The Star & Sentinel.

Friday, Dec. 10. 1869.

Advertisers and others interested will bear in mind that the regular circulation of the "STAR AND SENTINEL" is much larger than that of any other paper published in the County, being read weekly by not less than 11,000 persons.

PRESIDENT'S MESSAGE.

We surrender a large portion of our space to-day to President Grant's Message. It is a plain, frank, business document, tersely written, and will be read with interest and command general approval. As the message is not very long, and will be generally read, we omit any detailed synopsis of its contents. The President opens with congratulating Congress upon the improved condition of the country, the harmonious condition of our foreign relations, the reviving industrial energies of the nation, and the rapid reorganization and restoration of the rebellious States. In the case of Georgia, where the Constitution and Reconstruction acts were violated by expelling colored members of the Legislature and admitting others disqualified by the 14th amendment, the President recommends the passage of a Bill authorizing the Governor of Georgia to convene the Legislature as originally elected, to proceed with the work of re-construction in accordance with law.

The evils of an irredeemable paper currency are deplored, and the earnest efforts of Congress should be directed to such legislation as will insure a gradual, not immediate, return to specie payments. The President thinks our bonded debt now due can be replaced by bonds bearing but 4½ per cent. interest, and the whole debt finally funded at the same low rate. With this change and the rapidly increasing revenues, and continued economy in the administration of the various Departments, a reduction of from sixty to eighty millions in taxation could be safely made.

The President, while sympathizing with the struggling patriots of Cuba, thinks the rebellion has not made such progress as would justify their recognition as belligerents. In regard to the Alabama claims, he expresses his unqualified approval of the rejection of the Johnson-Clarendon treaty, as misconceived in its scope and unsatisfactory in its provisions. The renewal of negotiations with Great Britain on this subject is left for a better appreciation on both sides of the issues involved in it.

The message concludes with a number of important recommendations in relation to domestic matters, which will be found under appropriate heads.

ALBERT D. RICHARDSON, who was shot by DANIEL MCFARLAND, died of his wounds on the 2d inst. A day or two before his death he was married to the divorced wife of MCFARLAND by Rev. Mr. FROTHINGHAM, WARD BEECHER assisting. Mr. RICHARDSON was only 36 years old, but had already acquired a high reputation as a newspaper and magazine writer. He was the secret correspondent of the New York *Tribune* in 1860 and 1861, traveling through the South and managing to get his letters through to the *Tribune*, despite the sharp police regulations under which the Secession movement was inaugurated. He subsequently became one of the noted *Tribune* Army correspondents—was taken prisoner opposite Vicksburg, and spent 20 months in the Rebel prison-pens, finally making his escape, by a long and tediousness foot-march of 400 miles through canebreak and wilderness, to Knoxville, Tenn., whence he sent to the *Tribune* the famous telegram: "Out of the jaws of Death—out of the mouth of Hell." He subsequently published "Camp, Field and Dungeon," and "West of the Mississippi," both of which works have had a heavy sale. His murder by MCFARLAND, under the idea of fancied domestic wrong, has drawn from the Press a good deal of indignant denunciation. His friends claim for him great purity of life and kindness of disposition, and say that his only fault, if fault there be, was an imprudent championing of Mrs. MCFARLAND (a lady of refined and cultivated intellect) against the wrongs of a brutal, drunken husband. MCFARLAND will be tried for murder, and the true facts will be developed.

THE great Œcumenical Council of the Catholic Church was to meet in Rome on Wednesday last. It will be largely attended by the Bishops and leading Prelates of the Church from all parts of the world, and its deliberations and decisions will command a great deal of attention. There have been eighteen of these General Councils—the first in the year 325, known as the Council of Nice, called to refute the Arian heresy and declare the now generally recognized doctrine of the Trinity—and the last in 1545, known as the Council of Trent, called to refute the alledged heresies of Luther, Calvin and Zuinglun. The Council of 1869, besides dealing with the dogma of the infallibility of the Pope, will discuss the relation of the Church to modern society, in regard to both of which there exists a wide variance of opinion among Catholics. There has been for centuries a growing divergence between the theocratic theory which the Popes, ever since Gregory VII, have held as to the relations between church and state, and the actual state of things in Catholic countries. The Gallican and Austrian Prelates will probably insist upon an abandonment, or material modification of the dogma of Papal infallibility, and endeavor to bring the Church in accord with the political systems of the age by ignoring the claims of the Pope as a temporal prince. The sessions of the Council will doubtless be protracted, probably extending over the year 1870. The Council of Trent lasted eighteen years, adjourning over from time to time.

THE Republicans have made a clear sweep of Mississippi; carrying nearly every county in the State, electing Alcorn Governor by about 50,000, with a Republican Legislature, which will ratify the 15th Amendment.

From Texas the returns come in slowly. The contest is close between Hamilton (Conservative) and Hayes, (Republican) but the latest despatches claim the election of Hayes. The new Constitution is adopted by an almost unanimous vote, and the Legislature will endorse the 15th Amendment.

