

STATE OF THE UNION ADDRESSES OF BENJAMIN HARRISON

BENJAMIN HARRISON*

To the Senate and House of Representatives:

There are few transactions in the administration of the Government that are even temporarily held in the confidence of those charged with the conduct of the public business. Every step taken is under the observation of an intelligent and watchful people. The state of the Union is known from day to day, and suggestions as to needed legislation find an earlier voice than that which speaks in these annual communications of the President to Congress.

Good will and cordiality have characterized our relations and correspondence with other governments, and the year just closed leaves few international questions of importance remaining unadjusted. No obstacle is believed to exist that can long postpone the consideration and adjustment of the still pending questions upon satisfactory and honorable terms. The dealings of this Government with other states have been and should always be marked by frankness and sincerity, our purposes avowed, and our methods free from intrigue. This course has borne rich fruit in the past, and it is our duty as a nation to preserve the heritage of good repute which a century of right dealing with foreign governments has secured to us.

It is a matter of high significance and no less of congratulation that the first year of the second century of our constitutional existence finds as honored guests within our borders the representatives of all the independent States of North and South America met together in earnest conference touching the best methods of perpetuating and expanding the relations of mutual interest and friendliness existing among them. That the opportunity thus afforded for promoting closer international relations and the increased prosperity of the States represented will be used for the mutual good of all I can not permit myself to doubt. Our people will await with interest and confidence the results to flow from so auspicious a meeting of allied and in large part identical interests.

The recommendations of this international conference of enlightened statesmen will doubtless have the considerate attention of Congress and its cooperation in the removal of unnecessary barriers to beneficial intercourse between the nations of America. But while the commercial

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results which it is hoped will follow this conference are worthy of pursuit and of the great interests they have excited, it is believed that the crowning benefit will be found in the better securities which may be devised for the maintenance of peace among all American nations and the settlement of all contentions by methods that a Christian civilization can approve. While viewing with interest our national resources and products, the delegates will, I am sure, find a higher satisfaction in the evidences of unselfish friendship which everywhere attend their intercourse with our people.

Another international conference having great possibilities for good has lately assembled and is now in session in this capital. An invitation was extended by the Government, under the act of Congress of July 9, 1888, to all maritime nations to send delegates to confer touching the revision and amendment of the rules and regulations governing vessels at sea and to adopt a uniform system of marine signals. The response to this invitation has been very general and very cordial. Delegates from twenty-six nations are present in the conference, and they have entered upon their useful work with great zeal and with an evident appreciation of its importance. So far as the agreement to be reached may require legislation to give it effect, the cooperation of Congress is confidently relied upon.

It is an interesting, if not, indeed, an unprecedented, fact that the two international conferences have brought together here the accredited representatives of thirty-three nations.

Bolivia, Ecuador, and Honduras are now represented by resident envoys of the plenipotentiary grade. All the States of the American system now maintain diplomatic representation at this capital.

In this connection it may be noted that all the nations of the Western Hemisphere, with one exception, send to Washington envoys extraordinary and ministers plenipotentiary, being the highest grade accredited to this Government. The United States, on the contrary, sends envoys of lower grades to some of our sister Republics. Our representative in Paraguay and Uruguay is a minister resident, while to Bolivia we send a minister resident and consul-general. In view of the importance of our relations with the States of the American system, our diplomatic agents in those countries should be of the uniform rank of envoy extraordinary and minister plenipotentiary. Certain missions were so elevated by the last Congress with happy effect, and I recommend the completion of the reform thus begun, with the inclusion also of Hawaii and Hayti, in view of their relations to the American system of states.

I also recommend that timely provision be made for extending to Hawaii an invitation to be represented in the international conference now sitting at this capital.

Our relations with China have the attentive consideration which their magnitude and interest demand. The failure of the treaty negotiated under

the Administration of my predecessor for the further and more complete restriction of Chinese labor immigration, and with it the legislation of the last session of Congress dependent thereon, leaves some questions open which Congress should now approach in that wise and just spirit which should characterize the relations of two great and friendly powers. While our supreme interests demand the exclusion of a laboring element which experience has shown to be incompatible with our social life, all steps to compass this imperative need should be accompanied with a recognition of the claim of those strangers now lawfully among us to humane and just treatment.

The accession of the young Emperor of China marks, we may hope, an era of progress and prosperity for the great country over which he is called to rule.

The present state of affairs in respect to the Samoan Islands is encouraging. The conference which was held in this city in the summer of 1887 between the representatives of the United States, Germany, and Great Britain having been adjourned because of the persistent divergence of views which was developed in its deliberations, the subsequent course of events in the islands gave rise to questions of a serious character. On the 4th of February last the German minister at this capital, in behalf of his Government, proposed a resumption of the conference at Berlin. This proposition was accepted, as Congress in February last was informed.

Pursuant to the understanding thus reached, commissioners were appointed by me, by and with the advice and consent of the Senate, who proceeded to Berlin, where the conference was renewed. The deliberations extended through several weeks, and resulted in the conclusion of a treaty which will be submitted to the Senate for its approval. I trust that the efforts which have been made to effect an adjustment of this question will be productive of the permanent establishment of law and order in Samoa upon the basis of the maintenance of the rights and interests of the natives as well as of the treaty powers.

The questions which have arisen during the past few years between Great Britain and the United States are in abeyance or in course of amicable adjustment.

On the part of the government of the Dominion of Canada an effort has been apparent during the season just ended to administer the laws and regulations applicable to the fisheries with as little occasion for friction as was possible, and the temperate representations of this Government in respect of cases of undue hardship or of harsh interpretations have been in most cases met with measures of transitory relief. It is trusted that the attainment of our just rights under existing treaties and in virtue of the concurrent legislation of the two contiguous countries will not be long deferred and that all existing causes of

difference may be equitably adjusted.

I recommend that provision be made by an international agreement for visibly marking the water boundary between the United States and Canada in the narrow channels that join the Great Lakes. The conventional line therein traced by the northwestern boundary survey years ago is not in all cases readily ascertainable for the settlement of jurisdictional questions.

A just and acceptable enlargement of the list of offenses for which extradition may be claimed and granted is most desirable between this country and Great Britain. The territory of neither should become a secure harbor for the evil doers of the other through any avoidable shortcoming in this regard. A new treaty on this subject between the two powers has been recently negotiated and will soon be laid before the Senate.

The importance of the commerce of Cuba and Puerto Rico with the United States, their nearest and principal market, justifies the expectation that the existing relations may be beneficially expanded. The impediments resulting from varying dues on navigation and from the vexatious treatment of our vessels on merely technical grounds of complaint in West India ports should be removed.

The progress toward an adjustment of pending claims between the United States and Spain is not as rapid as could be desired.

Questions affecting American interests in connection with railways constructed and operated by our citizens in Peru have claimed the attention of this Government. It is urged that other governments in pressing Peru to the payment of their claims have disregarded the property rights of American citizens. The matter will be carefully investigated with a view to securing a proper and equitable adjustment.

A similar issue is now pending with Portugal. The Delagoa Bay Railway, in Africa, was constructed under a concession by Portugal to an American citizen. When nearly completed the road was seized by the agents of the Portuguese Government. Formal protest has been made through our minister at Lisbon against this act, and no proper effort will be spared to secure proper relief.

In pursuance of the charter granted by Congress and under the terms of its contract with the Government of Nicaragua the Interoceanic Canal Company has begun the construction of the important waterway between the two oceans which its organization contemplates. Grave complications for a time seemed imminent, in view of a supposed conflict of jurisdiction between Nicaragua and Costa Rica in regard to the accessory privileges to be conceded by the latter Republic toward the construction of works on the San Juan River, of which the right bank is Costa Rican territory. I am happy to learn that a friendly arrangement has been effected between the two nations. This

Government has held itself ready to promote in every proper way the adjustment of all questions that might present obstacles to the completion of a work of such transcendent importance to the commerce of this country, and, indeed, to the commercial interests of the world.

The traditional good feeling between this country and the French Republic has received additional testimony in the participation of our Government and people in the international exposition held at Paris during the past summer. The success of our exhibitors has been gratifying. The report of the commission will be laid before Congress in due season.

This Government has accepted, under proper reserve as to its policy in foreign territories, the invitation of the Government of Belgium to take part in an international congress, which opened at Brussels on the 16th of November, for the purpose of devising measures to promote the abolition of the slave trade in Africa and to prevent the shipment of slaves by sea. Our interest in the extinction of this crime against humanity in the regions where it yet survives has been increased by the results of emancipation within our own borders.

With Germany the most cordial relations continue. The questions arising from the return to the Empire of Germans naturalized in this country are considered and disposed of in a temperate spirit to the entire satisfaction of both Governments.

It is a source of great satisfaction that the internal disturbances of the Republic of Hayti are at last happily ended, and that an apparently stable government has been constituted. It has been duly recognized by the United States.

A mixed commission is now in session in this capital for the settlement of long-standing claims against the Republic of Venezuela, and it is hoped that a satisfactory conclusion will be speedily reached. This Government has not hesitated to express its earnest desire that the boundary dispute now pending between Great Britain and Venezuela may be adjusted amicably and in strict accordance with the historic title of the parties.

The advancement of the Empire of Japan has been evidenced by the recent promulgation of a new constitution, containing valuable guaranties of liberty and providing for a responsible ministry to conduct the Government.

It is earnestly recommended that our judicial rights and processes in Korea be established on a firm basis by providing the machinery necessary to carry out treaty stipulations in that regard.

The friendliness of the Persian Government continues to be shown by its generous treatment of Americans engaged in missionary labors and by the cordial disposition of the Shah to encourage the enterprise of our citizens in the development of Persian resources.

A discussion is in progress touching the jurisdictional treaty rights of the United States in Turkey. An earnest effort will be made to define those rights to the satisfaction of both Governments.

Questions continue to arise in our relations with several countries in respect to the rights of naturalized citizens. Especially is this the case with France, Italy, Russia, and Turkey, and to a less extent with Switzerland. From time to time earnest efforts have been made to regulate this subject by conventions with those countries. An improper use of naturalization should not be permitted, but it is most important that those who have been duly naturalized should everywhere be accorded recognition of the rights pertaining to the citizenship of the country of their adoption. The appropriateness of special conventions for that purpose is recognized in treaties which this Government has concluded with a number of European States, and it is advisable that the difficulties which now arise in our relations with other countries on the same subject should be similarly adjusted.

The recent revolution in Brazil in favor of the establishment of a republican form of government is an event of great interest to the United States. Our minister at Rio de Janeiro was at once instructed to maintain friendly diplomatic relations with the Provisional Government, and the Brazilian representatives at this capital were instructed by the Provisional Government to continue their functions. Our friendly intercourse with Brazil has therefore suffered no interruption.

Our minister has been further instructed to extend on the part of this Government a formal and cordial recognition of the new Republic so soon as the majority of the people of Brazil shall have signified their assent to its establishment and maintenance.

Within our own borders a general condition of prosperity prevails. The harvests of the last summer were exceptionally abundant, and the trade conditions now prevailing seem to promise a successful season to the merchant and the manufacturer and general employment to our working people.

The report of the Secretary of the Treasury for the fiscal year ending June 30, 1889, has been prepared and will be presented to Congress. It presents with clearness the fiscal operations of the Government, and I avail myself of it to obtain some facts for use here.

The aggregate receipts from all sources for the year were \$387,050,058.84, derived as follows:

From customs - \$223, 832, 741.69

From internal revenue - 130,881,513.92

From miscellaneous sources - 32,335,803.23

The ordinary expenditures for the same period were \$281,996,615.60, and the total expenditures, including the sinking fund, were \$329,579,929.25. The excess of receipts over expenditures was, after providing for the sinking fund, \$57,470,129.59.

For the current fiscal year the total revenues, actual and estimated are \$385,000,000, and the ordinary expenditures, actual and estimated, are \$293,000,000, making with the sinking fund a total expenditure of \$341,321,116.99, leaving an estimated surplus of \$43,678,883.01.

During the fiscal year there was applied to the purchase of bonds, in addition to those for the sinking fund, \$90,456,172.35, and during the first quarter of the current year the sum of \$37,838,937.77, all of which were credited to the sinking fund. The revenues for the fiscal year ending June 30, 1891, are estimated by the Treasury Department at \$385,000,000, and the expenditures for the same period, including the sinking fund, at \$341,430,477.70. This shows an estimated surplus for that year of \$43,569,522.30, which is more likely to be increased than reduced when the actual transactions are written up.

The existence of so large an actual and anticipated surplus should have the immediate attention of Congress, with a view to reducing the receipts of the Treasury to the needs of the Government as closely as may be. The collection of moneys not needed for public uses imposes an unnecessary burden upon our people, and the presence of so large a surplus in the public vaults is a disturbing element in the conduct of private business. It has called into use expedients for putting it into circulation of very questionable propriety. We should not collect revenue for the purpose of anticipating our bonds beyond the requirements of the sinking fund, but any unappropriated surplus in the Treasury should be so used, as there is no other lawful way of returning the money to circulation, and the profit realized by the Government offers a substantial advantage.

The loaning of public funds to the banks without interest Upon the security of Government bonds I regard as an unauthorized and dangerous expedient. It results in a temporary and unnatural increase of the banking capital of favored localities and compels a cautious and gradual recall of the deposits to avoid injury to the commercial interests. It is not to be expected that the banks having these deposits will sell their bonds to the Treasury so long as the present highly beneficial arrangement is continued. They now practically get interest both upon the bonds and their proceeds. No further use should be made of this method of getting the surplus into circulation, and the deposits now outstanding should be gradually withdrawn and applied to the purchase of bonds. It is fortunate that such a use can be made of the existing surplus, and for some time to come of any casual surplus that may exist after Congress has taken the necessary steps for a reduction of the revenue. Such legislation should be promptly but very

considerately enacted.

I recommend a revision of our tariff law both in its administrative features and in the schedules. The need of the former is generally conceded, and an agreement upon the evils and inconveniences to be remedied and the best methods for their correction will probably not be difficult. Uniformity of valuation at all our ports is essential, and effective measures should be taken to secure it. It is equally desirable that questions affecting rates and classifications should be promptly decided.

The preparation of a new schedule of customs duties is a matter of great delicacy because of its direct effect upon the business of the country, and of great difficulty by reason of the wide divergence of opinion as to the objects that may properly be promoted by such legislation. Some disturbance of business may perhaps result from the consideration of this subject by Congress, but this temporary ill effect will be reduced to the minimum by prompt action and by the assurance which the country already enjoys that any necessary changes will be so made as not to impair the just and reasonable protection of our home industries. The inequalities of the law should be adjusted, but the protective principle should be maintained and fairly applied to the products of our farms as well as of our shops. These duties necessarily have relation to other things besides the public revenues. We can not limit their effects by fixing our eyes on the public Treasury alone. They have a direct relation to home production, to work, to wages, and to the commercial independence of our country, and the wise and patriotic legislator should enlarge the field of his vision to include all of these. The necessary reduction in our public revenues can, I am sure, be made without making the smaller burden more onerous than the larger by reason of the disabilities and limitations which the process of reduction puts upon both capital and labor. The free list can very safely be extended by placing thereon articles that do not offer injurious competition to such domestic products as our home labor can supply. The removal of the internal tax upon tobacco would relieve an important agricultural product from a burden which was imposed only because our revenue from customs duties was insufficient for the public needs. If safe provision against fraud can be devised, the removal of the tax upon spirits used in the arts and in manufactures would also offer an unobjectionable method of reducing the surplus.

A table presented by the Secretary of the Treasury showing the amount of money of all kinds in circulation each year from 1878 to the present time is of interest. It appears that the amount of national-bank notes in circulation has decreased during that period \$114,109,729, of which \$37,799,229 is chargeable to the last year. The withdrawal of bank circulation will necessarily continue under existing conditions. It is probable that the adoption of the suggestions made by the Comptroller of the Currency, namely, that the minimum deposit of bonds for the establishment of banks be reduced and that an issue of notes to the par value of the bonds be allowed, would help to maintain the bank circulation. But while this withdrawal of bank notes has been going on there has been a

large increase in the amount of gold and silver coin in circulation and in the issues of gold and silver certificates.

The total amount of money of all kinds in circulation on March 1, 1878, was \$805,793,807, while on October 1, 1889, the total was \$1,405,018,000. There was an increase of \$293,417,552 in gold coin, of \$57,554,100 in standard silver dollars, of \$72,311,249 in gold certificates, of \$276,619,715 in silver certificates, and of \$14,073,787 in United States notes, making a total of \$713,976,403. There was during the same period a decrease of \$114,109,729 in bank circulation and of \$642,481 in subsidiary silver. The net increase was \$599,224,193. The circulation per capita has increased about \$5 during the time covered by the table referred to.

The total coinage of silver dollars was on November 1, 1889, \$343,638,001, of which \$283,539,521 were in the Treasury vaults and \$60,098,480 were in circulation. Of the amount in the vaults \$277,319,944 were represented by outstanding silver certificates, leaving \$6,219,577 not in circulation and not represented by certificates.

The law requiring the purchase by the Treasury of \$2,000,000 worth of silver bullion each month, to be coined into silver dollars of 412 1/2 grains, has been observed by the Department, but neither the present Secretary nor any of his predecessors has deemed it safe to exercise the discretion given by law to increase the monthly purchases to \$4,000,000. When the law was enacted (February 28, 1878) the price of silver in the market was \$1.204 per ounce, making the bullion value of the dollar 93 cents. Since that time the price has fallen as low as 91.2 cents per ounce, reducing the bullion value of the dollar to 70.6 cents. Within the last few months the market price has somewhat advanced, and on the 1st day of November last the bullion value of the silver dollar was 72 cents.

The evil anticipations which have accompanied the coinage and use of the silver dollar have not been realized. As a coin it has not had general use, and the public Treasury has been compelled to store it. But this is manifestly owing to the fact that its paper representative is more convenient. The general acceptance and the use of the silver certificate show that silver has not been otherwise discredited. Some favorable conditions have contributed to maintain this practical equality in their commercial use between the gold and silver dollars; but some of these are trade conditions that statutory enactments do not control and of the continuance of which we can not be certain.

I think it is clear that if we should make the coinage of silver at the present ratio free we must expect that the difference in the bullion values of the gold and silver dollars will be taken account of in commercial transactions; and I fear the same result would follow any considerable increase of the present rate of coinage. Such a result would be discreditable to our financial management and disastrous to all business interests. We should not tread the dangerous edge of such a peril. And, indeed, nothing more harmful could happen to the silver interests. Any safe

legislation upon this subject must secure the equality of the two coins in their commercial uses.

I have always been an advocate of the use of silver in our currency. We are large producers of that metal, and should not discredit it. To the plan which will be presented by the Secretary of the Treasury for the issuance of notes or certificates upon the deposit of silver bullion at its market value I have been able to give only a hasty examination, owing to the press of other matters and to the fact that it has been so recently formulated. The details of such a law require careful consideration, but the general plan suggested by him seems to satisfy the purpose—to continue the use of silver in connection with our currency and at the same time to obviate the danger of which I have spoken. At a later day I may communicate further with Congress upon this subject.

The enforcement of the Chinese exclusion act has been found to be very difficult on the northwestern frontier. Chinamen landing at Victoria find it easy to pass our border, owing to the impossibility with the force at the command of the customs officers of guarding so long an inland line. The Secretary of the Treasury has authorized the employment of additional officers, who will be assigned to this duty, and every effort will be made to enforce the law. The Dominion exacts a head tax of \$50 for each Chinaman landed, and when these persons, in fraud of our law, cross into our territory and are apprehended our officers do not know what to do with them, as the Dominion authorities will not suffer them to be sent back without a second payment of the tax. An effort will be made to reach an understanding that will remove this difficulty.

The proclamation required by section 3 of the act of March 2, 1889, relating to the killing of seals and other fur-bearing animals, was issued by me on the 21st day of March, and a revenue vessel was dispatched to enforce the laws and protect the interests of the United States. The establishment of a refuge station at Point Barrow, as directed by Congress, was successfully accomplished.

Judged by modern standards, we are practically without coast defenses. Many of the structures we have would enhance rather than diminish the perils of their garrisons if subjected to the fire of improved guns, and very few are so located as to give full effect to the greater range of such guns as we are now making for coast-defense uses. This general subject has had consideration in Congress for some years, and the appropriation for the construction of large rifled guns made one year ago was, I am sure, the expression of a purpose to provide suitable works in which these guns might be mounted. An appropriation now made for that purpose would not advance the completion of the works beyond our ability to supply them with fairly effective guns.

The security of our coast cities against foreign attacks should not rest altogether in the friendly disposition of other nations. There should be a

second line wholly in our own keeping. I very urgently recommend an appropriation at this session for the construction of such works in our most exposed harbors.

I approve the suggestion of the Secretary of War that provision be made for encamping companies of the National Guard in our coast works for a specified time each year and for their training in the use of heavy guns. His suggestion that an increase of the artillery force of the Army is desirable is also, in this connection, commended to the consideration of Congress.

The improvement of our important rivers and harbors should be promoted by the necessary appropriations. Care should be taken that the Government is not committed to the prosecution of works not of public and general advantage and that the relative usefulness of works of that class is not overlooked. So far as this work can ever be said to be completed, I do not doubt that the end would be sooner and more economically reached if fewer separate works were undertaken at the same time, and those selected for their greater general interest were more rapidly pushed to completion. A work once considerably begun should not be subjected to the risks and deterioration which interrupted or insufficient appropriations necessarily occasion.

The assault made by David S. Terry upon the person of Justice Field, of the Supreme Court of the United States, at Lathtop, Cal., in August last, and the killing of the assailant by a deputy United States marshal who had been deputed to accompany Justice Field and to protect him from anticipated violence at the hands of Terry, in connection with the legal proceedings which have followed, suggest questions which, in my judgment, are worthy of the attention of Congress.

I recommend that more definite provision be made by law not only for the protection of Federal officers, but for a full trial of such cases in the United States courts. In recommending such legislation I do not at all impeach either the general adequacy of the provision made by the State laws for the protection of all citizens or the general good disposition of those charged with the execution of such laws to give protection to the officers of the United States. The duty of protecting its officers, as such, and of punishing those who assault them on account of their official acts should not be devolved expressly or by acquiescence upon the local authorities.

Events which have been brought to my attention happening in other parts of the country have also suggested the propriety of extending by legislation fuller protection to those who may be called as witnesses in the courts of the United States. The law compels those who are supposed to have knowledge of public offenses to attend upon our courts and grand juries and to give evidence. There is a manifest resulting duty that these witnesses shall be protected from injury on account of their testimony. The investigations of

criminal offenses are often rendered futile and the punishment of crime impossible by the intimidation of witnesses.

The necessity of providing some more speedy method for disposing of the cases which now come for final adjudication to the Supreme Court becomes every year more apparent and urgent. The plan of providing some intermediate courts having final appellate jurisdiction of certain classes of questions and cases has, I think, received a more general approval from the bench and bar of the country than any other. Without attempting to discuss details, I recommend that provision be made for the establishment of such courts.

The salaries of the judges of the district courts in many of the districts are, in my judgment, inadequate. I recommend that all such salaries now below \$5,000 per annum be increased to that amount. It is quite true that the amount of labor performed by these judges is very unequal, but as they can not properly engage in other pursuits to supplement their incomes the salary should be such in all cases as to provide an independent and comfortable support.

Earnest attention should be given by Congress to a consideration of the question how far the restraint of those combinations of capital commonly called "trusts" is matter of Federal jurisdiction. When organized, as they often are, to crush out all healthy competition and to monopolize the production or sale of an article of commerce and general necessity, they are dangerous conspiracies against the public good, and should be made the subject of prohibitory and even penal legislation.

The subject of an international copyright has been frequently commended to the attention of Congress by my predecessors. The enactment of such a law would be eminently wise and just.

Our naturalization laws should be so revised as to make the inquiry into the moral character and good disposition toward our Government of the persons applying for citizenship more thorough. This can only be done by taking fuller control of the examination, by fixing the times for hearing such applications, and by requiring the presence of some one who shall represent the Government in the inquiry. Those who are the avowed enemies of social order or who come to our shores to swell the injurious influence and to extend the evil practices of any association that defies our laws should not only be denied citizenship, but a domicile.

The enactment of a national bankrupt law of a character to be a permanent part of our general legislation is desirable. It should be simple in its methods and inexpensive in its administration.

The report of the Postmaster-General not only exhibits the operations of the Department for the last fiscal year, but contains many valuable suggestions for the improvement and extension of the service, which are

commended to your attention. No other branch of the Government has so close a contact with the daily life of the people. Almost everyone uses the service it offers, and every hour gained in the transmission of the great commercial mails has an actual and possible value that only those engaged in trade can understand.

The saving of one day in the transmission of the mails between New York and San Francisco, which has recently been accomplished, is an incident worthy of mention.

The plan suggested of a supervision of the post-offices in separate districts that shall involve instruction and suggestion and a rating of the efficiency of the postmasters would, I have no doubt, greatly improve the service.

A pressing necessity exists for the erection of a building for the joint use of the Department and of the city post-office. The Department was partially relieved by renting outside quarters for a part of its force, but it is again overcrowded. The building used by the city office never was fit for the purpose, and is now inadequate and unwholesome.

The unsatisfactory condition of the law relating to the transmission through the mails of lottery advertisements and remittances is clearly stated by the Postmaster-General, and his suggestion as to amendments should have your favorable consideration.

The report of the Secretary of the Navy shows a reorganization of the bureaus of the Department that will, I do not doubt, promote the efficiency of each.

In general, satisfactory progress has been made in the construction of the new ships of war authorized by Congress. The first vessel of the new Navy, the Dolphin, was subjected to very severe trial tests and to very much adverse criticism; but it is gratifying to be able to state that a cruise around the world, from which she has recently returned, has demonstrated that she is a first-class vessel of her rate.

The report of the Secretary shows that while the effective force of the Navy is rapidly increasing by reason of the improved build and armament of the new ships, the number of our ships fit for sea duty grows very slowly. We had on the 4th of March last 37 serviceable ships, and though 4 have since been added to the list, the total has not been increased, because in the meantime 4 have been lost or condemned. Twenty-six additional vessels have been authorized and appropriated for; but it is probable that when they are completed our list will only be increased to 42—a gain of 5. The old wooden ships are disappearing almost as fast as the new vessels are added. These facts carry their own argument. One of the new ships may in fighting strength be equal to two of the old, but it can not do the cruising duty of two. It is important, therefore, that we should have a

more rapid increase in the number of serviceable ships. I concur in the recommendation of the Secretary that the construction of 8 armored ships, 3 gunboats, and 5 torpedo boats be authorized.

An appalling calamity befell three of our naval vessels on duty at the Samoan Islands, in the harbor of Apia, in March last, involving the loss of 4 officers and 47 seamen, of two vessels, the Trenton and the Vandalia, and the disabling of a third, the Nipsic. Three vessels of the German navy, also in the harbor, shared with our ships the force of the hurricane and suffered even more heavily. While mourning the brave officers and men who died facing with high resolve perils greater than those of battle, it is most gratifying to state that the credit of the American Navy for seamanship, courage, and generosity was magnificently sustained in the storm-beaten harbor of Apia.

The report of the Secretary of the Interior exhibits the transactions of the Government with the Indian tribes. Substantial progress has been made in the education of the children of school age and in the allotment of lands to adult Indians. It is to be regretted that the policy of breaking up the tribal relation and of dealing with the Indian as an individual did not appear earlier in our legislation. Large reservations held in common and the maintenance of the authority of the chiefs and headmen have deprived the individual of every incentive to the exercise of thrift, and the annuity has contributed an affirmative impulse toward a state of confirmed pauperism.

Our treaty stipulations should be observed with fidelity and our legislation should be highly considerate of the best interests of an ignorant and helpless people. The reservations are now generally surrounded by white settlements. We can no longer push the Indian back into the wilderness, and it remains only by every suitable agency to push him upward into the estate of a self-supporting and responsible citizen. For the adult the first step is to locate him upon a farm, and for the child to place him in a school.

School attendance should be promoted by every moral agency, and those failing should be compelled. The national schools for Indians have been very successful and should be multiplied, and as far as possible should be so organized and conducted as to facilitate the transfer of the schools to the States or Territories in which they are located when the Indians in a neighborhood have accepted citizenship and have become otherwise fitted for such a transfer. This condition of things will be attained slowly, but it will be hastened by keeping it in mind; and in the meantime that cooperation between the Government and the mission schools which has wrought much good should be cordially and impartially maintained.

The last Congress enacted two distinct laws relating to negotiations with the Sioux Indians of Dakota for a relinquishment of a portion of their lands to the United States and for dividing the remainder into separate reservations. Both were approved on the same day—March 2. The one

submitted to the Indians a specific proposition; the other (section 3 of the Indian appropriation act) authorized the President to appoint three commissioners to negotiate with these Indians for the accomplishment of the same general purpose, and required that any agreements made should be submitted to Congress for ratification.

