

her for any advantages which commerce shall hereafter derive from the expenditures made by her for the improvement and safety of the navigation of the Sound or Belts.

I lay before you, herewith, sundry documents on the subject, in which my views are more fully disclosed. Should no satisfactory arrangements be soon concluded, I shall again call your attention to the subject, with recommendation of such measures as may appear to be required in order to assert and secure the rights of the United States, so far as they are affected by the pretensions of Denmark.

I announce with great gratification that, since the adjournment of the last Congress, the question then existing between this Government and that of France, respecting the French consul at San Francisco, has been satisfactorily determined, and that the relations of the two Governments continue to be of the most friendly nature.

A question, also, which has been pending for several years between the United States and the Kingdom of Greece, growing out of the sequestration, by public authorities of that country, of property belonging to the present American consul at Athens, and which had been the subject of very earnest discussion heretofore, has recently been settled to the satisfaction of the party interested and of both Governments.

With Spain, peaceful relations are still maintained, and some progress has been made in securing the redress of wrongs complained of by this Government. Spain has not only disavowed and disapproved the conduct of the officers who illegally seized and detained the steamer Black Warrior at Havana, but has also paid the sum claimed as indemnity for the loss thereby inflicted on citizens of the United States.

In consequence of a destructive hurricane which visited Cuba in 1844, the supreme authority of that island issued a decree, permitting the importation, for the period of six months, of certain building materials and provisions, free of duty, but revoked it when about half the period only had elapsed to the injury of citizens of the United States who had proceeded to act on the faith of that decree. The Spanish Government refused indemnification to the parties aggrieved until recently, when it was assented to, payment being promised to be made so soon as the amount due can be ascertained.

Satisfaction claimed for the arrest and search of the steamer El Dorado has not yet been accorded, but there is reason to believe that it will be, and that case, with others, continues to be urged on the attention of the Spanish Government. I do not abandon the hope of concluding with Spain some general arrangement, which, if it do not wholly prevent the recurrence of difficulties in Cuba, will render them less frequent, and, whenever they shall occur, facilitate their more speedy settlement.

The interposition of this Government has been invoked by many of its citizens, on account of injuries done to their persons and property, for which the Mexican Republic is responsible.

The unhappy situation of that country, for some time past, has not allowed its Government to give due consideration to claims of private reparation, and has appeared to call for and justify some forbearance in such matters on the part of this Government. But, if the revolutionary movements which have lately occurred in that Republic end in the organization of a stable Government, urgent appeals to its justice will then be made, and, it may be hoped, with success, for the redress of all complaints of our citizens.

In regard to the American Republics, which, from their proximity and other considerations, have peculiar relations to this Government, while it has been my constant aim strictly to observe all the obligations of political friendship and of good neighborhood, obstacles to this have arisen in some of them, from their own insufficient power to check lawless irruptions, which in effect throw most of the task on the United States. Thus it is that the distracted internal condition of the State of Nicaragua has made it incumbent on me to appeal to the good faith of our citizens to abstain from unlawful intervention in its affairs, and to adopt preventive measures to the same end, which, on a similar occasion, had the best results in reassuring the peace of the Mexican States of Sonora and Lower California.

Since the last session of Congress a treaty of amity, commerce, and navigation, and for the surrender of fugitive criminals, with the Kingdom of the Two Sicilies; a treaty of friendship, commerce, and navigation, with Nicaragua, and a convention of commercial reciprocity with the Hawaiian kingdom, have been negotiated. The latter kingdom and the State of Nicaragua have also acceded to a declaration, recognizing as international rights the principles contained in the convention between the United States and Russia, of the 22d of July, 1854. These treaties and conventions will be laid before the Senate for ratification.

The statements made in my last annual message respecting the anticipated receipts and expenditures of the Treasury have been substantially verified.

It appears from the report of the Secretary of the Treasury, that the receipts during the last fiscal year ending June 30, 1855, from all sources, were \$65,003,930; and that the public expenditures for the same period, exclusive of payments on account of the public debt, amounted to \$56,365,393. During the same period, the payments made in redemption of the public debt including interest and premium, amounted to \$9,844,528.

The balance in the Treasury, at the beginning of the present fiscal year, July 1, 1855, was \$18,931,976; the receipts for the first quarter, and the estimated receipts for the remaining three quarters, amount, together, to \$67,918,734; thus affording in all, as the available resources of the current fiscal year, the sum of \$86,856,710.

