

If this decision, and never will cease from agitation and admit its binding force until clearly established by the people of the several States in their sovereign character.

It might not be doubted that such an appeal to the arbitrament established by the Constitution itself would be received with favor by all the States of the Confederacy.

When I entered upon the duties of the Presidential office, the aspect of neither our foreign nor domestic affairs was at all satisfactory.

A restoration of the African slave trade had numerous and powerful advocates. Unlawful military expeditions were countenanced by many of our citizens, and were suffered, in defiance of the efforts of the Government, to escape from our shores, for the purpose of making war upon the unoffending people of neighboring republics with whom we were at peace.

In addition to these and other difficulties, we experienced a revision in monetary affairs, soon after my advent to power, of unexampled severity and of ruinous consequences to all the great interests of the country.

OUR FOREIGN RELATIONS.

GREAT BRITAIN.

Our relations with Great Britain are of the most friendly character. Since the commencement of my administration, the two dangerous questions, arising from the Clayton and Bulwer treaty, and from the right of search claimed by the British Government, have been amicably and honorably adjusted.

The discordant construction of the Clayton and Bulwer treaty between the two governments, which at different periods of the discussion bore a threatening aspect, have resulted in a final settlement entirely satisfactory to this Government. In my annual message I informed Congress that the British Government had not then completed treaty arrangements with the republics of Honduras and Nicaragua in pursuance of the understanding between the two governments.

It is more than probable that the final adjustment of these claims will devolve upon my successor. I reiterate the recommendation contained in my annual message of December, 1859, and repeated in that of December, 1858, in favor of the acquisition of Cuba from Spain by fair purchase.

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 justice of Great Britain and to the law of nations as expounded by her own most eminent jurists.

The only question of any importance which still remains open is the disputed title between the two governments 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 make any other allusion to the subject.

The recent visit of the Prince of Wales, in private character, to the people of this country has proved to be a most auspicious event. In its consequences, it cannot fail to increase the kindred and kindly feelings which I trust may ever animate the government and people of both countries in their political and social intercourse with each other.

FRANCE.

With France, our ancient and powerful ally, our relations continue to be of the most friendly character. A decision has recently been made by a French judicial tribunal, with the approbation of the Imperial Government, which cannot fail to foster the sentiments of mutual regard that have so long existed between the two countries.

The law of France recognizing the natural right of expatriation, it follows as a necessary consequence that a Frenchman, by the fact of having become a citizen of the United States, has changed his allegiance and has lost his native character. He cannot, therefore, be compelled to serve in the French army in case he should return to his native country.

ance on this subject." I venture to predict that the time is not far distant when the other continental powers will adopt the same wise and just policy which has done so much honor to the enlightened government of the Emperor.

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 citizens have long held, and continue to hold, numerous claims against the Spanish government. These had been ably urged for a series of years by our successive diplomatic representatives at Madrid, but without obtaining redress.

The exchange of the ratification of the convention with the republic of New Granada, signed at Washington on the 10th September, 1857, has long been delayed from accidental causes, for which neither party is censurable. These ratifications were duly exchanged in this city on the 5th of November last.

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

With the Emperor of Austria, and the remaining continental 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 the Government of the United States towards the Empire of China, has produced the most satisfactory results. The treaty of Pootsin of the 18th of June, 1858, has been faithfully observed by the Chinese authorities. The convention of the 8th November, 1858, supplementary to this treaty, for the adjustment and satisfaction of the claims of our citizens on China, referred to in my last annual message, has been already carried into effect, so far as this was practicable.

Under this convention the sum of 500,000 taels, equal to about \$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 on American vessels at the ports of Canton, Shanghai and Fuchau; and it was agreed that this amount shall be in full liquidation of all claims of American citizens at the various ports to this date.

As this will in equity belong to the Chinese government, would not justice require its appropriation to some benevolent object in which the Chinese may be specially interested?

Our minister to China, in obedience to his instructions, has remained perfectly neutral in the war between Great Britain and France and the Chinese empire; although, in conjunction 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.

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.

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 plenipotentiary, who were received and treated with marked distinction and kindness both by the Government and people of the United States.

BRAZIL.

With the wise, conservative and liberal government of the empire of Brazil, our relations continue to be of the most amicable character.

NEW GRANADA.

The exchange of the ratification of the convention with the republic of New Granada, signed at Washington on the 10th September, 1857, has long been delayed from accidental causes, for which neither party is censurable.

Under this convention the government of New Granada has specially acknowledged itself to be responsible to our citizens for damages which were caused by the riot at Panama on the 15th April, 1856.

COSTA RICA AND NICARAGUA.

Persuading efforts have been made for the adjustment of the claims of American citizens against the government of Costa Rica, and I am happy to inform you that these have finally prevailed.

MEXICO.

Our relations with Mexico remain in a most unsatisfactory condition. In my two last annual messages I discussed extensively the subject of these relations, and do not now propose to repeat at length the facts and arguments then presented.

