

THE PRESIDENT'S MESSAGE.

To the Congress of the United States:

THE LATE ELECTION.

Since the close of your last session, the American people, in the exercise of the highest right of suffrage, have chosen their chief magistrate for the four years ensuing. When it is remembered that at no period in the country's history has the long political contest which customarily precedes the day of the national election been waged with greater fervor and intensity, it is a subject of congratulation, that after the controversy at the polls was over, and while the slight preponderance by which the issue had been determined was as yet unascertained, the public peace suffered no disturbance, but the people everywhere patiently and quietly awaited the result. Nothing could more strikingly illustrate the temper of the American citizen; his love of order and his loyalty to law. Nothing could more signally demonstrate the strength and wisdom of our political institutions.

Eight years have passed since a controversy concerning the result of a national election sharply called the attention of Congress to the necessity of providing more precise and definite regulations for counting the electoral vote. It is of the gravest importance that this question be solved before conflicting claims to the Presidency shall again distract the country, and I am persuaded that by the people at large any of the measures of relief thus far proposed would be preferred to continued inaction.

FOREIGN RELATIONS.

Our relations with all foreign powers continue to be amicable. With Belgium, a convention has been signed whereby the scope of present treaties has been so enlarged as to secure to citizens of either country within the jurisdiction of the other, equal rights and privileges. In the acquisition and alienation of property, a trade-mark treaty has also been concluded. The war between Chili and Peru is at an end. For the arbitration of the claims of American citizens, who during its continuance suffered through the Chilean authorities, a convention will soon be negotiated. The state of hostilities between France and China continues to be an embarrassing feature of our Eastern relations. The Chinese Government has promptly adjusted and paid the claims of American citizens where property was destroyed in the recent riot at Canton. I renew the recommendation of my last annual message that the Canton fund be returned to China, the true interpretation of the recent treaty with that country permitting the restriction of Chinese immigration, is likely to be again a subject of your deliberations.

RIGHTS OF CHINAMEN.

It may be seriously questioned whether the statute passed at the last session does not violate the treaty rights of certain Chinese who left this country with return certificates valid under the old law, and now seem to be debarred from landing from lack of certificates required by the new. The recent purchases by the United States of a large trading fleet, heretofore under the Chinese flag, has considerably enhanced our commercial importance in the East. In view of the large number of vessels built or purchased by American citizens in other countries and exclusively employed in legitimate traffic between foreign ports under the recognized protection of our flag, it might be well to provide a uniform rate for their registration and documentation, that the bona fide property rights of our citizens therein shall be duly evidenced and properly guarded.

THE CONGO COUNTRY.

Pursuant to the advice of the Senate at the last session, I have recognized the flag of the International Association of the Congo as that of a friendly government, avoiding in so doing any prejudgment of conflict in territorial claims in that region; subsequently, in execution of the expressed wishes of the Congress, I appointed a commercial agent for the Congo basin. The importance of the rich prospective trade of the Congo Valley has led to a general conviction that it should be open to all nations upon equal terms. An international conference, for the consideration of this subject, has been called by the Emperor of Germany, and is now in session at Berlin. Delegates are now in attendance on behalf of the United States. Of the results of the conference you will be duly informed.

The government of Corea has generously aided the efforts of the United States minister to secure suitable premises for the use of the delegation. The conditions of diplomatic intercourse with Eastern nations demand that the legation premises be owned by the represented power. I advise that an appropriation be made for the acquisition of this property by the government. The United States already possesses valuable premises at Tangier, as a gift from the Sultan of Morocco. As is stated hereafter, they have lately received a similar gift from the Siamese government. The government of Japan stands ready to present to our representative grounds at Tokio whereon to erect a suitable building for the legation, court house and jail, and similar privileges can be secured in China and Persia. The owning of such premises would not only effect a large saving of the present rentals, but would permit of the due assertion of extra territorial rights in those coun-

tries, and would the better serve to maintain the dignity of the United States.

EGYPTIAN REPRESENTATION.

