportunity for at least one strong life insurance company and at least one strong fire insurance company from the United States, to establish an agency on St. Thomas and St. Croix, the latter offering the most attractive field at the present time.

St. Thomas Harbor Well Protected.

It was to have the harbor of St. Thomas for the use of its Navy that particularly impelled the United States in its efforts to obtain control of the Danish West Indies. The harbor is protected by mountains and coral reefs. It is shaped like a pear with the small end at the outer entrance. The channel is not over nine hundred feet wide for vessels of deep draft. The harbor, according to American Vice-Consul Luther K. Zabriskie, is absolutely free from weather disturbance. Recent engineering investigations have shown that the roadstead can be doubled by the expenditure of a comparatively small sum.

There are six large cargo docks, and vessels drawing up to thirty-one feet can lie alongside any one of them. There is a floating drydock 250 feet long by 70 feet wide, with a maximum lifting capacity of 3,000 tons. Facilities for ship repairing are excellent. St. Thomas has long been an important point for ships to coal and repair, and ship stores are obtainable at nearly the same prices as in the United States. St. Thomas imports coal, fuel oil, lumber, and general provisions, most of these being sold for ship supplies. A detailed statement of imports and exports will be found in the appendix.

The chief suppliers of coal are the West Indian Company, Ltd., the St. Thomas Dock, Engineering and Coaling Company, Ltd., and the Hamburg American Line. These companies have large warehouses on the wharves and in the town. The coaling facilities already in operation at St. Thomas will undoubtedly meet the present needs of the United States Navy.

Coaling Station for Ships.

The West Indian Company is a joint stock company with a capital of \$1,680,000 and is the largest concern having important business in the islands. It is completing a new coaling station which promises to be the best in the West Indies. This company has built a coal storage yard on reclaimed land and owns two electrically operated coal loading and discharging conveyors, two fuel oil tanks with a capacity of 8,000 tons each, a warehouse and an electric lighting and power plant. There is room for 180,000 tons of coal in the yard. The conveyors for bunkering or discharging have a capacity of 150 tons an hour.

The only coal which this company has carried since shortly after the European war began, has been furnished by the Berwind-White Coal Mining Company, No. 1 Broadway, New York City. Welsh coal was carried formerly.

The East Asiatic Company, Ltd., of Copenhagen, began operations in St. Thomas in 1903 for the purpose, so it was reported, of helping along negotiations for the sale of the islands to the United States. Their warehouse was completely destroyed by a recent hurricane although the wharf is still in good condition.

The St. Thomas Dock Company amalgamated with the West Indian interests of the Royal Mail Steam Packet Company in 1900, forming the St. Thomas Dock, Engineering and Coal Company. The wharf of this company is on Hassel Island at the left of the harbor entrance. Its equipment consists of storage for coal and water, a small warehouse, a well-equipped machine shop for repair work and a floating drydock.

The coal depot and wharf of the Hamburg-American Line in St. Thomas occupy about eight acres of land on Hassel Island. The coaling is done by natives carrying on their heads baskets holding from eighty-five to one hundred pounds. The Hamburg-American Line pier is three hundred feet long and it has been planned to extend this when the war is over.

During the fiscal year ended March 31, 1916, 28,000 tons of coal were sold from the wharf of the Hamburg-American Line in St. Thomas, but in the same period in 1914, 65,000 tons were sold. This company also owns three large warehouses, two of stone and one of iron with a stone foundation.*

Another Harbor on St. Croix.

The city of Christiansted on St. Croix has a well protected harbor; but the entrance is almost closed by coral reefs, leaving only a narrow, dangerous channel which ship pilots avoid if possible. Engineers have reported that it is feasible to open this harbor by removing a portion of the reef. At the present time, ships that actually enter are compelled to anchor some distance from the wharves and discharge their passengers and freight by means of lighters.

The island of St. John has no commerce except such as is carried on in small sailing vessels, consequently no harbors have been constructed there. There are many natural harbors, of which Coral Bay is the largest and best protected. It has been said that American engineers could develop this bay into a harbor superior to the one at St. Thomas.

Semi-monthly sailings from New York to St. Thomas are maintained by the Quebec Steamship Company, 32 Broadway, New York City. Their ships also touch at Frederiksted and during the sugar shipping season, they make a few calls at Christiansted.

Until the beginning of the European War, the vessels of eight steamship lines were making regular calls at St. Thomas. In 1913, approximately two hundred vessels stopped at St. Thomas.

