It ought not to be doubted that such an appeal to the arb itrament established by the Constitution itself would be received with favor by all the States of the Confederacy. In any event it ought to be tried in a spirit of ocneiliation before any of those States shall

separate themselves from the Union.
When I entered upon the duties of the Presidential effice, the uspect of neither our foreign nor demestio affairs was at all satisfactory. We were involved in dangerous complications with several nations, and two of our Territories were in a state of revolution against

A restoration of the African slave trade had numerous and powerful advocates. Unlawful izens have long held, and continue to hold, military expeditions were countenanced by numerous claims against the Spanish government of our critizens, and were suffered, in de-ment. These had been ably urged for a series many of our citizens, and were suffered, in defigure of the efforts of the Government, to csfigure of the efforts of the Government, sentatives at Madrid, but without outsime cape from our shores, for the purpose of making war upon the unofficuling people of neighbors. The Spanish government finally agreed to institute a joint commission for the agreed to institute a joint commission for the

In addition to these and other difficulties, we exterienced a revulsion in monetary affairs, seen after my advent to power, of unexampled severity and of ruinous consequences to all the great interests of the country. When we take a retrospect of what was then our condition, and contrast this with its material prosperity at the time of the late Presidential election, we have abundant reason to return our grateful thanks to that merciful Providence which has never forsaken us as a nation in all our past trials.

OUR FOREIGN RELATIONS. GREAT BRITAIN.

Our relations with Great Britain are of the most friendly character. Since the commencement of my administration, the fwo dangerous questions, arising from the Clayton and Bulwer treaty, and from the right of search claimed by the British Government, have been am-The discordant construction of the Clayton

and Bulwer treaty between the two governments, which at different periods of the discussion bore a threatening uspect, have resulted in a final settlement entirely satisfactory to this government. In my annual message I two governments. It is nevertheless confidently expected that this good work will ere long be accomplished. This confident expec-tation has since been fulfilled. Her Britannie Majesty concluded a treaty with Honduras on the 24th November, 1859, and with Nicarague on the 28th August, 1860, relinquishing the Masquito protectorate. Besides, by the former, the Bay Islands are recognized as part of the Republic of Honduras. It may be observed that the stipulations of these treaties conform in every important particular to the amendments adopted by the Senate of the United States to the treary concluded at London on the 19th of October, 1856, between the two governments. It will be recollected that this treaty was rejected by the British government because of its objection to the just and important amendment of the Senate to the article relating to Rustan and the other islands in the Bay of Honduras.

It must be a source of sincere satisfaction to all classes of our fellow citizens, and especially to those engaged in foreign commerce, that the claim on the part of Great Britain, torcibly to visit and search American merchant at any moment have been precipitated into a war. This was rendered manifest by the exasperated state of public feeling throughout our entire country, produced by the forcible search of American merchant ve-sels by Brits ish cruisers on the coast of Cuba, in the spring of 1858. The American people hailed with general acclaim the orders of the Secretary of the Navy to our naval force in the Gulf of Mexico, "to protect all vessels of the United States on the high seas from search or detention by the vessels of war of any other nation."

These orders might have produced an immediate collision between the naval forces of the two countries. This was most fortunately prevented by an appeal to the instice of threat Britain and to the law of nations as expounded by her own most enunent jurists.

The only question of any importance which still remains open is the disputed title between the two sovernments to the island of San Juan in the vicinity of Washington Territory. As this question is still under negotiation, it is not deemed advisable at the present moment to anake any other allusion to the subject.

The recent visit of the Prince of Wales, in private character, to the people of this country kindred and kindly feelings which I trust may ever actuate the government and people of both countries in their political and social in-tercourse with each other. tar as this was practicable. Under this convention the sum of 500,000

FRANCE. With France, our ancient and powerful ally, our relations continue to be of the most friendly character. A decision has recently been approbation of the Imperial Government, which cannot fail to faster the sentiments of motual regard that h we so long existed be- claims of American citizens at the various tween the two countries. Under the French ports to this date." Debentures for this law no person can serve in the armies of France unless he be a French citizen.

right of expatriation, it follows as a necessary consequence that a Frenchman, by the fact of the customs of these ports to the agent su-having become a citizen of the United States, lected by our minister to receive them. consequence that a Frenchman, by the fact of has changed his allegiance and has lost his na-French Minister of War, and in two late cases become American citizens. To employ

expianatory amendment would, it is believed, to the colightened government of the Empeeverywhere to the same extent as though they had drawn their first breath in this country .-We can recognize no distinction between our native and naturalized citizens.