On the 16th day of April last I appointed Hon. Charles Foster, of Ohio, Hon. William Warner, of Missouri, and Major-General George Crook, of the United States Army, commissioners under the last-named law. They were, however, authorized and directed first to submit to the Indians the definite proposition made to them by the act first mentioned, and only in the event of a failure to secure the assent of the requisite number to that proposition to open negotiations for modified terms under the other act. The work of the commission was prolonged and arduous, but the assent of the requisite number was, it is understood, finally obtained to the proposition made by Congress, though the report of the commission has not yet been submitted. In view of these facts, I shall not, as at present advised, deem it necessary to submit the agreement to Congress for ratification, but it will in due course be submitted for information. This agreement releases to the United States about 9,000,000 acres of land.

The commission provided for by section 14 of the Indian appropriation bill to negotiate with the Cherokee Indians and all other Indians owning or claiming lands lying west of the ninety-sixth degree of longitude for the cession to the United States of all such lands was constituted by the appointment of Hon. Lucius Fairchild, of Wisconsin, Hon. John F. Hartranft, of Pennsylvania, and Hon. Alfred M. Wilson, of Arkansas, and organized on June 29 last. Their first conference with the representatives of the Cherokees was held at Tahlequah July 29, with no definite results. General John F. Hartranft, of Pennsylvania, was prevented by ill health from taking part in the conference. His death, which occurred recently, is justly and generally lamented by a people he had served with conspicuous gallantry in war and with great fidelity in peace. The vacancy thus created was filled by the appointment of Hon. Warren G. Sayre, of Indiana.

A second conference between the commission and the Cherokees was begun November 6, but no results have yet been obtained, nor is it believed that a conclusion can be immediately expected. The cattle syndicate now occupying the lands for grazing purposes is clearly one of the agencies responsible for the obstruction of our negotiations with the Cherokees. The large body of agricultural lands constituting what is known as the "Cherokee Outlet" ought not to be, and, indeed, can not long be, held for grazing and for the advantage of a few against the public interests and the best advantage of the Indians themselves. The United States has now under the treaties certain rights in these lands. These will not be used oppressively, but it can not be allowed that those who by sufferance occupy these lands shall interpose to defeat the wise and beneficent purposes of the Government. I can not but believe that the advantageous character of the offer made by the United States to the Cherokee Nation for a full release of these lands as compared with other suggestions now made to them

will yet obtain for it a favorable consideration.

Under the agreement made between the United States and the Muscogee (or Creek) Nation of Indians on the 19th day of January, 1889, an absolute title was secured by the United States to about 3,500,000 acres of land. Section 12 of the general Indian appropriation act approved March 2, 1889, made provision for the purchase by the United States from the Seminole tribe of a certain portion of their lands. The delegates of the Seminole Nation, having first duly evidenced to me their power to act in that behalf, delivered a proper release or conveyance to the United States of all the lands mentioned in the act, which was accepted by me and certified to be in compliance with the statute.

By the terms of both the acts referred to all the lands so purchased were declared to be a part of the public domain and open to settlement under the homestead law. But of the lands embraced in these purchases, being in the aggregate about 5,500,000 acres, 3,500,000 acres had already, under the terms of the treaty of 1866, been acquired by the United States for the purpose of settling other Indian tribes thereon and had been appropriated to that purpose. The land remaining and available for settlement consisted of 1,887,796 acres, surrounded on all sides by lands in the occupancy of Indian tribes. Congress had provided no civil government for the people who were to be invited by my proclamation to settle upon these lands, except as the new court which had been established at Muscogee or the United States courts in some of the adjoining States had power to enforce the general laws of the United States.

In this condition of things I was quite reluctant to open the lands to settlement; but in view of the fact that several thousand persons, many of them with their families, had gathered upon the borders of the Indian Territory with a view to securing homesteads on the ceded lands, and that delay would involve them in much loss and suffering, I did on the 23d day of March last issue a proclamation declaring that the lands therein described would be open to settlement under the provisions of the law on the 22d day of April following at 12 o'clock noon. Two land districts had been established and the offices were opened for the transaction of business when the appointed time arrived.

It is much to the credit of the settlers that they very generally observed the limitation as to the time when they might enter the Territory. Care will be taken that those who entered in violation of the law do not secure the advantage they unfairly sought. There was a good deal of apprehension that the strife for locations would result in much violence and bloodshed, but happily these anticipations were not realized. It is estimated that there are now in the Territory about 60,000 people, and several considerable towns have sprung up, for which temporary municipal governments have been organized. Guthrie is said to have now a population of almost 8,000. Eleven schools and nine churches have been established, and three daily and five weekly newspapers are published in this city, whose charter and ordinances have only the sanction of the voluntary

acquiescence of the people from day to day.

Oklahoma City has a population of about 5,000, and is proportionately as well provided as Guthrie with churches, schools, and newspapers. Other towns and villages having populations of from 100 to 1,000 are scattered over the Territory.

In order to secure the peace of this new community in the absence of civil government, I directed General Merritt, commanding the Department of the Missouri, to act in conjunction with the marshals of the United States to preserve the peace, and upon their requisition to use the troops to aid them in executing warrants and in quieting any riots or breaches of the peace that might occur. He was further directed to use his influence to promote good order and to avoid any conflicts between or with the settlers. Believing that the introduction and sale of liquors where no legal restraints or regulations existed would endanger the public peace, and in view of the fact that such liquors must first be introduced into the Indian reservations before reaching the white settlements, I further directed the general commanding to enforce the laws relating to the introduction of ardent spirits into the Indian country.

The presence of the troops has given a sense of security to the well-disposed citizens and has tended to restrain the lawless. In one instance the officer in immediate command of the troops went further than I deemed justifiable in supporting the de facto municipal government of Guthrie, and he was so informed, and directed to limit the interference of the military to the support of the marshals on the lines indicated in the original order. I very urgently recommend that Congress at once provide a Territorial government for these people. Serious questions, which may at any time lead to violent outbreaks, are awaiting the institution of courts for their peaceful adjustment. The American genius for self-government has been well illustrated in Oklahoma; but it is neither safe nor wise to leave these people longer to the expedients which have temporarily served them.

Provision should be made for the acquisition of title to town lots in the towns now established in Alaska, for locating town sites, and for the establishment of municipal governments. Only the mining laws have been extended to that Territory, and no other form of title to lands can now be obtained. The general land laws were framed with reference to the disposition of agricultural lands, and it is doubtful if their operation in Alaska would be beneficial.

We have fortunately not extended to Alaska the mistaken policy of establishing reservations for the Indian tribes, and can deal with them from the beginning as individuals with, I am sure, better results; but any disposition of the public lands and any regulations relating to timber and to the fisheries should have a kindly regard to their interests. Having no power to levy taxes, the people of Alaska are wholly dependent upon the General Government, to whose revenues the seal fisheries make a large annual contribution. An appropriation for education should neither be

overlooked nor stinted.

The smallness of the population and the great distances between the settlements offer serious obstacles to the establishment of the usual Territorial form of government. Perhaps the organization of several sub-districts with a small municipal council of limited powers for each would be safe and useful.

Attention is called in this connection to the suggestions of the Secretary of the Treasury relating to the establishment of another port of entry in Alaska and of other needed customs facilities and regulations.

In the administration of the land laws the policy of facilitating in every proper way the adjustment of the honest claims of individual settlers upon the public lands has been pursued. The number of pending cases had during the preceding Administration been greatly increased under the operation of orders for a time suspending final action in a large part of the cases originating in the West and Northwest, and by the subsequent use of unusual methods of examination. Only those who are familiar with the conditions under which our agricultural lands have been settled can appreciate the serious and often fatal consequences to the settler of a policy that puts his title under suspicion or delays the issuance of his patent. While care is taken to prevent and to expose fraud, it should not be imputed without reason.

The manifest purpose of the homestead and preemption laws was to promote the settlement of the public domain by persons having a bona fide intent to make a home upon the selected lands. Where this intent is well established and the requirements of the law have been substantially complied with, the claimant is entitled to a prompt and friendly consideration of his case; but where there is reason to believe that the claimant is the mere agent of another who is seeking to evade a law intended to promote small holdings and to secure by fraudulent methods large tracts of timber and other lands, both principal and agent should not only be thwarted in their fraudulent purpose, but should be made to feel the full penalties of our criminal statutes. The laws should be so administered as not to confound these two classes and to visit penalties only upon the latter.

The unsettled state of the titles to large bodies of lands in the Territories of New Mexico and Arizona has greatly retarded the development of those Territories. Provision should be made by law for the prompt trial and final adjustment before a judicial tribunal or commission of all claims based upon Mexican grants. It is not just to an intelligent and enterprising people that their peace should be disturbed and their prosperity retarded by these old contentions. I express the hope that differences of opinion as to methods may yield to the urgency of the case.

The law now provides a pension for every soldier and sailor who was mustered into the service of the United States during the Civil War and is now suffering from wounds or disease having an origin in the service and in

the line of duty. Two of the three necessary facts, viz, muster and disability, are usually susceptible of easy proof; but the third, origin in the service, is often difficult and in many deserving cases impossible to establish. That very many of those who endured the hardships of our most bloody and arduous campaigns are now disabled from diseases that had a real but not traceable origin in the service I do not doubt. Besides these there is another class composed of men many of whom served an enlistment of three full years and of reenlisted veterans who added a fourth year of service, who escaped the casualties of battle and the assaults of disease, who were always ready for any detail, who were in every battle line of their command, and were mustered out in sound health, and have since the close of the war, while fighting with the same indomitable and independent spirit the contests of civil life, been overcome by disease or casualty.

I am not unaware that the pension roll already involves a very large annual expenditure; neither am I deterred by that fact from recommending that Congress grant a pension to such honorably discharged soldiers and sailors of the Civil War as, having rendered substantial service during the war, are now dependent upon their own labor for a maintenance and by disease or casualty are incapacitated from earning it. Many of the men who would be included in this form of relief are now dependent upon public aid, and it does not, in my judgment, consist with the national honor that they shall continue to subsist upon the local relief given indiscriminately to paupers instead of upon the special and generous provision of the nation they served so gallantly and unselfishly. Our people will, I am sure, very generally approve such legislation. And I am equally sure that the survivors of the Union Army and Navy will feel a grateful sense of relief when this worthy and suffering class of their comrades is fairly cared for.

There are some manifest inequalities in the existing law that should be remedied. To some of these the Secretary of the Interior has called attention.

It is gratifying to be able to state that by the adoption of new and better methods in the War Department the calls of the Pension Office for information as to the military and hospital records of pension claimants are now promptly answered and the injurious and vexatious delays that have heretofore occurred are entirely avoided. This will greatly facilitate the adjustment of all pending claims.

The advent of four new States—South Dakota, North Dakota, Montana, and Washington—into the Union under the Constitution in the same month, and the admission of their duly chosen representatives to our National Congress at the same session, is an event as unexampled as it is interesting.

The certification of the votes cast and of the constitutions adopted in each of the States was filed with me, as required by the eighth section of the act of February 22, 1889, by the governors of said Territories, respectively. Having after a careful examination found that the several

constitutions and governments were republican in form and not repugnant to the Constitution of the United States, that all the provisions of the act of Congress had been complied with, and that a majority of the votes cast in each of said proposed States was in favor of the adoption of the constitution submitted therein, I did so declare by a separate proclamation as to each—as to North Dakota and South Dakota on Saturday, November 2; as to Montana on Friday, November 8, and as to Washington on Monday, November 11.

Each of these States has within it resources the development of which will employ the energies of and yield a comfortable subsistence to a great population. The smallest of these new States, Washington, stands twelfth, and the largest, Montana, third, among the forty-two in area. The people of these States are already well-trained, intelligent, and patriotic American citizens, having common interests and sympathies with those of the older States and a common purpose to defend the integrity and uphold the honor of the nation.

The attention of the Interstate Commerce Commission has been called to the urgent need of Congressional legislation for the better protection of the lives and limbs of those engaged in operating the great interstate freight lines of the country, and especially of the yardmen and brakemen. A petition signed by nearly 10,000 railway brakemen was presented to the Commission asking that steps might be taken to bring about the use of automatic brakes and couplers on freight cars.

At a meeting of State railroad commissioners and their accredited representatives held at Washington in March last upon the invitation of the Interstate Commerce Commission a resolution was unanimously adopted urging the Commission” to consider what can be done to prevent the loss of life and limb in coupling and uncoupling freight cars and in handling the brakes of such cars.” During the year ending June 30, 1888, over 2,000 railroad employees were killed in service and more than 20,000 injured. It is competent, I think, for Congress to require uniformity in the construction of cars used in interstate commerce and the use of improved safety appliances upon such trains. Time will be necessary to make the needed changes, but an earnest and intelligent beginning should be made at once. It is a reproach to our civilization that any class of American workmen should in the pursuit of a necessary and useful vocation be subjected to a peril of life and limb as great as that of a soldier in time of war.

The creation of an Executive Department to be known as the Department of Agriculture by the act of February 9 last was a wise and timely response to a request which had long been respectfully urged by the farmers of the country; but much remains to be done to perfect the organization of the Department so that it may fairly realize the expectations which its creation excited. In this connection attention is called to the suggestions

contained in the report of the Secretary, which is herewith submitted. The need of a law officer for the Department such as is provided for the other Executive Departments is manifest. The failure of the last Congress to make the usual provision for the publication of the annual report should be promptly remedied. The public interest in the report and its value to the farming community, I am sure, will not be diminished under the new organization of the Department.

I recommend that the weather service be separated from the War Department and established as a bureau in the Department of Agriculture. This will involve an entire reorganization both of the Weather Bureau and of the Signal Corps, making of the first a purely civil organization and of the other a purely military staff corps. The report of the Chief Signal Officer shows that the work of the corps on its military side has been deteriorating.

The interests of the people of the District of Columbia should not be lost sight of in the pressure for consideration of measures affecting the whole country. Having no legislature of its own, either municipal or general, its people must look to Congress for the regulation of all those concerns that in the States are the subject of local control. Our whole people have an interest that the national capital should be made attractive and beautiful, and, above all, that its repute for social order should be well maintained. The laws regulating the sale of intoxicating drinks in the District should be revised with a view to bringing the traffic under stringent limitations and control.

In execution of the power conferred upon me by the act making appropriations for the expenses of the District of Columbia for the year ending June 30, 1890, I did on the 17th day of August last appoint Rudolph Hering, of New York, Samuel M. Gray, of Rhode Island, and Frederick P. Stearns, of Massachusetts, three eminent sanitary engineers, to examine and report upon the system of sewerage existing in the District of Columbia. Their report, which is not yet completed, will be in due course submitted to Congress.

The report of the Commissioners of the District is herewith transmitted, and the attention of Congress is called to the suggestions contained therein.

The proposition to observe the four hundredth anniversary of the discovery of America by the opening of a world's fair or exposition in some one of our great cities will be presented for the consideration of Congress. The value and interest of such an exposition may well claim the promotion of the General Government.

On the 4th of March last the Civil Service Commission had but a single member. The vacancies were filled on the 7th day of May, and since then the Commissioners have been industriously, though with an inadequate force,

engaged in executing the law. They were assured by me that a cordial support would be given them in the faithful and impartial enforcement of the statute and of the rules and regulations adopted in aid of it.

Heretofore the book of eligibles has been closed to everyone, except as certifications were made upon the requisition of the appointing officers. This secrecy was the source of much suspicion and of many charges of favoritism in the administration of the law. What is secret is always suspected; what is open can be judged. The Commission, with the full approval of all its members, has now opened the list of eligibles to the public. The eligible lists for the classified post-offices and custom-houses are now publicly posted in the respective offices, as are also the certifications for appointments. The purpose of the civil-service law was absolutely to exclude any other consideration in connection with appointments under it than that of merit as tested by the examinations. The business proceeds upon the theory that both the examining boards and the appointing officers are absolutely ignorant as to the political views and associations of all persons on the civil-service lists. It is not too much to say, however, that some recent Congressional investigations have somewhat shaken public confidence in the impartiality of the selections for appointment.

The reform of the civil service will make no safe or satisfactory advance until the present law and its equal administration are well established in the confidence of the people. It will be my pleasure, as it is my duty, to see that the law is executed with firmness and impartiality. If some of its provisions have been fraudulently evaded by appointing officers, our resentment should not suggest the repeal of the law, but reform in its administration. We should have one view of the matter, and hold it with a sincerity that is not affected by the consideration that the party to which we belong is for the time in power.

My predecessor, on the 4th day of January, 1889, by an Executive order to take effect March 15, brought the Railway Mail Service under the operation of the civil-service law. Provision was made that the order should take effect sooner in any State where an eligible list was sooner obtained. On the 11th day of March Mr. Lyman, then the only member of the Commission, reported to me in writing that it would not be possible to have the list of eligibles ready before May 1, and requested that the taking effect of the order be postponed until that time, which was done, subject to the same provision contained in the original order as to States in which an eligible list was sooner obtained.

As a result of the revision of the rules, of the new classification, and of the inclusion of the Railway Mail Service, the work of the Commission has been greatly increased, and the present clerical force is found to be inadequate. I recommend that the additional clerks asked by the Commission be appropriated for.

The duty of appointment is devolved by the Constitution or by the law, and

the appointing officers are properly held to a high responsibility in its exercise. The growth of the country and the consequent increase of the civil list have magnified this function of the Executive disproportionately. It can not be denied, however, that the labor connected with this necessary work is increased, often to the point of actual distress, by the sudden and excessive demands that are made upon an incoming Administration for removals and appointments. But, on the other hand, it is not true that incumbency is a conclusive argument for continuance in office. Impartiality, moderation, fidelity to public duty, and a good attainment in the discharge of it must be added before the argument is complete. When those holding administrative offices so conduct themselves as to convince just political opponents that no party consideration or bias affects in any way the discharge of their public duties, we can more easily stay the demand for removals.

I am satisfied that both in and out of the classified service great benefit would accrue from the adoption of some system by which the officer would receive the distinction and benefit that in all private employments comes from exceptional faithfulness and efficiency in the performance of duty.

I have suggested to the heads of the Executive Departments that they consider whether a record might not be kept in each bureau of all those elements that are covered by the terms "faithfulness" and "efficiency," and a rating made showing the relative merits of the clerks of each class, this rating to be regarded as a test of merit in making promotions.

I have also suggested to the Postmaster-General that he adopt some plan by which he can, upon the basis of the reports to the Department and of frequent inspections, indicate the relative merit of postmasters of each class. They will be appropriately indicated in the Official Register and in the report of the Department. That a great stimulus would thus be given to the whole service I do not doubt, and such a record would be the best defense against inconsiderate removals from office.

The interest of the General Government in the education of the people found an early expression, not only in the thoughtful and sometimes warning utterances of our ablest statesmen, but in liberal appropriations from the common resources for the support of education in the new States. No one will deny that it is of the gravest national concern that those who hold the ultimate control of all public affairs should have the necessary intelligence wisely to direct and determine them. National aid to education has heretofore taken the form of land grants, and in that form the constitutional power of Congress to promote the education of the people is not seriously questioned. I do not think it can be successfully questioned when the form is changed to that of a direct grant of money from the public Treasury.

Such aid should be, as it always has been, suggested by some exceptional conditions. The sudden emancipation of the slaves of the South, the bestowal of the suffrage which soon followed, and the impairment of the

ability of the States where these new citizens were chiefly found to adequately provide educational facilities presented not only exceptional but unexampled conditions. That the situation has been much ameliorated there is no doubt. The ability and interest of the States have happily increased.

But a great work remains to be done, and I think the General Government should lend its aid. As the suggestion of a national grant in aid of education grows chiefly out of the condition and needs of the emancipated slave and his descendants, the relief should as far as possible, while necessarily proceeding upon some general lines, be applied to the need that suggested it. It is essential, if much good is to be accomplished, that the sympathy and active interest of the people of the States should be enlisted, and that the methods adopted should be such as to stimulate and not to supplant local taxation for school purposes.

As one Congress can not bind a succeeding one in such a case and as the effort must in some degree be experimental, I recommend that any appropriation made for this purpose be so limited in annual amount and as to the time over which it is to extend as will on the one hand give the local school authorities opportunity to make the best use of the first year's allowance, and on the other deliver them from the temptation to unduly postpone the assumption of the whole burden themselves.

The colored people did not intrude themselves upon us. They were brought here in chains and held in the communities where they are now chiefly found by a cruel slave code. Happily for both races, they are now free. They have from a standpoint of ignorance and poverty—which was our shame, not theirs—made remarkable advances in education and in the acquisition of property. They have as a people shown themselves to be friendly and faithful toward the white race under temptations of tremendous strength. They have their representatives in the national cemeteries, where a grateful Government has gathered the ashes of those who died in its defense. They have furnished to our Regular Army regiments that have won high praise from their commanding officers for courage and soldierly qualities and for fidelity to the enlistment oath. In civil life they are now the toilers of their communities, making their full contribution to the widening streams of prosperity which these communities are receiving. Their sudden withdrawal would stop production and bring disorder into the household as well as the shop. Generally they do not desire to quit their homes, and their employers resent the interference of the emigration agents who seek to stimulate such a desire.

But notwithstanding all this, in many parts of our country where the colored population is large the people of that race are by various devices deprived of any effective exercise of their political rights and of many of their civil rights. The wrong does not expend itself upon those whose votes are suppressed. Every constituency in the Union is wronged.

It has been the hope of every patriot that a sense of justice and of

respect for the law would work a gradual cure of these flagrant evils. Surely no one supposes that the present can be accepted as a permanent condition. If it is said that these communities must work out this problem for themselves, we have a right to ask whether they are at work upon it. Do they suggest any solution? When and under what conditions is the black man to have a free ballot? When is he in fact to have those full civil rights which have so long been his in law? When is that equality of influence which our form of government was intended to secure to the electors to be restored? This generation should courageously face these grave questions, and not leave them as a heritage of woe to the next. The consultation should proceed with candor, calmness, and great patience, upon the lines of justice and humanity, not of prejudice and cruelty. No question in our country can be at rest except upon the firm base of justice and of the law.

I earnestly invoke the attention of Congress to the consideration of such measures within its well-defined constitutional powers as will secure to all our people a free exercise of the right of suffrage and every other civil right under the Constitution and laws of the United States. No evil, however deplorable, can justify the assumption either on the part of the Executive or of Congress of powers not granted, but both will be highly blamable if all the powers granted are not wisely but firmly used to correct these evils. The power to take the whole direction and control of the election of members of the House of Representatives is clearly given to the General Government. A partial and qualified supervision of these elections is now provided for by law, and in my opinion this law may be so strengthened and extended as to secure on the whole better results than can be attained by a law taking all the processes of such election into Federal control. The colored man should be protected in all of his relations to the Federal Government, whether as litigant, juror, or witness in our courts, as an elector for members of Congress, or as a peaceful traveler upon our interstate railways.

There is nothing more justly humiliating to the national pride and nothing more hurtful to the national prosperity than the inferiority of our merchant marine compared with that of other nations whose general resources, wealth, and seacoast lines do not suggest any reason for their supremacy on the sea. It was not always so, and our people are agreed, I think, that it shall not continue to be so. It is not possible in this communication to discuss the causes of the decay of our shipping interests or the differing methods by which it is proposed to restore them. The statement of a few well-authenticated facts and some general suggestions as to legislation is all that is practicable. That the great steamship lines sailing under the flags of England, France, Germany, Spain, and Italy, and engaged in foreign commerce, were promoted and have since been and now are liberally aided by grants of public money in one form or another is generally known. That the American lines of steamships have been abandoned by us to an unequal contest with the aided lines of other nations until they have been withdrawn, or in the few cases where they are still maintained are subject to serious disadvantages, is matter of common

knowledge.

The present situation is such that travelers and merchandise find Liverpool often a necessary intermediate port between New York and some of the South American capitals. The fact that some of the delegates from South American States to the conference of American nations now in session at Washington reached our shores by reversing that line of travel is very conclusive of the need of such a conference and very suggestive as to the first and most necessary step in the direction of fuller and more beneficial intercourse with nations that are now our neighbors upon the lines of latitude, but not upon the lines of established commercial intercourse.

I recommend that such appropriations be made for ocean mail service in American steamships between our ports and those of Central and South America, China, Japan, and the important islands in both of the great oceans as will be liberally remunerative for the service rendered and as will encourage the establishment and in some fair degree equalize the chances of American steamship lines in the competitions which they must meet. That the American States lying south of us will cordially cooperate in establishing and maintaining such lines of steamships to their principal ports I do not doubt.

We should also make provision for a naval reserve to consist of such merchant ships of American construction and of a specified tonnage and speed as the owners will consent to place at the use of the Government in case of need as armed cruisers. England has adopted this policy, and as a result can now upon necessity at once place upon her naval list some of the fastest steamships in the world. A proper supervision of the construction of such vessels would make their conversion into effective ships of war very easy.

I am an advocate of economy in our national expenditures, but it is a misuse of terms to make this word describe a policy that withholds an expenditure for the purpose of extending our foreign commerce. The enlargement and improvement of our merchant marine, the development of a sufficient body of trained American seamen, the promotion of rapid and regular mail communication between the ports of other countries and our own, and the adaptation of large and swift American merchant steamships to naval uses in time of war are public purposes of the highest concern. The enlarged participation of our people in the carrying trade, the new and increased markets that will be opened for the products of our farms and factories, and the fuller and better employment of our mechanics which will result from a liberal promotion of our foreign commerce insure the widest possible diffusion of benefit to all the States and to all our people. Everything is most propitious for the present inauguration of a liberal and progressive policy upon this subject, and we should enter upon it with promptness and decision.

The legislation which I have suggested, it is sincerely believed, will promote the peace and honor of our country and the prosperity and security

of the people. I invoke the diligent and serious attention of Congress to the consideration of these and such other measures as may be presented having the same great end in view. BENJ. HARRISON

State of the Union Address
Benjamin Harrison
December 1, 1890

To the Senate and House of Representatives:

The reports of the several Executive Departments, which will be laid before Congress in the usual course, will exhibit in detail the operations of the Government for the last fiscal year. Only the more important incidents and results, and chiefly such as may be the foundation of the recommendations I shall submit, will be referred to in this annual message.

The vast and increasing business of the Government has been transacted by the several Departments during the year with faithfulness, energy, and success.

The revenues, amounting to above \$450,000,000, have been collected and disbursed without revealing, so far as I can ascertain, a single case of defalcation or embezzlement. An earnest effort has been made to stimulate a sense of responsibility and public duty in all officers and employees of every grade, and the work done by them has almost wholly escaped unfavorable criticism. I speak of these matters with freedom because the credit of this good work is not mine, but is shared by the heads of the several Departments with the great body of faithful officers and employees who serve under them. The closest scrutiny of Congress is invited to all the methods of administration and to every item of expenditure.

The friendly relations of our country with the nations of Europe and of the East have been undisturbed, while the ties of good will and common interest that bind us to the States of the Western Hemisphere have been notably strengthened by the conference held in this capital to consider measures for the general welfare. Pursuant to the invitation authorized by Congress, the representatives of every independent State of the American continent and of Hayti met in conference in this capital in October, 1889, and continued in session until the 19th of last April. This important convocation marks a most interesting and influential epoch in the history of the Western Hemisphere. It is noteworthy that Brazil, invited while under an imperial form of government, shared as a republic in the deliberations and results of the conference. The recommendations of this conference were all transmitted to Congress at the last session.

The International Marine Conference, which sat at Washington last winter, reached a very gratifying result. The regulations suggested have been brought to the attention of all the Governments represented, and their

general adoption is confidently expected. The legislation of Congress at the last session is in conformity with the propositions of the conference, and the proclamation therein provided for will be issued when the other powers have given notice of their adhesion.

The Conference of Brussels, to devise means for suppressing the slave trade in Africa, afforded an opportunity for a new expression of the interest the American people feel in that great work. It soon became evident that the measure proposed would tax the resources of the Kongo Basin beyond the revenues available under the general act of Berlin of 1884. The United States, not being a party to that act, could not share in its revision, but by a separate act the Independent State of the Kongo was freed from the restrictions upon a customs revenue. The demoralizing and destructive traffic in ardent spirits among the tribes also claimed the earnest attention of the conference, and the delegates of the United States were foremost in advocating measures for its repression. An accord was reached the influence of which will be very helpful and extend over a wide region. As soon as these measures shall receive the sanction of the Netherlands, for a time withheld, the general acts will be submitted for ratification by the Senate. Meanwhile negotiations have been opened for a new and completed treaty of friendship, commerce, and navigation between the United States and the Independent State of the Kongo.

Toward the end of the past year the only independent monarchical government on the Western Continent, that of Brazil, ceased to exist, and was succeeded by a republic. Diplomatic relations were at once established with the new Government, but it was not completely recognized until an opportunity had been afforded to ascertain that it had popular approval and support. When the course of events had yielded assurance of this fact, no time was lost in extending to the new Government a full and cordial welcome into the family of American Commonwealths. It is confidently believed that the good relations of the two countries will be preserved and that the future will witness an increased intimacy of intercourse and an expansion of their mutual commerce.

