

M'KINLEY'S MESSAGE.

AN ABSTRACT OF THE PAPER READ BEFORE CONGRESS.

The President's Recommendations. He Thinks Sagasta Should Have an Opportunity—Bimetallism Envoys Need More Time—The Tariff All Right.

Washington, Dec. 6.—Both branches of the Fifty-fifth Congress met at noon to-day. After the calling of the roll the President was notified, and communicated by message.

To the Senate and House of Representatives:

It gives me pleasure to extend greeting to the fifty-fifth Congress, assembled in regular session at the seat of government, with many of whose Senators and Representatives I have been associated in the legislative service. Their meeting occurs under felicitous conditions, justifying sincere congratulation and calling for our grateful acknowledgment to a beneficent Providence which has so signally blessed and prospered us as a nation. Peace and good will with all the nations of the earth continue unbroken.

The public questions which now most engross us are lifted far above either partisanship, prejudice or former sectional differences. They affect every part of our common country and permit of no division on ancient lines. Questions of foreign policy, of revenue, the soundness of the currency, the inviolability of national obligations, the improvement of the public service, appeal to the individual conscience of every earnest citizen to whatever party he belongs, or in whatever section of the country he may reside.

Currency Question. Tariff legislation having been settled by the extra session of Congress, the question next pressing for consideration is that of the currency.

With the great resources of the Government and with the honorable example of the past before us, we ought not to hesitate to enter upon a currency revision which will make our demand obligations less onerous to the Government and relieve our financial laws from ambiguity and doubt.

The evil of the present system is found in the great cost to the Government of maintaining the parity of our different forms of money, that is, keeping all of them at par with gold. We surely cannot be longer heedless of the burden this imposes upon the people, even under fairly prosperous conditions, while the past four years have demonstrated that it is not only an expensive charge upon the Government, but a dangerous menace to the national credit.

We have \$900,000,000 of the currency which the Government by solemn enactment has undertaken to keep at par with gold. Nobody is obliged to redeem in gold but the Government. The banks are not required to redeem in gold. The Government is obliged to keep equal with gold all its outstanding currency and coin obligations, while its receipts are not required to be paid in gold. They are paid in every kind of money but gold, and the only means by which the Government can with certainty get gold is by borrowing. It can get it in no other way when it most needs it. The Government, without any fixed gold revenue, is pledged to maintain gold redemption, which it has steadily and faithfully done, and which, under the authority now given, it will continue to do.

With our revenues equal to our expenses there would be no deficit requiring the issuance of bonds. But if the gold reserve falls below \$100,000,000 how will it be replenished except by selling more bonds? Is there any other way practicable under existing laws?

I earnestly recommend as soon as the receipts of the Government are quite sufficient to pay all the expenses of the Government, that when any of the United States notes are presented for redemption in gold and are redeemed in gold, such notes shall be kept and set apart, and only paid out in exchange for gold. This is an obvious duty. If the holder of the United States note prefers the gold and gets it from the Government, he should not receive back from the Government a United States note without paying gold in exchange for it. The reason for this is made all the more apparent when the Government issues an interest-bearing debt to provide gold for the redemption of United States notes—a non-interest-bearing debt. Surely it would not pay them out again except on demand and for gold. If they are put out in any other way they may return again, to be followed by another bond issue to redeem them—another interest-bearing debt to redeem a non-interest-bearing debt.

National Banks.

I concur with the Secretary of the Treasury in his recommendation that national banks be allowed to issue notes to the face value of the bonds which they have deposited for circulation, and that the tax on circulating notes secured by deposit of such bonds be reduced to one-half of 1 per cent. per annum. I also join in recommending that authority be given for the establishment of national banks with a minimum capital of \$25,000. This will enable the smaller villages and agricultural regions of the country to be supplied with currency to meet their needs.

Spain and Cuban Affairs.