RUSSIA. Between the great empire of Russia and the United States the mutual friendship and regard which has so long existed still continues to prevail, and, if possible, to increase. Indeed, our relations with that empire are all that we could desire.

SPAIN.

Our relations with Spain are now of a more complicated though less dangerous character than they have been for many years. Our citof years by our successive diplomatic representatives at Madrid, but without obtaining adjustment of these claims, and on the 5th day of March, 1860, concluded a convention for this purpose with our present minister at Ma-Under this convention, what have been denominated "the Cuban claims," amounting

drid. to \$128,635 45, in which more than one bundred of our fellow citizens are interested, were recognized, and the Spanish government agreed to pay \$100,000 of this amount "within three months following the exchange of ratifications." The payment of the remaining \$28,-635 54 was to await the decision of the commissioners for or against the "Awistad claim;" but in any event the balance was to be paid to the claimants either by Spain or the United States. These terms I have every reason to know are highly satisfactory to the holders of the Cuban claims. Indeed, they have made a formal offer authorizing the State Department to settle these claims, and to deduct the amount

of the Amistad claim from the sums which

they are entitled to receive from Spain.
This offer, of course, cannot be accepted. All other claims of citizens of the United States against Spain, or of subjects of the Queen of Spain against the United States, including the "Amistad claim," were by this this government. In my annual message I convention referred to a board of commission-informed Congress that the British government ers in the usual form. Neither the validity of had not then "completed treaty arrangements the Amistad claim nor of any other claim with the reputlics of Honduras and Nicaragua against either party, with the single exception of the understanding between the two governments. It is nevertheless confidid not insist that the validity of the Amistad claim should be recognized, notwithstanding its payment had been recommended to Congress by two of my predecessors as well as by myself, and an appropriation for that purpose had passed the Senate of the United States. -They were content that it should be submitted to the board for examination and decision, like the other claims. Both governments were bound respectively to pay the amounts awarded to the several alaimants wat such since and places as may be fixed by and according to the tenor of said awards."

I transmitted the proceedings of this convention to the Senate for their constitutional action on the 31 of May, 1860, and on the 27th of the succeeding June they determined that they would "not advise and consent" to

its ratification. These proceedings place our relations with Spain in an awkward and embersesing position. It is more than probable that the final adjustment of these claims will devolve upon my successor.

I reiterate the recommendation contained in vessels on the high seas in time of peace, has my annual message of Decemeer, 1859, and repeated in that of December, 1858, in favor well being and prosperity of both countries in | prospect of success. future time, as well as prove the certain means of immediately abolishing the African slave trade throughout the world. I would not repeat this recommendation opon the present occasion, if I believed that the transfer of Cuba to the United States, upon conditions highly favorable to Spain, could justly turnish the national honor of the proud and ancient Spanish Mouarchy. Surely no person ever attributed to the first Napoleon a disregard of the patienal honor of France, for transferring Louisiana to the United States for a fair equivalent both im money and commercial advantages.

AUSTRIA, &c.
With the Emperor of Austria, and the renaining confinental powers of Europe, including that of the Sultan, our relations continue to be of the most friendly character. CHINA.

The friendly and peaceful policy pursued by he Government of the United States towards the Empire of China, has produced the most satisfactory results. The treaty of Tientsin of the 18th of June, 1858, has been faithfully observed by the Chinese authorities. The has proved to be a most auspicious event. In plementary to this treaty, for the adjustment its consequences, it cannot fail to increase the and satisfaction of the claims of our citizens on Chius, referred to in my last annual message, has been already carried into effect, so

taels, equal to acout \$700,000, was stipulated to be paid in satisfaction of the claims of American citizens, out of the one fifth of the receipts for tonnage import, and export duties made by a Brench judicial tribunal, with the on American vessels at the ports of Canton, approbation of the Imperial Government, Snanghae and Fuchau; and it was "agreed that this amount shall be in full liquidation of all amount-to wit: 300,000 taels for Canton, 100,000 for Shanghae and 100,000 for Fuchau The law of France recognizing the natural -were delivered according to the terms of the convention, by the respective Chinese collectors