The peace of Central America has again been disturbed through a revolutionary change in Salvador, which was not recognized by other States, and hostilities broke out between Salvador and Guatemala, threatening to involve all Central America in conflict and to undo the progress which had been made toward a union of their interests. The efforts of this Government were promptly and zealously exerted to compose their differences, and through the active efforts of the representative of the United States a provisional treaty of peace was signed August 26, whereby the right of the Republic of Salvador to choose its own rulers was recognized. General Ezeta, the chief of the Provisional Government, has since been confirmed in the Presidency by the Assembly, and diplomatic recognition duly followed.

The killing of General Barrundia on board the Pacific mail steamer Acapulco, while anchored in transit in the port of San Jose de Guatemala,

demanded careful inquiry. Having failed in a revolutionary attempt to invade Guatemala from Mexican territory, General Barrundia took passage at Acapulco for Panama. The consent of the representatives of the United States was sought to effect his seizure, first at Champerico, where the steamer touched, and afterwards at San Jose. The captain of the steamer refused to give up his passenger without a written order from the United States minister. The latter furnished the desired letter, stipulating as the condition of his action that General Barrundia's life should be spared and that he should be tried only for offenses growing out of his insurrectionary movements. This letter was produced to the captain of the Acapulco by the military commander at San Jose as his warrant to take the passenger from the steamer. General Barrundia resisted capture and was killed. It being evident that the minister, Mr. Mizner, had exceeded the bounds of his authority in intervening, in compliance with the demands of the Guatemalan authorities, to authorize and effect, in violation of precedent, the seizure on a vessel of the United States of a passenger in transit charged with political offenses, in order that he might be tried for such offenses under what was described as martial law, I was constrained to disavow Mr. Mizner's act and recall him from his post.

The Nicaragua Canal project, under the control of our citizens, is making most encouraging progress, all the preliminary conditions and initial operations having been accomplished within the prescribed time.

During the past year negotiations have been renewed for the settlement of the claims of American citizens against the Government of Chile, principally growing out of the late war with Peru. The reports from our minister at Santiago warrant the expectation of an early and satisfactory adjustment.

Our relations with China, which have for several years occupied so important a place in our diplomatic history, have called for careful consideration and have been the subject of much correspondence.

The communications of the Chinese minister have brought into view the whole subject of our conventional relations with his country, and at the same time this Government, through its legation at Peking, has sought to arrange various matters and complaints touching the interests and protection of our citizens in China.

In pursuance of the concurrent resolution of October 1, 1890, I have proposed to the Governments of Mexico and Great Britain to consider a conventional regulation of the passage of Chinese laborers across our southern and northern frontiers.

On the 22d day of August last Sir Edmund Monson, the arbitrator selected under the treaty of December 6, 1888, rendered an award to the effect that no compensation was due from the Danish Government to the United States on account of what is commonly known as the Carlos Butterfield claim.

Our relations with the French Republic continue to be cordial. Our representative at that court has very diligently urged the removal of the restrictions imposed upon our meat products, and it is believed that substantial progress has been made toward a just settlement.

The Samoan treaty, signed last year at Berlin by the representatives of the United States, Germany, and Great Britain, after due ratification and exchange, has begun to produce salutary effects. The formation of the government agreed upon will soon replace the disorder of the past by a stable administration alike just to the natives and equitable to the three powers most concerned in trade and intercourse with the Samoan Islands. The chief justice has been chosen by the King of Sweden and Norway on the invitation of the three powers, and will soon be installed. The land commission and the municipal council are in process of organization. A rational and evenly distributed scheme of taxation, both municipal and upon imports, is in operation. Malietoa is respected as King.

The new treaty of extradition with Great Britain, after due ratification, was proclaimed on the 25th of last March. Its beneficial working is already apparent.

The difference between the two Governments touching the fur-seal question in the Bering Sea is not yet adjusted, as will be seen by the correspondence which will soon be laid before the Congress. The offer to submit the question to arbitration, as proposed by Her Majesty's Government, has not been accepted, for the reason that the form of submission proposed is not thought to be calculated to assure a conclusion satisfactory to either party. It is sincerely hoped that before the opening of another sealing season some arrangement may be effected which will assure to the United States a property right derived from Russia, which was not disregarded by any nation for more than eighty years preceding the outbreak of the existing trouble.

In the tariff act a wrong was done to the Kingdom of Hawaii which I am bound to presume was wholly unintentional. Duties were levied on certain commodities which are included in the reciprocity treaty now existing between the United States and the Kingdom of Hawaii, without indicating the necessary exception in favor of that Kingdom. I hope Congress will repair what might otherwise seem to be a breach of faith on the part of this Government.

An award in favor of the United States in the matter of the claim of Mr. Van Bokkelen against Hayti was rendered on the 4th of December, 1888, but owing to disorders then and afterwards prevailing in Hayti the terms of payment were not observed. A new agreement as to the time of payment has been approved and is now in force. Other just claims of citizens of the United States for redress of wrongs suffered during the late political conflict in Hayti will, it is hoped, speedily yield to friendly treatment.

Propositions for the amendment of the treaty of extradition between the United States and Italy are now under consideration.

You will be asked to provide the means of accepting the invitation of the Italian Government to take part in an approaching conference to consider the adoption of a universal prime meridian from which to reckon longitude and time. As this proposal follows in the track of the reform sought to be initiated by the Meridian Conference of Washington, held on the invitation of this Government, the United States should manifest a friendly interest in the Italian proposal.

In this connection I may refer with approval to the suggestion of my predecessors that standing provision be made for accepting, whenever deemed advisable, the frequent invitations of foreign governments to share in conferences looking to the advancement of international reforms in regard to science, sanitation, commercial laws and procedure, and other matters affecting the intercourse and progress of modern communities.

In the summer of 1889 an incident occurred which for some time threatened to interrupt the cordiality of our relations with the Government of Portugal. That Government seized the Delagoa Bay Railway, which was constructed under a concession granted to an American citizen, and at the same time annulled the charter. The concessionary, who had embarked his fortune in the enterprise, having exhausted other means of redress, was compelled to invoke the protection of his Government. Our representations, made coincidentally with those of the British Government, whose subjects were also largely interested, happily resulted in the recognition by Portugal of the propriety of submitting the claim for indemnity growing out of its action to arbitration. This plan of settlement having been agreed upon, the interested powers readily concurred in the proposal to submit the case to the judgment of three eminent jurists, to be designated by the President of the Swiss Republic, who, upon the joint invitation of the Governments of the United States, Great Britain, and Portugal, has selected persons well qualified for the task before them.

The revision of our treaty relations with the Empire of Japan has continued to be the subject of consideration and of correspondence. The questions involved are both grave and delicate; and while it will be my duty to see that the interests of the United States are not by any changes exposed to undue discrimination, I sincerely hope that such revision as will satisfy the legitimate expectations of the Japanese Government and maintain the present and long-existing friendly relations between Japan and the United States will be effected.

The friendship between our country and Mexico, born of close neighborhood and strengthened by many considerations of intimate intercourse and reciprocal interest, has never been more conspicuous than now nor more hopeful of increased benefit to both nations. The intercourse of the two countries by rail, already great, is making constant growth. The established lines and those recently projected add to the intimacy of

traffic and open new channels of access to fresh areas of demand and supply. The importance of the Mexican railway system will be further enhanced to a degree almost impossible to forecast if it should become a link in the projected intercontinental railway. I recommend that our mission in the City of Mexico be raised to the first class.

The cordial character of our relations with Spain warrants the hope that by the continuance of methods of friendly negotiation much may be accomplished in the direction of an adjustment of pending questions and of the increase of our trade. The extent and development of our trade with the island of Cuba invest the commercial relations of the United States and Spain with a peculiar importance. It is not doubted that a special arrangement in regard to commerce, based upon the reciprocity provision of the recent tariff act, would operate most beneficially for both Governments. This subject is now receiving attention.

The restoration of the remains of John Ericsson to Sweden afforded a gratifying occasion to honor the memory of the great inventor, to whose genius our country owes so much, and to bear witness to the unbroken friendship which has existed between the land which bore him and our own, which claimed him as a citizen.

On the 2d of September last the commission appointed to revise the proceedings of the commission under the claims convention between the United States and Venezuela of 1866 brought its labors to a close within the period fixed for that purpose. The proceedings of the late commission were characterized by a spirit of impartiality and a high sense of justice, and an incident which was for many years the subject of discussion between the two Governments has been disposed of in a manner alike honorable and satisfactory to both parties. For the settlement of the claim of the Venezuela Steam Transportation Company, which was the subject of a joint resolution adopted at the last session of Congress, negotiations are still in progress, and their early conclusion is anticipated.

The legislation of the past few years has evinced on the part of Congress a growing realization of the importance of the consular service in fostering our commercial relations abroad and in protecting the domestic revenues. As the scope of operations expands increased provision must be made to keep up the essential standard of efficiency. The necessity of some adequate measure of supervision and inspection has been so often presented that I need only commend the subject to your attention.

The revenues of the Government from all sources for the fiscal year ending June 30, 1890, were \$463,963,080.55 and the total expenditures for the same period were \$358,618,584.52. The postal receipts have not heretofore been included in the statement of these aggregates, and for the purpose of comparison the sum of \$60,882,097.92 should be deducted from both sides of the account. The surplus for the year, including the amount applied to the sinking fund, was \$105,344,496.03. The receipts for 1890 were \$16,030,923.79 and the expenditures \$15,739,871 in excess of those of 1889.

The customs receipts increased \$5,835,842.88 and the receipts from internal revenue \$11,725,191.89, while on the side of expenditures that for pensions was \$19,312,075.96 in excess of the preceding year.

The Treasury statement for the current fiscal year, partly actual and partly estimated, is as follows: Receipts from all sources, \$406,000,000; total expenditures, \$354,000,000, leaving a surplus of \$52,000,000, not taking the postal receipts into the account on either side. The loss of revenue from customs for the last quarter is estimated at \$25,000,000, but from this is deducted a gain of about \$16,000,000 realized during the first four months of the year.

For the year 1892 the total estimated receipts are \$373,000,000 and the estimated expenditures \$357,852,209.42, leaving an estimated surplus of \$15,247,790.58, which, with a cash balance of \$52,000,000 at the beginning of the year, will give \$67,247,790.58 as the sum available for the redemption of outstanding bonds or other uses. The estimates of receipts and expenditures for the Post-Office Department, being equal, are not included in this statement on either side.

The act "directing the purchase of silver bullion and the issue of Treasury notes thereon," approved July 14, 1890, has been administered by the Secretary of the Treasury with an earnest purpose to get into circulation at the earliest possible dates the full monthly amounts of Treasury notes contemplated by its provisions and at the same time to give to the market for the silver bullion such support as the law contemplates. The recent depreciation in the price of silver has been observed with regret. The rapid rise in price which anticipated and followed the passage of the act was influenced in some degree by speculation, and the recent reaction is in part the result of the same cause and in part of the recent monetary disturbances. Some months of further trial will be necessary to determine the permanent effect of the recent legislation upon silver values, but it is gratifying to know that the increased circulation secured by the act has exerted, and will continue to exert, a most beneficial influence upon business and upon general values.

While it has not been thought best to renew formally the suggestion of an international conference looking to an agreement touching the full use of silver for coinage at a uniform ratio, care has been taken to observe closely any change in the situation abroad, and no favorable opportunity will be lost to promote a result which it is confidently believed would confer very large benefits upon the commerce of the world.

The recent monetary disturbances in England are not unlikely to suggest a reexamination of opinions upon this subject. Our very large supply of gold will, if not lost by impulsive legislation in the supposed interest of silver, give us a position of advantage in promoting a permanent and safe international agreement for the free use of silver as a coin metal.

The efforts of the Secretary to increase the volume of money in circulation

by keeping down the Treasury surplus to the lowest practicable limit have been unremitting and in a very high degree successful. The tables presented by him showing the increase of money in circulation during the last two decades, and especially the table showing the increase during the nineteen months he has administered the affairs of the Department, are interesting and instructive. The increase of money in circulation during the nineteen months has been in the aggregate \$93,866,813, or about \$1.50 per capita, and of this increase only \$7,100,000 was due to the recent silver legislation. That this substantial and needed aid given to commerce resulted in an enormous reduction of the public debt and of the annual interest charge is matter of increased satisfaction. There have been purchased and redeemed since March 4, 1889, 4 and 4 1 per cent bonds to the amount of \$211,832,450, at a cost of \$246,620,741, resulting in the reduction of the annual interest charge of \$8,967,609 and a total saving of interest of \$51,576,706.

I notice with great pleasure the statement of the Secretary that the receipts from internal revenue have increased during the last fiscal year nearly \$12,000,000, and that the cost of collecting this larger revenue was less by \$90,617 than for the same purpose in the preceding year. The percentage of cost of collecting the customs revenue was less for the last fiscal year than ever before.

The Customs Administration Board, provided for by the act of June 10, 1890, was selected with great care, and is composed in part of men whose previous experience in the administration of the old customs regulations had made them familiar with the evils to be remedied, and in part of men whose legal and judicial acquirements and experience seemed to fit them for the work of interpreting and applying the new statute. The chief aim of the law is to secure honest valuations of all dutiable merchandise and to make these valuations uniform at all our ports of entry. It had been made manifest by a Congressional investigation that a system of undervaluation had been long in use by certain classes of importers, resulting not only in a great loss of revenue, but in a most intolerable discrimination against honesty. It is not seen how this legislation, when it is understood, can be regarded by the citizens of any country having commercial dealings with us as unfriendly. If any duty is supposed to be excessive, let the complaint be lodged there. It will surely not be claimed by any well-disposed people that a remedy may be sought and allowed in a system of quasi smuggling.

The report of the Secretary of War exhibits several gratifying results attained during the year by wise and unostentatious methods. The percentage of desertions from the Army (an evil for which both Congress and the Department have long been seeking a remedy) has been reduced during the past year 24 per cent, and for the months of August and September, during which time the favorable effects of the act of June 16 were felt, 33 per cent, as compared with the same months of 1889.

The results attained by a reorganization and consolidation of the divisions

having charge of the hospital and service records of the volunteer soldiers are very remarkable. This change was effected in July, 1889, and at that time there were 40,654 cases awaiting attention, more than half of these being calls from the Pension Office for information necessary to the adjudication of pension claims. On the 30th day of June last, though over 300,000 new calls had come in, there was not a single case that had not been examined and answered.

I concur in the recommendations of the Secretary that adequate and regular appropriations be continued for coast-defense works and ordnance. Plans have been practically agreed upon, and there can be no good reason for delaying the execution of them, while the defenseless state of our great seaports furnishes an urgent reason for wise expedition.

The encouragement that has been extended to the militia of the States, generally and most appropriately designated the "National Guard," should be continued and enlarged. These military organizations constitute in a large sense the Army of the United States, while about five-sixths of the annual cost of their maintenance is defrayed by the States.

The report of the Attorney-General is under the law submitted directly to Congress, but as the Department of Justice is one of the Executive Departments some reference to the work done is appropriate here.

A vigorous and in the main an effective effort has been made to bring to trial and punishment all violators of the law, but at the same time care has been taken that frivolous and technical offenses should not be used to swell the fees of officers or to harass well-disposed citizens. Especial attention is called to the facts connected with the prosecution of violations of the election laws and of offenses against United States officers. The number of convictions secured, very many of them upon pleas of guilty, will, it is hoped, have a salutary restraining influence. There have been several cases where postmasters appointed by me have been subjected to violent interference in the discharge of their official duties and to persecutions and personal violence of the most extreme character. Some of these cases have been dealt with through the Department of Justice, and in some cases the post-offices have been abolished or suspended. I have directed the Postmaster-General to pursue this course in all cases where other efforts failed to secure for any postmaster not himself in fault an opportunity peacefully to exercise the duties of his office. But such action will not supplant the efforts of the Department of Justice to bring the particular offenders to punishment.

The vacation by judicial decrees of fraudulent certificates of naturalization, upon bills in equity filed by the Attorney-General in the circuit court of the United States, is a new application of a familiar equity jurisdiction. Nearly one hundred such decrees have been taken during the year, the evidence disclosing that a very large number of fraudulent certificates of naturalization have been issued. And in this connection I beg to renew my recommendation that the laws be so amended as to require a

more full and searching inquiry into all the facts necessary to naturalization before any certificates are granted. it certainly is not too much to require that an application for American citizenship shall be heard with as much care and recorded with as much formality as are given to cases involving the pettiest property right.

At the last session I returned without my approval a bill entitled "An act to prohibit bookmaking and pool selling in the District of Columbia," and stated my objection to be that it did not prohibit but in fact licensed what it purported to prohibit. An effort will be made under existing laws to suppress this evil, though it is not certain that they will be found adequate.

The report of the Postmaster-General shows the most gratifying progress in the important work committed to his direction. The business methods have been greatly improved. A large economy in expenditures and an increase of four and three-quarters millions in receipts have been realized. The deficiency this year is \$5,786,300, as against \$6,350,183 last year, notwithstanding the great enlargement of the service. Mail routes have been extended and quickened and greater accuracy and dispatch in distribution and delivery have been attained. The report will be found to be full of interest and suggestion, not only to Congress, but to those thoughtful citizens who may be interested to know what business methods can do for that department of public administration which most nearly touches all our people.

The passage of the act to amend certain sections of the Revised Statutes relating to lotteries, approved September 19, 1890, has been received with great and deserved popular favor. The Post-Office Department and the Department of Justice at once entered upon the enforcement of the law with sympathetic vigor, and already the public mails have been largely freed from the fraudulent and demoralizing appeals and literature emanating from the lottery companies.

The construction and equipment of the new ships for the Navy have made very satisfactory progress. Since March 4, 1889, nine new vessels have been put in commission, and during this winter four more, including one monitor, will be added. The construction of the other vessels authorized is being pushed both in the Government and private yards with energy and watched with the most scrupulous care.

The experiments conducted during the year to test the relative resisting power of armor plates have been so valuable as to attract great attention in Europe. The only part of the work upon the new ships that is threatened by unusual delay is the armor plating, and every effort is being made to reduce that to the minimum. It is a source of congratulation that the anticipated influence of these modern vessels upon the esprit de corps of the officers and seamen has been fully realized. Confidence and pride in the ship among the crew are equivalent to a secondary battery. Your

favorable consideration is invited to the recommendations of the Secretary.

The report of the Secretary of the Interior exhibits with great fullness and clearness the vast work of that Department and the satisfactory results attained. The suggestions made by him are earnestly commended to the consideration of Congress, though they can not all be given particular mention here.

The several acts of Congress looking to the reduction of the larger Indian reservations, to the more rapid settlement of the Indians upon individual allotments, and the restoration to the public domain of lands in excess of their needs have been largely carried into effect so far as the work was confided to the Executive. Agreements have been concluded since March 4, 1889, involving the cession to the United States of about 14,726,000 acres of land. These contracts have, as required by law, been submitted to Congress for ratification and for the appropriations necessary to carry them into effect. Those with the Sisseton and Wahpeton, Sac and Fox, Iowa, Pottawatomies and Absentee Shawnees, and Coeur d'Alene tribes have not yet received the sanction of Congress. Attention is also called to the fact that the appropriations made in the case of the Sioux Indians have not covered all the stipulated payments. This should be promptly corrected. If an agreement is confirmed, all of its terms should be complied with without delay and full appropriations should be made.

The policy outlined in my last annual message in relation to the patenting of lands to settlers upon the public domain has been carried out in the administration of the Land Office. No general suspicion or imputation of fraud has been allowed to delay the hearing and adjudication of individual cases upon their merits. The purpose has been to perfect the title of honest settlers with such promptness that the value of the entry might not be swallowed up by the expense and extortions to which delay subjected the claimant. The average monthly issue of agricultural patents has been increased about 6,000.

The disability-pension act, which was approved on the 27th of June last, has been put into operation as rapidly as was practicable. The increased clerical force provided was selected and assigned to work, and a considerable part of the force engaged in examinations in the field was recalled and added to the working force of the office. The examination and adjudication of claims have by reason of improved methods been more rapid than ever before. There is no economy to the Government in delay, while there is much hardship and injustice to the soldier. The anticipated expenditure, while very large, will not, it is believed, be in excess of the estimates made before the enactment of the law. This liberal enlargement of the general law should suggest a more careful scrutiny of bills for special relief, both as to the cases where relief is granted and as to the amount allowed.

The increasing numbers and influence of the non-Mormon population of Utah

are observed with satisfaction. The recent letter of Wilford Woodruff, president of the Mormon Church, in which he advised his people "to refrain from contracting any marriage forbidden by the laws of the land," has attracted wide attention, and it is hoped that its influence will be highly beneficial in restraining infractions of the laws of the United States. But the fact should not be overlooked that the doctrine or belief of the church that polygamous marriages are rightful and supported by divine revelation remains unchanged. President Woodruff does not renounce the doctrine, but refrains from teaching it, and advises against the practice of it because the law is against it. Now, it is quite true that the law should not attempt to deal with the faith or belief of anyone; but it is quite another thing, and the only safe thing, so to deal with the Territory of Utah as that those who believe polygamy to be rightful shall not have the power to make it lawful.

The admission of the States of Wyoming and Idaho to the Union are events full of interest and congratulation, not only to the people of those States now happily endowed with a full participation in our privileges and responsibilities, but to all our people. Another belt of States stretches from the Atlantic to the Pacific.

The work of the Patent Office has won from all sources very high commendation. The amount accomplished has been very largely increased, and all the results have been such as to secure confidence and consideration for the suggestions of the Commissioner.

The enumeration of the people of the United States under the provisions of the act of March 1, 1889, has been completed, and the result will be at once officially communicated to Congress. The completion of this decennial enumeration devolves upon Congress the duty of making a new apportionment of Representatives "among the several States according to their respective numbers."

At the last session I had occasion to return with my objections several bills making provisions for the erection of public buildings for the reason that the expenditures contemplated were, in my opinion, greatly in excess of any public need. No class of legislation is more liable to abuse or to degenerate into an unseemly scramble about the public Treasury than this. There should be exercised in this matter a wise economy, based upon some responsible and impartial examination and report as to each case, under a general law.

The report of the Secretary of Agriculture deserves especial attention in view of the fact that the year has been marked in a very unusual degree by agitation and organization among the farmers looking to an increase in the profits of their business. It will be found that the efforts of the Department have been intelligently and zealously devoted to the promotion of the interests intrusted to its care.

A very substantial improvement in the market prices of the leading farm

products during the year is noticed. The price of wheat advanced from 81 cents in October, 1889, to \$1.00 $\frac{3}{4}$ in October, 1890; corn from 31 cents to 50 $\frac{1}{4}$ cents; oats from 19 $\frac{1}{4}$ cents to 43 cents, and barley from 63 cents to 78 cents. Meats showed a substantial but not so large an increase. The export trade in live animals and fowls shows a very large increase. The total value of such exports for the year ending June 30, 1890, was \$33,000,000, and the increase over the preceding year was over \$15,000,000. Nearly 200,000 more cattle and over 45,000 more hogs were exported than in the preceding year. The export trade in beef and pork products and in dairy products was very largely increased, the increase in the article of butter alone being from 15,504,978 pounds to 29,748,042 pounds, and the total increase in the value of meat and dairy products exported being \$34,000,000. This trade, so directly helpful to the farmer, it is believed, will be yet further and very largely increased when the system of inspection and sanitary supervision now provided by law is brought fully into operation.

The efforts of the Secretary to establish the healthfulness of our meats against the disparaging imputations that have been put upon them abroad have resulted in substantial progress. Veterinary surgeons sent out by the Department are now allowed to participate in the inspection of the live cattle from this country landed at the English docks, and during the several months they have been on duty no case of contagious pleuro-pneumonia has been reported. This inspection abroad and the domestic inspection of live animals and pork products provided for by the act of August 30, 1890, will afford as perfect a guaranty for the wholesomeness of our meats offered for foreign consumption as is anywhere given to any food product, and its nonacceptance will quite clearly reveal the real motive of any continued restriction of their use, and that having been made clear the duty of the Executive will be very plain.

The information given by the Secretary of the progress and prospects of the beet-sugar industry is full of interest. It has already passed the experimental stage and is a commercial success. The area over which the sugar beet can be successfully cultivated is very large, and another field crop of great value is offered to the choice of the farmer.

The Secretary of the Treasury concurs in the recommendation of the Secretary of Agriculture that the official supervision provided by the tariff law for sugar of domestic production shall be transferred to the Department of Agriculture.

The law relating to the civil service has, so far as I can learn, been executed by those having the power of appointment in the classified service with fidelity and impartiality, and the service has been increasingly satisfactory. The report of the Commission shows a large amount of good work done during the year with very limited appropriations.

I congratulate the Congress and the country upon the passage at the first session of the Fifty-first Congress of an unusual number of laws of very

high importance. That the results of this legislation will be the quickening and enlargement of our manufacturing industries, larger and better markets for our breadstuffs and provisions both at home and abroad, more constant employment and better wages for our working people, and an increased supply of a safe currency for the transaction of business, I do not doubt. Some of these measures were enacted at so late a period that the beneficial effects upon commerce which were in the contemplation of Congress have as yet but partially manifested themselves.

The general trade and industrial conditions throughout the country during the year have shown a marked improvement. For many years prior to 1888 the merchandise balances of foreign trade had been largely in our favor, but during that year and the year following they turned against us. It is very gratifying to know that the last fiscal year again shows a balance in our favor of over \$68,000,000. The bank clearings, which furnish a good test of the volume of business transacted, for the first ten months of the year 1890 show as compared with the same months of 1889 an increase for the whole country of about 8.4 per cent, while the increase outside of the city of New York was over 13 per cent. During the month of October the clearings of the whole country showed an increase of 3.1 per cent over October, 1889, while outside of New York the increase was 11.5 per cent. These figures show that the increase in the volume of business was very general throughout the country. That this larger business was being conducted upon a safe and profitable basis is shown by the fact that there were 300 less failures reported in October, 1890, than in the same month of the preceding year, with liabilities diminished by about \$5,000,000.

The value of our exports of domestic merchandise during the last year was over \$115,000,000 greater than the preceding year, and was only exceeded once in our history. About \$100,000,000 of this excess was in agricultural products. The production of pig iron, always a good gauge of general prosperity, is shown by a recent census bulletin to have been 153 per cent greater in 1890 than in 1880, and the production of steel 290 per cent greater. Mining in coal has had no limitation except that resulting from deficient transportation. The general testimony is that labor is everywhere fully employed, and the reports for the last year show a smaller number of employees affected by strikes and lockouts than in any year since 1884. The depression in the prices of agricultural products had been greatly relieved and a buoyant and hopeful tone was beginning to be felt by all our people.

These promising influences have been in some degree checked by the surprising and very unfavorable monetary events which have recently taken place in England. It is gratifying to know that these did not grow in any degree out of the financial relations of London with our people or out of any discredit attached to our securities held in that market. The return of our bonds and stocks was caused by a money stringency in England, not by any loss of value or credit in the securities themselves. We could not, however, wholly escape the ill effects of a foreign monetary agitation accompanied by such extraordinary incidents as characterized this. It is not believed, however, that these evil incidents, which have for the time

unfavorably affected values in this country, can long withstand the strong, safe, and wholesome influences which are operating to give to our people profitable returns in all branches of legitimate trade and industry. The apprehension that our tariff may again and at once be subjected to important general changes would undoubtedly add a depressing influence of the most serious character.

The general tariff act has only partially gone into operation, some of its important provisions being limited to take effect at dates yet in the future. The general provisions of the law have been in force less than sixty days. Its permanent effects upon trade and prices still largely stand in conjecture. It is curious to note that the advance in the prices of articles wholly unaffected by the tariff act was by many hastily ascribed to that act. Notice was not taken of the fact that the general tendency of the markets was upward, from influences wholly apart from the recent tariff legislation. The enlargement of our currency by the silver bill undoubtedly gave an upward tendency to trade and had a marked effect on prices; but this natural and desired effect of the silver legislation was by many erroneously attributed to the tariff act.

There is neither wisdom nor justice in the suggestion that the subject of tariff revision shall be again opened before this law has had a fair trial. It is quite true that every tariff schedule is subject to objections. No bill was ever framed, I suppose, that in all of its rates and classifications had the full approval even of a party caucus. Such legislation is always and necessarily the product of compromise as to details, and the present law is no exception. But in its general scope and effect I think it will justify the support of those who believe that American legislation should conserve and defend American trade and the wages of American workmen.

The misinformation as to the terms of the act which has been so widely disseminated at home and abroad will be corrected by experience, and the evil auguries as to its results confounded by the market reports, the savings banks, international trade balances, and the general prosperity of our people. Already we begin to hear from abroad and from our customhouses that the prohibitory effect upon importations imputed to the act is not justified. The imports at the port of New York for the first three weeks of November were nearly 8 per cent greater than for the same period in 1889 and 29 per cent greater than in the same period of 1888. And so far from being an act to limit exports, I confidently believe that under it we shall secure a larger and more profitable participation in foreign trade than we have ever enjoyed, and that we shall recover a proportionate participation in the ocean carrying trade of the world.