The most important problem with which this Government is now called upon to deal pertaining to its foreign relations concerns its duty towards Spain and the Cuban insurrection. Problems and conditions more or less in common with those now existing have confronted this Government at various times in the past. The story of Cuba for many years has been one of unrest, growing discontent, an effort towards a larger enjoyment of liberty and self-control, of organized resistance to the mother country, of depression after distress and warfare and of ineffectual settlement to be followed by renewed revolt. For no enduring period since the enfranchisement of the continental possessions of Spain in the Western continent has the condition of Cuba or the policy of Spain towards Cuba not caused concern to the United States.

The instructions given to our new Minister to Spain before his departure for his post directed him to impress upon that Government the sincere wish of the United States to lend its aid towards the ending of the war in Cuba by reaching a peaceful and lasting result, just and honorable alike to

Spain and to the Cuban people. These instructions recited the character and duration of the contest, the widespread losses it entails, the burdens and restraints it imposes upon us, with constant disturbance of national interests and the injury resulting from an indefinite continuance of this state of things. It was stated that at this juncture our Government was constrained to seriously inquire if the time were not ripe when Spain, of her own volition, moved by her own interests and every sentiment of humanity should put a stop to this destructive war and make proposals of settlement honorable to herself and just to the Cuban colony. It was urged that as a neighboring nation, with large interests in Cuba, we could be required to wait only a reasonable time for the mother country to establish its authority and restore peace and order within the borders of the island; that we could not contemplate an indefinite period for the accomplishment of this result.

Spanish Reforms. Decrees in the application of the foreshadowed reform have already been promulgated. The full text of these decrees has not been received but as furnished in a telegraphic summary from our Minister are: All civil and electoral rights of Peninsula Spaniards are, in virtue of existing constitutional authority, forthwith extended to colonial Spaniards.

That the Government of Sagasta has entered upon a course from which recession with honor is impossible can hardly be questioned; that in the few weeks it has existed it has made earnest of the sincerity of its professions is undeniable. I shall not impugn its sincerity, nor should impatience be suffered to embarrass it in the task it has undertaken. It is honestly due to Spain and to our friendly relations with Spain that she should be given a reasonable chance to realize our expectations and to prove the asserted efficacy of the new order of things to which she stands irrevocably committed. She has recalled the commander whose brutal orders inflamed the American mind and shocked the civilized world. She has modified the horrible order of concentration and has undertaken to care for the helpless and permit those who desire to resume the cultivation of their fields to do so, and assures them of the protection of the Spanish Government in their lawful occupations. She has just released the Competitor prisoners, heretofore sentenced to death, and who have been the subject of repeated diplomatic correspondence during both this and the preceding Administration.

Not a single American citizen is now in arrest or confinement in Cuba of whom this Government has any knowledge. The near future will demonstrate whether the indispensable condition of a righteous peace, just alike to the Cubans and to Spain as well as equitable to all our interests as intimately involved in the welfare of Cuba, is likely to be attained. If not, the exigency of further and other action by the United States will remain to be taken. When that time comes that action will be determined in the line of indisputable right and duty. It will be faced without misgiving or hesitancy in the light of the obligation this Government owes to itself, to the people who have confided to it the protection of their interests and honor, and to humanity.

Sure of the right, keeping free from all offense ourselves, actuated only by upright and patriotic considerations, moved neither by passion nor selfishness, the Government will continue its watchful care over the rights and property of American citizens, and will abate none of its efforts to bring about by peaceful agencies a peace which shall be honorable and enduring. If it shall hereafter appear to be the duty imposed by our obligations to ourselves, to civilization and humanity, to intervene with force, it shall be without fault on our part and only because the necessity for such action will be so clear as to command the support and approval of the civilized world.

The Hawaiian Treaty.

By a special message dated the 15th day of June last I laid before the Senate a treaty signed that day by the Plenipotentiaries of the United States and of the Republic of Hawaii, having for its purpose the incorporation of the Hawaiian Islands as an integral part of the United States and under its sovereignty. The Senate having removed the injunction of secrecy, although the treaty is still pending before that body, the subject may be properly referred to in this message because the necessary action of the Congress is required to determine by legislation many details of the eventual union, should the fact of annexation be accomplished, as I believe it should be.