Since that time the claims of our citizens tive character. He cannot, therefore, be com- have been adjusted by the board of commispelled to serve in the French armies in case he sinners appointed for that purpose under the should return to his native country. These act of March 3, 1859, and their awards, which principles were amounced in 1852 by the proved satisfactory to the claimants, have been approved by our minister. In the aggregate they amount to the sum of \$498,604 78. have been confirmed by the French judiciary. they amount to the sum of \$498,604 78 .- In these, two natives of France have been discharged from the French army, because they proportion of the sums awarded to them out of the fund provided, and it is confidently exthe language of our present Minister to France pected that the remainder will ere long be en-

Our minister to China, in obedience to his forever terminete the existing dissensions and ror. In any event, our Government is bound instructions, has remained perfectly neutral taken out and shot, without crime and without restore peace and harmony among the States. to protect the rights of our naturalized citizens in the war between Great Britain and France trial. This was done, not with standing our unand the Chinese empire; although, in conjusetion with the Russian minister, he was ever ready and willing, had the opportunity offered, to employ his good offices in restoring peace between the parties. It is but an act of sim-ple justice, both to our present minister and his predecessor, to state that they have proved fully equal to the delicate, trying and responsible positions in which they have on different occasions been placed.

JAPAN.

The ratifications of the treaty with Japan concluded at Yedo, on the 29th of July, 1859, were exchanged at Washington on the 22d of May last, and the treaty itself was proclaimed on the succeeding day. There is good reason to expect that, under its protection and influence, our trade and intercourse with that distant and interesting people will rapidly in-

The ratifications of the treaty were exchanged with unusual solemnity. For this purpose the Tycoon had accredited three of his most distinguished subjects as envoys extraordinary and ministers plenipetentiary, who were received and treated with marked distinction and kindness both by the Government and people of the United States. There is every reason to believe that they have returned to their native land entirely satisfied with their visit, and inspired by the most friendly feelings for our country. Let us ardently hope, in the language of the treaty itself, that "there shall benceforward be perpetual peace and friendship between the United States of America and his Majesty the Tycoon of Japan and his succes- ability, to do us justice.

In addition—and I deem this a most impor-

With the wise, conservative and liberal govrnment of the empire et Brazil, our relations continue to be of the most amicable charac-

The exchange of the ratification of the consigned at Washington on the 10th September, 1857, has been long delayed from accidental causes, for which neither party is censurable. These ratification were duly exchanged in this erry on the 5th of November last. Thus have a outroversy been auticably terminated which bad become so serious at the period of my inauguration, as to require me, on the 17th April 1857, to direct our minister to demand his pass-ports and return to the United States.

Under this convention the government of to be responsible to our citizens "for damages which were caused by the riot at Panama on the 15th April, 1856." Those claims, togeth-

Persevering efforts have been made for the am happy to inform you that these have finally considerable amount towards the satisfaction prevailed. A convention was signed at the city of San Jose, on the 21 of July list, beconstitutional action.

The claims of our citizens upon the republic

MEXICO. Our relations with Mexico remain in a most unsatisfactory condition. In my two last an- have extended into the neighboring States. nual messages I discussed extensively the subject of these relatious, and do not now propose to repeat at length the facts and arguments then presented. They proved conclusively that our cit zens residing in Mexico and our merchants trading thereto had suffered a series of wrongs and outrages such as we have never patiently borne from any other nation. For these our successive ministers, tovoking the faith of treaties, had, in the name of their country, persistently demanded redress and indemnifica but without the slightest effect. Indeed, so confident had the Mexican authorities become of our patient endurance, that they universally believed they might commit these outrages upon American citizens with absolute impunity. Thus wrote our minister in 1856, and expressed the opinion that "nothing but a manifestation of the power of the Government, and of

its purpose to punish these wrongs, will avail." give place to Gen. Miramon.

Under the constitution which had thus been adopted, Senor Jurez, as chief justice of the Supreme Court, became the lawful President of the Republic, and it was for the maintenance continues to be prosecuted.

