

THE PRESIDENT'S MESSAGE.

To the Senate and House of Representatives of the United States.

It is provided by the Constitution that the President shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient in reviewing the events of the year which has elapsed since the commencement of your session.

FOREIGN RELATIONS.

I first call your attention to the gratifying course with other powers has continued to be of the most friendly character. Such slight differences as have arisen during the year have been already settled, or are likely to reach an early adjustment.

The arrest of citizens of the United States in Ireland under recent laws, which are their origin to the disturbed condition of that country, has led to a somewhat extended correspondence with the government of Great Britain. A disposition to respect our rights has been practically manifested by a release of the arrested parties.

The claim of this nation in regard to the supervision and control of any inter-oceanic canal across the American isthmus has continued to be the subject of the state of the Union, and it is likely that time will be more powerful than discussion in removing the divergence between the two nations, whose friendship is so closely cemented by the intimacy of their relations and the community of their interests.

Our long-established friendliness with Russia has remained unbroken. It has prompted me to prefer the earnest counsels of this government that measures be adopted for suppressing the atrocious traffic in the Hebrew race in that country, which has lately suffered. It has not transpired that any American citizen has been subjected to arrest or injury; but our courteous remonstrances have been received, and there is reason to believe that the time is not far distant when Russia will be able to secure toleration to all faiths within her borders.

At an international convention held at Paris in 1856, and attended by representatives of the United States, an agreement was reached in respect to the protection of trademarks, patented articles, and the rights of inventors, and the rights of authors in their literary and artistic productions. The convention also adopted resolutions which have been receiving the attention which it merits. The protection of submarine cables is a subject now under consideration at an international conference at Paris. Believing that it is in the policy of this government to favor the neutralization of this means of intercourse, I requested our minister to France to attend the conference as a delegate. I also designated our minister to attend the meeting of an international committee, at Paris, for considering the adoption of a common unit to measure electric force.

In view of the frequent occurrence of conferences for the consideration of important matters of common interest to civilized nations, I respectfully suggest that the Executive be invested by Congress with discretionary power to send delegates to such conferences, and that provision be made to defray the expenses incident thereto.

The difference between the United States and Spain as to the effect of a judgment and sentence of naturalization has not yet been adjusted, but it is believed that negotiations now in progress will result in the establishment of the position which seems to this government as reasonable and just. I have already called the attention of the Executive to this subject, and his colonies onerous lines have lately been imposed upon vessels of the United States for trivial technical offenses against local regulations. Efforts for the abatement of these vexatious regulations have not yet been successful. I regret to inform you also that the fees demanded by Spanish consuls in American ports are in some cases so large, when compared with the value of the cargo, as to amount in effect to a considerable export duty, which our remonstrances in this regard have not as yet received the attention which they seem to deserve.

The German government has invited the United States to participate in an International Exhibition to be held at Hamburg in July, 1858. If this country is to be represented, it is important that in the early days of this session Congress should make suitable appropriation for that purpose.

The death of Mr. Marsh, our late minister to Italy, has evoked from that government expressions of profound respect for his exalted character and for his honorable career in the diplomatic service of his country. The Government has raised a question as to the propriety of recognizing in his dual capacity the representative of this country recently accredited both as secretary of legation and as consul-general at Rome. It has been received by the Secretary of State, and our consul-general has thus far been withheld.

The extradition convention with Belgium, which has been in operation since 1874, has been lately supplanted by another; the Senate has signified its assent, and ratifications have been duly exchanged between the contracting countries. To the list of extradition crimes has been added that of the assassination or attempted assassination of the chief of the state. Negotiations have been opened with Switzerland, looking to a settlement by treaty of the question whether its citizens can renounce their allegiance and become citizens of the United States without obligation to the Swiss Government. I am glad to inform you that the extradition of papers and criminals from certain of the canons of Switzerland has substantially ceased, and is no longer sanctioned by the authorities. The extradition of this subject, and ratifications have been duly exchanged between the contracting countries. To the list of extradition crimes has been added that of the assassination or attempted assassination of the chief of the state.

The Ottoman Porte has not yet assented to the interpretation which this government has put upon the treaty of 1830 relative to its jurisdictional rights in the Levant. A difference will be adjusted by a general revision of the system of jurisdiction of the United States in the countries of the East, a subject to which your attention has been already called by the Secretary of State.