While consistently disavowing from policy of absorption in regard to the Hawaiian group, a long series of declarations through three-quarters of a century has proclaimed the vital interest of the United States in the independent life of the islands and their intimate commercial dependence upon this country.

If the treaty is confirmed, as every consideration of dignity and honor requires, the wisdom of Congress will see to it that, avoiding abrupt assimilation of elements perhaps hardly yet fitted to share in the highest franchises of citizenship, and having due regard to the geographical conditions, the most just provisions for self rule in local matters with the largest possible liberties as an integral part of our nation will be accorded to the Hawaiians. No less is due to a people who, after nearly fifty years of demonstrated capacity to fulfill the obligations of self-governing statehood, come of their free will to merge their destinies in our body politic.

The Nicaragua Canal.

A subject of the highest importance to our country and long-recognized appreciation on the part of the people is the completion of the great highway of trade between the Atlantic and Pacific known as the Nicaragua Canal. Its utility and value to American commerce is universally admitted. The commission appointed under date of July 24 last to continue the surveys and examinations authorized by the act approved March 2, 1895, in regard to the proper route, feasibility and cost of construction of the Nicaragua Canal, with a view of making complete plans for the entire work of construction of such canal, is now employed in the undertaking. In the future I shall take occasion to transmit to Congress the report of this commission, making at the same time such further suggestions as may then seem advisable.

The Bimetalle Envoys.

Under the provisions of the act of Congress approved March 3, 1897, for the promotion of an international agreement respecting bimetallism, I appointed on the 14th day of April, 1897, Hon. Edward O. Wolcott, of Colorado; Hon. Adlai E. Stevenson, of Illinois; and Hon. Charles J. Paine, of Massachusetts, as special envoys to represent the United States. They have been diligent in their efforts to secure the concurrence and co-operation of European countries in the international settlement of the question, but up to this time have not been able to secure an agreement contemplated by their mission.

Our special envoys have not made their final report, as further negotiations between the representatives of this Government and the governments of other countries are pending and in contemplation. They believe that doubts which have been raised in certain quarters respecting the position of maintaining stability of the parity between the metals and kindred questions may yet be solved by further negotiations.

Meanwhile it gives me satisfaction to state that the special envoys have already demonstrated their ability and fitness to deal with the subject, and it is to be earnestly hoped that their labors may result in an international agreement which will bring about recognition of both gold and silver as money upon such terms and with such safeguards as will secure the use of both metals upon a basis which shall work no injustice to any class of our citizens.

International Arbitration.

International arbitration cannot be omitted from the list of subjects claiming our consideration. Events have only served to strengthen the general views on this question expressed in my inaugural address. The best sentiment of the civilized world is moving towards the settlement of differences between nations without resorting to the horrors of war. Treaties embodying these humane principles on broad lines without in any way impeding our interests or our honor shall have my constant encouragement.

The Navy.

The present immediately effective force of the navy consists of four battleships of the first class, two of the second and forty-eight other vessels, ranging from armored cruisers to torpedo boats. There are under construction five battleships of the first class, sixteen torpedo boats and one submarine boat. No provision has yet been made for the armor of three of the five battleships, as it has been impossible to obtain it at the price fixed by Congress. It is of great importance that Congress provide this armor, as until then the ships are of no fighting value.

As there are now on the stocks five battleships of the largest class, which cannot be completed for a year or two, I concur with the recommendation of the Secretary of the Navy for an appropriation authorizing the construction of one battleship for the Pacific coast, where, at present, there is only one in commission and one under construction, while on the Atlantic coast there are three under commission and four under construction, and also that several torpedo boats be authorized in connection with our general system of coast defense.

The Alaskan Situation.

The territory of Alaska requires the prompt and early attention of Congress. The conditions now existing demand material changes in the laws relating to the territory. The great influx of population during the past Summer and Fall and the prospect of a still larger immigration in the Spring will not permit us longer to neglect the extension of civil authority within the territory, or postpone the establishment of a more thorough government.