The criticisms of the bill that have come to us from foreign sources may well be rejected for repugnancy. If these critics really believe that the adoption by us of a free-trade policy, or of tariff rates having reference solely to revenue, would diminish the participation of their own countries in the commerce of the world, their advocacy and promotion, by speech and

other forms of organized effort, of this movement among our people is a rare exhibition of unselfishness in trade. And, on the other hand, if they sincerely believe that the adoption of a protective-tariff policy by this country inures to their profit and our hurt, it is noticeably strange that they should lead the outcry against the authors of a policy so helpful to their countrymen and crown with their favor those who would snatch from them a substantial share of a trade with other lands already inadequate to their necessities.

There is no disposition among any of our people to promote prohibitory or retaliatory legislation. Our policies are adopted not to the hurt of others, but to secure for ourselves those advantages that fairly grow out of our favored position as a nation. Our form of government, with its incident of universal suffrage, makes it imperative that we shall save our working people from the agitations and distresses which scant work and wages that have no margin for comfort always beget. But after all this is done it will be found that our markets are open to friendly commercial exchanges of enormous value to the other great powers.

From the time of my induction into office the duty of using every power and influence given by law to the executive department for the development of larger markets for our products, especially our farm products, has been kept constantly in mind, and no effort has been or will be spared to promote that end. We are under no disadvantage in any foreign market, except that we pay our workmen and workwomen better wages than are paid elsewhere—better abstractly, better relatively to the cost of the necessaries of life. I do not doubt that a very largely increased foreign trade is accessible to us without bartering for it either our home market for such products of the farm and shop as our own people can supply or the wages of our working people.

In many of the products of wood and iron and in meats and breadstuffs we have advantages that only need better facilities of intercourse and transportation to secure for them large foreign markets. The reciprocity clause of the tariff act wisely and effectively opens the way to secure a large reciprocal trade in exchange for the free admission to our ports of certain products. The right of independent nations to make special reciprocal trade concessions is well established, and does not impair either the comity due to other powers or what is known as the "favored-nation clause," so generally found in commercial treaties. What is given to one for an adequate agreed consideration can not be claimed by another freely. The state of the revenues was such that we could dispense with any import duties upon coffee, tea, hides, and the lower grades of sugar and molasses. That the large advantage resulting to the countries producing and exporting these articles by placing them on the free list entitled us to expect a fair return in the way of customs concessions upon articles exported by us to them was so obvious that to have gratuitously abandoned this opportunity to enlarge our trade would have been an unpardonable error.

There were but two methods of maintaining control of this question open to Congress—to place all of these articles upon the dutiable list, subject to such treaty agreements as could be secured, or to place them all presently upon the free list, but subject to the reimposition of specified duties if the countries from which we received them should refuse to give to us suitable reciprocal benefits. This latter method, I think, possesses great advantages. It expresses in advance the consent of Congress to reciprocity arrangements affecting these products, which must otherwise have been delayed and unascertained until each treaty was ratified by the Senate and the necessary legislation enacted by Congress. Experience has shown that some treaties looking to reciprocal trade have failed to secure a two-thirds vote in the Senate for ratification, and others having passed that stage have for years awaited the concurrence of the House and Senate in such modifications of our revenue laws as were necessary to give effect to their provisions. We now have the concurrence of both Houses in advance in a distinct and definite offer of free entry to our ports of specific articles. The Executive is not required to deal in conjecture as to what Congress will accept. Indeed, this reciprocity provision is more than an offer. Our part of the bargain is complete; delivery has been made; and when the countries from which we receive sugar, coffee, tea, and hides have placed on their free lists such of our products as shall be agreed upon as an equivalent for our concession, a proclamation of that fact completes the transaction; and in the meantime our own people have free sugar, tea, coffee, and hides.

The indications thus far given are very hopeful of early and favorable action by the countries from which we receive our large imports of coffee and sugar, and it is confidently believed that if steam communication with these countries can be promptly improved and enlarged the next year will show a most gratifying increase in our exports of breadstuffs and provisions, as well as of some important lines of manufactured goods.

In addition to the important bills that became laws before the adjournment of the last session, some other bills of the highest importance were well advanced toward a final vote and now stand upon the calendars of the two Houses in favored positions. The present session has a fixed limit, and if these measures are not now brought to a final vote all the work that has been done upon them by this Congress is lost. The proper consideration of these, of an apportionment bill, and of the annual appropriation bills will require not only that no working day of the session shall be lost, but that measures of minor and local interest shall not be allowed to interrupt or retard the progress of those that are of universal interest. In view of these conditions, I refrain from bringing before you at this time some suggestions that would otherwise be made, and most earnestly invoke your attention to the duty of perfecting the important legislation now well advanced. To some of these measures, which seem to me most important, I now briefly call your attention.

I desire to repeat with added urgency the recommendations contained in my last annual message in relation to the development of American steamship

lines. The reciprocity clause of the tariff bill will be largely limited and its benefits retarded and diminished if provision is not contemporaneously made to encourage the establishment of first-class steam communication between our ports and the ports of such nations as may meet our overtures for enlarged commercial exchanges. The steamship, carrying the mails stately and frequently and offering to passengers a comfortable, safe, and speedy transit, is the first condition of foreign trade. It carries the order of the buyer, but not all that is ordered or bought. It gives to the sailing vessels such cargoes as are not urgent or perishable, and, indirectly at least, promotes that important adjunct of commerce. There is now both in this country and in the nations of Central and South America a state of expectation and confidence as to increased trade that will give a double value to your prompt action upon this question.

The present situation of our mail communication with Australia illustrates the importance of early action by Congress. The Oceanic Steamship Company maintains a line of steamers between San Francisco, Sydney, and Auckland consisting of three vessels, two of which are of United States registry and one of foreign registry. For the service done by this line in carrying the mails we pay annually the sum of \$46,000, being, as estimated, the full sea and United States inland postage, which is the limit fixed by law. The colonies of New South Wales and New Zealand have been paying annually to these lines lbs. 37,000 for carrying the mails from Sydney and Auckland to San Francisco. The contract under which this payment has been made is now about to expire, and those colonies have refused to renew the contract unless the United States shall pay a more equitable proportion of the whole sum necessary to maintain the service.

I am advised by the Postmaster-General that the United States receives for carrying the Australian mails, brought to San Francisco in these steamers, by rail to Vancouver, an estimated annual income of \$75,000, while, as I have stated, we are paying out for the support of the steamship line that brings this mail to us only \$46,000, leaving an annual surplus resulting from this service of \$29,000. The trade of the United States with Australia, which is in a considerable part carried by these steamers, and the whole of which is practically dependent upon the mail communication which they maintain, is largely in our favor. Our total exports of merchandise to Australasian ports during the fiscal year ending June 30, 1890, were \$11,266,484, while the total imports of merchandise from these ports were only \$4,277,676. If we are not willing to see this important steamship line withdrawn, or continued with Vancouver substituted for San Francisco as the American terminal, Congress should put it in the power of the Postmaster-General to make a liberal increase in the amount now paid for the transportation of this important mail.

The South Atlantic and Gulf ports occupy a very favored position toward the new and important commerce which the reciprocity clause of the tariff act and the postal shipping bill are designed to promote. Steamship lines from these ports to some northern port of South America will almost certainly

effect a connection between the railroad systems of the continents long before any continuous line of railroads can be put into operation. The very large appropriation made at the last session for the harbor of Galveston was justified, as it seemed to me, by these considerations. The great Northwest will feel the advantage of trunk lines to the South as well as to the East and of the new markets opened for their surplus food products and for many of their manufactured products.

I had occasion in May last to transmit to Congress a report adopted by the International American Conference upon the subject of the incorporation of an international American bank, with a view to facilitating money exchanges between the States represented in that conference. Such an institution would greatly promote the trade we are seeking to develop. I renew the recommendation that a careful and well-guarded charter be granted. I do not think the powers granted should include those ordinarily exercised by trust, guaranty, and safe-deposit companies, or that more branches in the United States should be authorized than are strictly necessary to accomplish the object primarily in view, namely, convenient foreign exchanges. It is quite important that prompt action should be taken in this matter, in order that any appropriations for better communication with these countries and any agreements that may be made for reciprocal trade may not be hindered by the inconvenience of making exchanges through European money centers or burdened by the tribute which is an incident of that method of business.

The bill for the relief of the Supreme Court has after many years of discussion reached a position where final action is easily attainable, and it is hoped that any differences of opinion may be so harmonized as to save the essential features of this very important measure. In this connection I earnestly renew my recommendation that the salaries of the judges of the United States district courts be so readjusted that none of them shall receive less than \$5,000 per annum.

The subject of the unadjusted Spanish and Mexican land grants and the urgent necessity for providing some commission or tribunal for the trial of questions of title growing out of them were twice brought by me to the attention of Congress at the last session. Bills have been reported from the proper committees in both Houses upon the subject, and I very earnestly hope that this Congress will put an end to the delay which has attended the settlement of the disputes as to the title between the settlers and the claimants under these grants. These disputes retard the prosperity and disturb the peace of large and important communities. The governor of New Mexico in his last report to the Secretary of the Interior suggests some modifications of the provisions of the pending bills relating to the small holdings of farm lands. I commend to your attention the suggestions of the Secretary of the Interior upon this subject.

The enactment of a national bankrupt law I still regard as very desirable. The Constitution having given to Congress jurisdiction of this subject, it should be exercised and uniform rules provided for the administration of

the affairs of insolvent debtors. The inconveniences resulting from the occasional and temporary exercise of this power by Congress and from the conflicting State codes of insolvency which come into force intermediately should be removed by the enactment of a simple, inexpensive, and permanent national bankrupt law.

I also renew my recommendation in favor of legislation affording just copyright protection to foreign authors on a footing of reciprocal advantage for our authors abroad.

It may still be possible for this Congress to inaugurate by suitable legislation a movement looking to uniformity and increased safety in the use of couplers and brakes upon freight trains engaged in interstate commerce. The chief difficulty in the way is to secure agreement as to the best appliances, simplicity, effectiveness, and cost being considered. This difficulty will only yield to legislation, which should be based upon full inquiry and impartial tests. The purpose should be to secure the cooperation of all well-disposed managers and owners; but the fearful fact that every year's delay involves the sacrifice of 2,000 lives and the maiming of 20,000 young men should plead both with Congress and the managers against any needless delay.

The subject of the conservation and equal distribution of the water supply of the arid regions has had much attention from Congress, but has not as yet been put upon a permanent and satisfactory basis. The urgency of the subject does not grow out of any large present demand for the use of these lands for agriculture, but out of the danger that the water supply and the sites for the necessary catch basins may fall into the hands of individuals or private corporations and be used to render subservient the large areas dependent upon such supply. The owner of the water is the owner of the lands, however the titles may run. All unappropriated natural water sources and all necessary reservoir sites should be held by the Government for the equal use at fair rates of the homestead settlers who will eventually take up these lands. The United States should not, in my opinion, undertake the construction of dams or canals, but should limit its work to such surveys and observations as will determine the water supply, both surface and subterranean, the areas capable of irrigation, and the location and storage capacity of reservoirs. This done, the use of the water and of the reservoir sites might be granted to the respective States or Territories or to individuals or associations upon the condition that the necessary works should be constructed and the water furnished at fair rates without discrimination, the rates to be subject to supervision by the legislatures or by boards of water commissioners duly constituted. The essential thing to be secured is the common and equal use at fair rates of the accumulated water supply. It were almost better that these lands should remain arid than that those who occupy them should become the slaves of unrestrained monopolies controlling the one essential element of land values and crop results.

The use of the telegraph by the Post-Office Department as a means for the

rapid transmission of written communications is, I believe, upon proper terms, quite desirable. The Government does not own or operate the railroads, and it should not, I think, own or operate the telegraph lines. It does, however, seem to be quite practicable for the Government to contract with the telegraph companies, as it does with railroad companies, to carry at specified rates such communications as the senders may designate for this method of transmission. I recommend that such legislation be enacted as will enable the Post-Office Department fairly to test by experiment the advantages of such a use of the telegraph.

If any intelligent and loyal company of American citizens were required to catalogue the essential human conditions of national life, I do not doubt that with absolute unanimity they would begin with "free and honest elections." And it is gratifying to know that generally there is a growing and nonpartisan demand for better election laws; but against this sign of hope and progress must be set the depressing and undeniable fact that election laws and methods are sometimes cunningly contrived to secure minority control, while violence completes the shortcomings of fraud.

In my last annual message I suggested that the development of the existing law providing a Federal supervision of Congressional elections offered an effective method of reforming these abuses. The need of such a law has manifested itself in many parts of the country, and its wholesome restraints and penalties will be useful in all. The constitutionality of such legislation has been affirmed by the Supreme Court. Its probable effectiveness is evidenced by the character of the opposition that is made to it. It has been denounced as if it were a new exercise of Federal power and an invasion of the rights of States. Nothing could be further from the truth. Congress has already fixed the time for the election of members of Congress. It has declared that votes for members of Congress must be by written or printed ballot; it has provided for the appointment by the circuit courts in certain cases, and upon the petition of a certain number of citizens, of election supervisors, and made it their duty to supervise the registration of voters conducted by the State officers; to challenge persons offering to register; to personally inspect and scrutinize the registry lists, and to affix their names to the lists for the purpose of identification and the prevention of frauds; to attend at elections and remain with the boxes till they are all cast and counted; to attach to the registry lists and election returns any statement touching the accuracy and fairness of the registry and election, and to take and transmit to the Clerk of the House of Representatives any evidence of fraudulent practices which may be presented to them. The same law provides for the appointment of deputy United States marshals to attend at the polls, support the supervisors in the discharge of their duties, and to arrest persons violating the election laws. The provisions of this familiar title of the Revised Statutes have been put into exercise by both the great political parties, and in the North as well as in the South, by the filing with the court of the petitions required by the law.

It is not, therefore, a question whether we shall have a Federal election

law, for we now have one and have had for nearly twenty years, but whether we shall have an effective law. The present law stops just short of effectiveness, for it surrenders to the local authorities all control over the certification which establishes the prima facie right to a seat in the House of Representatives. This defect should be cured. Equality of representation and the parity of the electors must be maintained or everything that is valuable in our system of government is lost. The qualifications of an elector must be sought in the law, not in the opinions, prejudices, or fears of any class, however powerful. The path of the elector to the ballot box must be free from the ambush of fear and the enticements of fraud; the count so true and open that none shall gainsay it. Such a law should be absolutely nonpartisan and impartial. It should give the advantage to honesty and the control to majorities. Surely there is nothing sectional about this creed, and if it shall happen that the penalties of laws intended to enforce these rights fall here and not there it is not because the law is sectional, but because, happily, crime is local and not universal. Nor should it be forgotten that every law, whether relating to elections or to any other subject, whether enacted by the State or by the nation, has force behind it; the courts, the marshal or constable, the posse comitatus, the prison, are all and always behind the law.

One can not be justly charged with unfriendliness to any section or class who seeks only to restrain violations of law and of personal right. No community will find lawlessness profitable. No community can afford to have it known that the officers who are charged with the preservation of the public peace and the restraint of the criminal classes are themselves the product of fraud or violence. The magistrate is then without respect and the law without sanction. The floods of lawlessness can not be leaved and made to run in one channel. The killing of a United States marshal carrying a writ of arrest for an election offense is full of prompting and suggestion to men who are pursued by a city marshal for a crime against life or property.

But it is said that this legislation will revive race animosities, and some have even suggested that when the peaceful methods of fraud are made impossible they may be supplanted by intimidation and violence. If the proposed law gives to any qualified elector by a hair's weight more than his equal influence or detracts by so much from any other qualified elector, it is fatally impeached. But if the law is equal and the animosities it is to evoke grow out of the fact that some electors have been accustomed to exercise the franchise for others as well as for themselves, then these animosities ought not to be confessed without shame, and can not be given any weight in the discussion without dishonor. No choice is left to me but to enforce with vigor all laws intended to secure to the citizen his constitutional rights and to recommend that the inadequacies of such laws be promptly remedied. If to promote with zeal and ready interest every project for the development of its material interests, its rivers, harbors, mines, and factories, and the intelligence, peace, and security under the law of its communities and its homes is not accepted as

sufficient evidence of friendliness to any State or section, I can not add connivance at election practices that not only disturb local results, but rob the electors of other States and sections of their most priceless political rights.

The preparation of the general appropriation bills should be conducted with the greatest care and the closest scrutiny of expenditures. Appropriations should be adequate to the needs of the public service, but they should be absolutely free from prodigality.

I venture again to remind you that the brief time remaining for the consideration of the important legislation now awaiting your attention offers no margin for waste. If the present duty is discharged with diligence, fidelity, and courage, the work of the Fifty-first Congress may be confidently submitted to the considerate judgment of the people. BENJ. HARRISON

State of the Union Address
Benjamin Harrison
December 9, 1891

To the Senate and House of Representatives:

The reports of the heads of the several Executive Departments required by law to be submitted to me, which are herewith transmitted, and the reports of the Secretary of the Treasury and the Attorney-General, made directly to Congress, furnish a comprehensive view of the administrative work of the last fiscal year relating to internal affair. It would be of great advantage if these reports could have an alternative perusal by every member of Congress and by all who take an interest in public affairs. Such a perusal could not fail to excite a higher appreciation of the vast labor and conscientious effort which are given to the conduct of our civil administration.

The reports will, I believe, show that every question has been approached, considered, and decided from the standpoint of public duty upon considerations affecting the public interests alone. Again I invite to every branch of the service the attention and scrutiny of Congress.

The work of the State Department during the last year has been characterized by an unusual number of important negotiations and by diplomatic results of a notable and highly beneficial character. Among these are the reciprocal trade arrangements which have been concluded, in the exercise of the powers conferred by section 3 of the tariff law, with the Republic of Brazil, with Spain for its West India possessions, and with Santo Domingo. Like negotiations with other countries have been much advanced, and it is hoped that before the close of the year further definitive trade arrangements of great value will be concluded.

In view of the reports which had been received as to the diminution of the seal herds in the Bering Sea, I deemed it wise to propose to Her Majesty's Government in February last that an agreement for a closed season should be made pending the negotiations for arbitration, which then seemed to be approaching a favorable conclusion. After much correspondence and delays, for which this Government was not responsible, an agreement was reached and signed on the 15th of June, by which Great Britain undertook from that date and until May 1, 1892, to prohibit the killing by her subjects of seals in the Bering Sea, and the Government of the United States during the same period to enforce its existing prohibition against pelagic sealing and to limit the catch by the fur-seal company upon the islands to 7,500 skins. If this agreement could have been reached earlier in response to the strenuous endeavors of this Government, it would have been more effective; but coming even as late as it did it unquestionably resulted in greatly diminishing the destruction of the seals by the Canadian sealers.

In my last annual message I stated that the basis of arbitration proposed by Her Majesty's Government for the adjustment of the long-pending controversy as to the seal fisheries was not acceptable. I am glad now to be able to announce that terms satisfactory to this Government have been agreed upon and that an agreement as to the arbitrators is all that is necessary to the completion of the convention. In view of the advanced position which this Government has taken upon the subject of international arbitration, this renewed expression of our adherence to this method for the settlement of disputes such as have arisen in the Bering Sea will, I doubt not, meet with the concurrence of Congress.

Provision should be made for a joint demarcation of the frontier line between Canada and the United States wherever required by the increasing border settlements, and especially for the exact location of the water boundary in the straits and rivers.

I should have been glad to announce some favorable disposition of the boundary dispute between Great Britain and Venezuela touching the western frontier of British Guiana, but the friendly efforts of the United States in that direction have thus far been unavailing. This Government will continue to express its concern at any appearance of foreign encroachment on territories long under the administrative control of American States. The determination of a disputed boundary is easily attainable by amicable arbitration where the rights of the respective parties rest, as here, on historic facts readily ascertainable.

The law of the last Congress providing a system of inspection for our meats intended for export, and clothing the President with power to exclude foreign products from our market in case the country sending them should perpetuate unjust discriminations against any product of the United States, placed this Government in a position to effectively urge the removal of such discriminations against our meats. It is gratifying to be able to state that Germany, Denmark, Italy, Austria, and France, in the order

named, have opened their ports to inspected American pork products. The removal of these restrictions in every instance was asked for and given solely upon the ground that we have now provided a meat inspection that should be accepted as adequate to the complete removal of the dangers, real or fancied, which had been previously urged. The State Department, our ministers abroad, and the Secretary of Agriculture have cooperated with unflagging and intelligent zeal for the accomplishment of this great result. The outlines of an agreement have been reached with Germany looking to equitable trade concessions in consideration of the continued free importation of her sugars, but the time has not yet arrived when this correspondence can be submitted to Congress.

The recent political disturbances in the Republic of Brazil have excited regret and solicitude. The information we possessed was too meager to enable us to form a satisfactory judgment of the causes leading to the temporary assumption of supreme power by President Fonseca; but this Government did not fail to express to him its anxious solicitude for the peace of Brazil and for the maintenance of the free political institutions which had recently been established there, nor to offer our advice that great moderation should be observed in the clash of parties and the contest for leadership. These counsels were received in the most friendly spirit, and the latest information is that constitutional government has been reestablished without bloodshed.

The lynching at New Orleans in March last of eleven men of Italian nativity by a mob of citizens was a most deplorable and discreditable incident. It did not, however, have its origin in any general animosity to the Italian people, nor in any disrespect to the Government of Italy, with which our relations were of the most friendly character. The fury of the mob was directed against these men as the supposed participants or accessories in the murder of a city officer. I do not allude to this as mitigating in any degree this offense against law and humanity, but only as affecting the international questions which grew out of it. It was at once represented by the Italian minister that several of those whose lives had been taken by the mob were Italian subjects, and a demand was made for the punishment of the participants and for an indemnity to the families of those who were killed. It is to be regretted that the manner in which these claims were presented was not such as to promote a calm discussion of the questions involved; but this may well be attributed to the excitement and indignation which the crime naturally evoked. The views of this Government as to its obligations to foreigners domiciled here were fully stated in the correspondence, as well as its purpose to make an investigation of the affair with a view to determine whether there were present any circumstances that could under such rules of duty as we had indicated create an obligation upon the United States. The temporary absence of a minister plenipotentiary of Italy at this capital has retarded the further correspondence, but it is not doubted that a friendly conclusion is attainable.

Some suggestions growing out of this unhappy incident are worthy the

attention of Congress. It would, I believe, be entirely competent for Congress to make offenses against the treaty rights of foreigners domiciled in the United States cognizable in the Federal courts. This has not, however, been done, and the Federal officers and courts have no power in such cases to intervene, either for the protection of a foreign citizen or for the punishment of his slayers. It seems to me to follow, in this state of the law, that the officers of the State charged with police and judicial powers in such cases must in the consideration of international questions growing out of such incidents be regarded in such sense as Federal agents as to make this Government answerable for their acts in cases where it would be answerable if the United States had used its constitutional power to define and punish crime against treaty rights.

The civil war in Chile, which began in January last, was continued, but fortunately with infrequent and not important armed collisions, until August 28, when the Congressional forces landed near Valparaiso and after a bloody engagement captured that city. President Balmaceda at once recognized that his cause was lost, and a Provisional Government was speedily established by the victorious party. Our minister was promptly directed to recognize and put himself in communication with this Government so soon as it should have established its de facto character, which was done. During the pendency of this civil contest frequent indirect appeals were made to this Government to extend belligerent rights to the insurgents and to give audience to their representatives. This was declined, and that policy was pursued throughout which this Government when wrenched by civil war so strenuously insisted upon on the part of European nations. The *Itata*, an armed vessel commanded by a naval officer of the insurgent fleet, manned by its sailors and with soldiers on board, was seized under process of the United States court at San Diego, Cal., for a violation of our neutrality laws. While in the custody of an officer of the court the vessel was forcibly wrested from his control and put to sea. It would have been inconsistent with the dignity and self-respect of this Government not to have insisted that the *Itata* should be returned to San Diego to abide the judgment of the court. This was so clear to the junta of the Congressional party, established at Iquique, that before the arrival of the *Itata* at that port the secretary of foreign relations of the Provisional Government addressed to Rear-Admiral Brown, commanding the United States naval forces, a communication, from which the following is an extract: The Provisional Government has learned by the cablegrams of the Associated Press that the transport *Itata*, detained in San Diego by order of the United States for taking on board munitions of war, and in possession of the marshal, left the port, carrying on board this official, who was landed at a point near the coast, and then continued her voyage. If this news be correct this Government would deplore the conduct of the *Itata*, and as an evidence that it is not disposed to support or agree to the infraction of the laws of the United States the undersigned takes advantage of the personal relations you have been good enough to maintain with him since your arrival in this port to declare to you that as soon as she is within reach of our orders his Government will put the *Itata*, with the arms and munitions she took on board in San Diego, at the disposition of the United States. A trial in

the district court of the United States for the southern district of California has recently resulted in a decision holding, among other things, that inasmuch as the Congressional party had not been recognized as a belligerent the acts done in its interest could not be a violation of our neutrality laws. From this judgment the United States has appealed, not that the condemnation of the vessel is a matter of importance, but that we may know what the present state of our law is; for if this construction of the statute is correct there is obvious necessity for revision and amendment.

During the progress of the war in Chile this Government tendered its good offices to bring about a peaceful adjustment, and it was at one time hoped that a good result might be reached; but in this we were disappointed.

The instructions to our naval officers and to our minister at Santiago from the first to the last of this struggle enjoined upon them the most impartial treatment and absolute noninterference. I am satisfied that these instructions were observed and that our representatives were always watchful to use their influence impartially in the interest of humanity, and on more than one occasion did so effectively. We could not forget, however, that this Government was in diplomatic relations with the then established Government of Chile, as it is now in such relations with the successor of that Government. I am quite sure that President Montt, who has, under circumstances of promise for the peace of Chile, been installed as President of that Republic, will not desire that in the unfortunate event of any revolt against his authority the policy of this Government should be other than that which we have recently observed. No official complaint of the conduct of our minister or of our naval officers during the struggle has been presented to this Government, and it is a matter of regret that so many of our own people should have given ear to unofficial charges and complaints that manifestly had their origin in rival interests and in a wish to pervert the relations of the United States with Chile.

The collapse of the Government of Balmaceda brought about a condition which is unfortunately too familiar in the history of the Central and South American States. With the overthrow of the Balmaceda Government he and many of his councilors and officers became at once fugitives for their lives and appealed to the commanding officers of the foreign naval vessels in the harbor of Valparaiso and to the resident foreign ministers at Santiago for asylum. This asylum was freely given, according to my information, by the naval vessels of several foreign powers and by several of the legations at Santiago. The American minister as well as his colleagues, acting upon the impulse of humanity, extended asylum to political refugees whose lives were in peril. I have not been willing to direct the surrender of such of these persons as are still in the American legation without suitable conditions.

It is believed that the Government of Chile is not in a position, in view of the precedents with which it has been connected, to broadly deny the

right of asylum, and the correspondence has not thus far presented any such denial. The treatment of our minister for a time was such as to call for a decided protest, and it was very gratifying to observe that unfriendly measures, which were undoubtedly the result of the prevailing excitement, were at once rescinded or suitably relaxed.

On the 16th of October an event occurred in Valparaiso so serious and tragic in its circumstances and results as to very justly excite the indignation of our people and to call for prompt and decided action on the part of this Government. A considerable number of the sailors of the United States steamship Baltimore, then in the harbor at Valparaiso, being upon shore leave and unarmed, were assaulted by armed men nearly simultaneously in different localities in the city. One petty officer was killed outright and seven or eight seamen were seriously wounded, one of whom has since died. So savage and brutal was the assault that several of our sailors received more than two and one as many as eighteen stab wounds. An investigation of the affair was promptly made by a board of officers of the Baltimore, and their report shows that these assaults were unprovoked, that our men were conducting themselves in a peaceable and orderly manner, and that some of the police of the city took part in the assault and used their weapons with fatal effect, while a few others, with some well-disposed citizens, endeavored to protect our men. Thirty-six of our sailors were arrested, and some of them while being taken to prison were cruelly beaten and maltreated. The fact that they were all discharged, no criminal charge being lodged against any one of them, shows very clearly that they were innocent of any breach of the peace.

So far as I have yet been able to learn no other explanation of this bloody work has been suggested than that it had its origin in hostility to those men as sailors of the United States, wearing the uniform of their Government, and not in any individual act or personal animosity. The attention of the Chilean Government was at once called to this affair, and a statement of the facts obtained by the investigation we had conducted was submitted, accompanied by a request to be advised of any other or qualifying facts in the possession of the Chilean Government that might tend to relieve this affair of the appearance of an insult to this Government. The Chilean Government was also advised that if such qualifying facts did not exist this Government would confidently expect full and prompt reparation.