Throughout the year 1858 the constitutional republic. Not so on the present occasion. A refused to do without violating my clearest and the constitutional government. When this was tion, and all the proceedings which proceeded that these contracts should always be given to recognized in April, 1859, by the Government and followed its formation, were fair and regular on the United States, its authority extended ular on their face. I then believed, and example of the United States, its authority extended ular on their face. I then believed, and example opinion that public contracts are not a leover a large majority of the Mexican States perience has proved, that the interests of the gittmate source of patronage to be conferred and people including Vera Cruz and all the people of Kinsas would have been consulted upon personal or political favorites; but that independent. other important sea ports of the republic .began to revive, and the constitutional gov- od, could have amended the constitution actheir power.

of this decision, and never will cease from agree on this subject." I venture to predict that the time is not far distant when the other continental powers will adopt the same wise states in their sovereign character. Such an distance of the United States, two of them physically interested?

As this will in equity belong to the Chinese course to remain within its power. To cap the climax: After the battle of Tacubaya, in propriation to some benevolent object in which prevailable and just policy which has done so much honor the Chinese may be specially interested?

As this will in equity belong to the Chinese course the climax: After the battle of Tacubaya, in propriation to some benevolent object in which prevailable and just policy which has done so much honor the Chinese may be specially interested? cians, to be seized in the hospital at that place, fortunate countrymen were at the moment engaged in the boly cause of affording relief to the soldiers of both parties who had been wounded in the battle, without making any distinction

between them.

The time had arrived, in my opinion, when this Government was bound to exert its power to aveuge and redress the wrongs of our citizens and to afford them protection in Mexico .-The interposing obstacle was that the portion of the country under the sway of Miramon could not be reached without passing over territory under the jurisdiction of the constitutional gov-Under these circumstances, I deemernment. ed it my duty to recommend to Congress, in my last annual message, the employment of a sufficient military force to penetrate into the interior where the government of Miramon was to be found, with, or, if need be without the consent of the Juarez government, thought it was not doubted that this consent could be obtained. Never have I had a clearer conviction on any subject than of the justice as well as wisdom of such a policy. No other alternative was left of my administration, was in a state of open except the entire abandonment of our fellowcitizens who had gone to Mexico, under the faith of treaties, to the systematic injustice, cruelty, and oppression of Miramon's govern-ment. Besides, it is almost certain that the simple authority to employ this force would of itself have accomplished all our objects without striking a single blow. The constitutional government would then ere this have been established at the city of Mexico, and would have been ready and willing, to the extent of its

tant consideration-European governments would have been deprived of all pretext to in terfere in the territorial and domestic concerns of Mexico. We should thus have been relieve ed from the obligation of resisting, even by force, should this become uecessary, any attempt by these governments to deprive our neighborvention with the republic of New Granada, ing republic of portions of her territory; a duty from which we could not shrink without abandoning the traditional and established policy of the American people. I am happy to observe, that, firmly relying upon the justice and good faith of these governments, there is no present trains on their way to our Pacific pessessions. danger that such a coutingency will happen.

Having discovered that my recommendations would not be sustained by Congress, the next alternative was to accomplish, in some degree, if possible, the same objects by treaty stipulations with the constitutional government. Such New Granada has specially acknowledged itself | treatics were accordingly concluded by our late able and excellent minister to Mexico, and on able and excellent minister to Mexico, and on rected. The work required both time and the 4th January last were submitted to the patience. I applied myself diligently to this Sonale for ratification. As these have not yet er with other claims of our citizens which had received the final action of that body, it would been long urged in vain, are referred for ad- be improper for me to present a detailed statejustment to a board of commissioners. I sub-mit a copy of the convention to Congress, and mitted to express the opinion in advance that recommend the legislation necessary to earrest they are calculated to promote the agricultural, two years, mainly in consequence of the extended country, and commercial interests of the interests of the country, and to secure our just influence with in the Utah expedition, and the very large Persevering efforts have been made for the an adjoining republic as to whose fortunes and amount of the contingent expenses of Congress adjustment of the claims of American citizens fate we can never feel indifferent; whilst at the during this period. These greatly exceeded against the government of Costa Rica, and I same time they provide for the payment of a