CONGRESS met on Monday, a quorum in each House answering to roll call.—The President's message was at once sent in, being read in the House by Mr. MCPHERSON and in the Senate by Mr. GORHAM. The organization having been completed at this March session, Congress will at once enter on the dispatch of business.

PRESIDENT'S MESSAGE.

To the Senate and House of Representatives:

In coming before you for the first time as Chief Magistrate of this great nation, it is with gratitude to the giver of all real for the many benefits we enjoy. We are blessed with peace at home and are without entangling alliances abroad to forbode troubles. With a territory unsurpassed in fertility, of an area equal to the abundant support of five hundred millions of people, and abounding in every variety of useful mineral, in quantity sufficient to supply the world for generations; with exuberant crops; with a variety of climate adapted to the production of every species of earth's riches, and suited to the habits, tastes and requirements of every living thing; with a population of 40,000,000 of free people, all speaking one language; with facilities for every mortal to acquire an education; with institutions closing to none the avenues to fame or any blessing of fortune that may be coveted; with freedom of the pulpit, the press and the school, with a revenue flowing into the National Treasury beyond the requirements of the Government. Happily harmony is being rapidly restored within our own borders, manufactures hitherto unknown in our country are springing up in all sections, producing a degree of national independence unequalled by that of any other power. These blessings, and countless others, are entrusted to your care and mine for safe keeping for the brief period of our tenure of office. In a short time we must each of us return to the ranks of the people who have conferred upon us our honors and account to them for our stewardship. I earnestly desire that neither you nor I may be condemned by a free and enlightened constituency, nor by our own consciences.

THE WORK OF RECONSTRUCTION.

Emerging from a rebellion of gigantic magnitude, aided, as it was, by the sympathies and assistance of nations with which we were at peace, eleven States of the Union were four years ago left without legal State governments. A national debt had been contracted. American Commerce was almost driven from the seas. The industry of the one-half of the country had been taken from the control of the capitalists and placed where all labor rightfully belongs—in the keeping of the laborer. The work of restoring of State governments loyal to the Union, of protecting and fostering free labor, and providing means for paying the interest on the public debt, has received ample attention from Congress. Although your efforts have not met with the success in all particulars that might have been desired, yet, on the whole, they have been more successful than could have reasonably been anticipated. Seven States which passed ordinances of secession have been fully restored to their places in the Union. The eighth (Georgia) held an election at which she ratified her Constitution, republican in form, elected a Governor, members of Congress, a State Legislature and all other officers required. The Governor was duly installed and the Legislature met and performed all the acts of Congress. Subsequently, however, in violation of the Constitution which they had just ratified, (as decided by the Supreme Court of the State,) they unseated the colored members of the Legislature and admitted to seats some members who are disqualified by the third clause of the Fourteenth Amendment to the Constitution, and who, indeed, *they* themselves had contributed to ratify. Under these circumstances I would submit to you whether it would not be wise, without delay, to enact a law authorizing the Governor of Georgia to convene the members originally elected to the Legislature, requiring each member to take the oath prescribed by the Reconstruction acts, and none to be admitted who were ineligible under the third clause of the Fourteenth Amendment.

THE FREEDMEN.

The freedmen, under the protection which they have received, are making rapid progress in learning, and no complaints are heard of lack of industry on their part where they receive fair compensation for their labor.

THE FINANCES.

The means provided for paying the interest on the public debt, with all other expenses of Government, are more than ample. The loss of our commerce is the only event of the last rebellion which has not received sufficient attention from you. To this subject I call your earnest attention.—I will not now suggest plans by which this object may be effected, but will, if necessary, make it the subject of a special message during the session of Congress.

VIRGINIA, MISSISSIPPI AND TEXAS.

At the March term, Congress by joint resolution authorized the Executive to order elections in the States of Virginia, Mississippi and Texas, to submit to them the Constitution which each had previously in Convention framed, and submit the Constitutions, either entire or in separate parts, to be voted upon, at the discretion of the Executive. Under this authority elections were called. In Virginia the election took place on the 6th and 7th of May, 1869. The former and Lieutenant Governor elected have been installed; the Legislature met and did all required by this resolution and by all the Reconstruction acts of Congress, and obtained from me doubtful authority. I recommend that her Senators and Representatives be promptly admitted to their seats, and the State be fully restored to its place in the family of States. Elections were called in Mississippi and Texas to commence on the 30th of November, 1869, and were to last two days in Mississippi and four days in Texas. The elections have taken place, but the result is not known. It is to be hoped that the acts of the Legislature of these States, when they meet, which will be as soon as receive your approval, and thus close the work of reconstruction.

THE CURRENCY AND RESUMPTION.

Among the evils growing out of the rebellion, and not yet referred to, is that of an irredeemable currency. It is an evil which I hope will receive your most earnest attention. It is a duty, and one of the highest duties of Government, to secure to the citizen a medium of exchange of fixed, unvarying value.