It is to be regretted that the reply of the secretary for foreign affairs of the Provisional Government was couched in an offensive tone. To this no response has been made. This Government is now awaiting the result of an investigation which has been conducted by the criminal court at Valparaiso. It is reported unofficially that the investigation is about completed, and it is expected that the result will soon be communicated to this Government, together with some adequate and satisfactory response to the note by which the attention of Chile was called to this incident. If these just expectations should be disappointed or further needless delay intervene, I will by a special message bring this matter again to the

attention of Congress for such action as may be necessary. The entire correspondence with the Government of Chile will at an early day be submitted to Congress.

I renew the recommendation of my special message dated January 16, 1890, for the adoption of the necessary legislation to enable this Government to apply in the case of Sweden and Norway the same rule in respect to the levying of tonnage dues as was claimed and secured to the shipping of the United States in 1828 under Article VIII of the treaty of 1827.

The adjournment of the Senate without action on the pending acts for the suppression of the slave traffic in Africa and for the reform of the revenue tariff of the Independent State of the Kongo left this Government unable to exchange those acts on the date fixed, July 2, 1891. A *modus vivendi* has been concluded by which the power of the Kongo State to levy duties on imports is left unimpaired, and by agreement of all the signatories to the general slave-trade act the time for the exchange of ratifications on the part of the United States has been extended to February 2, 1892.

The late outbreak against foreigners in various parts of the Chinese Empire has been a cause of deep concern in view of the numerous establishments of our citizens in the interior of that country. This Government can do no less than insist upon a continuance of the protective and punitive measures which the Chinese Government has heretofore applied. No effort will be omitted to protect our citizens peaceably sojourning in China, but recent unofficial information indicates that what was at first regarded as an outbreak of mob violence against foreigners has assumed the larger form of an insurrection against public order.

The Chinese Government has declined to receive Mr. Blair as the minister of the United States on the ground that as a participant while a Senator in the enactment of the existing legislation against the introduction of Chinese laborers he has become unfriendly and objectionable to China. I have felt constrained to point out to the Chinese Government the untenableness of this position, which seems to rest as much on the unacceptability of our legislation as on that of the person chosen, and which if admitted would practically debar the selection of any representative so long as the existing laws remain in force.

You will be called upon to consider the expediency of making special provision by law for the temporary admission of some Chinese artisans and laborers in connection with the exhibit of Chinese industries at the approaching Columbian Exposition. I regard it as desirable that the Chinese exhibit be facilitated in every proper way.

A question has arisen with the Government of Spain touching the rights of American citizens in the Caroline Islands. Our citizens there long prior to the confirmation of Spain's claim to the islands had secured by settlement

and purchase certain rights to the recognition and maintenance of which the faith of Spain was pledged. I have had reason within the past year very strongly to protest against the failure to carry out this pledge on the part of His Majesty's ministers, which has resulted in great injustice and injury to the American residents.

The Government and people of Spain propose to celebrate the four hundredth anniversary of the discovery of America by holding an exposition at Madrid, which will open on the 12th of September and continue until the 31st of December, 1892. A cordial invitation has been extended to the United States to take part in this commemoration, and as Spain was one of the first nations to express the intention to participate in the World's Columbian Exposition at Chicago, it would be very appropriate for this Government to give this invitation its friendly promotion.

Surveys for the connecting links of the projected intercontinental railway are in progress, not only in Mexico, but at various points along the course mapped out. Three surveying parties are now in the field under the direction of the commission. Nearly 1,000 miles of the proposed road have been surveyed, including the most difficult part, that through Ecuador and the southern part of Colombia. The reports of the engineers are very satisfactory, and show that no insurmountable obstacles have been met with.

On November 12, 1884, a treaty was concluded with Mexico reaffirming the boundary between the two countries as described in the treaties of February 2, 1848, and December 30, 1853. March 1, 1889, a further treaty was negotiated to facilitate the carrying out of the principles of the treaty of 1884 and to avoid the difficulties occasioned by reason of the changes and alterations that take place from natural causes in the Rio Grande and Colorado rivers in the portions thereof constituting the boundary line between the two Republics. The International Boundary Commission provided for by the treaty of 1889 to have exclusive jurisdiction of any question that may arise has been named by the Mexican Government. An appropriation is necessary to enable the United States to fulfill its treaty obligations in this respect.

The death of King Kalakaua in the United States afforded occasion to testify our friendship for Hawaii by conveying the King's body to his own land in a naval vessel with all due honors. The Government of his successor, Queen Liliuokalani is seeking to promote closer commercial relations with the United States. Surveys for the much-needed submarine cable from our Pacific coast to Honolulu are in progress, and this enterprise should have the suitable promotion of the two Governments. I strongly recommend that provision be made for improving the harbor of Pearl River and equipping it as a naval station.

The arbitration treaty formulated by the International American Conference lapsed by reason of the failure to exchange ratifications fully within the

limit of time provided; but several of the Governments concerned have expressed a desire to save this important result of the conference by an extension of the period. It is, in my judgment, incumbent upon the United States to conserve the influential initiative it has taken in this measure by ratifying the instrument and by advocating the proposed extension of the time for exchange. These views have been made known to the other signatories.

This Government has found occasion to express in a friendly spirit, but with much earnestness, to the Government of the Czar its serious concern because of the harsh measures now being enforced against the Hebrews in Russia. By the revival of antisemitic laws, long in abeyance, great numbers of those unfortunate people have been constrained to abandon their homes and leave the Empire by reason of the impossibility of finding subsistence within the pale to which it is sought to confine them. The immigration of these people to the United States—many other countries being closed to them—is largely increasing and is likely to assume proportions which may make it difficult to find homes and employment for them here and to seriously affect the labor market. It is estimated that over 1,000,000 will be forced from Russia within a few years. The Hebrew is never a beggar; he has always kept the law—life by toil—often under severe and oppressive civil restrictions. It is also true that no race, sect, or class has more fully cared for its own than the Hebrew race. But the sudden transfer of such a multitude under conditions that tend to strip them of their small accumulations and to depress their energies and courage is neither good for them nor for us.

The banishment, whether by direct decree or by not less certain indirect methods, of so large a number of men and women is not a local question. A decree to leave one country is in the nature of things an order to enter another—some other. This consideration, as well as the suggestion of humanity, furnishes ample ground for the remonstrances which we have presented to Russia, while our historic friendship for that Government can not fail to give the assurance that our representations are those of a sincere wellwisher.

The annual report of the Maritime Canal Company of Nicaragua shows that much costly and necessary preparatory work has been done during the year in the construction of shops, railroad tracks, and harbor piers and breakwaters, and that the work of canal construction has made some progress.

I deem it to be a matter of the highest concern to the United States that this canal, connecting the waters of the Atlantic and Pacific oceans and giving to us a short water communication between our ports upon those two great seas, should be speedily constructed and at the smallest practicable limit of cost. The gain in freights to the people and the direct saving to the Government of the United States in the use of its naval vessels would pay the entire cost of this work within a short series of years. The report of the Secretary of the Navy shows the saving in our naval expenditures

which would result.

The Senator from Alabama (Mr. Morgan) in his argument upon this subject before the Senate at the last session did not overestimate the importance of this work when he said that "the canal is the most important subject now connected with the commercial growth and progress of the United States."

If this work is to be promoted by the usual financial methods and without the aid of this Government, the expenditures in its interest-bearing securities and stock will probably be twice the actual cost. This will necessitate higher tolls and constitute a heavy and altogether needless burden upon our commerce and that of the world. Every dollar of the bonds and stock of the company should represent a dollar expended in the legitimate and economical prosecution of the work. This is only possible by giving to the bonds the guaranty of the United States Government. Such a guaranty would secure the ready sale at par of a 3 per cent bond from time to time as the money was needed. I do not doubt that built upon these business methods the canal would when fully inaugurated earn its fixed charges and operating expenses. But if its bonds are to be marketed at heavy discounts and every bond sold is to be accompanied by a gift of stock, as has come to be expected by investors in such enterprises, the traffic will be seriously burdened to pay interest and dividends. I am quite willing to recommend Government promotion in the prosecution of a work which, if no other means offered for securing its completion, is of such transcendent interest that the Government should, in my opinion, secure it by direct appropriations from its Treasury.

A guaranty of the bonds of the canal company to an amount necessary to the completion of the canal could, I think, be so given as not to involve any serious risk of ultimate loss. The things to be carefully guarded are the completion of the work within the limits of the guaranty, the subrogation of the United States to the rights of the first-mortgage bondholders for any amounts it may have to pay, and in the meantime a control of the stock of the company as a security against mismanagement and loss. I most sincerely hope that neither party nor sectional lines will be drawn upon this great American project, so full of interest to the people of all our States and so influential in its effects upon the prestige and prosperity of our common country.

The island of Navassa, in the West Indian group, has, under the provisions of Title VII of the Revised Statutes, been recognized by the President as appertaining to the United States. It contains guano deposits, is owned by the Navassa Phosphate Company, and is occupied solely its employees. In September, 1889, a revolt took place among these laborers, resulting in the killing of some of the agents of the company, caused, as the laborers claimed, by cruel treatment. These men were arrested and tried in the United States court at Baltimore, under section 5576 of the statute referred to, as if the offenses had been committed on board a merchant vessel of the United States on the high seas. There appeared on the trial

and otherwise came to me such evidences of the bad treatment of the men that in consideration of this and of the fact that the men had no access to any public officer or tribunal for protection or the redress of their wrongs I commuted the death sentences that had been passed by the court upon three of them. In April last my attention was again called to this island and to the unregulated condition of things there by a letter from a colored laborer, who complained that he was wrongfully detained upon the island by the phosphate company after the expiration of his contract of service. A naval vessel was sent to examine into the case of this man and generally into the condition of things on the island. It was found that the laborer referred to had been detained beyond the contract limit and that a condition of revolt again existed among the laborers. A board of naval officers reported, among other things, as follows: We would desire to state further that the discipline maintained on the island seems to be that of a convict establishment without its comforts and cleanliness, and that until more attention is paid to the shipping of laborers by placing it under Government supervision to prevent misunderstanding and misrepresentation, and until some amelioration is shown in the treatment of the laborers, these disorders will be of constant occurrence. I recommend legislation that shall place labor contracts upon this and other islands having the relation that Navassa has to the United States under the supervision of a court commissioner, and that shall provide at the expense of the owners an officer to reside upon the island, with power to judge and adjust disputes and to enforce a just and humane treatment of the employees. It is inexcusable that American laborers should be left within our own jurisdiction without access to any Government officer or tribunal for their protection and the redress of their wrongs.

International copyright has been secured, in accordance with the conditions of the act of March 3, 1891, with Belgium, France, Great Britain and the British possessions, and Switzerland, the laws of those countries permitting to our citizens the benefit of copyright on substantially the same basis as to their own citizens or subjects.

With Germany a special convention has been negotiated upon this subject which will bring that country within the reciprocal benefits of our legislation.

The general interest in the operations of the Treasury Department has been much augmented during the last year by reason of the conflicting predictions, which accompanied and followed the tariff and other legislation of the last Congress affecting the revenues, as to the results of this legislation upon the Treasury and upon the country. On the one hand it was contended that imports would so fall off as to leave the Treasury bankrupt and that the prices of articles entering into the living of the people would be so enhanced as to disastrously affect their comfort and happiness, while on the other it was argued that the loss to the revenue, largely the result of placing sugar on the free list, would be a direct gain to the people; that the prices of the necessaries of life, including those most highly protected, would not be enhanced; that labor would have a

larger market and the products of the farm advanced prices, while the Treasury surplus and receipts would be adequate to meet the appropriations, including the large exceptional expenditures for the refunding to the States of the direct tax and the redemption of the 4 1/2 per cent bonds.

It is not my purpose to enter at any length into a discussion of the effects of the legislation to which I have referred; but a brief examination of the statistics of the Treasury and a general glance at the state of business throughout the country will, I think, satisfy any impartial inquirer that its results have disappointed the evil prophecies of its opponents and in a large measure realized the hopeful predictions of its friends. Rarely, if ever before, in the history of the country has there been a time when the proceeds of one day's labor or the product of one farmed acre would purchase so large an amount of those things that enter into the living of the masses of the people. I believe that a full test will develop the fact that the tariff act of the Fifty-first Congress is very favorable in its average effect upon the prices of articles entering into common use.

During the twelve months from October 1, 1890, to September 30, 1891, the total value of our foreign commerce (imports and exports combined) was \$1,747,806,406, which was the largest of any year in the history of the United States. The largest in any previous year was in 1890, when our commerce amounted to \$1,647,139,093, and the last year exceeds this enormous aggregate by over one hundred millions. It is interesting, and to some will be surprising, to know that during the year ending September 30, 1891, our imports of merchandise amounted to \$824,715,270, which was an increase of more than \$11,000,000 over the value of the imports of the corresponding months of the preceding year, when the imports of merchandise were unusually large in anticipation of the tariff legislation then pending. The average annual value of the imports of merchandise for the ten years from 1881 to 1890 was \$692,186,522, and during the year ending September 30, 1891, this annual average was exceeded by \$132,528,469.

The value of free imports during the twelve months ending September 30, 1891, was \$118,092,387 more than the value of free imports during the corresponding twelve months of the preceding year, and there was during the same period a decrease of \$106,846,508 in the value of imports of dutiable merchandise. The percentage of merchandise admitted free of duty during the year to which I have referred, the first under the new tariff, was 48.18, while during the preceding twelve months, under the old tariff, the percentage was 34.27, an increase of 13.91 per cent. If we take the six months ending September 30 last, which covers the time during which sugars have been admitted free of duty, the per cent of value of merchandise imported free of duty is found to be 55.37, which is a larger percentage of free imports than during any prior fiscal year in the history of the Government.

If we turn to exports of merchandise, the statistics are full of gratification. The value of such exports of merchandise for the twelve

months ending September 30, 1891, was \$923,091,136, while for the corresponding previous twelve months it was \$860,177,115, an increase of \$62,914,021, which is nearly three times the average annual increase of exports of merchandise for the preceding twenty years. This exceeds in amount and value the exports of merchandise during any year in the history of the Government. The increase in the value of exports of agricultural products during the year referred to over the corresponding twelve months of the prior year was \$45,846,197, while the increase in the value of exports of manufactured products was \$16,838,240.

There is certainly nothing in the condition of trade, foreign or domestic, there is certainly nothing in the condition of our people of any class, to suggest that the existing tariff and revenue legislation bears oppressively upon the people or retards the commercial development of the nation. It may be argued that our condition would be better if tariff legislation were upon a free-trade basis; but it can not be denied that all the conditions of prosperity and of general contentment are present in a larger degree than ever before in our history, and that, too, just when it was prophesied they would be in the worst state. Agitation for radical changes in tariff and financial legislation can not help but may seriously impede business, to the prosperity of which some degree of stability in legislation is essential.

I think there are conclusive evidences that the new tariff has created several great industries, which will within a few years give employment to several hundred thousand American working men and women. In view of the somewhat overcrowded condition of the labor market of the United States, every patriotic citizen should rejoice at such a result.

The report of the Secretary of the Treasury shows that the total receipts of the Government from all sources for the fiscal year ending June 30, 1891, were \$458,544,233.03, while the expenditures for the same period were \$421,304,470.46, leaving a surplus of \$37,239,762.57.

The receipts of the fiscal year ending June 30, 1892, actual and estimated, are \$433,000,000 and the expenditures \$409,000,000. For the fiscal year ending June 30, 1893, the estimated receipts are \$455,336,350 and the expenditures \$441,300,093.

Under the law of July 14, 1890, the Secretary of the Treasury has purchased (since August 13) during the fiscal year 48,393,113 ounces of silver bullion at an average cost of \$1.045 per ounce. The highest price paid during the year was \$1.2025 and the lowest \$0.9636. In exchange for this silver bullion there have been issued \$50,577,498 of the Treasury notes authorized by the act. The lowest price of silver reached during the fiscal year was \$0.9636 on April 22, 1891; but on November 1 the market price was only \$0.96, which would give to the silver dollar a bullion value of 74 1/4 cents.

Before the influence of the prospective silver legislation was felt in the

market silver was worth in New York about \$0.955 per ounce. The ablest advocates of free coinage in the last Congress were most confident in their predictions that the purchases by the Government required by the law would at once bring the price of silver to \$1.2929 per ounce, which would make the bullion value of a dollar 100 cents and hold it there. The prophecies of the antisilver men of disasters to result from the coinage of \$2,000,000 per month were not wider of the mark. The friends of free silver are not agreed, I think, as to the causes that brought their hopeful predictions to naught. Some facts are known. The exports of silver from London to India during the first nine months of this calendar year fell off over 50 per cent, or \$17,202,730, compared with the same months of the preceding year. The exports of domestic silver bullion from this country, which had averaged for the last ten years over \$17,000,000, fell in the last fiscal year to \$13,797,391, while for the first time in recent years the imports of silver into this country exceeded the exports by the sum of \$2,745,365. In the previous year the net exports of silver from the United States amounted to \$8,545,455. The production of the United States increased from 50,000,000 ounces in 1889 to 54,500,000 in 1890. The Government is now buying and putting aside annually 54,000,000 ounces, which, allowing for 7,140,000 ounces of new bullion used in the arts, is 6,640,000 more than our domestic products available for coinage.

I hope the depression in the price of silver is temporary and that a further trial of this legislation will more favorably affect it. That the increased volume of currency thus supplied for the use of the people was needed and that beneficial results upon trade and prices have followed this legislation I think must be very clear to everyone. Nor should it be forgotten that for every dollar of these notes issued a full dollar's worth of silver bullion is at the time deposited in the Treasury as a security for its redemption. Upon this subject, as upon the tariff, my recommendation is that the existing laws be given a full trial and that our business interests be spared the distressing influence which threats of radical changes always impart. Under existing legislation it is in the power of the Treasury Department to maintain that essential condition of national finance as well as of commercial prosperity—the parity in use of the coined dollars and their paper representatives. The assurance that these powers would be freely and unhesitatingly used has done much to produce and sustain the present favorable business conditions.

I am still of the opinion that the free coinage of silver under existing conditions would disastrously affect our business interests at home and abroad. We could not hope to maintain an equality in the purchasing power of the gold and silver dollar in our own markets, and in foreign trade the stamp gives no added value to the bullion contained in coins. The producers of the country, its farmers and laborers, have the highest interest that every dollar, paper or coin, issued by the Government shall be as good as any other. If there is one less valuable than another, its sure and constant errand will be to pay them for their toil and for their crops. The money lender will protect himself by stipulating for payment in gold, but the laborer has never been able to do that. To place business upon a silver

basis would mean a sudden and severe contraction of the currency by the withdrawal of gold and gold notes and such an unsettling of all values as would produce a commercial panic. I can not believe that a people so strong and prosperous as ours will promote such a policy.

The producers of silver are entitled to just consideration, but they should not forget that the Government is now buying and putting out of the market what is the equivalent of the entire product of our silver mines. This is more than they themselves thought of asking two years ago. I believe it is the earnest desire of a great majority of the people, as it is mine, that a full coin use shall be made of silver just as soon as the cooperation of other nations can be secured and a ratio fixed that will give circulation equally to gold and silver. The business of the world requires the use of both metals; but I do not see any prospect of gain, but much of loss, by giving up the present system, in which a full use is made of gold and a large use of silver, for one in which silver alone will circulate. Such an event would be at once fatal to the further progress of the silver movement. Bimetallism is the desired end, and the true friends of silver will be careful not to overrun the goal and bring in silver monometallism with its necessary attendants—the loss of our gold to Europe and the relief of the pressure there for a larger currency. I have endeavored by the use of official and unofficial agencies to keep a close observation of the state of public sentiment in Europe upon this question and have not found it to be such as to justify me in proposing an international conference. There is, however, I am sure, a growing sentiment in Europe in favor of a larger use of silver, and I know of no more effectual way of promoting this sentiment than by accumulating gold here. A scarcity of gold in the European reserves will be the most persuasive argument for the use of silver.

The exports of gold to Europe, which began in February last and continued until the close of July, aggregated over \$70,000,000. The net loss of gold during the fiscal year was nearly \$68,000,000. That no serious monetary disturbance resulted was most gratifying and gave to Europe fresh evidence of the strength and stability of our financial institutions. With the movement of crops the outflow of gold was speedily stopped and a return set in. Up to December 1 we had recovered of our gold lost at the port of New York \$27,854,000, and it is confidently believed that during the winter and spring this aggregate will be steadily and largely increased.

The presence of a large cash surplus in the Treasury has for many years been the subject of much unfavorable criticism, and has furnished an argument to those who have desired to place the tariff upon a purely revenue basis. It was agreed by all that the withdrawal from circulation of so large an amount of money was an embarrassment to the business of the country and made necessary the intervention of the Department at frequent intervals to relieve threatened monetary panics. The surplus on March 1, 1889, was \$183,827,190.29. The policy of applying this surplus to the redemption of the interest-bearing securities of the United States was thought to be preferable to that of depositing it without interest in

selected national banks. There have been redeemed since the date last mentioned of interest-bearing securities \$259,079,350, resulting in a reduction of the annual interest charge of \$11,684,675. The money which had been deposited in banks without interest has been gradually withdrawn and used in the redemption of bonds.

The result of this policy, of the silver legislation, and of the refunding of the 4 1/2 per cent bonds has been a large increase of the money in circulation. At the date last named the circulation was \$1,404,205,896, or \$23.03 per capita, while on the 1st day of December, 1891, it had increased to \$1,577,262,070, or \$24.38 per capita. The offer of the Secretary of the Treasury to the holders of the 4 1/2 per cent bonds to extend the time of redemption, at the option of the Government, at an interest of 2 per cent, was accepted by the holders of about one-half the amount, and the unextended bonds are being redeemed on presentation.

The report of the Secretary of War exhibits the results of an intelligent, progressive, and businesslike administration of a Department which has been too much regarded as one of mere routine. The separation of Secretary Proctor from the Department by reason of his appointment as a Senator from the State of Vermont is a source of great regret to me and to his colleagues in the Cabinet, as I am sure it will be to all those who have had business with the Department while under his charge.

In the administration of army affairs some especially good work has been accomplished. The efforts of the Secretary to reduce the percentage of desertions by removing the causes that promoted it have been so successful as to enable him to report for the last year a lower percentage of desertion than has been before reached in the history of the Army. The resulting money saving is considerable, but the improvement in the morale of the enlisted men is the most valuable incident of the reforms which have brought about this result.

The work of securing sites for shore batteries for harbor defense and the manufacture of mortars and guns of high power to equip them have made good progress during the year. The preliminary work of tests and plans which so long delayed a start is now out of the way. Some guns have been completed, and with an enlarged shop and a more complete equipment at Watervliet the Army will soon be abreast of the Navy in gun construction. Whatever unavoidable causes of delay may arise, there should be none from delayed or insufficient appropriations. We shall be greatly embarrassed in the proper distribution and use of naval vessels until adequate shore defenses are provided for our harbors.

I concur in the recommendation of the Secretary that the three-battalion organization be adopted for the infantry. The adoption of a smokeless powder and of a modern rifle equal in range, precision, and rapidity of fire to the best now in use will, I hope, not be longer delayed.

The project of enlisting Indians and organizing them into separate

companies upon the same basis as other soldiers was made the subject of very careful study by the Secretary and received my approval. Seven companies have been completely organized and seven more are in process of organization. The results of six months' training have more than realized the highest anticipations. The men are readily brought under discipline, acquire the drill with facility, and show great pride in the right discharge of their duty and perfect loyalty to their officers, who declare that they would take them into action with confidence. The discipline, order, and cleanliness of the military posts will have a wholesome and elevating influence upon the men enlisted, and through them upon their tribes, while a friendly feeling for the whites and a greater respect for the Government will certainly be promoted.

The great work done in the Record and Pension Division of the War Department by Major Ainsworth, of the Medical Corps, and the clerks under him is entitled to honorable mention. Taking up the work with nearly 41,000 cases behind, he closed the last fiscal year without a single case left over, though the new cases had increased 52 per cent in number over the previous year by reason of the pension legislation of the last Congress.

I concur in the recommendation of the Attorney-General that the right in felony cases to a review by the Supreme court be limited. It would seem that personal liberty would have a safe guaranty if the right of review in cases involving only fine and imprisonment were limited to the circuit court of appeals, unless a constitutional question should in some way be involved.

The judges of the Court of Private Land Claims, provided for by the act of March 3, 1891, have been appointed and the court organized. It is now possible to give early relief to communities long repressed in their development by unsettled land titles and to establish the possession and right of settlers whose lands have been rendered valueless by adverse and unfounded claims.

The act of July 9, 1888, provided for the incorporation and management of a reform school for girls in the District of Columbia; but it has remained inoperative for the reason that no appropriation has been made for construction or maintenance. The need of such an institution is very urgent. Many girls could be saved from depraved lives by the wholesome influences and restraints of such a school. I recommend that the necessary appropriation be made for a site and for construction.

The enforcement by the Treasury Department of the law prohibiting the coming of Chinese to the United States has been effective as to such as seek to land from vessels entering our ports. The result has been to divert the travel to vessels entering the ports of British Columbia, whence passage into the United States at obscure points along the Dominion boundary is easy. A very considerable number of Chinese laborers have during the past year entered the United States from Canada and Mexico.

The officers of the Treasury Department and of the Department of Justice have used every means at their command to intercept this immigration; but the impossibility of perfectly guarding our extended frontier is apparent. The Dominion government collects a head tax of \$50 from every Chinaman entering Canada, and thus derives a considerable revenue from those who only use its ports to reach a position of advantage to evade our exclusion laws. There seems to be satisfactory evidence that the business of passing Chinamen through Canada to the United States is organized and quite active. The Department of Justice has construed the laws to require the return of any Chinaman found to be unlawfully in this country to China as the country from which he came, notwithstanding the fact that he came by way of Canada; but several of the district courts have in cases brought before them overruled this view of the law and decided that such persons must be returned to Canada. This construction robs the law of all effectiveness, even if the decrees could be executed, for the men returned can the next day recross our border. But the only appropriation made is for sending them back to China, and the Canadian officials refuse to allow them to reenter Canada without the payment of the fifty-dollar head tax. I recommend such legislation as will remedy these defects in the law.

In previous messages I have called the attention of Congress to the necessity of so extending the jurisdiction of the United States courts as to make triable therein any felony committed while in the act of violating a law of the United States. These courts can not have that independence and effectiveness which the Constitution contemplates so long as the felonious killing of court officers, jurors, and witnesses in the discharge of their duties or by reason of their acts as such is only cognizable in the State courts. The work done by the Attorney-General and the officers of his Department, even under the present inadequate legislation, has produced some notable results in the interest of law and order.

The Attorney-General and also the Commissioners of the District of Columbia call attention to the defectiveness and inadequacy of the laws relating to crimes against chastity in the District of Columbia. A stringent code upon this subject has been provided by Congress for Utah, and it is a matter of surprise that the needs of this District should have been so long overlooked.

In the report of the Postmaster-General some very gratifying results are exhibited and many betterments of the service suggested. A perusal of the report gives abundant evidence that the supervision and direction of the postal system have been characterized by an intelligent and conscientious desire to improve the service. The revenues of the Department show an increase of over \$5,000,000, with a deficiency for the year 1892 of less than \$4,000,000, while the estimate for the year 1893 shows a surplus of receipts over expenditures.

Ocean mail post-offices have been established upon the steamers of the North German Lloyd and Hamburg lines, saving by the distribution on

shipboard from two to fourteen hours' time in the delivery of mail at the port of entry and often much more than this in the delivery at interior places. So thoroughly has this system, initiated by Germany and the United States, evidenced its usefulness that it can not be long before it is installed upon all the great ocean mail-carrying steamships.

Eight thousand miles of new postal service has been established upon railroads, the car distribution to substations in the great cities has been increased about 12 per cent, while the percentage of errors in distribution has during the past year been reduced over one-half. An appropriation was given by the last Congress for the purpose of making some experiments in free delivery in the smaller cities and towns. The results of these experiments have been so satisfactory that the Postmaster-General recommends, and I concur in the recommendation, that the free-delivery system be at once extended to towns of 5,000 population. His discussion of the inadequate facilities extended under our present system to rural communities and his suggestions with a view to give these communities a fuller participation in the benefits of the postal service are worthy of your careful consideration. It is not just that the farmer, who receives his mail at a neighboring town, should not only be compelled to send to the post-office for it, but to pay a considerable rent for a box in which to place it or to wait his turn at a general-delivery window, while the city resident has his mail brought to his door. It is stated that over 54,000 neighborhoods are under the present system receiving mail at post-offices where money orders and postal notes are not issued. The extension of this system to these communities is especially desirable, as the patrons of such offices are not possessed of the other facilities offered in more populous communities for the transmission of small sums of money.

