## PAPERS

RELATING TO THE

## FOREIGN RELATIONS

## THE UNITED STATES,

TRANSMITTED TO CONGRESS,

WITH THE ANNUAL MESSAGE OF THE PRESIDENT,

**DECEMBER 1, 1890,** 

PRECEDED BY A

LIST OF PAPERS, WITH SYNOPSES OF THEIR CONTENTS, AND FOLLOWED BY AN ALPHABETICAL INDEX OF SUBJECTS.

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## MESSAGE.

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 four hundred and fifty million dollars, 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 employés 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 employés 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 Heinisphere 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. became evident that the measure proposed would tax the resources of the Congo 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 Congo 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 complete treaty of friendship, commerce, and navigation between the United States and the Independent State of the Congo.

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 José 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. sent of the representatives of the United States was sought to effect his seizure, first at Champerico, where the steamer touched, and afterwards at San José. 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 This letter was produced to the capinsurrectionary movements. tain of the Acapulco by the military commander at San José, 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 disayow 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 Chili, 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 towards 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 furseal question in the Behring Sea is not yet adjusted, as will be seen by the correspondence which will soon be laid before 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 Gov-That Government seized the Delagoa Bay ernment of Portugal. Railway, which was constructed under a concession granted to an American citizen, and at the same time annulled the charter. 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 coincidently 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 \$15,147,790.58, which, with a cash balance of \$52,000,000 at the beginning of the year, will give \$67,147,790.58 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 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 re-examination 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 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 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 41/2 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 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 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 three hundred thousand 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 laws; 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 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. 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 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 book-making 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. ments have been concluded since March 4, 1889, involving the cession to the United States of about 14,726,000 acres of land. contracts have, as required by law, been submitted to Congress for ratification and for the appropriations, necessary to carry them into Those with the Sisseton and Wahpeton, Sac and Fox, Iowa, Pottawatomies and Absentee Shawnees, and Cœur d'Alêne 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. 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 six thousand.

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 in 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 any one; 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 \$1.003/4 in October, 1890; corn from 31 cents to 501/4 cents; oats from 191/4 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 non-acceptance 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 These figures show that the increase in the volwas 11½ per cent. ume 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 three hundred 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 employés 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 general provisions of the law have been in force less Its permanent effects upon trade and prices still than sixty days. 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 custom-houses 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 1880 and 20 per cent. greater than in the same period of 1888. 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. 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 mean time 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. 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 statedly and frequently, and offering to passengers a comfortable, safe, and speedy transit, is the first condition of foreign trade. It carries the order or 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 £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 \$20,000. 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, Congréss 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 towards 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 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 co-operation of all well-disposed managers and owners, but the fearful fact that every year's delay involves the sacrifice of two thousand lives and the maining of twenty thousand 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 This done, the use of the water and of the reservoir of reservoirs. 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 consti-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 the 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 non-partisan 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 The constitutionality of such legislation has been affirmed by Its probable effectiveness is evidenced by the the Supreme Court. 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. Nothing could be further from the truth. rights of the States. Congress has already fixed the time for the election of Members of 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 the votes 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. 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 ballotbox must be free from the ambush of fear and the enticements of fraud; the count so true and open that none shall gainsay it. a law should be absolutely non-partisan and impartial. give the advantage to honesty and the control to majorities. 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 leveed 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 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.

Executive Mansion,

December 1, 1890.