PRESIDENT'S MESSAGE.

Fellow-citizens of the Senate
and of the House of Representatives:

and of the House of Representatives: I congratulate you and our common constituency upon the lavorable auspices under which you meet for your first session. Our country is at peace with all the world. The agitation which, for a time, threatened to disturb the fraternal relations which make us one people, is fast subsiding; and a year of general prosperity and health has crowned the nation, with unusual blsssings. None can look back, to the dangers which are None can look back to the dangers which are passed, or forward to the bright prospect before us, without feeling a thrill of gratification, at the same time that he must be impressed with a grateful sense of our profound obligations to a beneficent Providence, whose paternal care is so manifest in the happiness of this highly favored land.

so intimet. In the happiness of this highly taxoled land.

Since the close of the last Congress, certain Cubans and other foreigners resident in the U. States, who were more or less concerned in the previous invasion of Cuba, instead of being discouraged by its failure, have again abused the hospitality of this country, by making it the scene of the equipment of another military expedition against that possession of her Catholic majesty, in which they were countenanced, aided and joined by citizens of the United States. On receiving intelligence that such designs were entertained, I lost no time in issuing such instructions to the proper officers of the United States as seemed to be called for by the occasion. By the proclamation, a copy of which is sion. By the proclamation, a copy of which is herewith transmitted, I also warned those who might be in danger of being inveigled into this scheme of its unlawful character, and of the penatties which they would incur. For some time there was reason to hope that these measures had sufficed to prevent any such attempt. This hope, however, proved to be delusive. Very early in the morning of the third of August, a steamer called the Pampero, departed from New Obleans to Cuba, having on heard unwards of Orleans for Cuba, having on board upwards of four hundred armed men, with evident intentions tour hundred armed men, with evident intentions to make war upon the authorities of the island. This expedition was set on foot in palpable violation of the laws of the United States. Its leader was a Spaniard, and several of the chief officers, and some others engaged in it, were foreigners. The persons composing it, however, were mostly citizens of the United States.

were mostly citizens of the United States.

Before the expedition set out, and probably before it was organized, a slight insurrectionary movement, which appears to have been scon suppressed, had taken place in the eastern quarter of Cuba. The importance of this movement was unfortunately so much exaggerated in the accounts of it published in this country, that these advantages against the pare hear lad to that these adventurers seem to have been led to that these adventurers seem to have been set to believe that the Creole population of the island not only desired to throw off the authority of the mother country, but had resolved upon that step, and had begun a well concerted enterprise for affecting it. The persons engaged in the exfor affecting it. The persons engaged in the expedition were generally young and ill informed. The steamer in which they embarked left New Orleans stealthily and without a clearance. After touching at Key West, she proceeded to the coast of Cuba, and, on the night between the 11th and 12th of Agust, landed the persons on board at Playtas, within about twenty leagues of Hayana

lith and 12th of Agust, landed the persons of board at Playtas, within about twenty leagues of Havana.

The man body of them proceeded to, and took possession of, an inland village, six leagues distant, leaving others to follow in charge of the baggage, as soon as the means of transportation could be obtained. The latter having taken up their line of march to connect themselves with the main body, and having proceeded about four leagues into the country, were attacked on the morning of the 13th by a body of Spanish troops, and a bloody conflict ensued; after which they retreated to the place of disembercation, where about fifty of them obtained boats and re-embarked therein. They were, however, intercepted among the keys near the shore by a Spanish steamer cruising on the coast, captured and carried to Havana, and, after being examined before a military court, were sentenced to be publicly executed, and the sentence was carried into effect on the 16th day of August.

receiving information of what had occur-On receiving information of what had occurred, Commodore Foxhall. A. Parker was instructed to proceed in the steam frighte Saranac to Havana, and inquire into the charges against the persons executed, the circumstances under which they were taken, and whatsoever referred to their trial and sentence. Copies of the tions from the Department of State to him his letters to that Department, are here