I have in a message to the preceding Congress expressed my views as to a modified use of the telegraph in connection with the postal service. In pursuance of the ocean mail law of March 3, 1891, and after a most careful study of the whole subject and frequent conferences with ship-owners, boards of trade, and others, advertisements were issued by the postmaster-General for 53 lines of ocean mail service—10 to Great Britain and the Continent, 27 to South America, 3 to China and Japan, 4 to Australia and the Pacific islands, 7 to the West Indies, and 2 to Mexico. It was not, of course, expected that bids for all these lines would be received or that service upon them all would be contracted for. It was intended, in furtherance of the act, to secure as many new lines as possible, while including in the list most or all of the foreign lines now occupied by American ships. It was hoped that a line to England and perhaps one to the Continent would be secured; but the outlay required to equip such lines wholly with new ships of the first class and the difficulty of establishing new lines in competition with those already established deterred bidders whose interest had been enlisted. It is hoped that a way may yet be found of overcoming these difficulties.

The Brazil Steamship Company, by reason of a miscalculation as to the speed

of its vessels, was not able to bid under the terms of the advertisement. The policy of the Department was to secure from the established lines an improved service as a condition of giving to them the benefits of the law. This in all instances has been attained. The Postmaster-General estimates that an expenditure in American shipyards of about \$10,000,000 will be necessary to enable the bidders to construct the ships called for by the service which they have accepted. I do not think there is any reason for discouragement or for any turning back from the policy of this legislation. Indeed, a good beginning has been made, and as the subject is further considered and understood by capitalists and shipping people new lines will be ready to meet future proposals, and we may date from the passage of this law the revival of American shipping interests and the recovery of a fair share of the carrying trade of the world. We were receiving for foreign postage nearly \$2,000,000 under the old system, and the outlay for ocean mail service did not exceed \$600,000 per annum. It is estimated by the Postmaster-General that if all the contracts proposed are completed it will require \$247,354 for this year in addition to the appropriation for sea and inland postage already in the estimates, and that for the next fiscal year, ending June 30, 1893, there would probably be needed about \$560,000.

The report of the Secretary of the Navy shows a gratifying increase of new naval vessels in commission. The Newark, Concord, Bennington, and Miantonomoh have been added during the year, with an aggregate of something more than 11,000 tons. Twenty-four warships of all classes are now under construction in the navy-yards and private shops; but while the work upon them is going forward satisfactorily, the completion of the more important vessels will yet require about a year's time. Some of the vessels now under construction, it is believed, will be triumphs of naval engineering. When it is recollected that the work of building a modern navy was only initiated in the year 1883, that our naval constructors and shipbuilders were practically without experience in the construction of large iron or steel ships, that our engine shops were unfamiliar with great marine engines, and that the manufacture of steel forgings for guns and plates was almost wholly a foreign industry, the progress that has been made is not only highly satisfactory, but furnishes the assurance that the United States will before long attain in the construction of such vessels, with their engines and armaments, the same preeminence which it attained when the best instrument of ocean commerce was the clipper ship and the most impressive exhibit of naval power the old wooden three-decker man-of-war. The officers of the Navy and the proprietors and engineers of our great private shops have responded with wonderful intelligence and professional zeal to the confidence expressed by Congress in its liberal legislation. We have now at Washington a gun shop, organized and conducted by naval officers, that in its system, economy, and product is unexcelled. Experiments with armor plate have been conducted during the year with most important results. It is now believed that a plate of higher resisting power than any in use has been found and that the tests have demonstrated that cheaper methods of manufacture than those heretofore thought necessary can be used.

I commend to your favorable consideration the recommendations of the Secretary, who has, I am sure, given to them the most conscientious study. There should be no hesitation in promptly completing a navy of the best modern type large enough to enable this country to display its flag in all seas for the protection of its citizens and of its extending commerce. The world needs no assurance of the peaceful purposes of the United States, but we shall probably be in the future more largely a competitor in the commerce of the world, and it is essential to the dignity of this nation and to that peaceful influence which it should exercise on this hemisphere that its Navy should be adequate both upon the shores of the Atlantic and of the Pacific.

The report of the Secretary of the Interior shows that a very gratifying progress has been made in all of the bureaus which make up that complex and difficult Department.

The work in the Bureau of Indian Affairs was perhaps never so large as now, by reason of the numerous negotiations which have been proceeding with the tribes for a reduction of the reservations, with the incident labor of making allotments, and was never more carefully conducted. The provision of adequate school facilities for Indian children and the locating of adult Indians upon farms involve the solution of the "Indian question." Everything else—rations, annuities, and tribal negotiations, with the agents, inspectors, and commissioners who distribute and conduct them—must pass away when the Indian has become a citizen, secure in the individual ownership of a farm from which he derives his subsistence by his own labor, protected by and subordinate to the laws which govern the white man, and provided by the General Government or by the local communities in which he lives with the means of educating his children. When an Indian becomes a citizen in an organized State or Territory, his relation to the General Government ceases in great measure to be that of a ward; but the General Government ought not at once to put upon the State or Territory the burden of the education of his children.

It has been my thought that the Government schools and school buildings upon the reservations would be absorbed by the school systems of the States and Territories; but as it has been found necessary to protect the Indian against the compulsory alienation of his land by exempting him from taxation for a period of twenty-five years, it would seem to be right that the General Government, certainly where there are tribal funds in its possession, should pay to the school fund of the State what would be equivalent to the local school tax upon the property of the Indian. It will be noticed from the report of the Commissioner of Indian Affairs that already some contracts have been made with district schools for the education of Indian children. There is great advantage, I think, in bringing the Indian children into mixed schools. This process will be gradual, and in the meantime the present educational provisions and arrangements, the result of the best experience of those who have been charged with this work, should be continued. This will enable those religious bodies that have undertaken the work of Indian education with so

much zeal and with results so restraining and beneficent to place their institutions in new and useful relations to the Indian and to his white neighbors.

The outbreak among the Sioux which occurred in December last is as to its causes and incidents fully reported upon by the War Department and the Department of the Interior. That these Indians had some just complaints, especially in the matter of the reduction of the appropriation for rations and in the delays attending the enactment of laws to enable the Department to perform the engagements entered into with them, is probably true; but the Sioux tribes are naturally warlike and turbulent, and their warriors were excited by their medicine men and chiefs, who preached the coming of an Indian messiah who was to give them power to destroy their enemies. In view of the alarm that prevailed among the white settlers near the reservation and of the fatal consequences that would have resulted from an Indian incursion, I placed at the disposal of General Miles, commanding the Division of the Missouri, all such forces as were thought by him to be required. He is entitled to the credit of having given thorough protection to the settlers and of bringing the hostiles into subjection with the least possible loss of life.

The appropriation of \$2,991,450 for the Choctaws and Chickasaws contained in the general Indian appropriation bill of March 3, 1891, has not been expended, for the reason that I have not yet approved a release (to the Government) of the Indian claim to the lands mentioned. This matter will be made the subject of a special message, placing before Congress all the facts which have come to my knowledge.

The relation of the Five Civilized Tribes now occupying the Indian Territory to the United States is not, I believe, that best calculated to promote the highest advancement of these Indians. That there should be within our borders five independent states having no relations, except those growing out of treaties, with the Government of the United States, no representation in the National Legislature, its people not citizens, is a startling anomaly.

It seems to me to be inevitable that there shall be before long some organic changes in the relation of these people to the United States. What form these changes should take I do not think it desirable now to suggest, even if they were well defined in my own mind. They should certainly involve the acceptance of citizenship by the Indians and a representation in Congress. These Indians should have opportunity to present their claims and grievances upon the floor rather than, as now, in the lobby. If a commission could be appointed to visit these tribes to confer with them in a friendly spirit upon this whole subject, even if no agreement were presently reached the feeling of the tribes upon this question would be developed, and discussion would prepare the way for changes which must come sooner or later.

The good work of reducing the larger Indian reservations by allotments in

severalty to the Indians and the cession of the remaining lands to the United States for disposition under the homestead law has been prosecuted during the year with energy and success. In September last I was enabled to open to settlement in the Territory of Oklahoma 900,000 acres of land, all of which was taken up by settlers in a single day. The rush for these lands was accompanied by a great deal of excitement, but was happily free from incidents of violence.

It was a source of great regret that I was not able to open at the same time the surplus lands of the Cheyenne and Arapahoe Reservation, amounting to about 3,000,000 acres, by reason of the insufficiency of the appropriation for making the allotments. Deserving and impatient settlers are waiting to occupy these lands, and I urgently recommend that a special deficiency appropriation be promptly made of the small amount needed, so that the allotments may be completed and the surplus lands opened in time to permit the settlers to get upon their homesteads in the early spring.

During the past summer the Cherokee Commission have completed arrangements with the Wichita, Kickapoo, and Tonkawa tribes whereby, if the agreements are ratified by Congress, over 800,000 additional acres will be opened to settlement in Oklahoma.

The negotiations for the release by the Cherokees of their claim to the Cherokee Strip have made no substantial progress so far as the Department is officially advised, but it is still hoped that the cession of this large and valuable tract may be secured. The price which the commission was authorized to offer—\$1.25 per acre—is, in my judgment, when all the circumstances as to title and the character of the lands are considered, a fair and adequate one, and should have been accepted by the Indians.

Since March 4, 1889, about 23,000,000 acres have been separated from Indian reservations and added to the public domain for the use of those who desired to secure free homes under our beneficent laws. It is difficult to estimate the increase of wealth which will result from the conversion of these waste lands into farms, but it is more difficult to estimate the betterment which will result to the families that have found renewed hope and courage in the ownership of a home and the assurance of a comfortable subsistence under free and healthful conditions. It is also gratifying to be able to feel, as we may, that this work has proceeded upon lines of justice toward the Indian, and that he may now, if he will, secure to himself the good influences of a settled habitation, the fruits of industry, and the security of citizenship.

Early in this Administration a special effort was begun to bring up the work of the General Land Office. By faithful work the arrearages have been rapidly reduced. At the end of the last fiscal year only 84,172 final agricultural entries remained undisposed of, and the Commissioner reports that with the present force the work can be fully brought up by the end of

the next fiscal year.

Your attention is called to the difficulty presented by the Secretary of the Interior as to the administration of the law of March 3, 1891, establishing a Court of Private Land Claims. The small holdings intended to be protected by the law are estimated to be more than 15,000 in number. The claimants are a most deserving class and their titles are supported by the strongest equities. The difficulty grows out of the fact that the lands have largely been surveyed according to our methods, while the holdings, many of which have been in the same family for generations, are laid out in narrow strips a few rods wide upon a stream and running back to the hills for pasturage and timber.. Provision should be made for numbering these tracts as lots and for patenting them by such numbers and without reference to section lines.

The administration of the Pension Bureau has been characterized during the year by great diligence. The total number of pensioners upon the roll on the 30th day of June, 1891, was 676,160. There were allowed during the fiscal year ending at that time 250,565 cases. Of this number 102,387 were allowed under the law of June 27, 1890. The issuing of certificates has been proceeding at the rate of about 30,000 per month, about 75 per cent of these being cases under the new law. The Commissioner expresses the opinion that he will be able to carefully adjudicate and allow 350,000 claims during the present fiscal year. The appropriation for the payment of pensions for the fiscal year 1890-91 was \$127,685,793.89 and the amount expended \$118,530,649.25, leaving an unexpended surplus of \$9,155,144.64.

The Commissioner is quite confident that there will be no call this year for a deficiency appropriation, notwithstanding the rapidity with which the work is being pushed. The mistake which has been made by many in their exaggerated estimates of the cost of pensions is in not taking account of the diminished value of first payments under the recent legislation. These payments under the general law have been for many years very large, as the pensions when allowed dated from the time of filing the claim, and most of these claims had been pending for years. The first payments under the law of June, 1890, are relatively small, and as the per cent of these cases increases and that of the old cases diminishes the annual aggregate of first payments is largely reduced. The Commissioner, under date of November 13, furnishes me with the statement that during the last four months 113,175 certificates were issued, 27,893 under the general law and 85,282 under the act of June 27, 1890. The average first payment during these four months was \$131.85, while the average first payment upon cases allowed during the year ending June 30, 1891, was \$239.33, being a reduction in the average first payments during these four months of \$107.48.

The estimate for pension expenditures for the fiscal year ending June 30, 1893, is \$144,956,000, which, after a careful examination of the subject, the Commissioner is of the opinion will be sufficient. While these disbursements to the disabled soldiers of the great Civil War are large, they do not realize the exaggerated estimates of those who oppose this

beneficent legislation. The Secretary of the Interior shows with great fullness the care that is taken to exclude fraudulent claims, and also the gratifying fact that the persons to whom these pensions are going are men who rendered not slight but substantial war service.

The report of the Commissioner of Railroads shows that the total debt of the subsidized railroads to the United States was on December 31, 1890, \$112,512,613.06. A large part of this debt is now fast approaching maturity, with no adequate provision for its payment. Some policy for dealing with this debt with a view to its ultimate collection should be at once adopted. It is very difficult, well-nigh impossible, for so large a body as the Congress to conduct the necessary negotiations and investigations. I therefore recommend that provision be made for the appointment of a commission to agree upon and report a plan for dealing with this debt.

The work of the Census Bureau is now far in advance and the great bulk of the enormous labor involved completed. It will be more strictly a statistical exhibit and less encumbered by essays than its immediate predecessors. The methods pursued have been fair, careful, and intelligent, and have secured the approval of the statisticians who have followed them with a scientific and nonpartisan interest. The appropriations necessary to the early completion and publication of the authorized volumes should be given in time to secure against delays, which increase the cost and at the same time diminish the value of the work.

The report of the Secretary exhibits with interesting fullness the condition of the Territories. They have shared with the States the great increase in farm products, and are bringing yearly large areas into cultivation by extending their irrigating canals. This work is being done by individuals or local corporations and without that system which a full preliminary survey of the water supply and of the irrigable lands would enable them to adopt. The future of the Territories of New Mexico, Arizona, and Utah in their material growth and in the increase, independence, and happiness of their people is very largely dependent upon wise and timely legislation, either by Congress or their own legislatures, regulating the distribution of the water supply furnished by their streams. If this matter is much longer neglected, private corporations will have unrestricted control of one of the elements of life and the patentees of the arid lands will be tenants at will of the water companies.

The United States should part with its ownership of the water sources and the sites for reservoirs, whether to the States and Territories or to individuals or corporations, only upon conditions that will insure to the settlers their proper water supply upon equal and reasonable terms. In the Territories this whole subject is under the full control of Congress, and in the States it is practically so as long as the Government holds the title to the reservoir sites and water sources and can grant them upon such conditions as it chooses to impose. The improvident granting of franchises of enormous value without recompense to the State or municipality from

which they proceed and without proper protection of the public interests is the most noticeable and flagrant evil of modern legislation. This fault should not be committed in dealing with a subject that will before many years affect so vitally thousands of our people.

The legislation of Congress for the repression of polygamy has, after years of resistance on the part of the Mormons, at last brought them to the conclusion that resistance is unprofitable and unavailing. The power of Congress over this subject should not be surrendered until we have satisfactory evidence that the people of the State to be created would exercise the exclusive power of the State over this subject in the same way. The question is not whether these people now obey the laws of Congress against polygamy, but rather would they make, enforce, and maintain such laws themselves if absolutely free to regulate the subject? We can not afford to experiment with this subject, for when a State is once constituted the act is final and any mistake irretrievable. No compact in the enabling act could, in my opinion, be binding or effective.

I recommend that provision be made for the organization of a simple form of town government in Alaska, with power to regulate such matters as are usually in the States under municipal control. These local civil organizations will give better protection in some matters than the present skeleton Territorial organization. Proper restrictions as to the power to levy taxes and to create debt should be imposed.

If the establishment of the Department of Agriculture was regarded by anyone as a mere concession to the unenlightened demand of a worthy class of people, that impression has been most effectually removed by the great results already attained. Its home influence has been very great in disseminating agricultural and horticultural information, in stimulating and directing a further diversification of crops, in detecting and eradicating diseases of domestic animals, and, more than all, in the close and informal contact which it has established and maintains with the farmers and stock raisers of the whole country. Every request for information has had prompt attention and every suggestion merited consideration. The scientific corps of the Department is of a high order and is pushing its investigations with method and enthusiasm.

The inspection by this Department of cattle and pork products intended for shipment abroad has been the basis of the success which has attended our efforts to secure the removal of the restrictions maintained by the European Governments.

For ten years protests and petitions upon this subject from the packers and stock raisers of the United States have been directed against these restrictions, which so seriously limited our markets and curtailed the profits of the farm. It is a source of general congratulation that success has at last been attained, for the effects of an enlarged foreign market for these meats will be felt not only by the farmer, but in our public

finances and in every branch of trade. It is particularly fortunate that the increased demand for food products resulting from the removal of the restrictions upon our meats and from the reciprocal trade arrangements to which I have referred should have come at a time when the agricultural surplus is so large. Without the help thus derived lower prices would have prevailed. The Secretary of Agriculture estimates that the restrictions upon the importation of our pork products into Europe lost us a market for \$20,000,000 worth of these products annually.

The grain crop of this year was the largest in our history—50 per cent greater than that of last year—and yet the new markets that have been opened and the larger demand resulting from short crops in Europe have sustained prices to such an extent that the enormous surplus of meats and breadstuffs will be marketed at good prices, bringing relief and prosperity to an industry that was much depressed. The value of the grain crop of the United States is estimated by the Secretary to be this year \$500,000,000 more than last; of meats \$150,000,000 more, and of all products of the farm \$700,000,000 more. It is not inappropriate, I think, here to suggest that our satisfaction in the contemplation of this marvelous addition to the national wealth is unclouded by any suspicion of the currency by which it is measured and in which the farmer is paid for the products of his fields.

The report of the Civil Service Commission should receive the careful attention of the opponents as well as the friends of this reform. The Commission invites a personal inspection by Senators and Representatives of its records and methods, and every fair critic will feel that such an examination should precede a judgment of condemnation either of the system or its administration. It is not claimed that either is perfect, but I believe that the law is being executed with impartiality and that the system is incomparably better and fairer than that of appointments upon favor. I have during the year extended the classified service to include superintendents, teachers, matrons, and physicians in the Indian service. This branch of the service is largely related to educational and philanthropic work and will obviously be the better for the change.

The heads of the several Executive Departments have been directed to establish at once an efficiency record as the basis of a comparative rating of the clerks within the classified service, with a view to placing promotions therein upon the basis of merit. I am confident that such a record, fairly kept and open to the inspection of those interested, will powerfully stimulate the work of the Departments and will be accepted by all as placing the troublesome matter of promotions upon a just basis.

I recommend that the appropriation for the Civil Service Commission be made adequate to the increased work of the next fiscal year.

I have twice before urgently called the attention of Congress to the necessity of legislation for the protection of the lives of railroad

employees, but nothing has yet been done. During the year ending June 30, 1890, 369 brakemen were killed and 7,841 maimed while engaged in coupling cars. The total number of railroad employees killed during the year was 2,451 and the number injured 22,390. This is a cruel and largely needless sacrifice. The Government is spending nearly \$1,000,000 annually to save the lives of shipwrecked seamen; every steam vessel is rigidly inspected and required to adopt the most approved safety appliances. All this is good. But how shall we excuse the lack of interest and effort in behalf of this army of brave young men who in our land commerce are being sacrificed every year by the continued use of antiquated and dangerous appliances? A law requiring of every railroad engaged in interstate commerce the equipment each year of a given per cent of its freight cars with automatic couplers and air brakes would compel an agreement between the roads as to the kind of brakes and couplers to be used, and would very soon and very greatly reduce the present fearful death rate among railroad employees.

The method of appointment by the States of electors of President and Vice-President has recently attracted renewed interest by reason of a departure by the State of Michigan from the method which had become uniform in all the States. Prior to 1832 various methods had been used by the different States, and even by the same State. In some the choice was made by the legislature; in others electors were chosen by districts, but more generally by the voters of the whole State upon a general ticket. The movement toward the adoption of the last-named method had an early beginning and went steadily forward among the States until in 1832 there remained but a single State (South Carolina) that had not adopted it. That State until the Civil War continued to choose its electors by a vote of the legislature, but after the war changed its method and conformed to the practice of the other States. For nearly sixty years all the States save one have appointed their electors by a popular vote upon a general ticket, and for nearly thirty years this method was universal.

After a full test of other methods, without important division or dissent in any State and without any purpose of party advantage, as we must believe, but solely upon the considerations that uniformity was desirable and that a general election in territorial divisions not subject to change was most consistent with the popular character of our institutions, best preserved the equality of the voters, and perfectly removed the choice of President from the baneful influence of the "gerrymander," the practice of all the States was brought into harmony. That this concurrence should now be broken is, I think, an unfortunate and even a threatening episode, and one that may well suggest whether the States that still give their approval to the old and prevailing method ought not to secure by a constitutional amendment a practice which has had the approval of all. The recent Michigan legislation provides for choosing what are popularly known as the Congressional electors for President by Congressional districts and the two Senatorial electors by districts created for that purpose. This legislation was, of course, accompanied by a new Congressional apportionment, and the two statutes bring the electoral vote of the State under the influence of the "gerrymander."

These gerrymanders for Congressional purposes are in most cases buttressed by a gerrymander of the legislative districts, thus making it impossible for a majority of the legal voters of the State to correct the apportionment and equalize the Congressional districts. A minority rule is established that only a political convulsion can overthrow. I have recently been advised that in one county of a certain State three districts for the election of members of the legislature are constituted as follows: One has 65,000 population, one 15,000, and one 10,000, while in another county detached, noncontiguous sections have been united to make a legislative district. These methods have already found effective application to the choice of Senators and Representatives in Congress, and now an evil start has been made in the direction of applying them to the choice by the States of electors of President and Vice-President. If this is accomplished, we shall then have the three great departments of the Government in the grasp of the "gerrymander," the legislative and executive directly and the judiciary indirectly through the power of appointment.

An election implies a body of electors having prescribed qualifications, each one of whom has an equal value and influence in determining the result. So when the Constitution provides that "each State shall appoint" (elect), "in such manner as the legislature thereof may direct, a number of electors," etc., an unrestricted power was not given to the legislatures in the selection of the methods to be used. "A republican form of government" is guaranteed by the Constitution to each State, and the power given by the same instrument to the legislatures of the States to prescribe methods for the choice by the State of electors must be exercised under that limitation. The essential features of such a government are the right of the people to choose their own officers and the nearest practicable equality of value in the suffrages given in determining that choice.

It will not be claimed that the power given to the legislature would support a law providing that the persons receiving the smallest vote should be the electors or a law that all the electors should be chosen by the voters of a single Congressional district. The State is to choose, and find the pretense of regulating methods the legislature can neither vest the right of choice elsewhere nor adopt methods not conformable to republican institutions. It is not my purpose here to discuss the question whether a choice by the legislature or by the voters of equal single districts is a choice by the State, but only to recommend such regulation of this matter by constitutional amendment as will secure uniformity and prevent that disgraceful partisan jugglery to which such a liberty of choice, if it exists, offers a temptation.

Nothing just now is more important than to provide every guaranty for the absolutely fair and free choice by an equal suffrage within the respective States of all the officers of the National Government, whether that suffrage is applied directly, as in the choice of members of the House of Representatives, or indirectly, as in the choice of Senators and electors of President. Respect for public officers and obedience to law will not

cease to be the characteristics of our people until our elections cease to declare the will of majorities fairly ascertained without fraud, suppression, or gerrymander. If I were called upon to declare wherein our chief national danger lies, I should say without hesitation in the overthrow of majority control by the suppression or perversion of the popular suffrage. That there is a real danger here all must agree; but the energies of those who see it have been chiefly expended in trying to fix responsibility upon the opposite party rather than in efforts to make such practices impossible by either party.

Is it not possible now to adjourn that interminable and inconclusive debate while we take by consent one step in the direction of reform by eliminating the gerrymander, which has been denounced by all parties as an influence in the selection of electors of President and members of Congress? All the States have, acting freely and separately, determined that the choice of electors by a general ticket is the wisest and safest method, and it would seem there could be no objection to a constitutional amendment making that method permanent. If a legislature chosen in one year upon purely local questions should, pending a Presidential contest, meet, rescind the law for a choice upon a general ticket, and provide for the choice of electors by the legislature, and this trick should determine the result, it is not too much to say that the public peace might be seriously and widely endangered.

I have alluded to the "gerrymander" as affecting the method of selecting electors of President by Congressional districts, but the primary intent and effect of this form of political robbery have relation to the selection of members of the House of Representatives. The power of Congress is ample to deal with this threatening and intolerable abuse. The unfailing test of sincerity in election reform will be found in a willingness to confer as to remedies and to put into force such measures as will most effectually preserve the right of the people to free and equal representation.

An attempt was made in the last Congress to bring to bear the constitutional powers of the General Government for the correction of fraud against the suffrage. It is important to know whether the opposition to such measures is really rested in particular features supposed to be objectionable or includes any proposition to give to the election laws of the United States adequacy to the correction of grave and acknowledged evils. I must yet entertain the hope that it is possible to secure a calm, patriotic consideration of such constitutional or statutory changes as may be necessary to secure the choice of the officers of the Government to the people by fair apportionments and free elections.

I believe it would be possible to constitute a commission, nonpartisan in its membership and composed of patriotic, wise, and impartial men, to whom a consideration of the question of the evils connected with our election system and methods might be committed with a good prospect of securing unanimity in some plan for removing or mitigating those evils. The Constitution would permit the selection of the commission to be vested in

the Supreme Court if that method would give the best guaranty of impartiality. This commission should be charged with the duty of inquiring into the whole subject of the law of elections as related to the choice of officers of the National Government, with a view to securing to every elector a free and unmolested exercise of the suffrage and as near an approach to an equality of value in each ballot cast as is attainable.

While the policies of the General Government upon the tariff, upon the restoration of our merchant marine, upon river and harbor improvements, and other such matters of grave and general concern are liable to be turned this way or that by the results of Congressional elections and administrative policies, sometimes involving issues that tend to peace or war, to be turned this way or that by the results of a Presidential election, there is a rightful interest in all the States and in every Congressional district that will not be deceived or silenced by the audacious pretense that the question of the right of any body of legal voters in any State or in any Congressional district to give their suffrages freely upon these general questions is a matter only of local concern or control. The demand that the limitations of suffrage shall be found in the law, and only there, is a just demand, and no just man should resent or resist it. My appeal is and must continue to be for a consultation that shall "proceed with candor, calmness, and patience upon the lines of justice and humanity, not of prejudice and cruelty."

To the consideration of these very grave questions I invite not only the attention of Congress, but that of all patriotic citizens. We must not entertain the delusion that our people have ceased to regard a free ballot and equal representation as the price of their allegiance to laws and to civil magistrates.

I have been greatly rejoiced to notice many evidences of the increased unification of our people and of a revived national spirit. The vista that now opens to us is wider and more glorious than ever before. Gratification and amazement struggle for supremacy as we contemplate the population, wealth, and moral strength of our country. A trust momentous in its influence upon our people and upon the world is for a brief time committed to us, and we must not be faithless to its first condition—the defense of the free and equal influence of the people in the choice of public officers and in the control of public affairs. BENJ. HARRISON

State of the Union Address
Benjamin Harrison
December 6, 1892

To the Senate and House of Representatives:

In submitting my annual message to Congress I have great satisfaction in being able to say that the general conditions affecting the commercial and

industrial interests of the United States are in the highest degree favorable. A comparison of the existing conditions with those of the most favored period in the history of the country will, I believe, show that so high a degree of prosperity and so general a diffusion of the comforts of life were never before enjoyed by our people.

The total wealth of the country in 1860 was \$16,159,616,068. In 1890 it amounted to \$62,610,000,000, an increase of 287 per cent.

The total mileage of railways in the United States in 1860 was 30,626. In 1890 it was 167,741, an increase of 448 per cent; and it is estimated that there will be about 4,000 miles of track added by the close of the year 1892.

The official returns of the Eleventh Census and those of the Tenth Census for seventy-five leading cities furnish the basis for the following comparisons:

In 1880 the capital invested in manufacturing was \$1,232,839,670.

In 1890 the capital invested in manufacturing was \$2,900,735,884.

In 1880 the number of employees was 1,301,388.

In 1890 the number of employees was 2,251,134.

In 1880 the wages earned were \$501,965,778.

In 1890 the wages earned were \$1,221,170,454.

In 1880 the value of the product was \$2,711,579,899.

In 1890 the value of the product was \$4,860,286,837.

I am informed by the Superintendent of the Census that the omission of certain industries in 1880 which were included in 1890 accounts in part for the remarkable increase thus shown, but after making full allowance for differences of method and deducting the returns for all industries not included in the census of 1880 there remain in the reports from these seventy-five cities an increase in the capital employed of \$1,522,745,604, in the value of the product of \$2,024,236,166, in wages earned of \$677,943,929, and in the number of wage earners employed of 856,029. The wage earnings not only show an increased aggregate, but an increase per capita from \$386 in 1880 to \$547 in 1890, or 41.71 per cent.