The failure of Congress to make an appropriation for our representation at the autonomous court of the Khedive, has proved a serious embarrassment in our intercourse with Egypt, and in view not only of the necessary intimacy of diplomatic relationship, but of the participation of this government in the treaty powers in all matters of administration there affecting the rights of foreigners, I advise the restoration of the agency and Consul General at Cairo on its former basis. I do not conceive it to be the wish of Congress that the United States should withdraw altogether from the honorable position they have hitherto had with respect to the Khedive, or that citizens of this republic residing or sojourning in Egypt should hereafter be without the aid and protection of a competent representative.

THE STATUE OF LIBERTY.

With France, the traditional cordial relationship continues. The Bartholdt Statue of Liberty Enlightening the World, the generous gift of the people of France, is expected to reach New York in May next. I suggest that congressional action be taken in relation to the spirit which has prompted this gift, and in aid of the timely completion of the pedestal upon which it is to be placed.

GERMANY AND ENGLAND.

Our relations with Germany, a country which contributes to our own some of the best elements of citizenship, continue to be cordial. The United States have extradition treaties with several of the German States, but by reason of the confederation of those States under the imperial rule, the application of such treaties is not as uniform and comprehensive as the interests of the two countries require. We should endeavor, therefore, to open negotiations for a single convention of extradition to embrace all the territory of the empire. It affords me great pleasure to say that our intercourse with Great Britain continues to be of a most friendly character. The government of Hawaii has indicated its willingness to continue for seven years the provisions of the existing reciprocity treaty. Such continuance, in view of the relations of that country to the American system of States, should, in my judgment, be favored. The revolution in Hayti against the established government has terminated. While it was in progress it became necessary to enforce our neutrality laws by instituting proceedings against individuals and vessels charged with their infringement. These precautions were in all cases successful.

DUTIES ON WORKS OF ART.

Much anxiety has lately been displayed by various European governments, and especially by the government of Italy, for the abolition of our import duties upon works of art. It is well to consider whether the present discrimination in favor of the production of American artists abroad is not likely to result, as they themselves seem very generally to believe it may, in the practical exclusion of our painters and sculptors from the rich fields for observation, study and labor which they have hitherto enjoyed.

There is a prospect that the long-pending revision of the foreign treaties of Japan may be concluded at a new conference to be held at Tokio. While this government fully recognizes the equal and independent station of Japan in the community of nations, it would not oppose the general adoption of such terms of compromise as Japan may be disposed to offer in furtherance of a uniform policy of intercourse with the western nations.

MEXICAN MATTERS.

During the past year the increasing goodwill between our government and that of Mexico has been variously manifested. The treaty of commercial reciprocity concluded January 20, 1883, has been ratified and awaits the necessary tariff legislation of Congress to become effective. The legislation will, I doubt not, be among the first measures to claim your attention. A full treaty of commerce, navigation, and consular rights, is much to be desired, and such a treaty, I have reason to believe that the American government stands ready to conclude. Some embarrassment has been occasioned by the failure of Congress at its last session to provide means for the due execution of the treaty of July 29th, 1882, for the re-survey of the American boundary and the re-location of boundary monuments.

THE PANAMA CANAL.

With the Republic of Nicaragua a treaty has been concluded which authorizes the construction by the United States of a canal railway, and telegraph lines across the Nicaragua Territory. By the terms of this treaty, 60 miles of the river San Juan as well as Lake Nicaragua, an inland sea 40 miles in width, are to constitute a part of the projected enterprise. This conveys for actual canal construction, 17 miles on the Pacific side, and 36 miles on the Atlantic, to the United States, whose rich territory on the Pacific is for the ordinary purposes of commerce practically cut off from communication by water with the Atlantic ports. The political and commercial advantages of

such a project can scarcely be overestimated. It is believed that when the treaty is laid before you, the justice and liberality of its provisions will command universal approval at home and abroad.

The death of our representative at Russia, while at his post at St. Petersburg, affording to the Imperial government a renewed opportunity to testify its sympathy in a manner befitting the intimate friendliness which has ever marked the intercourse of the two countries.