The Compagnie Generale Transatlantique maintains a monthly service between St. Thomas and Porto Rico. It is seven and a half hours from San Juan to St. Thomas

*(Figures from Department of Commerce Bulletin, Special Agents Series No. 129).

and the fare is twenty dollars. There are also numerous sailing vessels plying between the islands and between St. Thomas and Porto Rico.

Good Roads on St. Croix.

The only method of transportation on St. John is by horseback. The country is hilly and the roads are not suitable for vehicles. On St. Thomas there are about fifteen miles of good roads and numerous carriages for hire. St. Croix boasts of one hundred miles of good roads. There are twenty-two automobiles on the island operating at a standard rate of twenty cents per mile, and several short railroad lines used principally for hauling sugar.

No wireless stations have been erected on any of the islands but the telephone and telegraph service is ample. The West India & Panama Telegraph Company, Ltd., has headquarters in St. Thomas and the news of the world in bulletin form comes over its wires for the local newspapers. The cable rate between New York and St. Thomas is fifty cents a word. There are two daily papers in St. Thomas and three in St. Croix.

Epidemics are Unknown.

The water supply is obtained largely from rain water caught on metal roofs and drained into cisterns. The West Indian Company has recently drilled successfully three wells for furnishing water to ships, and the towns have established some public wells.

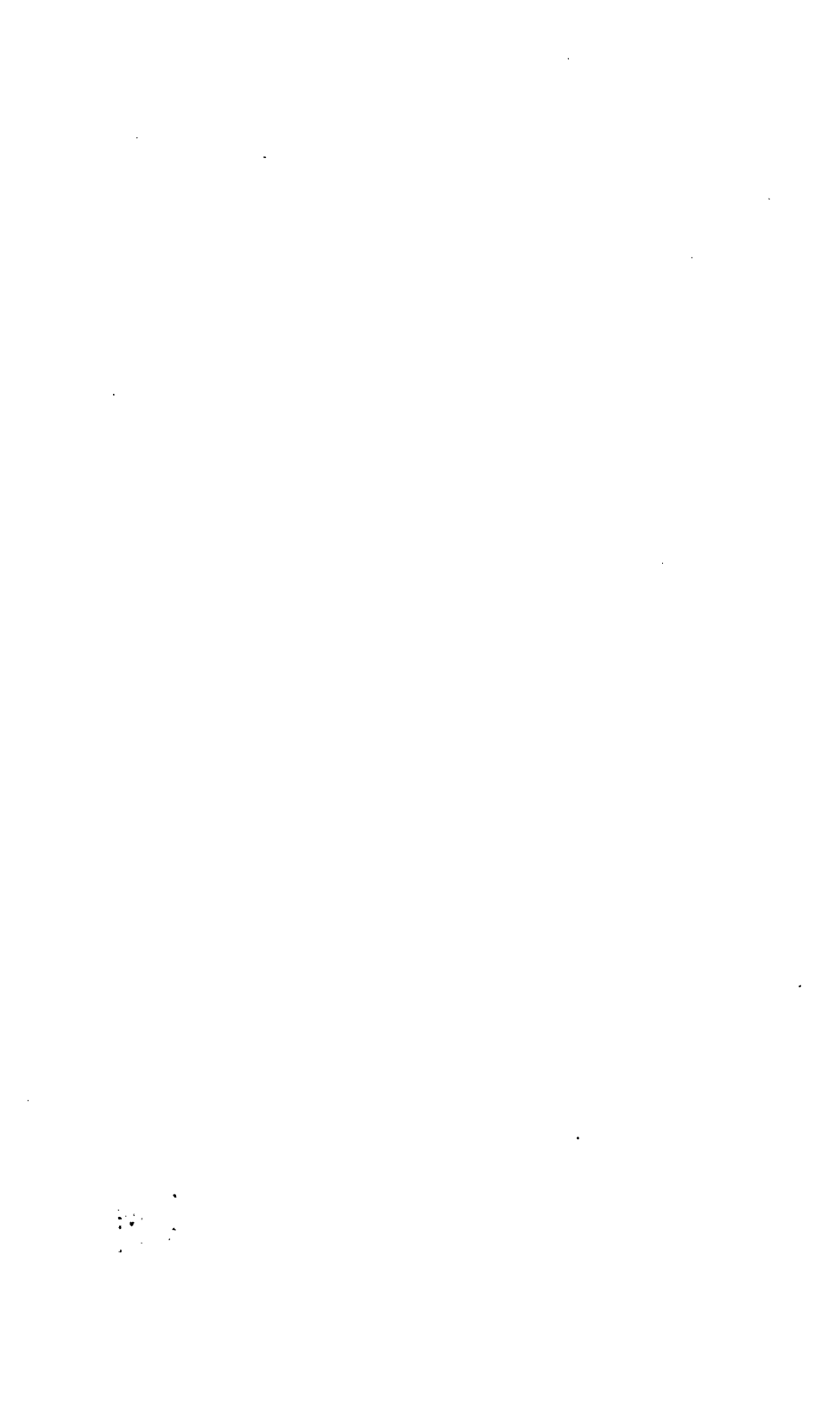
There are no sewers or public sanitary provisions and drainage flows in the gutters or seeps into the ground. The sun beats down so powerfully that the water never remains long on the top of the ground. Perhaps this is one of the reasons why epidemics are unknown and why there is very little disease.