In the interest of justice toward China and Japan, I trust that the question of the return of the indemnity fund to the governments of those countries will reach at the present session the satisfactory solution which I have already recommended, and which has recently been foreseen by congressional discussion.

The treaty lately concluded with Korea awaits the action of the Senate. The timely presence of American vessels served as a protection to the persons and property of many of our own citizens, and of citizens of other countries, whose governments have expressed their thanks for this assistance.

The recent legislation restricting emigration of laborers from China has given rise to the question whether the Chinese proceeding to or from another country may lawfully be seeking to aid the ultimate settlement of the territory. In connection with the treaty of November 7, 1850, the restriction would seem to be limited to Chinese emigrants coming to the United States as laborers, and not to those who are proceeding to settle in another country. I ask the attention of Congress to the subject, for such action, if any, as may be deemed advisable.

This government has recently had occasion to manifest its interest in the republic of Liberia by seeking to aid the ultimate settlement of the boundary dispute now pending between that republic and the British possession of Sierra Leone.

The reciprocity treaty with Hawaii will become a permanent law on September 3, 1856, twelve months after its ratification. While certain provisions of that compact may have proved onerous, its existence has fostered commercial relations which it is im-

portant to preserve. I suggest, therefore, that early consideration be given to such modifications of the treaty as seem to be demanded by the interests of our people. In view of our increasing trade with both Hawaii and Sandwichean Islands, it is my vision be made for diplomatic intercourse with the latter, by enlarging the scope of the mission at Port-au-Prince. I regret that certain claims of American citizens against the government of Haiti have thus far been urged unavailingly.

A recent agreement with Mexico provides for the crossing of the frontier by the armed forces of either country in pursuit of hostile Indians. In my message of last year I called attention to the prevalent lawlessness upon the borders and to the necessity of legislation for its suppression. I again invite the attention of Congress to the subject. A partial relief from these matters has been sought in a convention which now awaits the approval of the Senate, as does also another touching the establishment of the international boundary between the United States and Mexico. The latter, if ratified, the action of Congress will be required in establishing suitable commissions of survey.

The boundary dispute between Mexico and Guatemala, which led this government to withhold recognition of the latter, has been amicably settled. No change has occurred in our relations with Venezuela. I again invite your action in the matter of the pending awards against that republic, to which reference was made by a special message from the Executive on the 27th of August. An invitation has been received from the government of Venezuela to send representatives in July, 1853, to Caracas, for participating in the centennial celebration of the birth of Bolivar. The former of these events is designed to commence the erection at Caracas of a statue of Washington, which will be open to American products, and to conduct an industrial exhibition which will be open to American products. I recommend that the United States be represented, and that suitable provision be made therefor.

The elevation of the grade of our mission in the United States to the consular rank, which was authorized by Congress at its late session, has been since effected.

THE SOUTH AMERICAN WAR. The war between Peru and Bolivia on the one hand, and Chile on the other, began more than three years ago on the occupation by Chile in 1830 of all the littoral territory of Bolivia. Negotiations for peace were conducted under the direction of the United States, but Chile refused to concede any territory, but Chile has since become the master of the whole coast of both countries and of the capital of Peru. A year since, as you have already been advised by correspondence transmitted to you in my message of last year, the government sent a special mission to the belligerent powers to express the hope that Chile would be disposed to accept a money indemnity for the expenses of the war and to relinquish her demand for a portion of the territory of her antagonist. This recommendation, which Chile declined to follow, this government did not assume to enforce, nor can it be enforced without resort to measures which would be likely to result in the annihilation of the people not with the spirit of our institutions. The power of Peru no longer extends over its whole territory, and in the event of our interference to dictate peace would be likely to be supplemented by the arms and navies of the United States. Such interference would almost inevitably lead to the establishment of a protectorate, a result utterly at odds with our past policy, injurious to our present interests, and a precedent which would be likely to result in the termination of hostilities upon terms at once just to the victorious nation and generous to its adversaries, this government has spared no efforts, such as might involve the honor of the United States, to bring about a settlement which would be just and equitable and just to command the approval of all nations.