According to the record of the examination the prisoners all admitted the offences charged against them, of being hostile invaders of the island. At the time of their trial and execution the main body of the invaders was still in the the main boy of the invades was still in dield, making war upon the Spanish authorities and Spanish subjects. After the lapse of some days, being overcome by the Spanish troops, they dispersed on the 24th of August; Lopez, their leader, was captured some time after, and executed on the 1st of September. Many of his remaining followers were killed, or died of hunfollowers were killed, or died of hun remaining followers were killed, or died of hun-ger and fatigue, and the rest were made prison-ers. Of these, none appear to have been tried or executed. Several of them were pardoned upon application of their friends and others, and the rest, about one hundred and sixty in number, were sent to Spain. Of the final disposition were sent to Spain. Of the final disposition made of these we have no official information. Such is the melancholy result of this illegal and ill-fated expedition. Thus, thoughtless young men have been induced by false and fraudulent representations, to violate the law of the control of the

, through rash and unfounded ex ot assisting to accomplish politica in other States, and have lost their he undertaking. Too severe a judg hardly be passed, by the indignan sense of the community, upon those who, being better informed themselves, have yet led away the ardor of youth and an ill-directed love of poardor of youth and an in-directed love of po-cal liberty. The correspondence between a Government and that of Spain relating to

forfeited the protection of their country, yet the Government may, so far as is consistent with its bligations to other countries, and its fixed pur pose to maintain and enforce the laws, entertain sympathy for their unoffending families and triends, as well as a feeling of compassion for themselves. Accordingly no proper effort has been spared, and none will be spared, to pro-cure the release of such citizens of the United cure the release of such citizens of the United States, engaged in this unlawful enterprize, as are now in confinement in Spain; but it is to be hoped that such interposition with the gov-ernment of that country may not be considered as affording any ground of expectation that the Government of the United States will, hereaf ter, feel itself under any obligation of duty to intercede for the liberation or pardon of such rsons as are flagrant offenders against the law nations and the laws of the United States.— These laws must be executed. If we desire to maintain our respectability among the nations of the earth, it behoves us to enforce steadily and sternly the neutrality acts passed by Congress,

and to follow, as far as may be, the violation of those acts with condign punishment.

But what gives a peculiar criminality to this invasion of Cuba is, that under the lead of Spanish subjects and with the aid of citizens of the United States, it had its origin, with many, is madized from the condition. in motives of cupidity. Money was advanced by individuals, probably in considerable amounts urchase Cuban bonds, as they had been call to purchase Cuban bonds, as they had been called, issued by Lopez, sold, doubtless, at a very large discount, and for the payment of which the public property of Cuba, of whatever kind and the fiscal resources of the people and government of that island, from whatever source derived, were pledged, as well as the good faith of the government expected to be established. All these means of payment, it is evident, were only to be obtained by a process of bloodshed, war, and revolution. None will deny that those war, and revolution. None will deny that those who set on foot military expeditions against for eign States by means like these, are far more pable than the ignorant and the necessitou culpable than the ignorant and the increasions whom they induce to go forth as the ostensible parties in the proceeding. These originators of the invasion of Cuba seem to have determined, with coolness and system, upon an undertaking which should disgrace their country, violate its laws, and put to hazard the lives of ill-informed and deluded men. You will consider whether further legislation be necessary to prevent the perpetration of such offences in future.

No individuals have a right to hazard the peace of the country or to violate its laws upon

No individuals have a right to hazard the peace of the country or to violate its laws upon vague notions of altering or reforming governments in other States. This principle is not only reasonable in itself, and in accordance with public law, but is engrafted into the codes of other nations as well as our own. But while, such are the sentiments of this Government, it may be added that every independent nation

must be presumed to be able to detend its possessions against unauthorized individuals banded together to attack them. The Government of the United States, at all times since its establishment, has abstained and has sought to restrain the citizens of the country from entering into controversies between other powers, and to observe all the duties of neutrality. At an early period of the Government, in the administration of Washington, several laws were passed for this purpose. The main provisions of these laws were re-enacted by the act of April, 1818, by which, among other things, it was declared that if any person shall, within the territory or jurisdiction of the United States, begin, or set on foot, or provide, or prepare the means for any military expedition or enterprise to be carried on from thence against the territory or dominion of any foreign prince or State, or of any colony, or district, or people with whom the United States are at peace, every person so offending shall be deemed guilty of a high misdemeanor, and shall be fined, not exceeding three thousand dollars, and imprisoned not more than three years; and this law has been executed and enforced, to the full extent of the power of the Government, from that day to this.