Several small streams in St. Croix might be made the nucleus of a water supply system, but experts have said that it would be very difficult, although not altogether



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St. Thomas Harbor from Charlotte Amalie



impossible, to establish a reservoir for St. Thomas. All the water is boiled for drinking purposes. Each city has a fire department with hand engines.

St. Croix Adapted to Agriculture.

The only agriculture on St. John now consists in the raising of bay trees and lime trees. Modern agricultural implements cannot be used on St. John except in a few small valleys. On St. Thomas there is scarcely an acre of level ground, consequently cultivation is difficult. There is no agriculture at present and probably there never will be any except for local consumption.

St. Croix, on the other hand, is particularly adapted to agriculture. Approximately 45,000 acres are now under cultivation, 13,000 in sugar, 2,000 in cotton, and 30,000 in grass, imphee, and other fodder. The Director of the Agricultural Experiment Station has made some progress in developing a variety of sugar cane that will be better suited to the soil and climate than the varieties which have been grown there. He tried thirty-eight varieties of cane as far back as 1911.

Cotton raising has been temporarily abandoned, on account of various difficulties connected with the European War and the appearance of insect pests. By allowing fields to lie fallow it is believed that the next crop will be free from pests.

Cotton is High Grade.

The cotton lint from St. Croix has been shown to be of high quality. The yield from a four and one-half acre plat, where careful records were kept, was 5,299 pounds of seed cotton and twenty-five per cent. lint. This, however, cannot be accepted as the average yield, but records have proved that cotton can be grown profitably. Labor cost per acre is between four and five dollars. The land of St. Croix that might be profitably cultivated for cotton is estimated at 5,000 acres.

Dr. Longfield Smith, formerly a lecturer in the Barbados Department of Agriculture, has done constructive work at the Agricultural Experiment Station on St. Croix. This station is recommending dry farming. A gang plow with sub-soil attachments, drawn by a gasoline tractor, was purchased in the United States and is rented to planters at the cost of operation. Dr. Smith has experimented successfully with sweet sorghum, Lyon beans, Canada beans, cow-peas, sweet potatoes, maize, and several varieties of fodder.

Cattle raising is one of the principal industries of St. John. There are six hundred head on the island and a few are exported on the hoof. Some hides are exported but ✓ the handling is inefficient and they are usually scratched by briars. If the land was cleared there is no reason, according to consular reports, why almost the entire acreage of St. John would not offer splendid grazing facilities.

There are no forests on any of the islands. There are scattering trees, but the majority of them are suitable only for firewood. Hardwood forests did exist at one time, but they have been cut down and no re-forestation has been attempted.

Limestone is found in many places and according to natives there is both copper and iron in the mountainous sections. No record of any prospecting has been found. There is a market for lime in St. Croix for use in the sugar mills, but all of it is imported.

Best Bay Rum in the World.

Some manufacturing is carried on in each island in connection with the agricultural products. St. Thomas produces bay rum, said to be the finest in the world. St. Croix produces sugar, rum, and molasses, and St. John, bay oil, bay rum, concentrated lime juice, and some other lime tree products.

The propagation of the bay tree in the Danish West Indies has been wholly natural. All that has been necessary to increase the acreage is to cut away the underbrush

and give the bay trees an opportunity to develop. The children of the islanders climb the trees, pick the bay leaves and drop them down to the women who pack them into seventy pound bags, at eight cents per bag. The mixing and distilling is done in St. Thomas by firms who buy the oil in St. John.

Room for Development in Sugar Industry.

The number of sugar mills is not so great as it was when the price was higher and before slavery was abolished in 1848. There are many abandoned sugar estates. Only three of the eleven sugar mills now in operation are producing sugar in any considerable quantity. These three mills are the La Grange mill, two miles from Frederiksted, the West India mill, half way between Frederiksted and Christiansted, and the St. Croix sugar factory near Christiansted. These three produce seven-eighths of all the sugar made on the islands.