This implies a return to specie basis, and no substitute for it can be devised. It should be commenced and prosecuted at the earliest practical moment consistent with a fair regard to the interests of the debtor class. Immediate resumption, if practicable, would not be desirable. It would compel the debtor class to pay, beyond their contracts, the premium in gold at the date of their purchase, and would bring bankruptcy and ruin to thousands.—Fluctuations, however, in the paper value of the measure of all value—gold—is detrimental to the interests of trade. It makes the man of business an inveterate gambler, for in all his calculations where time is to be made, both parties speculate as to what will be the value of the currency to be paid and received.

GRADUAL RETURN TO SPECIE PAYMENTS.

I earnestly recommend to you, then, such legislation as will insure a gradual return to specie payment, and put an immediate stop to fluctuation in the value of currency. The methods to secure the former of these results are as numerous as are the speculators on political economy. To secure the latter I see but one way, and that is to authorize the Treasury to redeem its own paper at a fixed price, whenever presented, and to withhold from circulation all currency so redeemed until sold again for gold.—The vast resources of the nation, both developed and undeveloped, ought to make our credit the best on earth. With a less burthen of taxation than the citizen has endured for six years past, the entire public debt could be paid within ten years. But it is not desirable that the people should be taxed to pay it in that time. Year by year the ability to pay increases in a rapid ratio. But the burden of interest ought to be reduced as rapidly as can be done without the violation of contract. The public debt is represented in great part by bonds having from five to twenty, and from ten to forty, years to run, bearing interest at the rate of 6 per cent. and 5 per cent. respectively. It is optional with the Government to pay these bonds at any period after the expiration of the least time mentioned upon their face. The time has already expired when a great part of them may be taken up, and the interest thereon thus saved, all may be. It is believed that all which are now due may be replaced by bonds bearing a rate of interest not exceeding four and one-half per cent., and as rapidly as the remainder become due they may be replaced in the same way. To accomplish this it may be necessary to authorize the interest to be paid at either of three or four of the money centres of Europe, or by an American Treasurer of the United States, at the option of the holder of the bond. I suggest this subject for the consideration of Congress, and also, simultaneously with this, the propriety of redeeming our currency, as before suggested, at its market value at the time the law goes into effect, increasing the rate at which currency will be bought and sold from day to day, or week to week, at the same rate of interest as the Government pays upon its bonds.

THE TARIFF.

The subject of tariff and internal taxation will necessarily receive your attention. The revenues of the country are greater than the requirements, and may with safety be reduced. But as the funding of the debt, in a four or four and-a-half per cent. loan, would reduce the annual current expenses largely; thus, after funding, justifying a greater reduction of taxation than would now expedient. I suggest the postponement of this question until the next meeting of Congress. It may be advisable to modify taxation and tariff in instances where unjust burdens or discriminations are created by the present law, but a general revision of the laws regulating this subject, I recommend the postponement of for the present.

THE INCOME TAX.

I also suggest the renewal of the tax on incomes, but at a reduced rate, say of three per cent., and this tax to expire in three years. With the funding of the National debt as her suggested, I feel safe in saying that taxes and the revenue from imports may be reduced nearly from $80,000,000 to $50,000,000 per annum at once, and may be still further reduced from year to year, as the resources of the country are developed.

PURCHASE OF GOVERNMENT BONDS.

The report of the Secretary of the Treasury shows the receipts of the Government of the fiscal year ending June 30th, 1869, to be $370,943,747, and the expenditures, including interest, bounties, &c., to be $321,490,587. The estimates for the ensuing year are more favorable to the Government, and will, no doubt, show a much larger decrease of the public debt. The receipts in the Treasury beyond expenditures have exceeded the amount necessary to place to the credit of the Sinking Fund as provided by law. To lock up the surplus in the Treasury, and withhold it from circulation, would lead to such a contraction of the currency as to cripple trade and seriously effect the prosperity of the country. Under these circumstances the Secretary of the Treasury and myself heartily concurred in the propriety of using all the surplus currency in the Treasury in the purchase of Government bonds, thus reducing the interest-bearing indebtedness of the country, and of submitting to Congress the question of the disposition to be made of the bonds so purchased. The bonds now held by the Treasury amount to about $75,000,000, including those belonging to the Sinking Fund. I recommend that the whole be placed to the credit of the Sinking Fund.

THE RECOMMENDATIONS OF THE SECRETARY OF THE TREASURY.

Your attention is respectfully invited to the recommendations of the Secretary of the Treasury for the creation of the Office of Commissioner of Customs Revenue, for the increase of salary to certain classes of officials, the substitution of increased national bank circulation to replace the outstanding 3 per cent. certificates; and more especially to his recommendation for the repeal of laws allowing shares of fines, penalties, forfeitures, &c., to officers of the Government or to informers.

THE INTERNAL REVENUE DEPARTMENT.

The office of Commissioner of Internal Revenue is one of the most arduous and responsible under the Government. It falls but little, if any, short of a Cabinet position in its importance and responsibilities. I would ask for it, therefore, such legislation as in your judgment will place the office upon a footing of dignity commensurate with its importance, and with the character and qualifications of the class of men required to fill it properly.