SPAIN AND SIAM.

The course of this government in raising its representation at Bangkok to the diplomatic rank has evoked from Siam evidences of war friendship and augurs well for our enlarged intercourse. The Siamese government has presented to the United States a commodious mansion and grounds for the occupancy of the legation, and I suggest that by joint resolution Congress attest its appreciation of this generous gift. This government has more than once of late been called upon to take action in fulfillment of the international obligation toward Spain. Agitation in the island of Cuba hostile to the Spanish Crown having been fermented by persons abusing the sacred right of hospitality which our territory affords, the officers of the government have been instructed to exercise vigilance to prevent infractions of our neutrality laws at Key West and at other points near the Cuban coast. I am happy to say that in only one instance were the precautionary measures successfully eluded; the offenders when found in our Territory were subsequently tried and convicted.

COMMERCIAL TREATY.

The growing need of closer relationship of intercourse and traffic, between the Spanish Antilles and their natural market in the United States, led to the adoption in January last of a commercial agreement looking to that end. This agreement has since been superseded by a more carefully framed and comprehensive convention, which I shall submit to the Senate for approval. It has been the aim of this negotiation to open such a favored reciprocal exchange as to make the intercourse between Cuba and Porto Rico and ourselves scarcely less intimate than the commercial movement between our domestic ports, and to insure a removal of the burdens on shipping in the Spanish Indies, of which in the past our ship-owners and shipmasters have so often had cause to complain. The negotiation of this convention has for a time postponed the prosecution of certain claims of our citizens which were declared to be without the jurisdiction of the Spanish-American Claims Commission, and which we therefore remitted to diplomatic channels for adjustment. The speedy settlement of these claims will be urged by this government.

Negotiations for a treaty of commercial reciprocity with the Dominican Republic have been successfully concluded, and the result will shortly be laid before the Senate.

THE OTTOMAN EMPIRE.

Certain questions between the United States and the Ottoman Empire still remain unsolved. Complaints in behalf of our citizens are not satisfactorily adjusted. The Porte has sought to withhold from our commerce the right of the favored treatment to which we are entitled by existing conventional stipulations, and the revision of the tariff is unaccomplished.

The final disposition of pending questions with Venezuela has not yet been reached, but I have good reason to expect an early settlement which will provide the means of re-examining the Caracas awards in conformity with the expressed desire of Congress, and which will recognize the justice of certain claims perturbed against Venezuela.

The Central and South America Commission, appointed by authority of the act of July 7th, 1884, will soon proceed to Mexico. It has been furnished with instructions which will be laid before you. They contain a statement of the general policy of the Government for enlarging its commercial intercourse with American States. The commissioners have been actively preparing for their responsible task by holding conferences in the principal cities with merchants and others interested in the Central and South American trade.

A UNIVERSAL DAY.

The international meridian conference, lately convened in Washington upon the invitation of the Government of the United States, was composed of representatives from twenty-five nations. The conference concluded its labors on the 1st of November, having, with substantial unanimity, agreed upon the meridian of Greenwich as the starting point whence longitude is to be completed through 180 degrees eastward and westward, and upon the adoption, for all purposes for which it may be found convenient, of a universal day which shall begin at midnight on the initial meridian and where hours shall be counted from zero up to 24; the formal report of the transactions of this conference will be hereafter transmitted to Congress.

INTERNATIONAL EXHIBITIONS.

This Government is in frequent receipt of invitations from foreign States to participate in national exhibitions often of great interest and importance. Occupying, as we do, an advanced position in the world's production, and

aiming to secure a profitable share for our industries in the general competitive markets, it is a matter of serious concern that the want of means for participation in these exhibits should so often exclude our producers from the advantages enjoyed by those of richer countries.