THE PEACE CONGRESS. About a year since invitations were extended to the chief of the nations of this continent to send representatives to a peace congress to be held at Washington in November, 1852. The time of meeting was fixed at a period then remote, in the hope, as the invitation itself declared, that in the meantime the disturbances between the South American republics would be adjusted. As that expectation seemed unlikely to be realized, I asked in April last for an expression of opinion from the two houses of Congress as to the expediency of holding the peace congress at the time appointed. This action was prompted in part by doubts which mature reflection had suggested whether the diplomatic usages and traditions of the government would make it fitting that the Executive should consult the representatives of the people before pursuing a line of policy somewhat novel in its character and far reaching in its possible consequences. In view of the fact that the action would be taken in pursuance of the promise given, and that no provision has been made for necessary expenses, I subsequently decided to postpone the convention, and so notified the several governments which had been invited, and in answer to the inquiries on this subject without assuring you of my support of any measure the wisdom of Congress may devise for the promotion of peace on this continent and throughout the world.

In conformity with the plan of the peace congress, the universal assent of civilized peoples, all international differences shall be determined, without resort to arms, by the benign process of arbitration. Changes have occurred in the diplomatic representation of several foreign powers during the past year. New ministers from the Argentine Republic, Austria, Hungary, Brazil, Chile, China, France, Japan, Mexico, The Netherlands and Russia have presented their credentials to the Secretary of State, and Venezuela at this capital have been raised in grade. Switzerland has created a plenipotentiary mission to this government, and an embassy from Madagascar. A minister from Siam will shortly arrive. Our diplomatic intercourse has been enlarged by the establishment of relations with the new kingdom of Servia, by the recognition of a mission to Siam, and by the restoration of the mission to Greece. The Secretary of State has expressed his gratification that a change of affairs will shortly be sent to that country, where the rights of our citizens have been hitherto erroneously guarded by the representatives of Great Britain. The Secretary of State has expressed his gratification that a change of affairs will shortly be sent to that country, where the rights of our citizens have been hitherto erroneously guarded by the representatives of Great Britain.

THE DIPLOMATIC AND CONSULAR SERVICE. A clause in the act making appropriations for the diplomatic and consular service contemplates the reorganization of both branches of such service on a salaried basis, leaving free to turn to the benefit of the country. I cordially favor such a project as likely to correct abuses in the present system. The Secretary of State will present to you at an early day a plan for such reorganization.

THE TREASURY. A full and interesting exhibit of the operations of the treasury department is afforded by the report of the Secretary. It appears that the ordinary revenues from all sources for the fiscal year ended June 30, 1852, were as follows:

Table showing Treasury revenues and expenditures for the fiscal year ended June 30, 1852. Includes categories like 'From internal revenue', 'From sales of public lands', 'From tax on circulation and deposits of national banks', etc.

make valuable contribution to this vexed question, I shall proceed to intimate briefly my own views in relation to it. Upon the showing of our financial condition at the close of the fiscal year just ended, I am recommending to Congress the abolition of internal revenue taxes except those upon tobacco in its various forms and upon distilled spirits and fermented liquors, and except also the apportioned tax upon the manufacture of molasses and such articles. I venture now to suggest that, unless it shall be ascertained that the probable expenditures of the government for the coming year have been unduly estimated, might reasonably be expected to result in distilled spirits can be prudently abrogated. Such a course, if accompanied by a simplification of the machinery of collection, which would then be easy of accomplishment, might well be deemed a judicious measure in diminishing the cost of such collection by at least two millions and a half of dollars, and in the retirement from office of from 1,500 to 2,000 persons. This system of excise duties is not leading to the ruin of the American people, and has never been resorted to except for supplying deficiencies in the treasury, when by reason of special exigencies, the duties on imports have proved insufficient to meet the needs of the government. The settlement of the country doubtless demands that the present excise tax shall be abolished as soon as such a course can safely be pursued. It seems to me, however, for various reasons, that the total abolition of internal taxes would, for the present, be an unwise step. Two of these reasons are deserving of special mention. First, it is by no means clear that the existing system of excise duties upon imports is not a source of sufficient revenue for all the needs of the government. It is estimated that \$100,000,000 will be required for pensions during the coming year, and it is well to consider whether the annual demand for that object has not been reached. Uncertainty upon this question would alone justify, in my judgment, the retention for the present of that system of excise duties which is least objectionable to the people. Second, a total abolition of excise taxes would almost inevitably prove a serious if not an insurmountable obstacle to a thorough revision of the tariff system, and to a desirable reduction in import duties. The present tariff system is in many respects unjust. It makes unequal distributions both of its burdens and its benefits. This fact was practically recognized by a majority of each house of Congress in the passage of the act creating the tariff commission. The report of that commission will be placed before you at the beginning of this session, and will, I trust, afford you such information as to the existing condition of the tariff system, commercial, agricultural, manufacturing, mining and other interests of the country, and contain such suggestions for statutory revision as will practically aid your action upon that subject.