OUR RELATIONS WITH CUBA.

As the United States is the freest of all nations, so, too, its people sympathize with all peoples struggling for liberty and self-government, but while so sympathizing, it is due to our honor that we should abstain from enforcing our views upon unwilling nations, and from taking an interested part, *without invitation*, in the quarrels between different nations, or between Governments and their subjects. Our course should always be in conformity with strict justice and law, international and local. Such has been the policy of the Administration in dealing with these questions. For more than a year a valuable Province of Spain, and a near neighbor of ours, in whom all our people cannot but feel a deep interest, has been struggling for independence and freedom. The people and Government of the United States entertain the same warm feeling and sympathies for the people of Cuba in their pending struggle that they manifested throughout the previous struggles between Spain and her former colonies in behalf of the latter; but the contest has at no time assumed the conditions which amount to a war in the sense of international law, or which would show the existence of a *de facto* political organization of the insurgents sufficient to justify a recognition of belligerency.

The principle is maintained, however, that this nation is its own judge when to accord the rights of belligerency, either to a people struggling to free themselves from a Government they believe to be oppressive, or to independent nations at war with each other.

The United States have no disposition to interfere with the existing relations of Spain to her Colonial possessions on this Continent. They believe that in due time Spain and other European powers will find their interest in terminating those relations, and establishing their present dependencies as independent powers, and members of the family of nations.

These dependencies are no longer regarded as subject to transfer from one European Power to another. When the present relation of colony ceases they are to become independent powers, exercising the right of choice and self-control in the determination of their future condition and relations with other powers.

The United States, in order to put a stop to blood-shed in Cuba, and in the interests of a neighboring people, proposed their good offices to bring the existing contest to a termination. The offer not being accepted by Spain on a basis which we believe could be received by Cuba, was withdrawn.

It is hoped that the good offices of the United States may yet prove advantageous for the settlement of this unhappy strife. Meanwhile a number of illegal expeditions against Cuba have been broken up. It has been the endeavor of the Administration to execute the Neutrality laws in good faith, no matter how unpleasant the task, made so by the feeling which we have endured from lack of like good faith towards us by other nations.

THE "LIZZIE MAJOR" CASE.

On the 26th of March last the United States schooner "Lizzie Major" was arrested on the high seas by a Spanish frigate, and two passengers taken from it and carried as prisoners to Cuba. Representations of these facts were made to the Spanish Government as soon as official information of them reached Washington. The two passengers were set at liberty, and the Spanish Government assured the United States the Captain of the frigate in making the capture had acted without law, that he had been reprimanded for the irregularity of his conduct, and that the Spanish authorities in Cuba would not sanction any act that could violate the rights or treat with disrespect the sovereignty of this nation.

THE SEIZURE OF THE "MARY LOWELL."

The question of the seizure of the brig Mary Lowell at one of the Bahama Islands, by the Spanish authorities, is now the subject of correspondence between this Government and those of Spain and Great Britain. The Captain General of Cuba, about May last, issued a proclamation authorizing search to be made of vessels on the high seas. Immediate remonstrance was made against this, whereupon the Captain General issued a new proclamation limiting the right of search to vessels of the United States, so far as authorized under the treaty of 1795. This proclamation was, however immediately withdrawn.

THE DARIEN CANAL.

I have always felt that the most intimate relations should be cultivated between the Republic of the United States and all independent nations on this Continent. It may be well even to consider whether new treaties between us and them may not be profitably entered into to secure more intimate relations, friendly, commercial and otherwise.

The subject of an inter-oceanic canal, to connect the Atlantic and Pacific Oceans through the Isthmus of Darien, is one in which commerce is greatly interested. Instructions have been given to our Minister to the Republic of the United States of Colombia to endeavor to obtain authority for a survey by this Government in order to determine the practicability of such an undertaking, and a charter for the right of way, so that if the private enterprise such a work if the survey proves it to be practicable.

CLAIMS AGAINST PERU.

In order to comply with the agreement of the United States as to a mixed commission for the adjustment of claims, it became necessary to send a Commissioner and Secretary to Lima in August last. No appropriation having been made by Congress for this purpose, it is now asked that one be made covering the past and future expenses of the Commission.

SOUTH AMERICAN TREATIES.

The good offices of the United States to bring about a peace between Spain and the South American Republics with which she is at war, having been accepted by Spain, Peru and Chili, a Congress has been invited to be held in Washington during the present spring.

THE NICARAGUA CANAL.

A grant has been given to Europeans of an exclusive right of transit over the territory of Nicaragua, to which Costa Rica has given its assent, which, it is alleged, conflicts with vested rights of citizens of the United States. The Department of State has now this subject under consideration.

THE SPANISH GUNBOATS AT NEW YORK.

The Minister of Peru having made representations that there was a state of war between Peru and Spain, and that Spain was conspiring in and near New York thirty gunboats, which might be used by Spain in such a way as to relieve the naval force at Cuba so as to operate against Peru, orders were given to prevent their departure. No further steps having been taken by the representative of the Peruvian Government to prevent the departure of these vessels, and I, not feeling authorized to detain the property of a nation with which we are at peace on a mere Executive order, the matter has been referred to the Courts to decide.