KANSAS AND UTAH.
At the period of my inauguration I was con tween the ministers resident of the United At the period of my inauguration I was con-States in Costa Rica and the plenipotentiaries fronted in Kansas by a revolutionary governof that republic, referring these claims to a ment, existing under what is called the Topeka Board of Commissioners, and providing for the Constitution. Its avowed object was to subdue payment of their awards. This convention will the territorial government by force, and to inbe submitted immediately to the Senate for their augurate what was called the Topeka government in its stead. To accomplish this object an extensive military organization was formed of Nicaragua have not yet been provided for by and its command entrusted to the most violent dangerous question to the peace of the two countries which has existed since the war of the sequisition of Cuba from Spain by fair purchase. I firmly believe that such an actual treaty, although diligent efforts for this purpose have been made by our minister resident to that stances, it became my imperative duty to exert the whole constitutional power of the Executive to prevent the flames of civil war from again raging in Kansas, which in the excited state of the public mind, both North and South, might

The hostile parties in Kausas bad been inflowed against each other by emissaries, both from the North and the South, to a degree of malignity without parallel in our history. preyent actual collision, and to assist the civil magistrates in enforcing the laws, a strong detachment of the army was stationed in Territory, ready to aid the marshal and his deputies, when lawfully called upon, posse comitatus in the execution of civil and criminal

Still, the troubles in Kansas could not have been permaneutly settled without an election by the people. The ballot-box is the sures arbiter of disputes among freemen. this conviction, every proper effort was employed to induce the hostile parties to vote at the election of delegates to frame a State constitution, and afterwards at the election to deeide whether Kansas should be a slave or a free Afterwards, in 1857, came the adoption of a State. The insurgent party refused to vote at ew constitution for Mexico, the election of a either, lest this might be considered a recogni-President and Congress under its provisions, tion on their part of the territorial government and the inauguration of the President. Within established by Congress. A better spirit one short month, however, this President was bowever, seemed soon after to prevail, and the expelled from the capitol by a rebellion in the two parties met face to face at the third elecwas assigned to Gen. Zuloaga. This usurper 1858, for members of the Legislature and was in his turn soon compelled to retire and State officers under the Lecompton Constitution. The result was the triumph of the antislavery party at the polls. This decision of the ballot box proved clearly that this party were in the majority, and removed the danger of sixil war. From that time we have heard of the constitution and his authority derived little or nothing of the Topeka government, from it that the civil war commenced, and still and all serious danger of revolutionary troubles in Kansas was then at an end.

The Lecompton constitution, which had been party grew stronger and stronger. In the pre- thus recognized at this State election by the ious history of Mexico a successful military votes of both political parties in Kansas, was revolution at the capitol had almost universally transmitted to me with the request that I should been the signal for submission throughout the present it to Congress. This I could not have majority of the citizens persistently sustained strongest convictions of duty. The constituby its admission as a State into the Union, From that period, our commerce with Mexico especially as the majority, within a brief periernment has afforded it all the protection in cording to their will and pleasure. If fraud existed in all or any of these proceedings, it Meanwhile the government of Miramon still was not for the President, but for Congress, to the fact, that, since the date of my last Annual who has rendered good service on this occasion, will do not think our French naturalized fellow satisfied, there will remain a surplus of more citizens will hereafter experience much annoy-

voted at the third election. It is true that the bave entirely subsided. whole constitution had not been submitted to the people, as I aways desired: but the pre-cedents are numerous of the admission of States into the Union without such submission.

It would not comport with my present purpose to review the proceedings of Congress upon the Lecomption constitution. It is sufficient to observe that their final action has removed the last vestige of serious revolutionary troubles. The desperate band recently assembled, under a notorious outlaw, in the southern portion of the Territory, to resist the execution of the laws and to plunder peaceful citizens, will, I doubt not, be speedily subdued

and brought to justice.

Had I treated the Lecompton Constitution as a nullity and refused to transmit it to Congress it is not difficult to imagine, whilst re calling the position of the country at that moment, what would have been the disastrous consequences, both in and out of the Territory, from such a dereliction of duty on the part of the Executive.