In proclaiming and adhering to the doctrine of neutrality and non-intervention, the United States have not followed the lead of other civilized nations; they have taken the lead themselves, and have been followed by others. This was admitted by one of the most eminent of modern British statesmen, who said in Parliament, while a minister of the crown, "that if he wished for a guide in the system of neutrality, he would take that laid down by America in the days of Washington and the secretaryship of Jefferson," and we see, in fact, that the act of

wished for a glade in the days of Washington and the secretaryship of Jefferson," and we see, in fact, that the act of Congress of 1818 was followed, the succeeding year, by an act of the Parliament of England, substantially the same in its general provisions. Up to that time there had been no similar law in England, except certain highly penal satures passed in the reign of George III., prohibiting English subjects from enlisting in foreign service, the avowed object of which statutes was, that foreign armies, raised for the purpose of restoring the house of Stuart to the throne, should not be strengthened by recruits from England herself.

All must see that difficulties may arise in car-

herself.

All must see that difficulties may arise in carrying the laws referred to into execution in a country now having three or four thousand miles of sea-coast, with an infinite number of ports and harbors and small inlets, from some of which

country now having tiree of four thousand notes of sea-coast, with an infinite number of ports and harbors and small inlets, from some of which unlawful expeditions may suddenly set forth, without the knowledge of Government, against the possessions of foreign States.

Friendly relations with all, but entangling alliances with none, has long been a maxim with us. Our true mission is not to propagate our opinions, or impose upon other countries our form of government, by artifice or force; but to teach by example, and show by our success, moderation and justice, the blessings of self-government, and the advantages of free institutions. Let every people choose for itself, and make and alter its political institutions to suit its own condition and convenience. But, while we avow and maintain this neutral policy our selves, we are anxious to see the same forbearance on the part of other nations, whose forms of government are different from our own. The deep interest which we feel in the spread of liberal principles and the establishment of free governments, and the sympathy with which we witness every struggle against oppression, forbid that we should be indifferent to a case in which the strong arm of a foreign power is invoked to stiffe public sentiment and repress the spirit of freedom in any country.

The governments of Great Britain and France have issued orders to their naval commanders on the West India station to pevent by force, if necessary, the landing of adventurers from any nation on the Island of Cuba with hostile intent. The copy of a memorandum of a conversation on this subject between the Charge d' Affaires of her Britannic Majesty, and the acting Secretary of State, and of a subsequent note of the former to the Department of State, are herewith submitted, together with a copy of a note of the French republic, and of the reply of the latter, on the same subject. These papers will acquaint you with the ground of this interposition.

the French republic, and of the reply of the latter, on the same subject. These papers will acquaint you with the ground of this interposition of the two leading commercial powers of Europe, and with the apprehensions, which this Government could not fail to entertain, that such interposition, if carried into effect, might lead to abuses in derogation of the maritime rights of the United States. The maritime rights of the United States are founded on a firm, secure, and well defined basis; they stand

firm, secure, and upon the ground of National Independe public law, and will be maintained in all their full and just extent.

The principle which this Government has heretofor

The principle which this Government has heretofore solemnly announced it still adheres to, and will maintain under all circumstances and at all hazards. That principle is, that in every regularly documented merchant ressel, the crew who navigate it, and those on board of it, will find their protection in the flag which is over them. No American ship can be allowed to be visited or searched for the purpose of ascertaining the character of individuals on board, nor can there be allowed any watch by the pressel of any foreign nation over American vessels on the coasts of the United States or the seas adjacent thereto. It will be seen by the last communication from the British Charge d' Affairs to the Department of State, that he is authorized to assure the Secretary of State that every care will be taken that, in executing the preventive measures against the expeditions, which the United States Government itself has denounced as not being entitled to the protection of any government, no interference shall take place with the lawful commerce of any nation.

shall take place with the lawful commerce of any fac-tion.

In addition to the correspondence on this subject, herewith submitted, official information has been re-ceived at the Department of State, of assurances by the French Government that, in the orders given to the French naval forces, they were expressly instruct-ed, in any operation they might engage in, to respect the flag of the United States wherever it might appear, and to commit no act of hostility upon any vessel or armament under its protection.

Ministers and consuls of foreign nations are the means and agents of communication between us and

armament under its protection.

