that four months were allowed her to renew it or not, otherwise it would be of no effect.

Chili took umbrage at this abrupt mode of proceeding, and allowed the time to pass, when both governments restored the former retaliatory duties on their respective products.

Santa Cruz framed a new commercial code for Peru, and among its articles, was one imposing double duties on all vessels touching at any Chilian port, before going to Peru. This measure was odious to Chili, and was considered as evincing unfriendly feelings. Whilst Chili was in the full tide of prosperity, and attending to her own internal regulations, the administration, satisfied that all was quiet at home, appears to have been utterly regardless of the course things were taking in Peru. President Prieto at this time was re-elected for a second term, upon which General Ramon Freyre, the former director of Chili, but for some years banished the country, and living in Peru, set out with a few other exiled Chilian officers, on a revolutionary adventure to Chili. Embarking in two Peruvian government vessels. hired from Orbejoso ostensibly for a trading voyage to Central America, his real intention was to proceed to the south of Chili, and make a descent upon the coast. He entertained the expectation of being joined by the old military, and other dissatisfied persons, and was in hopes of finally establishing himself again in power. Some few days subsequently to Freyre's departure from Lima, the Chilian consulgeneral hearing of it, despatched a fast-sailing vessel to apprise his government. The vessel had a very short passage, and the intelligence took the government entirely by surprise. They were wholly unprepared for an attack from any quarter. Their only armed vessel was a small schooner, and this was employed at the time to bring the electoral returns from Chiloe. The intelligence, however, caused government no alarm. With a promptitude characteristic of Portales' system, which was now fairly established, a dismantled brig-of-war was rigged, a crew shipped, and made ready for sea in four days. Gun-boats were armed, and every precaution taken to guard against surprise. At the same time the government received tenders of service from people of property and influence throughout the whole republic, and few felt any doubts that the result of the affair would be in favour of the government.

Soon after, the largest of Freyre's vessels, with some of his best officers on board, was brought in by her crew, and delivered up. It was ascertained that the rendezvous was to be Chiloe. No time was lost in sending off the prize, with a good equipment, to decoy Freyre, if possible. He was found in possession of Chiloe. The stratagem