Peace has also been restored within the Territory of Utan, which, at the commencement the people, animated by a fanatical spirit and entrenched within their distant mountain fastnesses might have made a long and formidable resistance. Cost what it might, it was necessary to bring them into subjection to the Constitution and the law. Sound policy, therefore, as well as humanity, required that this object should, if possible, be accomplished without the effusion of blood. This could only be effected by sending a military force into the the Territory sufficiently strong to convince the people that resistance would be hopeless, and regret is the heavy expenditure required to march a large detachment of the army to that remote region and to rurnish it subsistence. -Utah is now comparatively peaceful and quiet, and the militay force has been withdrawn, except that portion of it necessary to keep the Indians in check and to protect the emigrant

FINANCES. In my first annual message I promised to Government within the limits of a wise and judicious economy. An overflowing treasury had produced habits of prodigality and extravagance which could only be gradually cor. task from the beginning, and was aided by the able and energetic efforts of the Heads of the different Executive Departments. The result of our labors in this good cause did not appear in the sum total of our expenditures for the first the pay and milage of the members. For the year ending 30th June, 1858, whilst the pay and mileage amounted to \$1,490,214 the con expenditures of the Government in all its revenue tariff.

clusively appears from the books of the Treas- ence of this and of all other commercial nations ury. In the year ending on the 30th of June, has demonstrated that such duties cannot be 1858, the total expenditure exclusive of pub- assessed and collected without great frauds lie debt, amounted to \$71,901,129 77, and that upon the revenue, then it is the part of wisdom for the year ending 30th June, 1859, to \$66, to resort to specific duties. Indeed, from the 346,226 13. Whilst the books of the Treasury show an actual expenditure of \$59,848,474 72 be the result. Under it the inevitable consefor the year ending on the 30th June, 1860, quence is, that foreign goods will be entered at including \$1,040,608 71 for the contingent less than true value. The Treasury will thereexpenses of Congress, there must be deducted from this amount she sum of \$4,296,009 27, with the interest upon it of \$150,000, approthe printed by the act of 15th February, 1860, for the purpose of supplying the deficiency in the revenue and defraying the expenses of the Post Office Department for the year ending June, 30, 1859. This sum, therefore justly chargeable to the year 1859, must be deducted from the saw of \$59,848,454 72, in order to ascertain the expenditure for the year ending June 30, 1860, which leaves a balance for the expenditures of that year of \$55,402,465 46. The interest on the public debt, including Treasury notes for the same fiscal year ending June 50, 1850, amounting to \$3,177,314 62, which, added to the above sum of \$55,402,. 465 46, makes the aggregate of \$58,579,

branches-legislative, executive and judicial

780 08. It ought in justice to be observed that sev-It ought in justice to be observed that several of the estimates from the departments for the year ending June 30, 1860, were reduced agents employed by the manufacturers. In by Congress below what was and still is deemed compatible with the public interest. lowing a liberal margin of \$2,500,000 for this be dishonest, prepares an invoice of the goods, reduction, and other causes, it may be safely not at their actual value, but at the very lowest asserted that the sum of \$61,000,000, or at rate becessary to escape detection. In this the most \$62,000,000 is amply sufficient to manner the dishonest importer and the foreign administer the Government and pay the in- manufacturer enjoy a decided advantage over terest of the public debt, unless contingent the honest merchant. They are thus enabled events should hereafter render extraordinary to undersell the fair trader, and drive him from expenditures necessary:

adle degree by the care exercised by the appropriate departments in cutering into no pubto contracts. I have myself never interfered is the pride of our country. with the award of any such contract except in a single case with the Colonization Society, deeming it advisable to cast the whole responsibility in each case on the proper head of the department, with the general instruction in all such cases a public officer is bound to act for the Government as a prudent individual

would act for himself. AFRICAN SLAVE TRADE, &C. It is with great satisfaction I communicate

refusal to exercise the elective franchise could invalidate an election farrly held under lawful ed some time since among a portion of our authority, even if they had not subsequently

I also congratulate you upon the public sentiment which now exists against the crime of setting on foot military expeditions within the limits of the United States, to proceed from thence and make war upon the people of unoffending States with whom we are at peace. In this respect a happy change has been effected since the commencement of my Administration. It surely ought to be the prayer of every Christian and patriot, that such expeditions may never again receive countenance in our countr or depart from our shores.