During the past year the attention of Congress was drawn to the formal invitations in this regard rendered by the governments of England, Holland, Belgium, Germany and Austria. The executive in some instances has appointed honorary commissions. This is, however, a most satisfactory expedient, for, without some provision to meet the necessary working expenses of a commission, it can effect nothing in behalf of exhibitors. An International Inventors' Exhibit is to be held in London next May. This will cover a field of special importance in which our country holds a foremost rank, but the Executive is at present powerless to organize a proper representation of our vast national interests in this direction. I have in several previous messages referred to this subject. It seems to me that a statute giving to the Executive general discretionary authority to accept such invitations, and to appoint honorary commissioners without salary, and placing at the disposal of the Secretary of State a small fund for defraying their reasonable expenses, would be of great public utility.

This government has received official notice that the revised international regulations for preventing collisions at sea, have been adopted by all the leading maritime powers except the United States, and they came into force on the first day of September last. For the due protection of our shipping interests the provisions of our statutes should at once be brought into conformity with those regulations.

RECIPROCAL COPYRIGHT.

The question of securing to authors, composers, and artists copyright privileges in this country in return for reciprocal rights abroad, is one that may justly challenge your attention. It is true that a convention will be necessary for fully accomplishing this result; but until Congress shall by statute fix the extent to which foreign holders of copyrights shall be here privileged, it has been deemed inadvisable to negotiate such conventions. For this reason the United States was not represented at the recent conference at Berlin.

NEUTRALITY.

I recommend that the scope of the neutrality laws of the United States be so enlarged as to cover all patent acts of hostility committed in our territory, and aimed against the peace of a friendly nation. Existing statutes prohibit the fitting out of armed expeditions and restrict the shipment of explosives, though the enactments in the latter respect were not framed with regard to international obligations, but simply for the protection of passenger travel. All these statutes were intended to meet special emergencies that had already arisen. Other emergencies have arisen since, and modern ingenuity supplies means for the organization of hostilities without open resort to armed vessels or to filibustering parties. I see no reason why preparations in the country for the commission of criminal acts, such as are here under consideration, should not be alike punishable, whether such acts are intended to be committed in our country or in a foreign country with which we are at peace. The prompt and thorough treatment of this question is one which intimately concerns the national honor.

NATURALIZATION LAWS.

Our existing naturalization laws also need revision. Those sections relating to persons residing within the limits of the United States within 1795 and 1798 have only a historical interest; Section 2172, recognizing the citizenship of the children of naturalized parents, is ambiguous in its terms and partly absolute. There are special provisions of law favoring the naturalization of those who serve in the army, or in merchant vessels, while no similar privileges are granted those who serve in the navy or marine corps.

A uniform rule of naturalization, such as the Constitution contemplates, should, among other things, clearly define the status of persons born within the United States subject to a foreign power (Sec. 1992), and of minor children of fathers who have declared their intention of becoming citizens, but have failed to perfect their naturalization. It might be wise to provide for a central bureau for registry, wherein should be filed authenticated transcripts of every record of naturalization in the several Federal and State courts, and to make provision also for the vacation or cancellation of such record in cases where fraud had been practiced upon the court by the applicant himself, or when he had removed or forfeited his acquired citizenship. A just and uniform law in this respect would strengthen the hands of the government in protecting its citizens abroad, and would pave the way for the conclusion of treaties of naturalization with foreign countries.

DIPLOMATIC AND CONSULAR SERVICE.

The legislation of the last session effected in the diplomatic and consular services certain changes and reductions, which have been productive of embarrassment. The population and commercial activity of our country are steadily on the increase, and are giving

rise to new, varying, and often delicate relationships with other countries. Our foreign establishment now embraces nearly double the area of operations that it did twenty years ago. The confinement of such a service within the limits of expenditure then established is not, it seems to me, in accordance with true economy. A community of sixty million of people should be adequately represented in its intercourse with foreign nations. A project for the recognition of the consular service, and for recasting the scheme of extra territorial jurisdiction is now before you. If the limits of a short session will not allow its full consideration, I trust you will not fail to make suitable provisions for the present needs of the service. It has been customary to define in the appropriation acts the ranks of each diplomatic office to which a salary is attached. I suggest that this course be abandoned and that it be left to the President, with the advice and consent of the Senate, to fix from time to time the diplomatic grade of the representatives of this Government abroad as may seem advisable, provision being definitely made, however, as now, for the amount of salary to be attached to the respective stations.