THE PARAGUAYAN WAR.

The conduct of the war between the Allies and the Republic of Paraguay has made the intercourse with that country so difficult that it has been deemed advisable to withdraw our representative from there.

CLAIMS AGAINST GREAT BRITAIN.

Towards the close of the last Administration a convention was signed at London for the settlement of all outstanding claims between Great Britain and the United States, which failed to receive the advice and consent of the Senate to its ratification. The time and the circumstances attending the negotiations of that treaty were unfavorable to its acceptance by the people of the United States, and its provisions were wholly inadequate for the settlement of the grave wrongs that had been sustained by this Government, as well as by its citizens. The injuries resulting to the United States by reason of the course adopted by Great Britain during our late civil war, in the increased rates of insurance, in the diminution of exports and imports, and other obstructions to domestic industry and production, in its effect upon the foreign commerce of the country; in the decrease and transfer to Great Britain of our commercial marine; in the prolongation of the war and the increased cost, both in treasure and in lives, for its suppression, could not be adjusted or satisfied as ordinary commercial claims which continually arise between commercial nations; and yet the convention treated them simply as such ordinary claims, from which they differ more widely in the gravity of their character than in the magnitude of the amount. Great even as is that difference, not a word was found in the treaty, and not an inference could be drawn from it to remove the sense of an unfriendliness of the course of Great Britain in our struggle for existence, which had so deeply and universally impressed itself upon the people of this country.

Believing that a convention thus misconceived in its scope, and inadequate in its provisions, would not have produced the hearty, cordial settlement of pending questions, which alone is consistent with the relations which I desire to have firmly established between the United States and Great Britain, I regarded the action of the Senate in rejecting the treaty to have been wisely taken in the interest of peace, and as a necessary step in the direction of a perfect and cordial understanding between the countries. A sensitive people conscious of their power, are more at ease under a great wrong wholly unatoned that under the restraint of a settlement which satisfies neither their ideas of justice nor their grave sense of the grievance they have sustained. The rejection of the treaty was followed by a state of public feeling on both sides which I thought not favorable to an immediate attempt of renewed negotiation. I accordingly so instructed the Minister of the United States to Great Britain, and found that my views in this regard were shared by Her Majesty's Minister. I hope that the time may soon arrive when the two governments can approach the solution of this momentous question with an appreciation of what is due to the rights, dignity and honor of each, and with the determination not only to remove the cause of complaint in the past, but to lay the foundation of a broad principle of public law, which will prevent future differences and tend to firm and continued peace and friendship. This is now the only grave question which the United States have with any foreign nation.

RECIPROCITY TREATY WITH CANADA.

The question of renewing a treaty for reciprocal trade between the United States and British Provinces on this Continent has not been favorably considered by the Administration. The advantages of such a treaty would be wholly in favor of the British provinces. Excepting the coast, we are engaged in the trade between the two sections, no citizen of the United States would be benefited by reciprocity. Our internal taxation would prove a protection to the British producer almost equal to the protection which our manufacturers now receive from the tariff. Some arrangements, however, for the regulation of commercial intercourse between the United States and the Dominion of Canada may be desirable.

THE BRITISH POSSESSIONS.

The Commission for adjusting the claims of the Hudson Bay and Puget Sound Agricultural Company upon the United States has terminated its labors. The sum of fifteen hundred and fifty thousand dollars has been made, and all rights and titles of the Company on the territory of the United States have been extinguished. Title to the property of the Company have been delivered. An appropriation by Congress to meet this sum is asked.

THE NORTHWEST BOUNDARY.

The Commissioners for determining the Northwestern land boundary between the United States and the British possessions, under the treaty of 1856, have completed their labors and the commission has been dissolved.

THE SUPPRESSION OF THE SLAVE TRADE.

In conformity with the recommendation of Congress a proposition was early made to the British Government to abolish the mixed courts created under the treaty of April 7, 1862, for the suppression of the slave trade. The subject is still under negotiation.

THE FRENCH ATLANTIC CABLE.

It having come to my knowledge that a corporate company, organized under British laws, propose to land upon the shores of the United States, and to operate there a submarine cable, under a concession from his Majesty the Emperor of the French, of an exclusive right for twenty years of telegraphic communication betweeen the shores of France and the United States, with the very objectionable feature of subjecting all messages conveyed thereby to the scrutiny and control of the French Government, I informed the French and British Legations at Washington to be made acquainted with the probable policy of Congress on the subject, as foreshadowed by the bill which passed the Senate in March last. This drew from the representatives of the Company an agreement to accept as the basis of their operations the provisions of that bill, or of such other enactments on the subject as might be passed during the approaching session of Congress; also, to use their influence to secure from the French Government a modification of their concession, so as to permit the landing and use of the cable of any cable belonging to any company incorporated by authority of the United States, or of any State in the Union, and on their part not to oppose the establishment of any such cable. In consideration of the agreement, I directed the withdrawal of all opposition by the United States authorities to the landing of the cable and the working of it until the meeting of Congress. I regret to say that there has been no modification made in the Company's concession, nor so far as I can learn have they attempted to secure any. Their concession excludes the capital and the citizens of the United States from competition upon the shores of France. I recommend legislation to protect the rights of citizens of the United States, as well as the dignity and sovereignty of the nation, against such assumptions. I shall also endeavor to secure by negotiation the abandonment of the principle of monopolies in ocean telegraphic cables. Copies of this correspondence are herewith furnished.