The startling though possibly exaggerated reports from the Yukon River country of the probable shortage of food for the large number of people who are wintering there without the means of leaving the country, are confirmed in such measure as to justify bringing the matter to the attention of Congress. Access to that country in Winter can be had only by the passes from Dyea and vicinity, which is a most difficult and perhaps an impossible task. However, should these reports of the suffering of our fellow citizens be further verified every effort at any cost should be made to carry them relief.

Pacific Railways.

The Union Pacific Railway, main line, was sold under the decree of the United States Court for the District of Nebraska on Nov. 1 and 2 of this year. The amount due the Government consisted of the principal of the subsidy bonds, \$27,235,512, and the accrued interest thereon, \$31,211,711.75, making the total indebtedness \$58,447,223.75. The bid at the sale covered the first mortgage lien and the entire mortgage claim of the Government, principal and interest.

Government Economy.

The estimates of the expenses of the Government by the several departments will, I am sure, have your careful scrutiny. While the Congress may not find it an easy task to reduce the expenses of the Government, it should not encourage their increase. These expenses will, in my judgment, admit of a decrease in many branches of the Government without injury to the public service. It is a corresponding duty to keep the appropriations within the receipts of the Government, and thus avoid a deficit.

(Signed) WILLIAM M'KINLEY, Executive Mansion, Dec. 6, 1897.

Queer Way to Make Money.

Stonham, Mass., Dec. 7.—M. W. Rooney, of this place, has been arrested on a United States warrant charging him with feloniously passing patched \$2 and \$5 bills. The arrests are one of the most important that has occurred lately, owing to the fact that many of the banks in Boston have in this way been swindled. The post-office inspectors say that Rooney cut slips from various parts of bills and patched them carefully together so that he made fifteen bills out of the original fourteen. He will be arraigned in Boston later.

Luertger Will Testify.

Chicago, Dec. 7.—Attorney Harmon, chief counsel for A. L. Luertger, the sausage maker and alleged wife murderer, has decided to put the prisoner on the stand to testify in his own behalf. He will probably be the first witness for the defense.

GERMANY AND HAYTI

PORT-AU-PRINCE PLACARDED WITH REBEL MANIFESTOS.

Populace Inflamed at the Report that the Government Decides to Pay the German Indemnity—Serious Trouble Feared.

Kingston, Jamaica, Dec. 7.—Advices received here from Port au Prince show that serious trouble is imminent in Hayti. The streets of the capital are placarded with "Down with the Government," and the troops have been ordered into barracks.

Eight Hours to Apologize.

Port au Prince, Hayti, Dec. 7.—Two German warships arrived here yesterday morning and delivered an ultimatum from the German Government to the Haytian Government, giving the latter eight hours in which to comply with Germany's demands for an apology and indemnity for the arrest and imprisonment of Emil Lueders, a native of Hayti, who had become a German subject.

Hayti Makes No Resistance.

Port au Prince, Dec. 7.—The population of the city late yesterday afternoon, when this cablegram was sent, appear calm.

The present indications seem to confirm the supposition cabled earlier that the Government will accept the conditions imposed by Germany so far as money indemnity is concerned.

It is also probable that, yielding to superior force and in order to avoid internal troubles, the Government will accept the other conditions.

The trouble at Port au Prince is possibly connected with the release of Herr Emil Lueders from prison at the instance of the United States Minister, William F. Powell, some time ago. Lueders claimed to have been illegally arrested and imprisoned, and the German Minister, Count Schwerin, is alleged to have acted in a most arbitrary manner, even going to the extent of forcing his way into the presence of the president of the republic, Gen. Tiresias Simon Sam. This and the Lueders affair generally is said to have so incensed the populace at Port au Prince that the lives of foreigners were for a time in danger and threats against the life of the German Minister were made. The agitators also proposed to lynch Lueders, and it was at this juncture that Minister Powell intervened and succeeded in getting Lueders out of the country.