The Danish Government owns half of the St. Croix sugar factory. The other half belongs to a private company in Denmark. Its capacity is forty tons a day, and its output in 1916 was 4,000 short tons. At the West India mill the capacity is 70 tons a day and the 1916 output was 9,000 short tons. The capacity of the La Grange mill is 30 tons a day and its approximate output for 1916 was 3,000 short tons.

At a hearing before the Committee on Foreign Affairs of the House of Representatives, Brigadier-General Frank McIntyre, U. S. A., of the Bureau of Insular Affairs, testified that the sugar plantations could be developed to produce 100,000 tons a year.

✓ Limes from which concentrated lime juice is made grow prolifically in St. John. The fruit develops in from three to four years after the trees are set out. Pickled limes are put up by one of the companies in small quantities.

Baskets and mats are woven from trailing vines by the natives, and some straw hats are made.

There are several ice manufacturing plants on the islands.

Wages on the sugar estates are thirty-five cents for nine hours work, despite the fact that last year a labor union was formed on St. Croix with a membership of 6,000. The wharf laborers in St. Thomas are paid about a dollar a day, but the rate for farm labor is seldom more than twenty cents a day.

Opportunities for American Goods.

According to the report of H. G. Brock, Philip S. Smith, and W. A. Tucker, the special agents sent to the West Indies by the Bureau of Foreign and Domestic Commerce, there are opportunities there for the sale of American-made shoes, electrical goods and textiles such as khakis, denims, sheetings, and gingham. A long list of electrical samples and textile samples brought to New York by the special investigators, may be inspected through arrangements with the commercial agent in charge of exhibits at the office of the Bureau of Foreign and Domestic Commerce, Room 409, Custom House, New York City. A complete list of dealers, importers, manufacturers' agents, and commission merchants may also be obtained there.



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Residence Section of Charlotte, Amalie St. Thomas

Manufacturers or merchants desiring to establish profitable connections in the Danish West Indies—or in any other part of the world—should consult the Foreign Department of the National Bank of Commerce in New York.

Our statement on the Comptroller's call of March 5, 1917, showed more than \$24,000,000 outstanding in letters of credit and acceptances, the motive power of foreign trade.

Appendix

Appendix A.

CONVENTION BETWEEN HIS MAJESTY THE KING OF DENMARK AND THE UNITED STATES OF AMERICA RESPECTING THE CESSION OF THE DANISH WEST-INDIAN ISLANDS.*

The United States of America and His Majesty the King of Denmark being desirous of confirming the good understanding which exists between them, have to that end appointed as plenipotentiaries:

The President of the United States: Mr. Robert Lansing, Secretary of State of the United States.

and His Majesty the King of Denmark: Mr. Constantin Brun, His Majesty's Envoy Extraordinary and Minister Plenipotentiary at Washington,

who, having mutually exhibited their full powers, which were found to be in due form, have agreed upon the following articles:

ARTICLE 1.

His Majesty the King of Denmark by this convention cedes to the United States all territory, dominion, and sovereignty possessed, asserted, or claimed by Denmark in the West Indies, including the islands of Saint Thomas, Saint John and Saint Croix, together with the adjacent islands and rocks.

This cession includes the right of property in all public, government, or Crown lands, public buildings, wharves, ports, harbors, fortifications, barracks, public funds, rights, franchises, and privileges, and all other public property of every kind or description now belonging to Denmark, together with all appurtenances thereto.

In this cession shall also be included any government archives, records, papers, or documents which relate to the cession or the rights and property of the inhabitants of the islands ceded, and which may now be existing either in the islands ceded or in Denmark. Such archives and records shall be carefully preserved, and authenticated copies thereof, as may be required, shall be at all times given to the United States Government or the Danish Government, as the case may be, or to such properly authorized persons as may apply for them.

ARTICLE 2.

Denmark guarantees that the cession made by the preceding article is free and unencumbered by any reservations, privileges, franchises, grants, or possessions held by any governments, corporations, syndicates, or individuals, except as herein mentioned. But it is understood that this cession does not in any respect impair private rights which by

*House of Representatives Report No. 1505, Feb. 17, 1917.

law belong to the peaceful possession of property of all kinds by private individuals of whatsoever nationality, by municipalities, public or private establishments, ecclesiastical or civic bodies, or any other associations having legal capacity to acquire and possess property in the islands ceded.

The congregations belonging to the Danish National Church shall retain the undisturbed use of the churches which are now used by them, together with the parsonages appertaining thereunto and other appurtenances, including the funds allotted to the churches.

ARTICLE 3.