It would be a useless repetition to do more than refer, with earnest commendation, to my former recommendations in favor of the Pacific railroad—of the grant of power to the Presideut to employ the naval force in the vicinity, for the protection of the lives and property of our fellow citizens passing in transit over the different Central American routes, against suiden and lawless outbreaks and depredations; and also to protect American merchan; vessels, their crews and cargoes, against violent and uniawful seizuro and confiscation in the ports of Mexico and South American republics, when these may be in a disturbed and revolutionary condition. It is my settled conviction, that without such a power we do not afford that protection to those engaged in the commerce of the country which they have a right to demand.

ELECTION OF MEMBERS OF CONGRESS.

I again recommend to Congress the passage of a law in pursuance of the provisions of the Constitution, appointing a day certain, previous to the 4th of March, in each year of an odd number, for the election of Representatives throughout all the States. A similar power has already been exercised, with general appropeople that resistance would be hopeless, and at the same time offer them a pardon for past offences on condition of immediate submission to the Government. This policy was pursued with eminent success; and the only cause for directed to this subject from the fact, that the 35th Congress terminated on the 3d of March, 1859, without making the necessary appropriament. I was then forced to consider the best remedy for this omission, and an immediate call of the present Congress, was the natural resort. Upon inquiry, however, I ascertained that fifteen out of the thirty-three States composing the Confederacy were without Representatives, employ my best exertions, in co-operation with and that consequently, these fifteen States would Congress, to reduce the expenditures of the be disfranchised by such a call. These fifteen States will be in the same condition on the 4th of March next. Ten of them cannot elect Representatives, according to existing State laws, until different p riods, extending from the beginning of August next until the months of

October and November.

In my last message I gave warning that, in a time of sudden and alarming danger, the salvation of our institutions might depend upon the power of the President immediately to assemble a full Congress to meet the emergency.

TARIFF.

It is now quite evident that the financial necessities of the Government will require a modification of the tariff during your present session, for the purpose of increasing the revenue. In this respect I desire to reiterate the recommendation contained in my last two annual messages, in favor of imposing specific instead tingent expenses rose to \$2,093,309 79, and of ad valorem duties on all imported articles to for the year ending 30th June, 1859, whilst which trese can be properly applied. From the pay and mileage amounted to \$852,003 66, long observation and experience I am convincthe contingent expenses amounted to \$1,431,565 78. I am happy, however, to be able to
inform you that during the last fiscal year
ending on the 30 h of June, 1860, the total

As an abstract proposition it may be admit -exclusive of the public debt, were reduced ted that ad valorem duties would, in theory, be to the sum of \$55,402,465 46. This con. the most just and equal. But if the experifore lose the duty on the difference between their real and fictitious value, and to this extent

we are defrauded. The temptation which ad valorem duties present to a dishonest importer are irresistable His object is to pass his goods through the custom house at the very lowest valuation necessary to save them from confiscation. In this he too often succeeds in spite of the vigi lance of the revenue officers. Hence the resor to false invoices, one for the purchaser and another for the custom house, and to other expedients to defraud the Government The honest importer produces his invoice to the collector, stating the actual price at which he purchased the articles abroad. Not so the dishonest importer and agent of the foreign manufacturer. And here it may be observed that a very large proportion of the manutacsuch cases no actual sale has been made to fix At- their value. The foreign manufacturer, it be the market. In fact, the operation of this sys This result has been attained in a consider- tem has already driven from the pursuits of honorable commerce many of that class of merchapts, whose character throughout the world.

The remedy for these evils is to be found in specific duties, so far as this may be practicable They dispense with any inquiry at the custon house into the actual cost or value of the article, and it pays the precise amount of duty previously fixed by law. They present no temptations to the appraiser of toreign goods, who receive but small salaries and might, by under valuation in a few cases, render themselves

Besides, specific duties best conform to the requisition in the Constitution that "no preference shall be given by any regulation of commerce of revenue to the ports of one State over those of another." Under our ad valorem system such preferences are to some extent inevitable, and com-plaints have often been made that the spirit of this provision has been violated by a lower appraiso-ment of the same articles at one port than at

An impression, strangely enough, prevails to