Ministers and consuls of foreign nations are the means and agents of communication between us and those nations, and it is of the utmost importance that, while residing in the country, they should feel a perfect security so long as they fathriluly discharge their respective duties and ard guilty of no violation of our laws. This is the admitted law of nations, and no country has a deeper interest in maintaining it than the United States. Our commerce spreads over every sea and visits every clime, and our ministers and consuls are appointed to protect the interests of that commerce, as well as to guard the peace of the country and maintain the honor of its flag. But how can they discharge these duties thless they be themselves protected; and, if protected, it must be by the laws of the country in which they reside. And what is due to our own public functionaries residing in foreign nation is exactly the measure of what is due to the functionaries of other governments residing here. As in war, the bearers of flags of truce are sacred, or elsa wars would be interruinable, so in peace, embareadors, public ministers, and consuls, charged with friendly national intercourse, are objects of especial respect and protection, each according to the rights belonging to his rank and station. In view of these important principles, it is with deep mortification and regret announce to you that. A during the excitement growing out of the executions at Havana, the office of her Catholic mojesty's consul at New Orleans was assailed by a mob, his property destroyed, the Spanish flag found in the office carried off and torn in pleces, and he himself induced to flee for his personal safety, which he supposed to be in danger.

On the intelligence of these events. I forthwith direct.

posed to be in danger.

On the intelligence of these events. I forthwith directed the attorney of these United States residing at New Orleans to inquire into the facts and the extent of the ed the attorney of these United States residing at New Orleans to inquire into the facts and the extent of the pecuniary loss sustained by the consul, with the intention of laying them before you, that you might make provision for such indemnity to him as a justregard for the honor of the nation and the respect which is due to a friendly power might, in your judgment, seem to require. The correspondence upon this subject between the Secretary of State and her Catholic majestive minister plenipotentiary is herewith transmitted. The occurrence at New Orleans has led me to give my attention to the state of our laws in regard to foreign embassadors, ministers, and consuls. I think the legislation of the country is deficient in not providing sufficiently either for the protection or the punishment of consuls. I therefore recommend the subject to the consideration of Congress.

Your attention is again invited to the question of reciprocal trade between the United States and Canada and other British pessessions near our frontier. Overtures for a convention upon this subject have been recived from her Britannic Majesty's Minister Plenipotentiary, but it seems to be in many respects preferable by reciprocal legislation. Documents are laid before you showing the terms which the British government is willing to offer, and the measures which it may adopt, if some arrangement upon this subject shall not bemade.

From the accompanying copy of a note from the

hemade.

From the accompanying copy of a note from the British Legation at Washington, and the reply of the Department of State thereto. it will appear that her Britannie Majesty's government is desirous that a part of the boundary line between Oregon and the British possessions should be authoritatively marked out. and possessions should be authorized to apply to Congress for an appropriation to defray the expense thereof on the part of the United States. Your attention to this subject is accordingly invited, and a proper appropria-tion recommended.

tion recommended. "4"
A convention for the adjustment of claims of citizens of the United States against Portugal has been concluded, and the ratifications have been exchanged. The first installment of the amount to be paid by Portugal fell due on the 30th of September last, and has been

The President of the Freuch republic, according to the provisions of the convention has been selected as arbiter in the case of the General Armstrong; and has signified that he accepts the trust and the high satisfaction he feels in acting as the common friend of two nations, with which France is united by sentiments of shoere and lasting amity.

The Turkish government has expressed its thanks for the kind reception given to the Sultan's agent,

The President of the Freuch republic, according to

Amin Bey, on the occasion of his recent visit to the United States. On the 28th of February last: a despatch was addressed by the Secretary of State to Mr. Marsh, the American Minister at Constantinople, instructing him to ask of the Turkish government permission for the Hungarians, then imprisoned within the dominons of the Sublime Porte, to remove to this country. On the 3d of March last both Houses of Congress passed a resolution requesting the Fresident to authorize the employment of a public vessel to convey to this country Louis Kossuth and his associates in espitivity.

In captivity.

The instruction above referred to was complied with, and the Torkish government having released Governor Kossuth and his companions from prison; on the 10th of September last, they embarked on board of the United States steamfrigate Mississippi, which was selected to carry into effect the resolution of Congress. Gov. Kossath left the Mississippi at Gibraltar, for the purpose of making a visit to England, and may shortly be expected in New York. By communications to the Department of State he has expressed his grateful acknowledgments for the interposition of this Government in behalf of himself and his associates. This country has been justly regarded as a for those whom political events from their own homes in Europe; and it is recommended to Congress to consider in what manner Governor Kossuth and his companions, brought hither by its authority, shall be received and treated. captivity.
The instruction above referred to was comed and treated.