It is especially agreed, however, that—

(1) The arms and military stores existing in the islands at the time of the cession and belonging to the Danish Government shall remain the property of that Government and shall, as soon as circumstances will permit, be removed by it, unless they, or parts thereof, may have been bought by the Government of the United States; it being, however, understood that flags and colors, uniforms, and such arms or military articles as are marked as being the property of the Danish Government shall not be included in such purchase.

(2) The movables, especially silver plate and pictures, which may be found in the government buildings in the islands ceded and belonging to the Danish Government shall remain the property of that Government and shall, as soon as circumstances will permit, be removed by it.

(3) The pecuniary claims now held by Denmark against the colonial treasuries of the islands ceded are altogether extinguished in consequence of this cession and the United States assumes no responsibility whatsoever for or in connection with these claims. Excepted is, however, the amount due to the Danish treasury in account current with the West Indian colonial treasuries pursuant to the making up of accounts in consequence of the cession of the islands; should, on the other hand, this final accounting show a balance in favor of the West Indian colonial treasuries, the Danish treasury shall pay that amount to the colonial treasuries.

(4) The United States will maintain the following grants, concessions, and licenses, given by the Danish Government, in accordance with the terms on which they are given:

a. The concession granted to "Det vestindiske Kompagni" (the West Indian Company), Ltd., by the communications from the Ministry of Finance of January 18th, 1913, and of April 16th, 1913, relative to a license to embank, drain, deepen, and utilize certain areas in St. Thomas Harbor and preferential rights as to commercial, industrial, or shipping establishments in the said harbor.

b. Agreement of August 10th and 14th, 1914, between the municipality of St. Thomas and St. John and "Det vestindiske Kompagni," Ltd., relative to the supply of the city of Charlotte Amalie with electric lighting.

c. Concession of March 12th, 1897, to "The Floating Dock Company of St. Thomas, Ltd.," subsequently transferred to "The St. Thomas Engineering and Coaling Company, Ltd.," relative to a floating dock in St. Thomas Harbor, in which concession the maintenance, extension, and alteration of the then existing repairing slip are reserved.

d. Royal Decree Nr. 79 of November 30th, 1914, relative to the subsidies from the colonial treasuries of St. Thomas and Sainte Croix to "The West India and Panama Telegraph Company, Ltd."

e. Concession of November 3rd, 1906, to K. B. Hey to establish and operate a telegraph system on St. Thomas Island, which concession has subsequently been transferred to the St. Thomas Telefonselskab," Ltd.

f. Concession of February 28th, 1913, to the municipality of Sainte Croix to establish and operate a telephone system in Sainte Croix.

g. Concession of July 16th, 1915, to Ejnar Svendsen, an engineer, for the construction and operation of an electric light plant in the city of Christiansted, Sainte Croix.

h. Concession of June 20th, 1904, for the establishment of a Danish West Indian bank of issue. This bank has for a period of 30 years acquired the monopoly to issue bank notes in the Danish West India Islands against the payment to the Danish Treasury of a tax amounting to ten per cent of its annual profits.

i. Guarantee according to the Danish supplementary budget law for the financial year 1908-1909 relative to the St. Thomas Harbor's four per cent. loan of 1910.

(5) Whatever sum shall be due to the Danish treasury by private individuals on the date of the exchange of ratifications are reserved and do not pass by this cession; and where the Danish Government at that date holds property taken over by the Danish treasury for sums due by private individuals, such property shall not pass by this cession, but the Danish Government shall sell or dispose of such property and remove its proceeds within two years from the date of the exchange of ratifications of this convention; the United States Government being entitled to sell by public auction, to the credit of the Danish Government, any portion of such property remaining unsold at the expiration of the said term of two years.

(6) The colonial treasuries shall continue to pay the yearly allowances now given to heretofore retired functionaries appointed in the islands but holding no royal commissions, unless such allowances may have until now been paid in Denmark.

ARTICLE 4.

The Danish Government shall appoint with convenient despatch an agent or agents for the purpose of formally delivering to a similar agent or agents appointed on behalf of the United States, the territory, dominion, property, and appurtenances which are ceded hereby,

and for doing any other act which may be necessary in regard thereto. Formal delivery of the territory and property ceded shall be made immediately after the payment by the United States of the sum of money stipulated in this convention; but the cession with the right of immediate possession is nevertheless to be deemed complete on the exchange of ratifications of this convention without such formal delivery. Any Danish military or naval forces which may be in the islands ceded shall be withdrawn as soon as may be practical after the formal delivery, it being, however, understood that if the persons constituting these forces, after having terminated their Danish service, do not wish to leave the islands, they shall be allowed to remain there as civilians.