Under the constitution which had thus been adopted, Senor Juarez, as chief justice of the Supreme Court, became the lawful President of the Republic, and it was for the maintenance of the constitution and his authority derived from it that the civil war commenced, and still continues to be prosecuted.

Throughout the year 1858 the constitutional party grew stronger and stronger. In the previous history of Mexico a successful military revolution at the capital had almost universally been the signal for submission throughout the republic. Not so on the present occasion.

Meanwhile the government of Miramon still held sway at the capital and over the surrounding country, and continued its outrages against the few American citizens who still had the

courage to remain within its power. To cap the climax: After the battle of Tacubaya, in April, 1859, Gen. Marquez ordered three citizens of the United States, two of them physicians, to be seized in the hospital at that place, taken out and shot, without crime and without trial.

The time had arrived, in my opinion, when this Government was bound to exert its power to avenge 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 government.

In addition—and I deem this a most important consideration—European governments would have been deprived of all pretext to interfere in the territorial and domestic concerns of Mexico. We should thus have been relieved from the obligation of resisting, even by force, should this become necessary, any attempt by these governments to deprive our neighboring 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.

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 treaties were accordingly concluded by our late able and excellent minister to Mexico, and on the 4th of January last were submitted to the Senate for ratification.

At the period of my inauguration I was confronted in Kansas by a revolutionary government, existing under what is called the Topeka Constitution. Its avowed object was to subvert the territorial government by force, and to inaugurate what was called the Topeka government in its stead.

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

It ought in justice to be observed that several of the estimates from the departments for the year ending June 30, 1860, were reduced by Congress below what was and still is deemed compatible with the public interest. Allowing a liberal margin of \$2,500,000 for this reduction, and other causes, it may be safely asserted that the sum of \$61,000,000, or at the most \$62,000,000 is amply sufficient to administer the Government and pay the interest of the public debt, unless contingent events should hereafter render extraordinary expenditures necessary.

This result has been attained in a considerable degree by the care exercised by the appropriate departments in entering into no public contracts. I have myself never interfered 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 that these contracts should always be given to the lowest and best bidder.

It is with great satisfaction I communicate the fact, that, since the date of my last Annual Message, not a single slave has been introduced in violation of the laws prohibiting the African Slave trade. This statement is founded upon

refused to vote, it cannot be pretended that this refusal to exercise the elective franchise could invalidate an election fairly held under lawful authority, even if they had not subsequently voted at the third election. It is true that the whole constitution had not been submitted to the people, as I always desired; but the precedents 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 Lecompton 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.

Peace has also been restored within the Territory of Utah, which, at the commencement of my administration, was in a state of open rebellion. This was the more dangerous, as the people, animated by a fanatical spirit and entrenched within their distant mountain fastnesses might have made a bold and formidable resistance.

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 Territory sufficiently strong to convince the people 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.

In my first annual message I promised to employ my best exertions, in co-operation with Congress, to reduce the expenditures of the 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 corrected. The work required both time and patience.

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 of ad valorem duties on all imported articles to which these can be properly applied.

As an abstract proposition it may be admitted that ad valorem duties would, in theory, be the most just and equal. But if the experience of this and of all other commercial nations has demonstrated that such duties cannot be assessed and collected without great frauds upon the revenue, then it is the part of wisdom to resort to specific duties. Indeed, from the very nature of an ad valorem duty, this must be the result.

The temptation which ad valorem duties present to a dishonest importer are irresistible. 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 vigilance of the revenue officers. Hence the resort to false invoices, one for the purchaser and another for the custom house, and to other expedients to defraud the Government.

It ought in justice to be observed that several of the estimates from the departments for the year ending June 30, 1860, were reduced by Congress below what was and still is deemed compatible with the public interest. Allowing a liberal margin of \$2,500,000 for this reduction, and other causes, it may be safely asserted that the sum of \$61,000,000, or at the most \$62,000,000 is amply sufficient to administer the Government and pay the interest of the public debt, unless contingent events should hereafter render extraordinary expenditures necessary.

This result has been attained in a considerable degree by the care exercised by the appropriate departments in entering into no public contracts. I have myself never interfered 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 that these contracts should always be given to the lowest and best bidder.

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a thorough examination and investigation of the subject. Indeed, the spirit which prevailed some time since among a portion of our fellow-citizens in favor of this trade seems to have entirely subsided.

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.

It would be a useless repetition to do more than refer, with earnest commendation, to my former recommendations in favor of the Pacific railroad—the grant of power to the President 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 sudden and lawless outbreaks and depredations; and also to protect American merchant vessels, their crews and cargoes, against violent and unlawful seizure and confiscation in the ports of Mexico and South American republics, when these may be in a disturbed and revolutionary condition.

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 approbation, in the appointment of the same day throughout the Union, for holding the election of electors for President and Vice President of the United States.

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