The new industrial plants established since October 6, 1890, and up to October 22, 1892, as partially reported in the American Economist, number 345, and the extension of existing plants 108; the new capital invested amounts to \$40,449,050, and the number of additional employees to 37,285.

The Textile World for July, 1892, states that during the first six months of the present calendar year 135 new factories were built, of which 40 are cotton mills, 48 knitting mills, 26 woolen mills, 15 silk mills, 4 plush mills, and 2 linen mills. Of the 40 cotton mills 21 have been built in the Southern States. Mr. A. B. Shepperson, of the New York Cotton Exchange, estimates the number of working spindles in the United States on September 1, 1892, at 15,200,000, an increase of 660,000 over the year 1891. The consumption of cotton by American mills in 1891 was 2,396,000 bales, and in 1892 2,584,000 bales, an increase of 188,000 bales. From the year 1869 to 1892, inclusive, there has been an increase in the consumption of cotton in Europe of 92 per cent, while during the same period the increased consumption in the United States has been about 150 per cent.

The report of Ira Ayer, special agent of the Treasury Department, shows that at the date of September 30, 1892, there were 32 companies manufacturing tin and terne plate in the United States and 14 companies building new works for such manufacture. The estimated investment in buildings and plants at the close of the fiscal year June 30, 1893, if existing conditions were to be continued, was \$5,000,000 and the estimated rate of production 200,000,000 pounds per annum. The actual production for the quarter ending September 30, 1892, was 10,952,725 pounds.

The report of Labor Commissioner Peck, of New York, shows that during the year 1891, in about 6,000 manufacturing establishments in that State embraced within the special inquiry made by him, and representing 67 different industries, there was a net increase over the year 1890 of \$30,315,130.68 in the value of the product and of \$6,377,925.09 in the amount of wages paid. The report of the commissioner of labor for the State of Massachusetts shows that 3,745 industries in that State paid \$129,416,248 in wages during the year 1891, against \$126,030,303 in 1890, an increase of \$3,335,945, and that there was an increase of \$9,932,490 in the amount of capital and of 7,346 in the number of persons employed in the same period.

During the last six months of the year 1891 and the first six months of 1892 the total production of pig iron was 9,710,819 tons, as against 9,202,703 tons in the year 1890, which was the largest annual production ever attained. For the same twelve months of 1891-92 the production of Bessemer ingots was 3,878,581 tons, an increase of 189,710 gross tons over the previously unprecedented yearly production of 3,688,871 gross tons in 1890. The production of Bessemer steel rails for the first six months of 1892 was 772,436 gross tons, as against 702,080 gross tons during the last six months of the year 1891.

The total value of our foreign trade (exports and imports of merchandise) during the last fiscal year was \$1,857,680,610, an increase of \$128,283,604 over the previous fiscal year. The average annual value of our imports and exports of merchandise for the ten fiscal years prior to 1891 was \$1,457,322,019. It will be observed that our foreign trade for 1892

exceeded this annual average value by \$400,358,591, an increase of 27.47 per cent. The significance and value of this increase are shown by the fact that the excess in the trade of 1892 over 1891 was wholly in the value of exports, for there was a decrease in the value of imports of \$17,513,754.

The value of our exports during the fiscal year 1892 reached the highest figure in the history of the Government, amounting to \$1,030,278,148, exceeding by \$145,797,338 the exports of 1891 and exceeding the value of the imports by \$202,875,686. A comparison of the value of our exports for 1892 with the annual average for the ten years prior to 1891 shows an excess of \$265,142,651, or of 34.65 per cent. The value of our imports of merchandise for 1892, which was \$829,402,462, also exceeded the annual average value of the ten years prior to 1891 by \$135,215,940. During the fiscal year 1892 the value of imports free of duty amounted to \$457,999,658, the largest aggregate in the history of our commerce. The value of the imports of merchandise entered free of duty in 1892 was 55.35 per cent of the total value of imports, as compared with 43.35 per cent in 1891 and 33.66 per cent in 1890.

In our coastwise trade a most encouraging development is in progress, there having been in the last four years an increase of 16 per cent. In internal commerce the statistics show that no such period of prosperity has ever before existed. The freight carried in the coastwise trade of the Great Lakes in 1890 aggregated 28,295,959 tons. On the Mississippi, Missouri, and Ohio rivers and tributaries in the same year the traffic aggregated 29,405,046 tons, and the total vessel tonnage passing through the Detroit River during that year was 21,684,000 tons. The vessel tonnage entered and cleared in the foreign trade of London during 1890 amounted to 13,480,767 tons, and of Liverpool 10,941,800 tons, a total for these two great shipping ports of 24,422,568 tons, only slightly in excess of the vessel tonnage passing through the Detroit River. And it should be said that the season for the Detroit River was but 228 days, while of course in London and Liverpool the season was for the entire year. The vessel tonnage passing through the St. Marys Canal for the fiscal year 1892 amounted to 9,828,874 tons, and the freight tonnage of the Detroit River is estimated for that year at 25,000,000 tons, against 23,209,619 tons in 1891. The aggregate traffic on our railroads for the year 1891 amounted to 704,398,609 tons of freight, compared with 691,344,437 tons in 1890, an increase of 13,054,172 tons.

Another indication of the general prosperity of the country is found in the fact that the number of depositors in savings banks increased from 693,870 in 1860 to 4,258,893 in 1890, an increase of 513 per cent, and the amount of deposits from \$149,277,504 in 1860 to \$1,524,844,506 in 1890, an increase of 921 per cent. In 1891 the amount of deposits in savings banks was \$1,623,079,749. It is estimated that 90 per cent of these deposits represent the savings of wage earners. The bank clearances for nine months ending September 30, 1891, amounted to \$41,049,390,08. For the same months in 1892 they amounted to \$45,189,601,947, an excess for the nine months of \$4,140,211,139.

There never has been a time in our history when work was so abundant or when wages were as high, whether measured by the currency in which they are paid or by their power to supply the necessaries and comforts of life. It is true that the market prices of cotton and wheat have been low. It is one of the unfavorable incidents of agriculture that the farmer can not produce upon orders. He must sow and reap in ignorance of the aggregate production of the year, and is peculiarly subject to the depreciation which follows overproduction. But while the fact I have stated is true as to the crops mentioned, the general average of prices has been such as to give to agriculture a fair participation in the general prosperity. The value of our total farm products has increased from \$1,363,646,866 in 1860 to \$4,500,000,000 in 1891, as estimated by statisticians, an increase of 230 per cent. The number of hogs January 1, 1891, was 50,625,106 and their value \$210,193,925; on January 1, 1892, the number was 52,398,019 and the value \$241,031,415. On January 1, 1891, the number of cattle was 36,875,648 and the value \$544,127,908; on January 1, 1892, the number was 37,651,239 and the value \$570,749,155.

If any are discontented with their state here, if any believe that wages or prices, the returns for honest toil, are inadequate, they should not fail to remember that there is no other country in the world where the conditions that seem to them hard would not be accepted as highly prosperous. The English agriculturist would be glad to exchange the returns of his labor for those of the American farmer and the Manchester workmen their wages for those of their fellows at Fall River.

I believe that the protective system, which has now for something more than thirty years continuously prevailed in our legislation, has been a mighty instrument for the development of our national wealth and a most powerful agency in protecting the homes of our workingmen from the invasion of want. I have felt a most solicitous interest to preserve to our working people rates of wages that would not only give daily bread but supply a comfortable margin for those home attractions and family comforts and enjoyments without which life is neither hopeful nor sweet. They are American citizens—a part of the great people for whom our Constitution and Government were framed and instituted—and it can not be a perversion of that Constitution to so legislate as to preserve in their homes the comfort, independence, loyalty, and sense of interest in the Government which are essential to good citizenship in peace, and which will bring this stalwart throng, as in 1861, to the defense of the flag when it is assailed.

It is not my purpose to renew here the argument in favor of a protective tariff. The result of the recent election must be accepted as having introduced a new policy. We must assume that the present tariff, constructed upon the lines of protection, is to be repealed and that there is to be substituted for it a tariff law constructed solely with reference to revenue; that no duty is to be higher because the increase will keep open an American mill or keep up the wages of an American workman, but that

in every case such a rate of duty is to be imposed as will bring to the Treasury of the United States the largest returns of revenue. The contention has not been between schedules, but between principles, and it would be offensive to suggest that the prevailing party will not carry into legislation the principles advocated by it and the pledges given to the people. The tariff bills passed by the House of Representatives at the last session were, as I suppose, even in the opinion of their promoters, inadequate, and justified only by the fact that the Senate and House of Representatives were not in accord and that a general revision could not therefore be undertaken.

I recommend that the whole subject of tariff revision be left to the incoming Congress. It is matter of regret that this work must be delayed for at least three months, for the threat of great tariff changes introduces so much uncertainty that an amount, not easily estimated, of business inaction and of diminished production will necessarily result. It is possible also that this uncertainty may result in decreased revenues from customs duties, for our merchants will make cautious orders for foreign goods in view of the prospect of tariff reductions and the uncertainty as to when they will take effect. Those who have advocated a protective tariff can well afford to have their disastrous forecasts of a change of policy disappointed. If a system of customs duties can be framed that will set the idle wheels and looms of Europe in motion and crowd our warehouses with foreign-made goods and at the same time keep our own mills busy; that will give us an increased participation in the "markets of the world" of greater value than the home market we surrender; that will give increased work to foreign workmen upon products to be consumed by our people without diminishing the amount of work to be done here; that will enable the American manufacturer to pay to his workmen from 50 to 100 per cent more in wages than is paid in the foreign mill, and yet to compete in our market and in foreign markets with the foreign producer; that will further reduce the cost of articles of wear and food without reducing the wages of those who produce them; that can be celebrated, after its effects have been realized, as its expectation has been in European as well as in American cities, the authors and promoters of it will be entitled to the highest praise. We have had in our history several experiences of the contrasted effects of a revenue and of a protective tariff, but this generation has not felt them, and the experience of one generation is not highly instructive to the next. The friends of the protective system with undiminished confidence in the principles they have advocated will await the results of the new experiment.

The strained and too often disturbed relations existing between the employees and the employers in our great manufacturing establishments have not been favorable to a calm consideration by the wage earner of the effect upon wages of the protective system. The facts that his wages were the highest paid in like callings in the world and that a maintenance of this rate of wages in the absence of protective duties upon the product of his labor was impossible were obscured by the passion evoked by these contests. He may now be able to review the question in the light of his personal

experience under the operation of a tariff for revenue only. If that experience shall demonstrate that present rates of wages are thereby maintained or increased, either absolutely or in their purchasing power, and that the aggregate volume of work to be done in this country is increased or even maintained, so that there are more or as many days' work in a year, at as good or better wages, for the American workmen as has been the case under the protective system, everyone will rejoice. A general process of wage reduction can not be contemplated by any patriotic citizen without the gravest apprehension. It may be, indeed I believe is, possible for the American manufacturer to compete successfully with his foreign rival in many branches of production without the defense of protective duties if the pay rolls are equalized; but the conflict that stands between the producer and that result and the distress of our working people when it is attained are not pleasant to contemplate. The Society of the Unemployed, now holding its frequent and threatening parades in the streets of foreign cities, should not be allowed to acquire an American domicile.

The reports of the heads of the several Executive Departments, which are herewith submitted, have very naturally included a resume of the whole work of the Administration with the transactions of the last fiscal year. The attention not only of Congress but of the country is again invited to the methods of administration which have been pursued and to the results which have been attained. Public revenues amounting to \$1,414,079,292.28 have been collected and disbursed without loss from misappropriation, without a single defalcation of such importance as to attract the public attention, and at a diminished per cent of cost for collection. The public business has been transacted not only with fidelity, but progressively and with a view to giving to the people in the fullest possible degree the benefits of a service established and maintained for their protection and comfort.

Our relations with other nations are now undisturbed by any serious controversy. The complicated and threatening differences with Germany and England relating to Samoan affairs, with England in relation to the seal fisheries in the Bering Sea, and with Chile growing out of the Baltimore affair have been adjusted.

There have been negotiated and concluded, under section 3 of the tariff law, commercial agreements relating to reciprocal trade with the following countries: Brazil, Dominican Republic, Spain for Cuba and Puerto Rico, Guatemala, Salvador, the German Empire, Great Britain for certain West Indian colonies and British Guiana, Nicaragua, Honduras, and Austria-Hungary.

Of these, those with Guatemala, Salvador, the German Empire, Great Britain, Nicaragua, Honduras, and Austria-Hungary have been concluded since my last annual message. Under these trade arrangements a free or favored admission has been secured in every case for an important list of American products. Especial care has been taken to secure markets for farm products, in order to relieve that great underlying industry of the depression which the lack of an adequate foreign market for our surplus often brings. An opening has

also been made for manufactured products that will undoubtedly, if this policy is maintained, greatly augment our export trade. The full benefits of these arrangements can not be realized instantly. New lines of trade are to be opened. The commercial traveler must survey the field. The manufacturer must adapt his goods to the new markets and facilities for exchange must be established. This work has been well begun, our merchants and manufacturers having entered the new fields with courage and enterprise. In the case of food products, and especially with Cuba, the trade did not need to wait, and the immediate results have been most gratifying. If this policy and these trade arrangements can be continued in force and aided by the establishment of American steamship lines, I do not doubt that we shall within a short period secure fully one-third of the total trade of the countries of Central and South America, which now amounts to about \$600,000,000 annually. In 1885 we had only 8 per cent of this trade.

The following statistics show the increase in our trade with the countries with which we have reciprocal trade agreements from the date when such agreements went into effect up to September 30, 1892, the increase being in some almost wholly and in others in an important degree the result of these agreements:

The domestic exports to Germany and Austria-Hungary have increased in value from \$47,673,756 to \$57,993,064, an increase of \$10,319,308, or 21.63 per cent. With American countries the value of our exports has increased from \$44,160,285 to \$54,613,598, an increase of \$10,453,313, or 23.67 per cent. The total increase in the value of exports to all the countries with which we have reciprocity agreements has been \$20,772,621. This increase is chiefly in wheat, flour, meat, and dairy products and in manufactures of iron and steel and lumber. There has been a large increase in the value of imports from all these countries since the commercial agreements went into effect, amounting to \$74,294,525, but it has been entirely in imports from the American countries, consisting mostly of sugar, coffee, india rubber, and crude drugs. The alarmed attention of our European competitors for the South American market has been attracted to this new American policy and to our acquisition and their loss of South American trade.

A treaty providing for the arbitration of the dispute between Great Britain and the United States as to the killing of seals in the Bering Sea was concluded on the 29th of February last. This treaty was accompanied by an agreement prohibiting pelagic sealing pending the arbitration, and a vigorous effort was made during this season to drive out all poaching sealers from the Bering Sea. Six naval vessels, three revenue cutters, and one vessel from the Fish Commission, all under the command of Commander Evans, of the Navy, were sent into the sea, which was systematically patrolled. Some seizures were made, and it is believed that the catch in the Bering Sea by poachers amounted to less than 500 seals. It is true, however, that in the North Pacific, while the seal herds were on their way to the passes between the Aleutian Islands, a very large number, probably

35,000, were taken. The existing statutes of the United States do not restrain our citizens from taking seals in the Pacific Ocean, and perhaps should not unless the prohibition can be extended to the citizens of other nations. I recommend that power be given to the President by proclamation to prohibit the taking of seals in the North Pacific by American vessels in case, either as the result of the findings of the Tribunal of Arbitration or otherwise, the restraints can be applied to the vessels of all countries. The case of the United States for the Tribunal of Arbitration has been prepared with great care and industry by the Hon. John W. Foster, and the counsel who represent this Government express confidence that a result substantially establishing our claims and preserving this great industry for the benefit of all nations will be attained.

During the past year a suggestion was received through the British minister that the Canadian government would like to confer as to the possibility of enlarging upon terms of mutual advantage the commercial exchanges of Canada and of the United States, and a conference was held at Washington, with Mr. Blaine acting for this Government and the British minister at this capital and three members of the Dominion cabinet acting as commissioners on the part of Great Britain. The conference developed the fact that the Canadian government was only prepared to offer to the United States in exchange for the concessions asked the admission of natural products. The statement was frankly made that favored rates could not be given to the United States as against the mother country. This admission, which was foreseen, necessarily terminated the conference upon this question. The benefits of an exchange of natural products would be almost wholly with the people of Canada. Some other topics of interest were considered in the conference, and have resulted in the making of a convention for examining the Alaskan boundary and the waters of Passamaquoddy Bay adjacent to Eastport, Me., and in the initiation of an arrangement for the protection of fish life in the coterminous and neighboring waters of our northern border.

The controversy as to tolls upon the Welland Canal, which was presented to Congress at the last session by special message, having failed of adjustment, I felt constrained to exercise the authority conferred by the act of July 26, 1892, and to proclaim a suspension of the free use of St. Marys Falls Canal to cargoes in transit to ports in Canada. The Secretary of the Treasury established such tolls as were thought to be equivalent to the exactions unjustly levied upon our commerce in the Canadian canals.

If, as we must suppose, the political relations of Canada and the disposition of the Canadian government are to remain unchanged, a somewhat radical revision of our trade relations should, I think, be made. Our relations must continue to be intimate, and they should be friendly. I regret to say, however, that in many of the controversies, notably those as to the fisheries on the Atlantic, the sealing interests on the Pacific, and the canal tolls, our negotiations with Great Britain have continuously been thwarted or retarded by unreasonable and unfriendly objections and protests from Canada in the matter of the canal tolls our treaty rights were flagrantly disregarded. It is hardly too much to say that the Canadian

Pacific and other railway lines which parallel our northern boundary are sustained by commerce having either its origin or terminus, or both, in the United States. Canadian railroads compete with those of the United States for our traffic, and without the restraints of our interstate-commerce act. Their cars pass almost without detention into and out of our territory.

The Canadian Pacific Railway brought into the United States from China and Japan via British Columbia during the year ended June 30, 1892, 23,239,689 pounds of freight, and it carried from the United States, to be shipped to China and Japan via British Columbia, 24,068,346 pounds of freight. There were also shipped from the United States over this road from Eastern ports of the United States to our Pacific ports during the same year 13,912,073 pounds of freight, and there were received over this road at the United States Eastern ports from ports on the Pacific Coast 13,293,315 pounds of freight. Mr. Joseph Nimmo, jr., former chief of the Bureau of Statistics, when before the Senate Select Committee on Relations with Canada, April 26, 1890, said that "the value of goods thus transported between different points in the United States across Canadian territory probably amounts to \$100,000,000 a year."

There is no disposition on the part of the people or Government of the United States to interfere in the smallest degree with the political relations of Canada. That question is wholly with her own people. It is time for us, however, to consider whether, if the present state of things and trend of things is to continue, our interchanges upon lines of land transportation should not be put upon a different basis and our entire independence of Canadian canals and of the St. Lawrence as an outlet to the sea secured by the construction of an American canal around the Falls of Niagara and the opening of ship communication between the Great Lakes and one of our own seaports. We should not hesitate to avail ourselves of our great natural trade advantages. We should withdraw the support which is given to the railroads and steamship lines of Canada by a traffic that properly belongs to us and no longer furnish the earnings which lighten the otherwise crushing weight of the enormous public subsidies that have been given to them. The subject of the power of the Treasury to deal with this matter without further legislation has been under consideration, but circumstances have postponed a conclusion. It is probable that a consideration of the propriety of a modification or abrogation of the article of the treaty of Washington relating to the transit of goods in bond is involved in any complete solution of the question.

Congress at the last session was kept advised of the progress of the serious and for a time threatening difference between the United States and Chile. It gives me now great gratification to report that the Chilean Government in a most friendly and honorable spirit has tendered and paid as an indemnity to the families of the sailors of the Baltimore who were killed and to those who were injured in the outbreak in the city of Valparaiso the sum of \$75,000. This has been accepted not only as an indemnity for a wrong done, but as a most gratifying evidence that the

Government of Chile rightly appreciates the disposition of this Government to act in a spirit of the most absolute fairness and friendliness in our intercourse with that brave people. A further and conclusive evidence of the mutual respect and confidence now existing is furnished by the fact that a convention submitting to arbitration the mutual claims of the citizens of the respective Governments has been agreed upon. Some of these claims have been pending for many years and have been the occasion of much unsatisfactory diplomatic correspondence.

I have endeavored in every way to assure our sister Republics of Central and South America that the United States Government and its people have only the most friendly disposition toward them all. We do not covet their territory. We have no disposition to be oppressive or exacting in our dealings with any of them, even the weakest. Our interests and our hopes for them all lie in the direction of stable governments by their people and of the largest development of their great commercial resources. The mutual benefits of enlarged commercial exchanges and of a more familiar and friendly intercourse between our peoples we do desire, and in this have sought their friendly cooperation.

I have believed, however, while holding these sentiments in the greatest sincerity, that we must insist upon a just responsibility for any injuries inflicted upon our official representatives or upon our citizens. This insistence, kindly and justly but firmly made, will, I believe, promote peace and mutual respect.

Our relations with Hawaii have been such as to attract an increased interest, and must continue to do so. I deem it of great importance that the projected submarine cable, a survey for which has been made, should be promoted. Both for naval and commercial uses we should have quick communication with Honolulu. We should before this have availed ourselves of the concession made many years ago to this Government for a harbor and naval station at Pearl River. Many evidences of the friendliness of the Hawaiian Government have been given in the past, and it is gratifying to believe that the advantage and necessity of a continuance of very close relations is appreciated.

The friendly act of this Government in expressing to the Government of Italy its reprobation and abhorrence of the lynching of Italian subjects in New Orleans by the payment of 125,000 francs, or \$24,330.90, was accepted by the King of Italy with every manifestation of gracious appreciation, and the incident has been highly promotive of mutual respect and good will.

In consequence of the action of the French Government in proclaiming a protectorate over certain tribal districts of the west coast of Africa eastward of the San Pedro River, which has long been regarded as the southeastern boundary of Liberia, I have felt constrained to make protest against this encroachment upon the territory of a Republic which was rounded by citizens of the United States and toward which this country has for many years held the intimate relation of a friendly counselor.

The recent disturbances of the public peace by lawless foreign marauders on the Mexican frontier have afforded this Government an opportunity to testify its good will for Mexico and its earnest purpose to fulfill the obligations of international friendship by pursuing and dispersing the evil doers. The work of relocating the boundary of the treaty of Guadalupe Hidalgo westward from El Paso is progressing favorably.

Our intercourse with Spain continues on a friendly footing. I regret, however, not to be able to report as yet the adjustment of the claims of the American missionaries arising from the disorders at Ponape, in the Caroline Islands, but I anticipate a satisfactory adjustment in view of renewed and urgent representations to the Government at Madrid.

The treatment of the religious and educational establishments of American citizens in Turkey has of late called for a more than usual share of attention. A tendency to curtail the toleration which has so beneficially prevailed is discernible and has called forth the earnest remonstrance of this Government. Harassing regulations in regard to schools and churches have been attempted in certain localities, but not without due protest and the assertion of the inherent and conventional rights of our countrymen. Violations of domicile and search of the persons and effects of citizens of the United States by apparently irresponsible officials in the Asiatic vilayets have from time to time been reported. An aggravated instance of injury to the property of an American missionary at Bourdour, in the province of Konia, called forth an urgent claim for reparation, which I am pleased to say was promptly heeded by the Government of the Porte. Interference with the trading ventures of our citizens in Asia Minor is also reported, and the lack of consular representation in that region is a serious drawback to instant and effective protection. I can not believe that these incidents represent a settled policy, and shall not cease to urge the adoption of proper remedies.

International copyright has been extended to Italy by proclamation in conformity with the act of March 3, 1891, upon assurance being given that Italian law permits to citizens of the United States the benefit of copyright on substantially the same basis as to subjects of Italy. By a special convention proclaimed January 15, 1892, reciprocal provisions of copyright have been applied between the United States and Germany. Negotiations are in progress with other countries to the same end.

I repeat with great earnestness the recommendation which I have made in several previous messages that prompt and adequate support be given to the American company engaged in the construction of the Nicaragua ship canal. It is impossible to overstate the value from every standpoint of this great enterprise, and I hope that there may be time, even in this Congress, to give to it an impetus that will insure the early completion of the canal and secure to the United States its proper relation to it when completed.

The Congress has been already advised that the invitations of this

Government for the assembling of an international monetary conference to consider the question of an enlarged use of silver were accepted by the nations to which they were addressed. The conference assembled at Brussels on the 22d of November, and has entered upon the consideration of this great question. I have not doubted, and have taken occasion to express that belief as well in the invitations issued for this conference as in my public messages, that the free coinage of silver upon an agreed international ratio would greatly promote the interests of our people and equally those of other nations. It is too early to predict what results may be accomplished by the conference. If any temporary check or delay intervenes, I believe that very soon commercial conditions will compel the now reluctant governments to unite with us in this movement to secure the enlargement of the volume of coined money needed for the transaction of the business of the world.

The report of the Secretary of the Treasury will attract especial interest in view of the many misleading statements that have been made as to the state of the public revenues. Three preliminary facts should not only be stated but emphasized before looking into details: First, that the public debt has been reduced since March 4, 1889, \$259,074,200, and the annual interest charge \$11,684,469; second, that there have been paid out for pensions during this Administration up to November 1, 1892, \$432,564,178.70, an excess of \$114,466,386.09 over the sum expended during the period from March 1, 1885, to March 1, 1889; and, third, that under the existing tariff up to December 1 about \$93,000,000 of revenue which would have been collected upon imported sugars if the duty had been maintained has gone into the pockets of the people, and not into the public Treasury, as before. If there are any who still think that the surplus should have been kept out of circulation by hoarding it in the Treasury, or deposited in favored banks without interest while the Government continued to pay to these very banks interest upon the bonds deposited as security for the deposits, or who think that the extended pension legislation was a public robbery, or that the duties upon sugar should have been maintained, I am content to leave the argument where it now rests while we wait to see whether these criticisms will take the form of legislation.

The revenues for the fiscal year ending June 30, 1892, from all sources were \$425,868,260.22, and the expenditures for all purposes were \$415,953,806.56, leaving a balance of \$9,914,453.66. There were paid during the year upon the public debt \$40,570,467.98. The surplus in the Treasury and the bank redemption fund passed by the act of July 14, 1890, to the general fund furnished in large part the cash available and used for the payments made upon the public debt. Compared with the year 1891, our receipts from customs duties fell off \$42,069,241.08, while our receipts from internal revenue increased \$8,284,823.13, leaving the net loss of revenue from these principal sources \$33,784,417.95. The net loss of revenue from all sources was \$32,675,972.81.

The revenues, estimated and actual, for the fiscal year ending June 30, 1893, are placed by the Secretary at \$463,336,350.44, and the expenditures

at \$461,336,350.44, showing a surplus of receipts over expenditures of \$2,000,000. The cash balance in the Treasury at the end of the fiscal year it is estimated will be \$20,992,377.03. So far as these figures are based upon estimates of receipts and expenditures for the remaining months of the current fiscal year, there are not only the usual elements of uncertainty, but some added elements. New revenue legislation, or even the expectation of it, may seriously reduce the public revenues during the period of uncertainty and during the process of business adjustment to the new conditions when they become known. But the Secretary has very wisely refrained from guessing as to the effect of possible changes in our revenue laws, since the scope of those changes and the time of their taking effect can not in any degree be forecast or foretold by him. His estimates must be based upon existing laws and upon a continuance of existing business conditions, except so far as these conditions may be affected by causes other than new legislation.

The estimated receipts for the fiscal year ending June 30, 1894, are \$490,121,365.38, and the estimated appropriations \$457,261,335.33, leaving an estimated surplus of receipts over expenditures of \$32,860,030.05. This does not include any payment to the sinking fund. In the recommendation of the Secretary that the sinking-fund law be repealed I concur. The redemption of bonds since the passage of the law to June 30, 1892, has already exceeded the requirements by the sum of \$990,510,681.49. The retirement of bonds in the future before maturity should be a matter of convenience, not of compulsion. We should not collect revenue for that purpose, but only use any casual surplus. To the balance of \$32,860,030.05 of receipts over expenditures for the year 1894 should be added the estimated surplus at the beginning of the year, \$20,992,377.03, and from this aggregate there must be deducted, as stated by the Secretary, about \$44,000,000 of estimated unexpended appropriations.

The public confidence in the purpose and ability of the Government to maintain the parity of all of our money issues, whether coin or paper, must remain unshaken. The demand for gold in Europe and the consequent calls upon us are in a considerable degree the result of the efforts of some of the European Governments to increase their gold reserves, and these efforts should be met by appropriate legislation on our part. The conditions that have created this drain of the Treasury gold are in an important degree political, and not commercial. In view of the fact that a general revision of our revenue laws in the near future seems to be probable, it would be better that any changes should be a part of that revision rather than of a temporary nature.