ARTICLE 5.

In full consideration of the cession made by this convention, the United States agrees to pay, within ninety days from the date of the exchange of the ratifications of this convention, in the city of Washington to the diplomatic representative or other agent of His Majesty the King of Denmark duly authorized to receive the money the sum of twenty-five million dollars in gold coin of the United States.

ARTICLE 6.

Danish citizens residing in said islands may remain therein or may remove therefrom at will, retaining in either event all their rights of property, including the right to sell or dispose of such property or its proceeds; in case they remain in the islands, they shall continue until otherwise provided to enjoy all the private, municipal, and religious rights and liberties secured to them by the laws now in force. If the present laws are altered the said inhabitants shall not thereby be placed in a less favorable position in respect to the above-mentioned rights and liberties than they now enjoy. Those who remain in the islands may preserve their citizenship in Denmark by making before a court of record, within one year from the date of the exchange of ratifications of this convention, a declaration of their decision to preserve such citizenship; in default of which declaration they shall be held to have renounced it, and to have accepted citizenship in the United States; for children under eighteen years the said declaration may be made by their parents or guardians. Such election of Danish citizenship shall, however, not, after the lapse of the said term of one year, be a bar to their renunciation of their preserved Danish citizenship and their election of citizenship in the United States and admission to the nationality thereof on the same terms as may be provided according to the laws of the United States, for other inhabitants of the islands.

The civil rights and the political status of the inhabitants of the islands shall be determined by the Congress, subject to the stipulations contained in the present convention.

Danish citizens not residing in the islands but owning property therein at the time of the cession shall retain their rights of property,

including the right to sell or dispose of such property, being placed in this regard on the same basis as the Danish citizens residing in the islands and remaining therein or removing therefrom, to whom the first paragraph of this article relates.

ARTICLE 7.

Danish subjects residing in the islands shall be subject in matters civil as well as criminal to the jurisdiction of the courts of the islands, pursuant to the ordinary laws governing the same, and they shall have the right to appear before such courts and to pursue the same course therein as citizens of the country to which the courts belong.

ARTICLE 8.

Judicial proceedings pending at the time of the formal delivery in the islands ceded shall be determined according to the following rules:

(1) Judgments rendered either in civil suits between private individuals, or in criminal matters, before the date mentioned, and with respect to which there is no recourse or right to review under Danish law, shall be deemed to be final, and shall be executed in due form and without any renewed trial whatsoever, by the competent authority in the territories within which such judgments are to be carried out.

If in a criminal case a mode of punishment has been applied which, according to new rules, is no longer applicable on the islands ceded after delivery, the nearest corresponding punishment in the new rules shall be applied.

(2) Civil suits or criminal actions pending before the first courts, in which the pleadings have not been closed at the same time, shall be confirmed before the tribunals established in the ceded islands after the delivery, in accordance with the law which shall thereafter be in force.

(3) Civil suits and criminal actions pending at the said time before the superior court or the supreme court in Denmark shall continue to be prosecuted before the Danish courts until final judgment according to the law hitherto in force. The judgment shall be executed in due form by the competent authority in the territories within which such judgment should be carried out.

ARTICLE 9.

The rights of property secured by copyrights and patents acquired by Danish subjects in the islands ceded at the time of exchange of the ratifications of this treaty shall continue to be respected.

ARTICLE 10.

Treaties, conventions, and all other international agreements of any nature existing between Denmark and the United States shall

eo ipso extend, in default of a provision to the contrary, also to the ceded islands.

ARTICLE 11.

In case of differences of opinion arising between the High Contracting Parties in regard to the interpretation or application of this convention, such differences, if they can not be regulated through diplomatic negotiations, shall be submitted for arbitration to the permanent Court of Arbitration at The Hague.

ARTICLE 12.

The ratifications of this convention shall be exchanged at Washington as soon as possible after ratification by both of the High Contracting Parties according to their respective procedure.

In faith whereof the respective plenipotentiaries have signed and sealed this convention in the English and Danish languages.

Done at New York this fourth day of August, one thousand nine hundred and sixteen.

(SEAL)

(SEAL)

ROBERT LANSING.

C. BRUN.

Appendix B.