If to the actual expenditures of the first quarter of the current fiscal year be added the probable expenditures for the remaining three quar-

ters, as estimated by the Secretary of the Treasury, the sum total will be \$71,226,846, thereby leaving an estimated balance in the Treasury on July 1, 1856, of \$15,623,863.41.

In the above estimated expenditures of the present fiscal year, are included \$3,000,000 to meet the last installment of the \$10,000,000 provided for in the late treaty with Mexico, and \$7,750,000 appropriated on account of the debt due to Texas, which two sums make an aggregate amount of \$10,750,000, and reduce the expenditures, actual or estimated, for ordinary objects of the year, to the sum of \$60,476,000.

The amount of the public debt at the commencement of the present fiscal year was \$40,583,631, and, deduction being made of subsequent payments, the whole public debt of the Federal Government remaining at this time is less than \$40,000,000.

The remnant of certain other Government stocks, amounting to \$243,000, referred to in my last message as outstanding, has since been paid.

I am fully persuaded that it would be difficult to devise a system superior to that by which the fiscal business of the Government is now conducted. Notwithstanding the great number of public agents of collection and disbursement, it is believed that the checks and guards provided, including the requirements of monthly returns, render it scarcely possible for any considerable fraud on the part of those agents, or neglect involving hazard of serious public loss, to escape detection. I renew, however, the recommendation, heretofore made by me, of the enactment of a law declaring it felony on the part of public officers to insert false entries in their books of record or account, or to make false returns, and also requiring them on the termination of their service to deliver to their successors all books, records, and other objects of a public nature in their custody.

Derived as our public revenue is, in chief part, from duties on imports, its magnitude affords gratifying evidence of the prosperity, not only of our commerce, but of the other great interests upon which that depends.

The principle that all moneys not required for the current expenses of the Government should remain for active employment in the hands of people, and the conspicuous fact that the annual revenue from all sources exceeds, by many millions of dollars, the amount needed for a prudent and economical administration of public affairs, cannot fail to suggest the propriety of an early revision and reduction of the tariff of duties on imports. It is now so generally conceded that the purpose of revenue alone can justify the imposition of duties on imports, that, in readjusting the impost tables and schedules, which unquestionably require essential modifications, a departure from the principles of the present tariff is not anticipated.

The Army, during the past year, has been actively engaged in defending the Indian frontier, the state of the service permitting but few and small garrisons in our permanent fortifications. The additional regiments authorized at the last session of Congress have been recruited and organized, and a large portion of the troops have already been sent to the field. All the duties which devolve on the military establishment have been satisfactorily performed, and the dangers and privations incident to the character of the service required of our troops have furnished additional evidence of their courage, zeal, and capacity to meet any requisition which their country may make upon them. For the details of the military operations, the distribution of the troops, and additional provisions required for the military service, I refer to the report of the Secretary of War and the accompanying documents.

Experience gathered from events which have transpired since my last annual message, has but served to confirm the opinion then expressed of the propriety of making provision, by a retired list, for disabled officers, and of increased compensation to the officers retained on the list for active duty. All the reasons which existed when these measures were recommended on former occasions, continue without modification, except so far as circumstances have given to some of them additional force.

The recommendations, heretofore made for a partial reorganization of the Army are also renewed. The thorough elementary education given to those officers who commence their service with the grade of cadet, qualifies them to a considerable extent, to perform the duties of every arm of the service; but to give the highest efficiency to artillery requires the practice and special study of many years; and it is not, therefore, believed to be advisable to maintain, in time of peace, a larger force of that arm than can be usually employed in the duties appertaining to the service of field and siege artillery. The duties of the staff in all its various branches belong to the movements of troops, and the efficiency of an army in the field would materially depend upon the ability with which those duties are discharged. It is not, as in the case of the artillery, a speciality, but requires, also, an intimate knowledge of the duties of an officer of the line, and it is not doubted that, to complete the education of an officer for either the line or the general staff, it is desirable that he shall have served in both. With this view, it was recommended on a former occasion that the duties of the staff should be mainly performed by details from the line; and, with conviction of the advantages which would result from such a change, it is again presented for the consideration of Congress.

The report of the Secretary of the Navy, here with submitted, exhibits in full the naval operations of the past year, together with the present condition of the service, and it makes suggestions of further legislation, to which your attention is invited.