Since then, it is understood, the feeling against Germany has been growing and incidentally the report of Hayti's unwillingness to agree to the demands of the German Government may have still further inflamed the people against Germany and also against the Government for giving way in the matter.

Indemnity Report Confirmed.

Berlin, Germany, Dec. 7.—A dispatch to the Frankfort Zeitung from Washington says the republic of Hayti is ready to pay Germany the indemnity demanded in behalf of that country for the alleged illegal arrest and imprisonment of Herr Emil Lueders.

Surprised by the News.

Washington, Dec. 7.—The presence of two German warships in the harbor of Port au Prince for the purpose of collecting the indemnity demanded by the German Government on account of Lueder, a German subject, may complicate the situation when the United States cruiser Marblehead arrives there a few hours later prepared for the protection of American interests.

The intelligence received here last night that an ultimatum had been given by the German commanders, with the alternative of bombardment unless the \$20,000 demanded was paid within eight hours, has had a rather disquieting effect in official circles, where no information of any character has been obtained from the Government's representatives at Berlin or in Hayti.

WANTS A SLICE OF CHINA.

Germany's Designs Frankly Stated by Von Bulow.

Berlin, Dec. 7.—A question by Herr Schoenlank, Socialist, at the opening of the debate on the Government's naval bill in the Reichstag, served to bring from Herr von Bulow, Minister of Foreign Affairs, a statement as to Germany's intentions regarding Hayti and China.

In regard to Hayti, he said he hoped Hayti would comply with the moderate demands made by Germany. Anyway, he added, Germany had the power and would enforce her rights.

In regard to China Herr von Bulow said that Germany would not rush into a conflict at Kiao Chou Bay, but she could no longer exclude herself from sharing the promising new markets. The time had passed when Germany was content to look on and see other countries dividing the world among them, while Germany "contented herself with a place in Heaven."

Seventeen Ships Wrecked.

Rome, Dec. 7.—Seventeen ships have been wrecked and their crews lost in a storm which has just swept over Italy and the Mediterranean Sea.

Nearly all these ships were crushed to pieces in the Bay of Naples, where the full force of the storm was felt. Enormous damage was done inland. Many wrecks are also reported from the islands of Sardinia and Sicily.

New Orleans Theatre Burned.

New Orleans, Dec. 7.—The Olympic Theatre, famous in the sporting world as the place where Sullivan lost the world's championship to Corbett, and Jack Dempsey, "the Nonpareil," was defeated by the present champion, Fitzsimmons, was burned to the ground last night. The loss to the owners is about \$30,000, half of which is covered by insurance.

To Baptize the Battle Ship.

Washington, Dec. 7.—Secretary Long has addressed a letter to Miss Christine Bradley, asking her to do him the honor to christen the battle ship Kentucky. This action was taken with the consent of Gov. Bradley.

Miss Richardson, of Kentucky, claimed she had already been requested to act by naval officers, but the Secretary's letter settles the dispute.

VOORHEES MAY DECLINE.

Succession to Gov. Griggs Means Ineligibility for Nomination.

Trenton, N. J., Dec. 7.—Until the official announcement came from Washington that it was a fact, the politicians did not believe that Gov. Griggs was selected to succeed Attorney-General McKenna. When they found that it was so there was a flutter greater than when the first rumor of the selection reached the State House.

Up to the time of the announcement of Gov. Griggs' selection for the Attorney-Generalship it was pretty certain that Senator Foster M. Voorhees of Union would be the next presiding officer of the Senate. Since then there has arisen a disposition in some quarters to prevent the selection of the Union Senator. The names most prominently mentioned by those who think it would be well to select some other man are Senator Skirm of Mercer and Senator Ketcham of Essex. Those who will oppose Mr. Voorhees will probably have to cast their lot with the Mercer Senator, for Mr. Ketcham will probably decline to run. He was mentioned for the position months ago, and at that time declared he would not accept and that he favored Voorhees.