The revenue from customs for the fiscal year ended June 30, 1852, amounted to \$137,000,000. It has in the three succeeding years reached—first \$136,000,000, then \$138,000,000, and finally, as has been already stated, \$229,000,000. The increase in the revenue from the fiscal year which will end on June 30, 1853, will doubtless be considerably in excess of the sum last mentioned. If the tax on domestic spirits is to be retained it is plain, therefore, that large reductions from the customs revenue are entirely inadvisable. While recommending this reduction, I am far from advising the abandonment of the policy of soldering in the adjustment of details as to tariff reductions to domestic industry. In the present system should be so revised as to equalize the public burden among all classes and occupations, and bring it into closer harmony with the present needs of the country. Under present circumstances it is quite unnecessary, I recommend an enlargement of the free list so as to include within it the numerous articles which yield inconsiderable revenue, a simplification of the complex and intricate schedule of duties upon certain manufactures, particularly those of cotton, iron and steel; and a substantial reduction of the duties upon those articles, and upon sugar, molasses, silk, wool and woollen goods, of which the duty is so high. It should be found to be impracticable at this session, I express the hope that at least some of the more conspicuous inequalities of the present law may be corrected before your adjournment. One of them is especially referred to by the Secretary, in view of a recent decision of the supreme court. The necessity of amending the law by which the Dred-Scott decision is adopted as the test of the constitutionality of laws is too obvious to require comment.

THE WAR DEPARTMENT. From the report of the Secretary of War it appears that the only outbreaks of Indian warfare occurred in the southwestern part of New Mexico. They were promptly quelled, and the quiet which has prevailed in all other parts of the country has permitted such an additional force to be made for the military force in the region so long troubled by the Apache that there is little reason to apprehend trouble in the future. These parts of the Secretary's report which relate to our successful operations and their armament suggest the necessity of providing for the defense of the great harbors and cities for whose protection they were built. The question of providing an armament suited to the necessities of the coast is a subject of consideration by a board, whose report was transmitted to Congress at the last session. Pending the consideration of that report, the War Department has taken the steps for the manufacture or conversion of any new armament that authority means to begin that important work will soon be provided. I invite the attention of Congress to the propriety of making more adequate provision for armament and equipping the militia than is afforded by the act of 1848, which is still upon the statute books. The matter has already been the subject of discussion in the Senate, and a bill was introduced in the House for the purpose of levying as are necessary for war and economical administration of the government. Of late the public revenues have far exceeded the needs of the treasury, or the government will be obliged to divert to extravagant expenditures, which, as experience has taught, is ever the cause of an overflowing treasury. It was made apparent in the course of the animated discussions which this question aroused at the last session of Congress that the policy of diminishing the revenue by reducing taxation commended the general approval of the members of both houses. I regret that because of conflicting views, the subject was not taken up, and that it should be made operative, one of its benefits have not yet been realized.

In fulfillment of what I deem my constitutional duty, but with little hope that I can

affording the officers and seamen of the navy opportunities for exercise and discipline in their profession, under appropriate control and direction, the Secretary of the Navy has transferred, as now organized, from the treasury to the navy department, and he also suggests, for the reasons which he assigns, that a similar transfer may wisely be made of the existing revenue vessels.

OUR MERCANTILE MARINE.

The Secretary forcibly depicts the intimate connection and interdependence of the navy and the commercial marine, and invites attention to the continued decadence of the latter and the corresponding transfer of our subject is one of the utmost importance to the national welfare. Methods of reviving American ship-building, and of restoring the United States flag in the ocean carrying-trade, should receive the immediate attention of Congress. We have mechanical skill and abundant material for the manufacture of modern iron steamships in fair competition with our commercial rivals. Our disadvantages are not in the greater cost of labor and in the higher rates, but in the greater interest on capital, while the ocean highways are already monopolized by our formidable competitors. These obstacles should grow more and more, and the Secretary of the Navy has, in my opinion, wisely and judiciously, and with great care and industry, endeavored to secure the necessary means for the revival of our mercantile marine. It is my duty to call your attention to the fact that the Secretary of the Navy has, in my opinion, wisely and judiciously, and with great care and industry, endeavored to secure the necessary means for the revival of our mercantile marine.