Principal articles imported at St. Thomas during the fiscal year ended March 31, 1914—before the European War began—and for the fiscal year ended March 31, 1916—during the war: *

Articles.	1914	1916	Articles.	1914	1916
Ammunition	\$6,718	\$2,102	Breadstuffs—Continued.		
United States.....	6,562	1,919	All other.....	\$4,848	\$4,023
Apparel	9,470	5,575	United States.....	2,876	2,439
United Kingdom.....	4,388	2,213	United Kingdom.....	1,262	1,450
United States.....	3,966	2,764	Cement	3,671	6,339
Beverages:			Denmark.....	2,269	5,626
Coffee.....	3,818	2,863	United States.....	238	31
West Indies.....	(a)	2,468	China ware, crockery, etc.	3,075	1,671
United States.....	112	353	Germany.....	920	.....
Tea.....	883	2,280	United Kingdom.....	865	951
United Kingdom.....	.....	1,340	United States.....	675	578
Germany.....	861	.....	Coal	262,805	83,214
Boats, etc.	2,935	1,338	United States.....	262,805	82,013
United States.....	2,000	599	Confectionery, chocolate, co-		
Boots and shoes	14,632	14,504	coa, etc.....	4,792	5,548
United States.....	13,751	11,662	Denmark.....	2,033	123
United Kingdom.....	283	1,034	United States.....	1,217	1,612
Breadstuffs:			United Kingdom.....	1,204	1,115
Cereals.....	1,314	1,634	Dairy products:		
United States.....	543	1,106	Butter.....	17,982	12,979
Corn.....	4,098	3,715	Denmark.....	14,871	10,408
United States.....	4,094	3,415	United States.....	1,937	2,500
Corn meal.....	7,437	10,153	Cheese.....	7,308	5,072
United States.....	7,437	10,028	United States.....	4,041	4,437
Flour—			Germany.....	2,049	129
Wheat (practically all			Drugs and chemicals	6,735	4,282
from the United			United States.....	3,907	2,534
States).....	46,336	62,301	United Kingdom.....	1,302	875
Rye.....	2,224	3,377	Germany.....	1,204	.....
United States.....	2,086	3,377	Fancy goods	11,237	7,750
Rice	6,247	5,420	United States.....	6,296	6,625
Germany.....	4,064	.....	United Kingdom.....	3,138	1,096
Netherlands.....	1,303	.....	Fish, dried, salted, etc.	8,080	5,840
United Kingdom.....	815	4,770	United States.....	5,349	4,475
United States.....	.....	342	Denmark.....	2,395	1,143
Fruits and vegetables:			Spirits, wines, and liquors—		
Beans and peas.....	\$6,651	\$7,308	Continued.		
United States.....	6,483	7,230	Brandy.....	\$1,552	\$1,150
Other.....	32,433	12,364	United Kingdom.....	527	807
United States.....	28,921	5,064	France.....	420	343
West Indies.....	2,279	7,300	Germany.....	602	.....
Fruits and nuts, dried	2,317	1,506	Gin.....	12,602	10,099
France.....	2,080	36	Netherlands.....	12,109	9,662
United States.....	.....	1,256	Liqueurs.....	1,341	427
Glassware	12,799	6,800	France.....	781	268
Germany.....	10,331	.....	Rum (West Indies).....	6,835	5,848
United States.....	1,102	3,817	Whisky (practically all		
Denmark.....	66	2,200	from United Kingdom..	7,101	3,632
Gold, silver, and plated ware	1,443	526	Wine.....	11,807	4,797
United States.....	310	289	France.....	4,342	2,526
Hats and caps, n. e. s.	1,420	605	United States.....	63	401
United Kingdom.....	1,263	420	Other spirits.....	23,704	20,171
United States.....	17	185	West Indies.....	17,067	19,150
Lard, animal and vegetable	1,925	10,124	Germany.....	4,403	.....
United States.....	1,705	10,122	Starch	3,050	2,029
Live stock (West Indies)	14,409	12,397	United States.....	2,988	2,015
Margarine	9,083	5,781	Straw and straw goods (hats,		
United States.....	7,212	5,043	baskets, etc.).....	28,988	7,772
Meats, smoked, salted, etc.	1,667	7,807	United Kingdom.....	5,173	3,542
Denmark.....	1,351	139	United States.....	297	744
United States.....	.....	7,652	Sugar	38,232	4,130
Metals, and manufactures of:			United States.....	6,133	4,023
Machinery.....	1,765	789	Textiles:		

a Not separately stated.

*(From Supplement to Commerce Reports, No. 37a, Sept. 5, 1916).