The construction of the six steam frigates, for which appropriations were made by the last Congress, has proceeded in the most satisfactory manner, and with such expedition, as to warrant the belief that they will be ready for service early in the coming spring. Important as this addition

to our naval force is, it still remains inadequate to the contingent exigencies of the protection of the extensive sea-coast and vast commercial interests of the United States. In view of this fact, and of the acknowledged wisdom of the policy of a gradual and systematic increase of the Navy, an appropriation is recommended for the construction of six steam sloops of war.

In regard to the steps taken in execution of the act of Congress to promote the efficiency of the Navy, it is unnecessary for me to say more than to express entire concurrence in the observations on that subject presented by the Secretary in his report.

It will be perceived, by the report of the Postmaster General, that the gross expenditure of the Department for the last fiscal year was \$9,968,342, and the gross receipts \$7,342,136, making an excess of expenditure over receipts of \$2,626,206; and that the cost of mail transportation during that year was \$674,952 greater than the previous year. Much of the heavy expenditures, to which the Treasury is thus subjected, is to be ascribed to the large quantity of printed matter conveyed by the mails, either franked, or liable to no postage by law, or to very low rates of postage compared with that charged on letters; and to the great cost of mail service on railroads and by ocean steamers. The suggestions of the Postmaster General on the subject deserve the consideration of Congress.

The report of the Secretary of the Interior will engage your attention, as well for useful suggestions it contains, as for the interest and importance of the subjects to which they refer.

The aggregate amount of public land sold during the last fiscal year, located with military scrip or land warrants, taken up under grants for roads, and selected as swamp lands by States, is twenty-four million five hundred and fifty-seven thousand four hundred and nine acres; of which the portion sold was fifteen million seven hundred and twenty-nine thousand five hundred and twenty-four acres, yielding in receipts the sum of \$11,485,380. In the same period of time, eight million seven hundred and twenty-three thousand eight hundred and fifty-four acres have been surveyed; but, in consideration of the quantity already subject to entry, no additional tracts have been brought into market.

The peculiar relations of the General Government to the District of Columbia renders it proper to commend to your care not only its material, but also its moral interests, including education, more especially in those parts of the District outside of the cities of Washington and Georgetown.

The commissioners appointed to revise and codify the laws of the District have made such progress in the performance of their task, as to insure its completion in the time prescribed by the act of Congress.

Information has recently been received that the peace of the settlements in the Territories of Oregon and Washington is disturbed by hostilities on the part of the Indians, with indications of extensive combinations of a hostile character among the tribes in that quarter, the most serious in their possible effect by reason of the undetermined foreign interests existing in those Territories, to which your attention has already been especially invited. Efficient measures have been taken, which, it is believed, will restore quiet, and afford protection to our citizens.

In the Territory of Kansas there have been acts prejudicial to good order, but as yet none have occurred under circumstances to justify the interposition of the Federal Executive. That could only be in case of obstruction to Federal law, or of organized resistance to territorial law, assuming the character of insurrection, which, if it should occur, it would be my duty promptly to overcome and suppress. I cherish the hope, however, that the occurrence of any such untoward event will be prevented by the sound sense of the people of the Territory, who, by its organic law, possessing the right to determine their own domestic institutions, are entitled, while deporting themselves peacefully, to the free exercise of that right, and must be protected in the enjoyment of it, without interference on the part of the citizens of any of the States.

The southern boundary line of this Territory has never been surveyed and established. The rapidly extending settlements in that region, and the fact that the main route between Independence, in the State of Missouri, and New Mexico, is contiguous to this line, suggests the probability that embarrassing questions of jurisdiction may consequently arise. For these and other considerations, I commend the subject to your early attention.

I have thus passed in review the general state of the Union, including such particular concerns of the Federal Government, whether of domestic or foreign relation, as it appeared to me desirable and useful to bring to the special notice of Congress. Unlike the great States of Europe and Asia, and many of those of America, these United States are wasting their strength neither in foreign war nor domestic strife. Whatever of discontent or public dissatisfaction exists is attributable to the imperfections of human nature, or is incident to all governments, however perfect, which human wisdom can devise. Such subjects of political agitation as occupy the public mind consist, to a great extent, of exaggeration of inevitable evils, or over zeal in social improvement, or mere imagination of grievance, having but remote connection with any of the constitutional functions or duties of the Federal Government. To whatever extent these questions exhibit a tendency menacing to the stability of the Constitution or the integrity of the Union, and no further, they demand the consideration of the Executive, and require to be presented by him to Congress.