THE NATIONAL FINANCES.

The condition of our finances, and the operation of the various branches of the public service which are connected with the Treasury Department, are fully discussed in the report of the Secretary. It appears that the ordinary revenues for the fiscal year, ended June 30th, 1884, were: From customs, \$195,067,489.76; from internal revenue, \$121,586,072.51; from all other sources, \$31,866,307.65. Total ordinary revenues \$348,519,869.92. The public expenditures during the same period were: For civil expenses, \$22,312,907.71; for foreign intercourse, \$1,260,766.37; for Indians, \$6,475,999.29; for pensions, \$55,429,228.36; for the military establishment, including river and harbor improvements and arsenals, \$39,429,603.36; for the naval establishment, including vessels, machinery and improvements at navy yards, \$17,292,601.44; for miscellaneous expenditures, including public buildings, lighthouse and collecting the revenue, \$43,939,710; for expenditures on account of the District of Columbia, \$3,407,049.62; for interest on the public debt, \$54,578,378.48; for the sinking fund, \$46,790,229.50, total ordinary expenditures \$290,916,483.83, leaving a surplus of \$57,603,386.09, as compared with the preceding fiscal year, there was a net decrease of over \$21,000,000 in the amount of expenditures. The aggregate receipts were less than those of the year previous by about \$54,000,000. The falling off of revenue for custom made up nearly \$20,000,000 of this deficiency and about \$23,000,000,000 of the remainder was due to the diminished receipts from internal taxation. The Secretary estimates that the total receipts for the fiscal year which will end June 30, 1885, at \$330,090,000, and the total expenditures at \$290,620,211.16, in which are included the interest on the debt and the amount payable to the sinking fund; this would leave a surplus for the entire year of about \$39,000,000.

The value of exports from the United States to foreign countries during the year ending June 30, 1884, was as follows: Domestic merchandise, \$724,964,852; foreign merchandise, \$15,548,717; total merchandise, \$740,513,609; specie, \$67,133,383; total exports of merchandise and specie, \$807,646,992.

The cotton and cotton manufactures included in this statement were valued at \$208,900,415; the breadstuffs at \$162,544,785; the provisions at \$114,416,547; and the mineral oils at \$47,103,748. During the same period the imports were as follows: Merchandise, \$667,697,593; gold and silver, \$37,426,262; total, \$705,123,765.

IMPORTS.

More than 63 per cent. of the entire value of imported merchandise consisted of the following articles: Sugar and molasses, \$103,844,274; wool and woolen manufactures, \$53,542,292; silk and its manufactures, \$49,949,128; coffee, \$49,686,705; iron and steel and manufactures thereof, \$41,544,599; chemicals, \$38,464,965; flax, hemp, jute and like substances and manufactures thereof, \$33,463,398; cotton and cotton manufactures, \$30,454,476; hides and skins other than fur skins, \$22,350,906.

COINAGE OF SILVER.

I concur with the Secretary of the Treasury in recommending the immediate suspension of the coinage of silver dollars and the issue of silver certificates. This is a matter to which, in former communications, I have more than once invoked the attention of the National Legislature. It appears that annually, for the past six years, there have been coined, in compliance with the requirements of the act of Feb. 28, 1878, more than 27,000,000 silver dollars. The number now outstanding is reported by the Secretary to be nearly \$185,000,000, whereof but little more than \$40,000,000, or less than 22 per cent. are in actual circulation. The mere existence of this fact seems to me to furnish of itself a cogent argument for the repeal of the statute which has made such a fact possible; but there are other and graver considerations that tend in the same direction; the Secretary avows his conviction that, unless this coinage and the issuance of silver certificates be suspended, silver is likely at no distant day to become our sole metallic standard; the commercial disturbance and the impairment of our national credit