During the last fiscal year the Secretary purchased under the act of July 14, 1890, 54,355,748 ounces of silver and issued in payment therefor \$51,106,608 in notes. The total purchases since the passage of the act have been 120,479,981 ounces and the aggregate of notes issued \$116,783,590. The average price paid for silver during the year was 94 cents per ounce, the highest price being \$1.02 $\frac{3}{4}$ July 1, 1891, and the lowest 83 cents March 21, 1892. In view of the fact that the monetary conference is now sitting

and that no conclusion has yet been reached, I withhold any recommendation as to legislation upon this subject.

The report of the Secretary of War brings again to the attention of Congress some important suggestions as to the reorganization of the infantry and artillery arms of the service, which his predecessors have before urgently presented. Our Army is small, but its organization should all the more be put upon the most approved modern basis. The conditions upon what we have called the "frontier" have heretofore required the maintenance of many small posts, but now the policy of concentration is obviously the right one. The new posts should have the proper strategic relations to the only "frontiers" we now have—those of the seacoast and of our northern and part of our southern boundary. I do not think that any question of advantage to localities or to States should determine the location of the new posts. The reorganization and enlargement of the Bureau of Military Information which the Secretary has effected is a work the usefulness of which will become every year more apparent. The work of building heavy guns and the construction of coast defenses has been well begun and should be carried on without check.

The report of the Attorney-General is by law submitted directly to Congress, but I can not refrain from saying that he has conducted the increasing work of the Department of Justice with great professional skill. He has in several directions secured from the courts decisions giving increased protection to the officers of the United States and bringing some classes of crime that escaped local cognizance and punishment into the tribunals of the United States, where they could be tried with impartiality.

The numerous applications for Executive clemency presented in behalf of persons convicted in United States courts and given penitentiary sentences have called my attention to a fact referred to by the Attorney-General in his report, namely, that a time allowance for good behavior for such prisoners is prescribed by the Federal statutes only where the State in which the penitentiary is located has made no such provision. Prisoners are given the benefit of the provisions of the State law regulating the penitentiary to which they may be sent. These are various, some perhaps too liberal and some perhaps too illiberal. The result is that a sentence for five years means one thing if the prisoner is sent to one State for confinement and quite a different thing if he is sent to another. I recommend that a uniform credit for good behavior be prescribed by Congress.

I have before expressed my concurrence in the recommendation of the Attorney-General that degrees of murder should be recognized in the Federal statutes, as they are, I believe, in all the States. These grades are rounded on correct distinctions in crime. The recognition of them would enable the courts to exercise some discretion in apportioning punishment and would greatly relieve the Executive of what is coming to be a very heavy burden—the examination of these cases on application for

commutation.

The aggregate of claims pending against the Government in the Court of Claims is enormous. Claims to the amount of nearly \$400,000,000 for the taking of or injury to the property of persons claiming to be loyal during the war are now before that court for examination. When to these are added the Indian depredation claims and the French spoliation claims, an aggregate is reached that is indeed startling. In the defense of all these cases the Government is at great disadvantage. The claimants have preserved their evidence, whereas the agents of the Government are sent into the field to rummage for what they can find. This difficulty is peculiarly great where the fact to be established is the disloyalty of the claimant during the war. If this great threat against our revenues is to have no other check, certainly Congress should supply the Department of Justice with appropriations sufficiently liberal to secure the best legal talent in the defense of these claims and to pursue its vague search for evidence effectively.

The report of the Postmaster-General shows a most gratifying increase and a most efficient and progressive management of the great business of that Department. The remarkable increase in revenues, in the number of post-offices, and in the miles of mail carriage furnishes further evidence of the high state of prosperity which our people are enjoying. New offices mean new hamlets and towns, new routes mean the extension of our border settlements, and increased revenues mean an active commerce. The Postmaster-General reviews the whole period of his administration of the office and brings some of his statistics down to the month of November last. The postal revenues have increased during the last year nearly \$5,000,000. The deficit for the year ending June 30, 1892, is \$848,341 less than the deficiency of the preceding year. The deficiency of the present fiscal year it is estimated will be reduced to \$1,552,423, which will not only be extinguished during the next fiscal year but a surplus of nearly \$1,000,000 should then be shown. In these calculations the payments to be made under the contracts for ocean mail service have not been included. There have been added 1,590 new mail routes during the year, with a mileage of 8,563 miles, and the total number of new miles of mail trips added during the year is nearly 17,000,000. The number of miles of mail journeys added during the last four years is about 76,000,000, this addition being 21,000,000 miles more than were in operation in the whole country in 1861.

The number of post-offices has been increased by 2,790 during the year, and during the past four years, and up to October 29 last, the total increase in the number of offices has been nearly 9,000. The number of free-delivery offices has been nearly doubled in the last four years, and the number of money-order offices more than doubled within that time.

For the three years ending June 30, 1892, the postal revenue amounted to \$197,744,359, which was an increase of \$52,263,150 over the revenue for the three years ending June 30, 1888, the increase during the last three years

being more than three and a half times as great as the increase during the three years ending June 30, 1888. No such increase as that shown for these three years has ever previously appeared in the revenues of the Department. The Postmaster-General has extended to the post-offices in the larger cities the merit system of promotion introduced by my direction into the Departments here, and it has resulted there, as in the Departments, in a larger volume of work and that better done.

Ever since our merchant marine was driven from the sea by the rebel cruisers during the War of the Rebellion the United States has been paying an enormous annual tribute to foreign countries in the shape of freight and passage moneys. Our grain and meats have been taken at our own docks and our large imports there laid down by foreign shipmasters. An increasing torrent of American travel to Europe has contributed a vast sum annually to the dividends of foreign shipowners. The balance of trade shown by the books of our custom-houses has been very largely reduced and in many years altogether extinguished by this constant drain. In the year 1892 only 12.3 per cent of our imports were brought in American vessels. These great foreign steamships maintained by our traffic are many of them under contracts with their respective Governments by which in time of war they will become a part of their armed naval establishments. Profiting by our commerce in peace, they will become the most formidable destroyers of our commerce in time of war. I have felt, and have before expressed the feeling, that this condition of things was both intolerable and disgraceful. A wholesome change of policy, and one having in it much promise, as it seems to me, was begun by the law of March 3, 1891. Under this law contracts have been made by the Postmaster-General for eleven mail routes. The expenditure involved by these contracts for the next fiscal year approximates \$954,123.33. As one of the results already reached sixteen American steamships, of an aggregate tonnage of 57,400 tons, costing \$7,400,000, have been built or contracted to be built in American shipyards.

The estimated tonnage of all steamships required under existing contracts is 165,802, and when the full service required by these contracts is established there will be forty-one mail steamers under the American flag, with the probability of further necessary additions in the Brazilian and Argentine service. The contracts recently let for transatlantic service will result in the construction of five ships of 10,000 tons each, costing \$9,000,000 to \$10,000,000, and will add, with the City of New York and City of Paris, to which the Treasury Department was authorized by legislation at the last session to give American registry, seven of the swiftest vessels upon the sea to our naval reserve. The contracts made with the lines sailing to Central and South American ports have increased the frequency and shortened the time of the trips, added new ports of call, and sustained some lines that otherwise would almost certainly have been withdrawn. The service to Buenos Ayres is the first to the Argentine Republic under the American flag. The service to Southampton, Boulogne, and Antwerp is also new, and is to be begun with the steamships City of New York and City of Paris in February next.

I earnestly urge the continuance of the policy inaugurated by this legislation, and that the appropriations required to meet the obligations of the Government under the contracts may be made promptly, so that the lines that have entered into these engagements may not be embarrassed. We have had, by reason of connections with the transcontinental railway lines constructed through our own territory, some advantages in the ocean trade of the Pacific that we did not possess on the Atlantic. The construction of the Canadian Pacific Railway and the establishment under large subventions from Canada and England of fast steamship service from Vancouver with Japan and China seriously threaten our shipping interests in the Pacific. This line of English steamers receives, as is stated by the Commissioner of Navigation, a direct subsidy of \$400,000 annually, or \$30,767 per trip for thirteen voyages, in addition to some further aid from the Admiralty in connection with contracts under which the vessels may be used for naval purposes. The competing American Pacific mail line under the act of March 3, 1891, receives only \$6,389 per round trip.

Efforts have been making within the last year, as I am informed, to establish under similar conditions a line between Vancouver and some Australian port, with a view of seizing there a trade in which we have had a large interest. The Commissioner of Navigation states that a very large per cent of our imports from Asia are now brought to us by English steamships and their connecting railways in Canada. With a view of promoting this trade, especially in tea, Canada has imposed a discriminating duty of 10 per cent upon tea and coffee brought into the Dominion from the United States. If this unequal contest between American lines without subsidy, or with diminished subsidies, and the English Canadian line to which I have referred is to continue, I think we should at least see that the facilities for customs entry and transportation across our territory are not such as to make the Canadian route a favored one, and that the discrimination as to duties to which I have referred is met by a like discrimination as to the importation of these articles from Canada.

No subject, I think, more nearly touches the pride, the power, and the prosperity of our country than this of the development of our merchant marine upon the sea. If we could enter into conference with other competitors and all would agree to withhold government aid, we could perhaps take our chances with the rest; but our great competitors have established and maintained their lines by government subsidies until they now have practically excluded us from participation. In my opinion no choice is left to us but to pursue, moderately at least, the same lines.

The report of the Secretary of the Navy exhibits great progress in the construction of our new Navy. When the present Secretary entered upon his duties, only 3 modern steel vessels were in commission. The vessels since put in commission and to be put in commission during the winter will make a total of 19 during his administration of the Department. During the current year 10 war vessels and 3 navy tugs have been launched, and during the four years 25 vessels will have been launched. Two other large ships and a

torpedo boat are under contract and the work upon them well advanced, and the 4 monitors are awaiting only the arrival of their armor, which has been unexpectedly delayed, or they would have been before this in commission.

Contracts have been let during this Administration, under the appropriations for the increase of the Navy, including new vessels and their appurtenances, to the amount of \$35,000,000, and there has been expended during the same period for labor at navy-yards upon similar work \$8,000,000 without the smallest scandal or charge of fraud or partiality. The enthusiasm and interest of our naval officers, both of the staff and line, have been greatly kindled. They have responded magnificently to the confidence of Congress and have demonstrated to the world an unexcelled capacity in construction, in ordnance, and in everything involved in the building, equipping, and sailing of great war ships.

At the beginning of Secretary Tracy's administration several difficult problems remained to be grappled with and solved before the efficiency in action of our ships could be secured. It is believed that as the result of new processes in the construction of armor plate our later ships will be clothed with defensive plates of higher resisting power than are found on any war vessels afloat. We were without torpedoes. Tests have been made to ascertain the relative efficiency of different constructions, a torpedo has been adopted, and the work of construction is now being carried on successfully. We were without armor-piercing shells and without a shop instructed and equipped for the construction of them. We are now making what is believed to be a projectile superior to any before in use. A smokeless powder has been developed and a slow-burning powder for guns of large caliber. A high explosive capable of use in shells fired from service guns has been found, and the manufacture of gun cotton has been developed so that the question of supply is no longer in doubt.

The development of a naval militia, which has been organized in eight States and brought into cordial and cooperative relations with the Navy, is another important achievement. There are now enlisted in these organizations 1,800 men, and they are likely to be greatly extended. I recommend such legislation and appropriations as will encourage and develop this movement. The recommendations of the Secretary will, I do not doubt, receive the friendly consideration of Congress, for he has enjoyed, as he has deserved, the confidence of all those interested in the development of our Navy, without any division upon partisan lines. I earnestly express the hope that a work which has made such noble progress may not now be stayed. The wholesome influence for peace and the increased sense of security which our citizens domiciled in other lands feel when these magnificent ships under the American flag appear is already most gratefully apparent. The ships from our Navy which will appear in the great naval parade next April in the harbor of New York will be a convincing demonstration to the world that the United States is again a naval power.

The work of the Interior Department, always very burdensome, has been larger than ever before during the administration of Secretary Noble. The

disability-pension law, the taking of the Eleventh Census, the opening of vast areas of Indian lands to settlement, the organization of Oklahoma, and the negotiations for the cession of Indian lands furnish some of the particulars of the increased work, and the results achieved testify to the ability, fidelity, and industry of the head of the Department and his efficient assistants.

Several important agreements for the cession of Indian lands negotiated by the commission appointed under the act of March 2, 1889, are awaiting the action of Congress. Perhaps the most important of these is that for the cession of the Cherokee Strip. This region has been the source of great vexation to the executive department and of great friction and unrest between the settlers who desire to occupy it and the Indians who assert title. The agreement which has been made by the commission is perhaps the most satisfactory that could have been reached. It will be noticed that it is conditioned upon its ratification by Congress before March 4, 1893. The Secretary of the Interior, who has given the subject very careful thought, recommends the ratification of the agreement, and I am inclined to follow his recommendation. Certain it is that some action by which this controversy shall be brought to an end and these lands opened to settlement is urgent.

The form of government provided by Congress on May 17, 1884, for Alaska was in its frame and purpose temporary. The increase of population and the development of some important mining and commercial interests make it imperative that the law should be revised and better provision made for the arrest and punishment of criminals.

The report of the Secretary shows a very gratifying state of facts as to the condition of the General Land Office. The work of issuing agricultural patents, which seemed to be hopelessly in arrear when the present Secretary undertook the duties of his office, has been so expedited that the bureau is now upon current business. The relief thus afforded to honest and worthy settlers upon the public lands by giving to them an assured title to their entries has been of incalculable benefit in developing the new States and the Territories.

The Court of Private Land Claims, established by Congress for the promotion of this policy of speedily settling contested land titles, is making satisfactory progress in its work, and when the work is completed a great impetus will be given to the development of those regions where unsettled claims under Mexican grants have so long exercised their repressive influence. When to these results are added the enormous cessions of Indian lands which have been opened to settlement, aggregating during this Administration nearly 26,000,000 acres, and the agreements negotiated and now pending in Congress for ratification by which about 10,000,000 additional acres will be opened to settlement, it will be seen how much has been accomplished.

The work in the Indian Bureau in the execution of the policy of recent legislation has been largely directed to two chief purposes: First, the allotment of lands in severalty to the Indians and the cession to the United States of the surplus lands, and, secondly, to the work of educating the Indian for his own protection in his closer contact with the white man and for the intelligent exercise of his new citizenship. Allotments have been made and patents issued to 5,900 Indians under the present Secretary and Commissioner, and 7,600 additional allotments have been made for which patents are now in process of preparation. The school attendance of Indian children has been increased during that time over 13 per cent, the enrollment for 1892 being nearly 20,000. A uniform system of school text-books and of study has been adopted and the work in these national schools brought as near as may be to the basis of the free common schools of the States. These schools can be transferred and merged into the common-school systems of the States when the Indian has fully assumed his new relation to the organized civil community in which he resides and the new States are able to assume the burden. I have several times been called upon to remove Indian agents appointed by me, and have done so promptly upon every sustained complaint of unfitness or misconduct. I believe, however, that the Indian service at the agencies has been improved and is now administered on the whole with a good degree of efficiency. If any legislation is possible by which the selection of Indian agents can be wholly removed from all partisan suggestions or considerations, I am sure it would be a great relief to the Executive and a great benefit to the service. The appropriation for the subsistence of the Cheyenne and Arapahoe Indians made at the last session of Congress was inadequate. This smaller appropriation was estimated for by the Commissioner upon the theory that the large fund belonging to the tribe in the public Treasury could be and ought to be used for their support. In view, however, of the pending deprecation claims against this fund and other considerations, the Secretary of the Interior on the 12th of April last submitted a supplemental estimate for \$50,000. This appropriation was not made, as it should have been, and the oversight ought to be remedied at the earliest possible date.

In a special message to this Congress at the last session, I stated the reasons why I had not approved the deed for the release to the United States by the Choctaws and Chickasaws of the lands formerly embraced in the Cheyenne and Arapahoe Reservation and remaining after allotments to that tribe. A resolution of the Senate expressing the opinion of that body that notwithstanding the facts stated in my special message the deed should be approved and the money, \$2,991,450, paid over was presented to me May 10, 1892. My special message was intended to call the attention of Congress to the subject, and in view of the fact that it is conceded that the appropriation proceeded upon a false basis as to the amount of lands to be paid for and is by \$50,000 in excess of the amount they are entitled to (even if their claim to the land is given full recognition at the rate agreed upon), I have not felt willing to approve the deed, and shall not do so, at least until both Houses of Congress have acted upon the subject. It

has been informally proposed by the claimants to release this sum of \$50,000, but I have no power to demand or accept such a release, and such an agreement would be without consideration and void.

I desire further to call the attention of Congress to the fact that the recent agreement concluded with the Kiowas and Comanches relates to lands which were a part of the "leased district," and to which the claim of the Choctaws and Chickasaws is precisely that recognized by Congress in the legislation I have referred to. The surplus lands to which this claim would attach in the Kiowa and Comanche Reservation is 2,500,000 acres, and at the same rate the Government will be called upon to pay to the Choctaws and Chickasaws for these lands \$3,125,000. This sum will be further augmented, especially if the title of the Indians to the tract now Greet County, Tex., is established. The duty devolved upon me in this connection was simply to pass upon the form of the deed; but as in my opinion the facts mentioned in my special message were not adequately brought to the attention of Congress in connection with the legislation, I have felt that I would not be justified in acting without some new expression of the legislative will.

The report of the Commissioner of Pensions, to which extended notice is given by the Secretary of the Interior in his report, will attract great attention. Judged by the aggregate amount of work done, the last year has been the greatest in the history of the office. I believe that the organization of the office is efficient and that the work has been done with fidelity. The passage of what is known as the disability bill has, as was foreseen, very largely increased the annual disbursements to the disabled veterans of the Civil War. The estimate for this fiscal year was \$144,956,000, and that amount was appropriated. A deficiency amounting to \$10,508,621 must be provided for at this session. The estimate for pensions for the fiscal year ending June 30, 1894, is \$165,000,000. The Commissioner of Pensions believes that if the present legislation and methods are maintained and further additions to the pension laws are not made the maximum expenditure for pensions will be reached June 30, 1894, and will be at the highest point \$188,000,000 per annum.

I adhere to the views expressed in previous messages that the care of the disabled soldiers of the War of the Rebellion is a matter of national concern and duty. Perhaps no emotion cools sooner than that of gratitude, but I can not believe that this process has yet reached a point with our people that would sustain the policy of remitting the care of these disabled veterans to the inadequate agencies provided by local laws. The parade on the 20th of September last upon the streets of this capital of 60,000 of the surviving Union veterans of the War of the Rebellion was a most touching and thrilling episode, and the rich and gracious welcome extended to them by the District of Columbia and the applause that greeted their progress from tens of thousands of people from all the States did much to revive the glorious recollections of the Grand Review when these men and many thousand others now in their graves were welcomed with grateful joy as victors in a struggle in which the national unity, honor, and wealth were all at issue.

In my last annual message I called attention to the fact that some legislative action was necessary in order to protect the interests of the Government in its relations with the Union Pacific Railway. The Commissioner of Railroads has submitted a very full report, giving exact information as to the debt, the liens upon the company's property, and its resources. We must deal with the question as we find it and take that course which will under existing conditions best secure the interests of the United States. I recommended in my last annual message that a commission be appointed to deal with this question, and I renew that recommendation and suggest that the commission be given full power.

The report of the Secretary of Agriculture contains not only a most interesting statement of the progressive and valuable work done under the administration of Secretary Rusk, but many suggestions for the enlarged usefulness of this important Department. In the successful efforts to break down the restrictions to the free introduction of our meat products in the countries of Europe the Secretary has been untiring from the first, stimulating and aiding all other Government officers at home and abroad whose official duties enabled them to participate in the work. The total trade in hog products with Europe in May, 1892, amounted to 82,000,000 pounds, against 46,900,000 in the same month of 1891; in June, 1892, the export aggregated 85,700,000 pounds, against 46,500,000 pounds in the same month of the previous year; in July there was an increase of 41 per cent and in August of 55 per cent over the corresponding months of 1891. Over 40,000,000 pounds of inspected pork have been exported since the law was put into operation, and a comparison of the four months of May, June, July, and August, 1892, with the same months of 1891 shows an increase in the number of pounds of our export of pork products of 62 per cent and an increase in value of 66 1/2 per cent. The exports of dressed beef increased from 137,900,000 pounds in 1889 to 220,500,000 pounds in 1892 or about 60 per cent. During the past year there have been exported 394,607 head of live cattle, as against 205,786 exported in 1889. This increased exportation has been largely promoted by the inspection authorized by law and the faithful efforts of the Secretary and his efficient subordinates to make that inspection thorough and to carefully exclude from all cargoes diseased or suspected cattle. The requirement of the English regulations that live cattle arriving from the United States must be slaughtered at the docks had its origin in the claim that pleuro-pneumonia existed among American cattle and that the existence of the disease could only certainly be determined by a post mortem inspection.

The Department of Agriculture has labored with great energy and faithfulness to extirpate this disease, and on the 26th day of September last a public announcement was made by the Secretary that the disease no longer existed anywhere within the United States. He is entirely satisfied after the most searching inquiry that this statement was justified, and that by a continuance of the inspection and quarantine now required of cattle brought into this country the disease can be prevented from again getting any foothold. The value to the cattle industry of the United States

of this achievement can hardly be estimated. We can not, perhaps, at once insist that this evidence shall be accepted as satisfactory by other countries; but if the present exemption from the disease is maintained and the inspection of our cattle arriving at foreign ports, in which our own veterinarians participate, confirms it, we may justly expect that the requirement that our cattle shall be slaughtered at the docks will be revoked, as the sanitary restrictions upon our pork products have been. If our cattle can be taken alive to the interior, the trade will be enormously increased.

Agricultural products constituted 78.1 per cent of our unprecedented exports for the fiscal year which closed June 30, 1892, the total exports being \$1,030,278,030 and the value of the agricultural products \$793,717,676, which exceeds by more than \$150,000,000 the shipment of agricultural products in any previous year.

An interesting and a promising work for the benefit of the American farmer has been begun through agents of the Agricultural Department in Europe, and consists in efforts to introduce the various products of Indian corn as articles of human food. The high price of rye offered a favorable opportunity for the experiment in Germany of combining corn meal with rye to produce a cheaper bread. A fair degree of success has been attained, and some mills for grinding corn for food have been introduced. The Secretary is of the opinion that this new use of the products of corn has already stimulated exportations, and that if diligently prosecuted large and important markets can presently be opened for this great American product.

The suggestions of the Secretary for an enlargement of the work of the Department are commended to your favorable consideration. It may, I think, be said without challenge that in no corresponding period has so much been done as during the last four years for the benefit of American agriculture.

The subject of quarantine regulations, inspection, and control was brought suddenly to my attention by the arrival at our ports in August last of vessels infected with cholera. Quarantine regulations should be uniform at all our ports. Under the Constitution they are plainly within the exclusive Federal jurisdiction when and so far as Congress shall legislate. In my opinion the whole subject should be taken into national control and adequate power given to the Executive to protect our people against plague invasions. On the 1st of September last I approved regulations establishing a twenty-day quarantine for all vessels bringing immigrants from foreign ports. This order will be continued in force. Some loss and suffering have resulted to passengers, but a due care for the homes of our people justifies in such cases the utmost precaution. There is danger that with the coming of spring cholera will again appear, and a liberal appropriation should be made at this session to enable our quarantine and port officers to exclude the deadly plague.

But the most careful and stringent quarantine regulations may not be

sufficient absolutely to exclude the disease. The progress of medical and sanitary science has been such, however, that if approved precautions are taken at once to put all of our cities and towns in the best sanitary condition, and provision is made for isolating any sporadic cases and for a thorough disinfection, an epidemic can, I am sure, be avoided. This work appertains to the local authorities, and the responsibility and the penalty will be appalling if it is neglected or unduly delayed.

We are peculiarly subject in our great ports to the spread of infectious diseases by reason of the fact that unrestricted immigration brings to us out of European cities, in the overcrowded steerages of great steamships, a large number of persons whose surroundings make them the easy victims of the plague. This consideration, as well as those affecting the political, moral, and industrial interests of our country, leads me to renew the suggestion that admission to our country and to the high privileges of its citizenship should be more restricted and more careful. We have, I think, a right and owe a duty to our own people, and especially to our working people, not only to keep out the vicious, the ignorant, the civil disturber, the pauper, and the contract laborer, but to check the too great flow of immigration now coming by further limitations.

The report of the World's Columbian Exposition has not yet been submitted.

That of the board of management of the Government exhibit has been received and is herewith transmitted. The work of construction and of preparation for the opening of the exposition in May next has progressed most satisfactorily and upon a scale of liberality and magnificence that will worthily sustain the honor of the United States.

The District of Columbia is left by a decision of the supreme court of the District without any law regulating the liquor traffic. An old statute of the legislature of the District relating to the licensing of various vocations has hitherto been treated by the Commissioners as giving them power to grant or refuse licenses to sell intoxicating liquors and as subjecting those who sold without licenses to penalties; but in May last the supreme court of the District held against this view of the powers of the Commissioners. It is of urgent importance, therefore, that Congress should supply, either by direct enactment or by conferring discretionary powers upon the Commissioners, proper limitations and restraints upon the liquor traffic in the District. The District has suffered in its reputation by many crimes of violence, a large per cent of them resulting from drunkenness and the liquor traffic. The capital of the nation should be freed from this reproach by the enactment of stringent restrictions and limitations upon the traffic.

In renewing the recommendation which I have made in three preceding annual messages that Congress should legislate for the protection of railroad employees against the dangers incident to the old and inadequate methods of braking and coupling which are still in use upon freight trains, I do so

with the hope that this Congress may take action upon the subject. Statistics furnished by the Interstate Commerce Commission show that during the year ending June 30, 1891, there were forty-seven different styles of car couplers reported to be in use, and that during the same period there were 2,660 employees killed and 26,140 injured. Nearly 16 per cent of the deaths occurred in the coupling and uncoupling of cars and over 36 per cent of the injuries had the same origin.

The Civil Service Commission ask for an increased appropriation for needed clerical assistance, which I think should be given. I extended the classified service March 1, 1892, to include physicians, superintendents, assistant superintendents, school-teachers, and matrons in the Indian service, and have had under consideration the subject of some further extensions, but have not as yet fully determined the lines upon which extensions can most properly and usefully be made.

I have in each of the three annual messages which it has been my duty to submit to Congress called attention to the evils and dangers connected with our election methods and practices as they are related to the choice of officers of the National Government. In my last annual message I endeavored to invoke serious attention to the evils of unfair apportionments for Congress. I can not close this message without again calling attention to these grave and threatening evils. I had hoped that it was possible to secure a nonpartisan inquiry by means of a commission into evils the existence of which is known to all, and that out of this might grow legislation from which all thought of partisan advantage should be eliminated and only the higher thought appear of maintaining the freedom and purity of the ballot and the equality of the elector, without the guaranty of which the Government could never have been formed and without the continuance of which it can not continue to exist in peace and prosperity.

It is time that mutual charges of unfairness and fraud between the great parties should cease and that the sincerity of those who profess a desire for pure and honest elections should be brought to the test of their willingness to free our legislation and our election methods from everything that tends to impair the public confidence in the announced result. The necessity for an inquiry and for legislation by Congress upon this subject is emphasized by the fact that the tendency of the legislation in some States in recent years has in some important particulars been away from and not toward free and fair elections and equal apportionments. Is it not time that we should come together upon the high plane of patriotism while we devise methods that shall secure the right of every man qualified by law to cast a free ballot and give to every such ballot an equal value in choosing our public officers and in directing the policy of the Government?

Lawlessness is not less such, but more, where it usurps the functions of the peace officer and of the courts. The frequent lynching of colored people accused of crime is without the excuse, which has sometimes been

urged by mobs for a failure to pursue the appointed methods for the punishment of crime, that the accused have an undue influence over courts and juries. Such acts are a reproach to the community where they occur, and so far as they can be made the subject of Federal jurisdiction the strongest repressive legislation is demanded. A public sentiment that will sustain the officers of the law in resisting mobs and in protecting accused persons in their custody should be promoted by every possible means. The officer who gives his life in the brave discharge of this duty is worthy of special honor. No lesson needs to be so urgently impressed upon our people as this, that no worthy end or cause can be promoted by lawlessness.

This exhibit of the work of the Executive Departments is submitted to Congress and to the public in the hope that there will be found in it a due sense of responsibility and an earnest purpose to maintain the national honor and to promote the happiness and prosperity of all our people, and this brief exhibit of the growth and prosperity of the country will give us a level from which to note the increase or decadence that new legislative policies may bring to us. There is no reason why the national influence, power, and prosperity should not observe the same rates of increase that have characterized the past thirty years. We carry the great impulse and increase of these years into the future. There is no reason why in many lines of production we should not surpass all other nations, as we have already done in some. There are no near frontiers to our possible development. Retrogression would be a crime. BENJ. HARRISON