

the Spanish authorities in Cuba would not sanction any act that would violate or treat with disrespect the sovereignty of this nation.

The "Mary Lowell."

The question of the seizure of the brig *Mary Lowell*, at one of the Bahama Islands, by the Spanish authorities is more the subject of correspondence between this Government and those of Spain and Great Britain. The Captain General of Cuba, about May last, issued a proclamation authorizing search to be made of vessels on the high seas. Immediate remonstrance was made against this, whereupon the Captain General issued a new proclamation limiting the right of search to be made of vessels of the United States, so far as authorized under the treaty of 1795. This proclamation was immediately withdrawn. I have always felt that the most intimate relations should be cultivated between the Republic of the United States and all independent nations on this continent. It may be well worth considering whether treaties between the United States and them may not be profitably entered into to secure more intimate relations, friendly, commercial and otherwise.

The Darien Canal.

The subject of an inter-oceanic canal, to connect the Atlantic and Pacific Oceans, through the Isthmus of Darien, is one which the United States is greatly interested, and instructions have been given to our minister to the Republic of the United States of Columbia, to endeavor to obtain authority for a survey by this Government, in order to determine the practicability of such an undertaking; and a charter for the right of way to build, by private enterprise such a work if the survey proves it to be practicable in order to comply with the agreement of the United States as to a mixed commission at Lima for the adjustment of claims, it became necessary to send a commissioner to Lima in August last. No appropriations having been made for this purpose, it is now asked that there be one made, covering the past and future expenses of the commission.

Spain and South American Republics.

The good offices of the United States to bring about peace between Spain and the South American Republics, with which she is at war, having been accepted by Spain, Peru and Chili, a congress has been invited to be held in Washington during the present winter.

Right of Travel to Europeans.

A grant has been given to Europeans, to an exclusive right of travel over the Territory of Nicaragua, to which Costa Rica has given its assent, which, it is alleged, conflicts with the vested rights of the citizens of the United States. The Department of State has now this subject under consideration.

Spanish Gun-boats.

The Minister of Peru having made representations that there was a state of war between Peru and Spain, and that Spain was constructing in and near New York, government gun-boats, which might be used by Spain in such a way as to relieve the naval force at Cuba so as to operate against Peru, orders were given to prevent their departure. No further steps have been taken by the representatives of the Peruvian Government to prevent the departure of these vessels, and I not feeling authorized to detain the property of a nation with which we are at peace, on a mere executive order have referred the matter to the Courts to decide the conduct of war between allies.

Paraguay.

Paraguay has made intercourse with that country so difficult that it has been deemed advisable to withdraw our representatives from there.

Claims between the United States and Great Britain.

Towards the close of the last Administration a convention was signed at London for the settlement of all outstanding claims between Great Britain and the United States, which failed to receive the advice and consent of the Senate to its ratification. The time and circumstances attending the negotiation of the treaty were favorable to its acceptance by the people of the United States, but its provisions were wholly unadapted for the settlement of the grave wrongs that had been sustained by this Government, as well as its citizens; but the injuries resulting to the United States by reason of the course adopted by Great Britain during our late civil war, in the

increased rates of insurance, in the diminution of exports and imports and other obstructions to domestic industry, and production; in its effect upon the foreign commerce of the country, in the decrease and transfer to Great Britain of our commercial marine, in the prolongation of the war and the increased costs, both in treasure and in lives, for its suppression which could not be adjusted and satisfied as ordinary commercial claims continually arising between commercial nations; and yet the commission treated them simply as such ordinary claims, from which they differ more widely in the gravity of their character than in the magnitude of their amount, great even as is the difference.

Reciprocity.

The reciprocity treaty with the United States and the British provinces on this continent has not been favorably considered by the Administration; the advantage of such a treaty would be wholly in favor of the British producer. Except, possibly a few engaged in the trade between the two sections, no citizen of the United States would be benefited by reciprocity. Our internal taxation would prove a protection to the British producer almost equal to the protection which our manufacturers now receive from the tariff. Some arrangement, however, for the regulation of commercial intercourse between the United States and the Dominion of Canada may be desirable.

Hudson's Bay and Puget Sound Claims.