FALSE CLAIMS OF CITIZENSHIP.

The unsettled political condition of other countries less fortunate than our own sometimes induces their citizens to come to the United States for the sole purpose of being naturalized. Having secured this they return to their native country and reside there without disclosing their change of allegiance. They accept official positions of trust or honor which can only be held by citizens of their native land. They journey under passports describing them as such citizens, and it is only when civil disord, after perhaps years of quiet, threatens their persons or their property, or when their native State drafts them into the military service, that the fact of their change of allegiance is made known. They reside permanently away from the United States; they contribute nothing to its revenues; they avoid the citizenship, and they only make themselves known by a claim of protection. I have directed the Diplomatic and Consular officers of the United States to scrutinize carefully all such claims of protection. The citizen of the United States, whether native or adopted, who discharges his duty to his country, is entitled to its complete protection. While I have a voice in the direction of affairs, I shall not consent to imperil this sacred right by conferring it upon fictitious or fraudulent claimants. On the accession of the present Administration it was found that the Minister for North Germany had made propositions for the negotiation of a Convention for the protection of emigrant passengers, to which no response had been given. It was concluded that to be effectual all the maritime Powers engaged in the trade should join in such a measure. Invitations have been extended to the Cabinets of London, Paris, Florence, Berlin, Brussels, the Hague, Copenhagen and Stockholm, to empower their representatives at Washington to simultaneously enter into negotiations and to conclude with the United States Conventions identical in form, making uniform regulations as to the construction of parts of vessels to be devoted to the use of emigrant passengers, as to quality and quantity of food, as to the medical treatment of the sick, and as to the rules to be observed during the voyage, in order to secure ventilation, to promote health, to prevent infection, and to protect the females, and providing for the establishment of tribunals in the several countries for enforcing such regulations by summary process.

TREATIES WITH RUSSIA.

Your attention is respectfully called to the law regulating the tariff on Russian hemp, and to the question whether to fix the charges on Russian hemp higher than they are fixed upon Manilla, is not a violation of our treaty with Russia, placing her products on the same footing with those of the most favored nations.

MANUFACTURING AND INDUSTRIAL INTERESTS.

Our manufactures are increasing with wonderful rapidity under the encouragement which they now receive. With the improvements in machinery already effected and still increasing, causing machinery to take the place of skilled labor to a large extent, our imports of many articles must fall off largely within a very few years.

Fortunately, too, manufactures are not confined to a few localities as formerly, and it is to be hoped will become more and more diffused, making the interest in them equal in all sections. They give employment and support to hundreds of thousands of people who have been driven to us by the means which otherwise would be shipped abroad. The extension of railroads in Europe and the East is bringing into competition with our agricultural products those of other countries. Self interest, if not self preservation, therefore, dictates caution against disturbing the industrial interest of the country. It teaches us also the necessity of looking to other markets for the sale of our surplus.

THE CHINESE.

Our neighbors South of us, and China and Japan, should receive our special attention. It will be the endeavor of the Administration to cultivate such relations with all these nations as to entitle us to their confidence and make it their interest, as well as ours, to establish better commercial relations. Through the agency of a more enlightened policy than that heretofore pursued toward China, largely due to the sagacity and efforts of one of our own distinguished citizens, the world is about to commence largely increased relations with that populous and hitherto exclusive nation. As the United States have been the initiators in this new policy, so they should be the most earnest in showing their good faith, in making it a success. In this connection I advise such legislation as will forever preclude the enslavement of the Chinese upon our soil under the name of Coolies, and also prevent American vessels from engaging in the transportation of the unwilling country toleating the system. I also recommend that a mission to China be raised to one of the first class.

MEANS NECESSARY FOR PEACE, PROSPERITY AND DEVELOPMENT.

On my assuming the responsible duties of Chief Magistrate of the United States, it was with the conviction that three things were essential to its peace, prosperity and fullest development. First among these is strict integrity in fulfilling all our obligations. Second, to secure protection to the person and property of the citizen of the United States in each and every portion of our common country wherever he may chose to move, without reference to original nationality, religion, color or political creed, conditioned on only obedience to the laws and proper respect for the rights of others. Third—Union of all the States with equal rights, indestructible by any constitutional means.