Appointment Generally Conceded.

Washington, Dec. 7.—The appointment of Gov. Griggs, of New Jersey, as Attorney-General to succeed Attorney-General McKenna, of California, is generally conceded. The members of the New Jersey delegation in Congress are naturally pleased because of the President's selection. Gov. Griggs, they say, will make a first-rate Attorney-General, being a lawyer of much ability.

There is still talk of opposition to the appointment of Mr. McKenna as Supreme Court Justice, but it is not believed that action on his prospective nomination will be delayed for any great length of time. It is probable the nomination will go to the Senate this week, but the nomination of Gov. Griggs will probably be delayed until after the confirmation of Mr. McKenna.

BANK NOTE CURRENCY.

No Longer Any Need to Restrict the Issue—Circulation Figures.

Washington, Dec. 7.—Comptroller of the Currency James H. Eckels says in his annual report:

"Whatever justification there was in the first instance for restricting the issuing of notes against the bonds of the Government deposited with the Treasurer of the United States, to 90 per cent. of the par value thereof, long since ceased.

"Not only should the Bank act be amended in this particular, but Congress should seriously consider such a change in the method of bank-note issues as will enable the banks of the country to more adequately meet the demands of trade and commerce in all sections of the country.

"On Oct. 31 last there were in active operation 3,617 banks, having an authorized capital stock of \$630,230,295. The outstanding circulation of the banks then in operation was \$229,199,880, of which \$202,994,555 was secured by bonds of the United States and the balance by lawful money deposited with the Treasurer of the United States.

"The total circulation outstanding of all national banks on Oct. 31 was \$230,131,005, of which amount \$1,566,800 was secured by bonds held for account of insolvent and liquidating banks, and \$26,305,325 by lawful money deposited for their account and by active banks reducing circulation. The net increase in the amount of circulation secured by bonds during the year was \$12,584,334, and the gross decrease in total circulation was \$4,851,292."

BIG FIGHTERS MAY MEET

Dan Stuart Trying to Bring Fitz and Corbett Together.

New York, Dec. 7.—Bob Fitzsimmons and Jim Corbett may fight again, it is said. Dan Stuart is here from Chicago, with intentions of arranging another fight between Fitz and Gentleman Jim. Although nobody else does, Stuart thinks they are anxious to meet again.

Stuart practically says it is a public necessity for these men to face each other again in the roped arena. Everybody wants them to battle again, he says, and as a result he has come here fortified with articles of agreement, purses, inducements and three different locations in his mind where the fight could be safely pulled off.

Stuart will see both of the modern gladiators within the next few days, and will ask them to affix their signatures to articles of agreement.

In view of the fact that the public wants another meeting between Corbett and Fitz, Dan says he will do all in his power to bring it off. According to his calculations and the articles which he will submit, the fight would be pulled off some time in July at one of three places he has in view. He would not tell where, but said that the grounds would be more accessible than Carson City, one of the spots being within forty-eight hours' ride of New York City.

Representative Belden Has a Fall.

Washington, Dec. 7.—Representative Belden, of New York, fell down a flight of stone steps in the Capitol yesterday afternoon, striking his face full upon the tiled flooring at the bottom. His nose and forehead were badly cut and he bled profusely. He was removed to the room of the Committee on Accounts, near by, and his hurts treated. Physicians say he is not dangerously injured.

Paper Mills to Combine.

New York, Dec. 7.—A committee of the sixteen large paper manufacturing concerns of the country has been appointed to prepare an agreement for a combination to go into effect next Spring.

The daily production of the combination will be 1,400 tons.

Looks Better in Guatemala.

Washington, Dec. 7.—Mail to the Guatemalan legation in Washington states that peace prevails throughout the country. Capital punishment has not been applied to political prisoners and business is reviving.

Smallpox in Cuba.

Havana, Dec. 7.—Reports from Pinar del Rio city say that smallpox is rapidly spreading there, and that thirty deaths occurred daily from the disease.