The commission for adjusting the claims of the Hudson Bay on Puget Sound has terminated its labor; a claim for \$650,000 has been made and all rights and titles of the Company on the territory of the United States have been extinguished and an appropriation by Congress to meet this sum is asked.

Northwestern Boundary Line.

The Commission for determining the northwestern land boundary, between the United States and the British possessions, under the treaty of 1856, has completed its labors, and the Commission has been dissolved in conformity with the recommendation of Congress.

The Slave Trade.

A proposition was easily made to the British Government to abolish the mixed courts, created under the treaty of April 7, '62 for the suppression of the slave trade. The subject is still under negotiation, it having come to my knowledge that a corporate company, organized under British laws, proposed to land upon the shores of the United States and co-operate there.

French submarine cable.

A submarine cable, under a concession from His Majesty, the Emperor of the French, of an exclusive right for twenty years, of telegraphic communication between the shores of France and the United States, with the very objectionable feature of subjecting all messages confided to them to espionage of the French Government has been laid. I caused the French and British legations at Washington to be made acquainted with the probable policy of Congress on the subject, as foreshadowed by the bill which passed the Senate in March last. This drew from the representatives of those governments an agreement to accept, as the basis of their operations, the provisions of the bill or such other enactments on the subject as might be passed during the approaching session of Congress, also to use their influence to secure from the French government a modification of their concession so as to permit the landing upon French soil of any cable belonging to any company incorporated by authority of the United States or any State in the Union, and on their part not to oppose the establishment of any such cable. In consideration of this agreement, I directed the withdrawal of all opposition of United States authorities to the landing of the cable and the working of it until the meeting of Congress. I regret to say there has been no modification made in the company, nor concessions, nor, so far as I can learn, have they attempted to secure one. Their concession excludes the capital and the citizens of the United States from competition upon the shores of France. I recommend legislation to protect the rights of citizens of the United States as well as the dignity and sovereignty of the nation against such an assumption; I shall also endeavor to secure by negotiation an abandonment of the principle of monopolies of ocean telegraph cables.

Relating to Aliens.

Copies of correspondence is herewith presented relating to the unsettled political

condition of other countries less fortunate than our own, which sometimes induces their citizens to come to the United States for the sole purpose of becoming naturalized; and having secured this they return to their native country and reside there without disclosing their change of allegiances. They accept official positions of trust or honor, which can only be held by citizens of their native land; they journey under passports describing them as such citizens, and it is only when civil discord, after perhaps years of quiet, threatens them or threatens their persons or property, or when their native State draft them into its military service, that the fact of their change of allegiance is made known. They reside permanently from the United States, they contribute nothing to its revenues, they avoid the duties of its citizenship, and they only make themselves known by action for protection. I have directed that the diplomatic and consular officers of the United States scrutinize carefully all such claims for protection. The citizen of the United States, whether native or adopted, who discharges his duty to his country is entitled to complete protection and should have a voice in the direction of affairs. I shall not consent to imprint the sacred right by conferring it upon fictitious or fraudulent claimants.

Emigration Treaties.

On the accession of the present Administration it found that the Minister for North Germany had made propositions for negotiations for a convention for the protection of emigrant passengers, to which no response had been given. It was concluded that, to be effectual, all the maritime powers engaged in the trade should join in such measures. Invitations have been extended to the Cabinets of London, Paris, Berlin, Brussels, the Hague, Copenhagen, Florence and Stockholm to empower their representatives at Washington to simultaneously enter into negotiations, or to conclude with the United States conventions, identical in form, and make uniform regulations as to the construction of the parts of vessels to be devoted to the use of emigrant passengers, as to the quality and quantity of food, as to medical treatment of the sick during the voyage, in order to secure ventilation and promote health; to prevent intrusion and protect the females, and provide for the establishment of tribunals in the several countries for the enforcement of such regulations by summary process.

Tariff on Hemp.