To secure the first of these, Congress has taken two essential steps: First in declaring by joint resolution that the public debt should be paid, principal and interest, in coin; and Second—by providing the means for paying. Providing the means, however, could not secure the object desired without a proper administration of the laws for the collection of the revenues, and an economical disbursement of them. To this subject the Administration has most earnestly addressed itself, with results, I hope, satisfactory to the country. There has been no hesitation in changing officials in order to secure a more efficient execution of the laws, sometimes too, where in a mere party view undesirable political results were likely to follow, nor any hesitation in sustaining efficient officials against remonstrances wholly political.

THE TENURE-OF-OFFICE ACT.

It may be well to mention here the embarrassment possible to arise from leaving on the statute book the so-called "Tenure-of-Office Acts," and earnestly recommend their total repeal. It could not have been the intention of the framers of the Constitution, when providing that appointments made by the President should receive the consent of the Senate, that the latter should have the power to retain in office persons placed there by Federal appointment against the will of the President. The law is inconsistent with a faithful and efficient administration of the Government. What faith can an Executive put in officials forced upon him and those, too, whom he has suspended for reason. How will business men, who have to serve an Administration which they know does not trust them? For the second requisite to our growth and prosperity time and a firm but humane administration of existing laws, amended from time to time as may be necessary to be effective or prove harsh and unnecessary, are probably all that are required. The third cannot be obtained by special legislation, but must be regarded as fixed by the Constitution itself, and gradually acquiesced in by force of public opinion.

INDIAN AFFAIRS.

From the foundation of the Government to the present time the management of the original inhabitants of this continent, the Indians, has been a subject of embarrassment and expense, and has been attended with continual robberies, murders and wars. From my own experience upon the frontiers and in the Indian country, I fully hold either the neglect of duty or the conduct of the whites who come most in contact with the Indian blameless for these hostilities.

The past, however, cannot be undone and the question now is what we now find it. I have attempted a new policy towards these wards of the nation, they cannot be regarded in any other light than as wards, with fair results so far as tried, and which I hope will be attended ultimately with great success. The Society of Friends is well known as having succeeded in living in peace with the Indians in the early settlement of Pennsylvania, while their white neighbors of other sects in other sections were constantly embroiled. They are also known for their opposition to all strife, violence and war, and are generally noted for their strict integrity and fair dealing. These considerations induced me to give the management of a few reservations of Indians to them, and to throw the burden of the selection of agents upon the Society itself. The result has proven most satisfactory. It will be found more fully set forth in the report of the Commissioner of Indian Affairs.

For Superintendents and Indian Agents not on the reservations—officers of the army were selected. The reasons for this are numerous. When Indian Agents are sent there, or are there, troops must be sent also. The agent and the commander of troops are independent of each other, and are subject to orders from different departments of the Government. The army officer holds a position for life; the agent one at the will of the President. The former is personally interested in living in harmony with the Indians, in establishing a permanent peace, to the end that some portions of his life may be spent within the limits of civilized society. The latter has no such personal interest. Another reason is an economic one, and still another, the hold which the Government has upon a life officer to secure faithful discharge of duties in carrying out a given policy.

The building of railroads and the access thereby given to all the agricultural and mineral regions of the country is rapidly bringing civilized settlements into contact with all the tribes of Indians. No matter what ought to be the relations between such settlements and aborigines, the fact is, they do not harmonize well, and one or the other has to give way in the end. A system which looks to the extinction of a race is too horrible for a nation to adopt without entailing upon itself the wrath of all Christendom, and engendering in the citizen a disregard for human life and the rights of others dangerous to society. I see no substitute for such a policy, except in placing all the Indians so large reservations as rapidly as can be done, and giving them absolute protection there. As soon as they are fitted for it they should be induced to take their lands in severalty, and to set up territorial governments for their own protection. For full details on this subject I call your special attention to the reports of the Secretary of the Interior and the Commissioner of Indian Affairs.

THE ARMY.

The report of the Secretary of War shows the expenditures of the War Department for the year ending the thirtieth of June, 1869, to be $80,644,042, of which $23,882,310 was disbursed in the payment of debts contracted during the war, and is not chargeable to current army expenses. The estimate of $34,531,031 for the expenses of the army for the next fiscal year is as low as it is believed can be relied on. The estimates of bureau officers have been carefully scrutinized and reduced wherever it has been deemed practicable. If, however, the condition of the country should be such by the beginning of the next fiscal year as to admit of a greater concentration of troops, the appropriation asked for will not be expected.

RIVER AND HARBOR IMPROVEMENTS.

The appropriations estimated for river and harbor improvements, and for fortifications, are submitted separately. Whatever amount Congress may deem proper to appropriate for these purposes will be expended. The recommendation of the General of the Army that appropriations be made for the forts at Boston, Portland, New York, Philadelphia, New Orleans and San Francisco, if for no other, is concurred in.

SEAL FISHERIES.

I also ask your special attention to the recommendation of the General Commanding the Military Division of the Pacific for the sale of the Seal Islands of St. Paul and St. George, Alaska Territory, and suggest that it either be complied with, or that legislation be had for the protection of the seal fisheries, from which a revenue should be derived.

SALE OF ARSENALS.

