

tainable for the settlement of jurisdictional questions.

#### EXTRADITION.

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.

#### OBSTRUCTING COMMERCE.

The importance of the commerce of Cuba and Porto 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 the 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.

#### RAILROADS ABROAD.

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 claims have disregarded the property rights of American citizens. The matter will be carefully investigated with a view to secure proper and equitable adjustment.

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

#### NICARAGUAN CANAL.

In pursuance of the charter granted by Congress, and under the terms of its contract with the government of Nicaragua, the Inter-ocean 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, the right bank of which is Costa Rica 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 PARIS EXPOSITION.

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 request of the commission will be laid before Congress in due season.

#### THE SLAVE TRADE.

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

#### FOREIGN RELATIONS.

With Germany the most cordial relations continue. The questions arising from the return to the empire of Germans naturalized in this country have been 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 in 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 existing 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 valued for guarantees of liberty, and providing for a responsible ministry to conduct the government. It is earnestly recommended that judicial rights and processes in Corea 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 American citizens 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 these rights to the satisfaction of those governments.

#### NATURALIZATION.

Questions continue to arise in our relations with several countries in respect to the rights of naturalized citizens. Equally 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. An improper use of naturalization should not be permitted; but it is important that those who have been duly naturalized should everywhere be accorded a recognition of the rights appertaining to the citizenship of the country of their adoption. The appropriateness of special conventions for that purpose is recognized in the treaties which this government has concluded with a number of European powers, 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 BRAZILIAN REVOLUTION.

The recent revolt 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 of the 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.

#### NATIONAL PROSPERITY.

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, as well as general employment to our working people.

#### TREASURER'S REPORT.

The report of the Secretary of the Treasury for the fiscal year ending June 30th, 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 \$387,050,884, derived as follows: From customs, \$223,832,741.68; 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 \$375,000,000,