Your attention is respectfully called to the law regarding the tariff on Prussian hemp, and to the question whether the charges on Prussian hemp, being higher than they are fixed upon Manila, is not a violation of our treaty with Russia, thus placing her products upon the same footing with those of the most favored nations. Our manufactures are increasing with wonderful rapidity under the encouragement which they now receive, with the improvements in machinery already effected and which are still increasing, causing machinery to take the place of skilled labor to a large extent. Our imports of many articles must fall off largely within a very few years, fortunately to many manufacturers. These interests are not confined to a few localities, as formerly, and it is to be hoped they will become more and more diffused, making the interest in them equal in all sections. They give employment and support to hundreds of thousands of people at home and retain with us the means which would otherwise be shipped abroad. The extension of railroads in Europe and the East is bringing into action competition with our agricultural products of either section of our country. Self interest, if not self-preservation, therefore, dictates caution against disturbing any industrial interests of the country; it teaches us also the necessity of looking to other markets for the sale of our surplus. Our neighbors south of the United States and China and Japan should receive our special attention. It will be the endeavor of the Administration to cultivate such relations with all these nations as to entitle us to their confidence and make it to their interest as well as to establish better commercial relations through the agency of a more enlightened policy than that heretofore pursued towards China.

The Coolie Trade.

It is largely due to the sagacity and efforts of one of our own distinguished citizens, that the world is about to commence largely increased relations with that populous and hitherto exclusive nation. As the United States have been initiatory in the new policy, they should

be the most earnest in showing their good faith in making it a success. In this connection, I advise such legislation as will forever preclude the enslavement of the Chinese on our soil under the name of Coolies, also to prevent American vessels engaging in the transportation of Coolies to any country tolerating the system. I also recommend the mission to China be raised to one of first class.

What the Administration has done.

On my assuming the responsibilities of Chief Magistrate, it was with the conviction that there were things essential to its peace, prosperity and fullest development. First among these is strict integrity in fulfilling our obligations; second, to secure protection to the person and property of the citizens of our common country, wherever he may chance to move, without reference to origin, religion, color or politics, demanding of him only obedience to the laws and a proper respect for the rights of others; and the union of all the States with equal rights indestructible by any Constitutional means. To secure the first of these it has taken two essential steps in declaring, by joint resolution, that the debt of the Republic should be paid, both principal and interest, in coin; second, providing means for paying. Providing the means, however, would not secure the object desired without proper administration of the laws, the collection of the revenues and an economical disbursement of them. To this subject the Administration has most earnestly addressed itself, with results, I believe, satisfactory to the country. There has been no hesitation in changing officials in order to effect the execution of the laws; some times, too, where in a mere party view, undesirable political results were likely to follow any hesitation in sustaining any efficient officers against remonstrances wholly political.

The Tenure of Office Act.

It may be well to mention here the embarrassment possible to arise from leaving on the statute book the so called Tenure of Office Act, and to earnestly recommend its total repeal. It could not have been the intention of the powers of the Constitution, when providing for appointments made by the President, that they should receive the consent of the Senate, that the latter should have power to retain in office persons placed by Federal appointments against the will of the President. The law is inconsistent with a faithful and efficient administration of the Government. What faith can the Executive put in officials forced upon him, those, too, whom he has suspended for special reasons? How will such officials be likely to serve the Administration which they know does not trust them? For the second requisite to our growth and prosperity, a true and firm but humane administration of existing laws, amended from time to time, as they may prove ineffective, harsh, or unnecessary, is probably all that is required. The third cannot be obtained by special legislation, but must be regarded by the Constitution itself and a gradual action acquiesced in by force of public opinion.

Management of the Indians.

From the foundation of the Government to the present time, the management of the original inhabitants, the Indians, has been a subject of embarrassment and expense and has been attended with continuous robberies, murders and wars. From my own experience, when on the frontiers and in the Indian countries, I do not hold either legislation or the conduct of the whites who come most in contact with the Indians blameless for these hostilities. The past, however, cannot be undone and the question must be met as we now find it. I have adopted a new policy towards these wards of the nation,—they cannot be regarded in any other light than as wards, with fair results, so far as tried, and which I hope will be attended ultimately with success. The Society of Friends is well known to have succeeded in all places with the Indians in the early settlement of Pennsylvania, while their white neighbors in other sections were constantly embroiled; they are also known for their opposition to all strife and violence and are generally noted for their strict integrity and fair dealings. These considerations induced me to give them the management of a few reservations of Indians and to throw the burden of the selection of agents upon the Society itself; the result has proved most satisfactory. It will be found more fully set forth in the report of the Commissioner of Indian Affairs. For the superintendence of Indians not on reservations, officers of the army were elected; the reasons for this are numerous. When In-