The report of the Secretary of War contains a synopsis of the reports of the heads of Bureaus, of the Commanders of Military Divisions, and of the Districts of Virginia, Mississippi and Texas, and the report of the General of the Army in full.

STAFF OFFICERS.

The recommendations therein contained have been well considered and are submitted for your action. I, however, call special attention to the recommendation of the Chief of Ordnance for the sale of certain military lands no longer of use to the Government. Also, to the recommendation of the Secretary of War, that the act of March 3d, 1869, prohibiting promotions and appointments in the Staff Corps of the Army, be repealed. The extent of country to be garrisoned and the number of military posts to be occupied is the same with a reduced army as with a large army. The number of Staff officers required is dependent upon the latter than the former condition.

THE NAVY.

The report of the Secretary of the Navy shows the condition of the navy when this Administration came into office and changes made since. Strenuous efforts have been made to place as many vessels in commission of him only them fit for service, if required; as possible, and to substitute sail for steam whilst cruising, thus materially reducing the expenses of the navy, and at the same time its efficiency. Looking to our future, I recommend a liberal, though not extravagant policy towards this branch of the public service.

POSTAL ARRANGEMENTS.

The report of the Postmaster General furnishes a clear and comprehensive exhibit of the operations of the Postal service and of the financial condition of the Postoffice Department. The ordinary postal revenues for the year ending June 30, 1869, amounted to $18,344,510, and the expenditures $23,698,131; showing an excess of expenditures over receipts of $5,353,520. The excess of expenditures over receipts for the previous year amounted to $6,437,992. The increase of receipts for 1869 over those of 1868 was $2,051,909, and the increase of expenditures was $967,539. The increased revenue in 1869 exceeded the increased revenue in 1868 by $996,396, and the increased expenditure in 1869 was $2,527,570 less than the increased expenditures in 1868, showing by comparison this gratifying feature of improvement, that while the increase of receipts in 1868 was $2,438,535, the increase of expenditures over the increase of receipts in 1869 was but $530,961.

Your attention is respectfully called to the recommendations made by the Postmaster General for authority to change the rate of compensation to the railroad companies for their services in carrying the mails; for fixing post route maps executed; for reorganizing and increasing the efficiency of the special agency service; for increase of the mail service in the Pacific and Southern States, and for the flag of the Union on the Atlantic, and those especially do I call your attention to his recommendation for the total abolition of the franking privilege. This is an abuse from which no one receives a commensurate advantage. In 1868 the receipts for postal service from 25 to 30 per cent. and largely increases the service to be performed. The method by which postage should be paid upon public matter, I set forth fully in the report of the Postmaster General.

PUBLIC LANDS.

The report of the Secretary of the Interior shows that the quantity of the public lands disposed of during the year ending the 30th of June, 1869, was 7,866,152, acres exceeding that of the preceding year by 1,010,409 acres, the amount 2,809,544 acres were sold for cash; and 2,737,365 acres entered under the Homestead laws. The remainder was granted to aid in the construction of various railroads, improvements appropriated to the States as swamp lands and located with warrants and scrip. The cash receipts from all sources were $4,477,886, exceeding those of the preceding year $2,840,140.

PENSIONS.

During the last fiscal year 23,196 names were added to the pension rolls, and 4,876 dropped therefrom, leaving at the close 157,963. The amount paid to pensioners, including the compensation of disbursing agents, was $28,422,884, an increase of $4,411,902 on that of the previous year. The munificence of Congress has been correspondingly manifested in its legislation for the soldiers and sailors who suffered in the recent struggle to maintain that unity of Government which makes us one people. The additions to the pension roll of such successive years since the conclusion of hostilities result in a great degree from the repeated amendments of the act of July 14th, 1862, which extended its provisions in cases not falling within its original scope. The large outlay which it thus occasioned is further increased by the more liberal allowance bestowed since that date upon those who in the line of duty were wholly or permanently disabled. Public opinion has given an emphatic sanction to these measures of Congress, and it will be conceded that no part of our public burden is more cheerfully borne than that which is imposed by this branch of the service. It necessitates for the next fiscal year, in addition to the amount justly chargeable to the Naval Pension Fund, an appropriation of $30,000,000.

PATENTS.

During the year ending September 30, 1869, the Patent Office issued 13,762 patents, and its receipts were $636,389, being $213,926 more than the expenditures.

EDUCATION.

I would respectfully call attention to the recommendation of the Secretary of the Interior for uniting the duties of superintending the education of freedmen with the other duties devolving upon the Commissioner of Education.

CENSUS.

It is the design of Congress to make the census which must be taken during the year 1870 more complete and perfect than heretofore, and would suggest early action upon any plan that may be agreed upon. As Congress at the last session appointed a committee to take into consideration this measure as might be deemed proper in reference to the census and report a plan, I desist from saying more.

AGRICULTURE.

I recommend to your favorable consideration the claims of the Agricultural Bureau for liberal appropriations. In a country diversified in climate and soil as ours, and with a population so largely dependent upon agriculture, the benefits that can be conferred by properly fostering