Before the thirteen colonies became a confederation of independent States, they were associated only by community of transatlantic origin, by geographical position, and by the mutual tie of common dependence on Great Britain. When that tie was sundered, they severally assumed the powers and rights of absolute self-govern-

ment. The municipal and social institutions of each, its laws of property and of personal relation, even its political organization, were such only as each one chose to establish, wholly without interference from any other. In the language of the Declaration of Independence, each State had "full power to levy war, conclude peace, contract alliances, establish commerce, and to do all other acts and things which independent States may of right do." The several colonies differed in climate, in soil, in natural productions, in religion, in systems of education, in legislation, and in the forms of political administration; and they continued to differ in these respects when they voluntarily allied themselves as States to carry on the war of the Revolution.

The object of that war was to disenthral the United Colonies from foreign rule, which had proved to be oppressive, and to separate them permanently from the mother country: the political result was the foundation of a Federal Republic of the free white men of the colonies, constituted, as they were, in distinct and reciprocally independent State governments. As for the subject races, whether Indian or African, the wise and brave statesmen of that day, being engaged in no extravagant scheme of social change, left them as they were, and thus preserved themselves and their posterity from the anarchy and the ever-recurring civil wars which have prevailed in other revolutionized European colonies of America.

When the confederated States found it convenient to modify the conditions of their association, by giving to the General Government direct access, in some respects, to the people of the States, instead of confining it to action on the States as such, they proceeded to frame the existing Constitution, adhering steadily to one guiding thought, which was, to delegate only such power as was necessary and proper to the execution of specific purposes, or, in other words, to retain as much as possible, consistently with those purposes, of the independent Powers of the individual States. For objects of common defence and security, they intrusted to the General Government certain carefully-defined functions, leaving all others as the undelimited rights of the separate independent sovereignties.

Such is the constitutional theory of our Government, the practical observance of which has carried us, and us alone among modern republics, through nearly three generations of time without the cost of one drop of blood shed in civil war. With freedom and concert of action, it has enabled us to contend successfully on the battlefield against foreign foes, has elevated the feeble colonies into powerful States, and has raised our industrial productions, and our commerce which transports them, to the level of the richest and the greatest nations of Europe. And the admirable adaptation of our political institutions to their objects, combining local self-government with aggregate strength, has established the practicability of a Government like ours to cover a continent with confederate States.

The Congress of the United States, is, in effect, that Congress of sovereignties which good men in the Old World have sought for, but could never attain, and which imparts to America an exemption from the mutual leagues for common action, from the wars, the mutual invasions, and vague aspirations after the balance of power, which convulse, from time to time, the Governments of Europe. Our co-operative action rests in the conditions of permanent confederation prescribed by the Constitution. Our balance of power is in the separate reserved rights of the States, and their equal representation in the Senate. That independent sovereignty in every one of the States, with its reserved rights of local self-government assured to each by their coequal power in the Senate, was the fundamental condition of the Constitution. Without it, the Union would never have existed. However desirous the larger States might be to reorganize the Government so as to give to their population its proportionate weight in the common councils, they knew it was impossible, unless they conceded to the smaller ones authority to exercise at least a negative influence on all the measures of the Government, whether legislative or executive, through their equal representation in the Senate. Indeed, the larger States themselves could not have failed to perceive that the same power was equally necessary to them for the security of their own domestic interests against the aggregate force of the General Government. In a word, the original States went into this permanent league on the agreed premises of exerting their common strength for the defence of the whole, and of all its parts; but of utterly excluding all capability of reciprocal aggression. Each solemnly bound itself to all the others neither to undertake nor permit any encroachment upon, or intermeddling with, another's reserved rights.

Where it was deemed expedient, particular rights of the States were expressly guaranteed by the Constitution; but, in all things beside, these rights were guarded by the limitation of the powers granted, and by express reservation of all powers not granted, in the compact of union. Thus, the great power of taxation was limited to purposes of common defence and general welfare, excluding objects appertaining to the local legislation of the several States, and those purposes of general welfare and common defence were afterwards defined by specific enumeration, as being matters only of correlation between the States themselves, or between them and foreign Governments, which, because of their common and general nature, could not be left to the separate control of each State.

Of the circumstances of local condition, interest, and rights, in which a portion of the States constituting one great section of the Union differed from the rest, and from another section, the most important was the peculiarity of a larger relative colored population in the southern than in the northern States.

A population of this class, held in subjection, existed in nearly all the States, but was more numerous and of more serious concernment in