Articles.	1914	1916	B	Articles.	1914	1916
United States.....	1,103	274		Cotton.....	70,006	39,398
Denmark.....	187	474		United Kingdom.....	49,838	24,902
Wire, pipes, plates, etc.....	18,984	10,364		United States.....	13,798	11,517
United Kingdom.....	7,918	2,899		Germany.....	4,614	101
United States.....	7,791	6,741		Woolen.....	5,949	678
All other.....	21,957	8,250		United Kingdom.....	5,473	664
United States.....	14,817	3,787		Silk.....	2,432	329
United Kingdom.....	4,749	2,681		United Kingdom.....	1,231	181
Germany.....	1,405	185		Mixtures.....	3,689	1,670
Oils, mineral and vegetable.....	21,136	149,850		United Kingdom.....	3,557	639
United States.....	10,253	7,286		France.....		992
Paints, colors, etc.....	17,223	7,291		Tobacco, and manufactures		
United States.....	10,955	1,453		of:		
United Kingdom.....	6,052	5,430		Unmanufactured.....	7,194	14,461
Paper and paper goods.....	8,996	7,627		United States.....	5,230	4,027
United Kingdom.....	2,939	1,178		West Indies.....	(a)	10,434
United States.....	2,497	3,688		Cigarettes.....	7,776	5,268
France.....	1,446	816		United Kingdom.....	4,069	2,577
Perfumes, toilet soaps, etc.....	7,410	3,207		United States.....	160	45
France.....	3,025	2,096		West Indies.....	(a)	2,501
United Kingdom.....	1,413	491		Cigars.....	8,851	5,029
United States.....	1,665	505		United States.....	1,388	158
Preserves.....	12,046	7,524		West Indies.....	(a)	3,926
United Kingdom.....	3,806	1,340		Wood, and manufacturers of:		
United States.....	3,271	4,262		Lumber.....	34,783	4,707
Soap, common.....	1,341	7,471		United States.....	28,631	4,334
United States.....	1,123	739		Matches.....	1,005	2,224
United Kingdom.....		6,465		Denmark.....	463	772
Spirits, wines, and liquors:				Staves.....	5,090	4,846
Beer, porter, and malt ex-				United States.....	265	4,213
tract.....	15,104	10,145		All other, n. e. s.....	1,555	3,873
Denmark.....	10,743	9,353		United States.....	441	3,292
United Kingdom.....	2,783	683				
United States.....	223	107				

a Not separately stated.

Appendix C.

Exports from St. Thomas and St. Croix to the United States for 1914 and 1915 are shown by the following table: *

Articles.	1914	1915	Articles.	1914	1915
FROM ST. THOMAS.			FROM ST. CROIX.		
Bay rum.....	\$125	\$146	Hides.....		\$365
Cacao.....		107	Household effects.....		421
Hides and skins.....	6,723	6,641	Metal, old.....	\$93	3,086
Metal, old.....		663	Rum.....	2,449	1,511
Margarine.....	375		Skins, goat and sheep.....	875	322
Paper, straw.....	900		Sugar.....	262,736	259,963
Rum.....	167	70	Tamarinds.....	136	118
Sandalwood.....	500		Total.....	266,289	265,786
Sugar.....	1,380		Grand total.....	278,437	273,625
All other articles.....	1,978	212			
Total.....	12,148	7,839			

*(Department of Commerce Bulletin, Special Agents Series, No. 129).

Appendix D.

Sugar exports from St. Croix during the last sixteen years:*

Year.	Amount.	Year.	Amount.	Year.	Amount.
	<i>Danish lbs.</i>		<i>Danish lbs.</i>		<i>Danish lbs.</i>
1900	26,387,779	1906	12,561,930	1912	20,046,836
1901	18,785,396	1907	24,381,682	1913	12,126,814
1902	26,455,591	1908	23,335,600	1914	10,583,753
1903	34,709,480	1909	8,036,618	1915	8,159,009
1904	23,331,274	1910	22,021,004		
1905	27,712,849	1911	21,328,418		

*(Commerce Reports No. 185, Aug. 8, 1916).

Appendix E.

Arrival and departure of vessels at the port of St. Thomas during the year ended March 31, 1916: *

Nationality.	Steamers and motor boats.		Sailing vessels.	
	Number.	Tonnage.	Number.	Tonnage.
Danish.....	28	43,876	48	5,361
British.....	124	241,854	54	2,263
French.....	22	25,577	4	332
Norwegian.....	16	24,121	7	9,843
Swedish.....	3	5,494		
Dutch.....	7	10,796	28	1,549
American.....	33	97,293	36	7,562
Dominican.....	2	310		
Spanish.....	1	2,857		
Mexican.....	2	5,074		
Brazilian.....	3	5,053		
Russian.....			1	451
Total.....	241	462,305	178	27,361

*(From Supplement to Commerce Reports, No. 37a, Sept. 5, 1916).

Appendix F.

SOURCES OF INFORMATION REGARDING THE DANISH WEST INDIES.

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