THE REDUCTION OF LETTER POSTAGE. At the last session of Congress several bills were introduced for the reduction of letter postage to the rate of two cents per half ounce. I have given much study and reflection to this subject, and am thoroughly persuaded that such a reduction would be for the interests of the public. It has been the policy of the government from its foundation to defray as far as possible the expenses of carrying the mails by a direct tax in the form of postage. The rate of letter postage, however, has not been reduced since the year 1815, and it is now one of the most onerous burdens of the government from its foundation to defray as far as possible the expenses of carrying the mails by a direct tax in the form of postage. The rate of letter postage, however, has not been reduced since the year 1815, and it is now one of the most onerous burdens of the government from its foundation to defray as far as possible the expenses of carrying the mails by a direct tax in the form of postage.

THE AVAILABLE NAVAL FORCE. It appears by the Secretary's report that the available naval force of the United States consists of three classes of vessels, fourteen steam-turbo monitors built during the rebellion, a large number of smooth-bore gun and Parrot rifles, and eighty-seven sailing vessels. The sailing vessels should be gradually replaced by iron or steel monitors, by high-power rifles, and by high-power rifled guns. The reconstruction of our navy, which was recommended in my last message, was begun by Congress in its session of 1851, and it is my duty to call your attention to the fact that the Secretary of the Navy has, in my opinion, wisely and judiciously, and with great care and industry, endeavored to secure the necessary means for the revival of our mercantile marine.

THE DEPARTMENT OF JUSTICE.

The report of the Department of Justice brings to your attention the necessity of enlarging the present system of Federal jurisdiction, so as effectively to answer the requirements of the ever-increasing litigation with which it is called upon to deal. The Attorney-General suggests the suggestion of his predecessor, that in the interests of justice better provision than the existing laws afford should be made in certain judicial districts for fixing the fees of witnesses and jurors.

THE STAR ROUTE TRAIL.

In my message of December last I referred to pending criminal proceedings growing out of alleged frauds in what is known as the Star Route service of the postoffice department, and advised you that I had been upon the attention of the interest of the government were insisted, the duty of prosecuting with the Attorney-General of the law all persons who might be found chargeable with these offenses. A trial of one of these cases has been held, and the result of many weeks of the attention of the Attorney-General of the law all persons who might be found chargeable with these offenses.

REVENUE AND HARBORS.

The grounds that impelled me to withhold my signature from the bill entitled "An Act making appropriations for the construction, repair and preservation of certain works on rivers and harbors," which became a law near the close of your last session, prompt me to express the hope that no similar measure will be deemed necessary during the present session of Congress. Indeed, such a measure would be open to a serious objection in addition to that which was lately urged upon your attention. I am informed by the Secretary of War that the greater portion of the sum appropriated for the various works specified in the bill has not yet been expended. Of the new works which are authorized expenses have been incurred upon two only, for which the total appropriation was \$210,000. The present available balance is disclosed by the following table:

Table showing available balance for Revenue and Harbors, including items like 'Appropriation by act of August 2, 1852', 'Appropriation by act of June 15, 1852', etc.

Table showing Unexpended balance of former appropriations, Total, and Remedies to prevent extravagance.

REMEDIES TO PREVENT EXTRAVAGANCE.

It is apparent by this exhibit that so far as concerns most of the items to which the act of August 2, 1852, relates, there can be no need of further appropriations until after the close of the present session. If, however, any action should seem to be necessary in respect to particular objects it will be entirely feasible to provide for the same by appropriate legislation. It is possible, for example, that a delay until the assembling of the next Congress to make additional provision for the Mississippi river improvements might be attended with serious consequences. It is not advisable, therefore, to be the case, a bill relating to that subject would command my approval.

This leads me to offer a suggestion, which I trust will commend itself to the wisdom of Congress. It is not advisable to expend considerable sums of money for diverse and independent schemes of internal improvement should be made the subjects of separate and distinct legislative enactments. It will scarcely be realized, even by those who favor the most liberal expenditures for such purposes as are commonly called the river and harbor bill, that the practice of appropriating so great a diversity of objects, widely separated either in their nature or in the locality with which they are concerned, or in both, is one which is much to be deprecated. It is my duty to call your attention to the fact that the Secretary of the Navy has, in my opinion, wisely and judiciously, and with great care and industry, endeavored to secure the necessary means for the revival of our mercantile marine.

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