It is earnestly to be hoped that the differen-It is earnestly to be hoped that the differences which have for some time past been pending between the government of the French republic and that of the Sandwich Islands, may be peaceably and durably adjusted, so us to so care the independence of those islands. Long before the events which have of late imparted so much importance to the possessions of the U. Streep on the Pacific we acknowledged the inso much importance to the possessions of the U. States on the Pacific, we acknowledged the independence of the Hawaiian government. This Government was first in taking that step, and several of the leading powers of Europe immediately followed. We were influenced in this measure by the existing and prospective impor-tance of the islands as a place of refuge and refreshment for our vessels engaged in the whale fishery, and by the consideration that they lie in the course of the great trade which must, at no distant day, be carried on between the western coast of North America and Eastern

Asia.

We were also influenced by a desire tha those islands should not pass under the control of any other great maritime State, but should remain in an independent condition, and so be accessible and useful to the commerce of all nations. I need not say that the importance of these considerations has been greatly enhanced by the sudden and vast development which the nterests of the United States have attained in California and Oregon; and the policy hereto-fore adopted in regard to those islands will be

steadily pursued,
It is gratifying not only to those who consider
the commercial interests of nations, but also to
all who favor the progress of knowledge and the

all who layer the progress of knowledge and the diffusion of religion, to see a community emerge from a savage state and attain such a degree of civilization in those distant sens.

It is much to be deplored that the internal tranquillity of the Mexican republic should again be seriously disturbed; for, since the peace between that republic and the U. States, it had envired such comparative repose that the it had enjoyed such comparative repose that the most favorable auticipations for the future might, with a degree of confidence, have been indulged. These, however, have been thwarted by the recent outbreak in the State of Tam ad by the recent outbreak in the State of I anaulipas, on the right bank of the Rio Bravo. Having received information that persons from the United States had taken part in the insurrection, and apprehending that their example might be followed by others, I caused orders to be issued for the purpose of preventing any hostile expeditions against Mexico from being set on four in violation of the laws of the United set on foot in violation of the laws of the United States. I likewise issued a proclamation upon the subject, a copy of which is herewith laid before you. This appeared to be rendered im-perative by the obligations of treaties and the

general duties of good neighborhood.

In my last annual message I informed Congress that citizens of the United States had undertaken the connexion of the two oceans by means of a railroad across the Isthmus of Te-huantepec, under a grant of the Mexican gov-erument to a citizen of that republic; and that this enterprise would probably be prosecuted with energy whenever Mexico should consent such stipulations with the Government United States as should impart a feeling of se-curity to those who should invest their property n the enterprise.

A convention between the two governments or the accomplishment of that end has been ratified by this Government, and only awaits the decision of the Congress and the Executive of hat republic.

Some unexpected difficulties and delays have risen in the ratification of that convention by Mexico, but it is to be presumed that her deci on will be governed by just and enlightened views, as well of the general importance of the object, as of her own interests and obligations. In negotiating upon this important subject this Government has had in view one, and only one, object. That object has been, and is, the construction or attainment of a passage from ocean to ocean, the shortest & the best for travellers and merchandise, and equally open to al the world. It has sought to obtain no territor al acquisition, nor any advantages peculiar to itself; and it would see, with the greatest re-gret, that Mexico should oppose any obstacle to the accomplishment of an enterprise which promises so much convenience to the whole commercial world, and such eminent advanta ges to Mexico herself. Impressed with these sentiments and these convictions, the Govern ment will continue to exert all proper efforts to bring about the necessary arrangements with the republic of Mexico for the speedy comple-

tion of the work.

For some months past the republic of Nicaragua has been the theatre of one of those civi convulsions, from which the cause of tree insti tutions, and the general prosperity and social progress of the States of Central America have shall have been restored, and a governmen apparently stable shall have been organized no advance can prudently be made in disposing the questions pending between the tw

I am happy to anounce that an inter-oceanic communication from the mouth of the St. John to the Pacific has been so far accomplished as passengers have actually traversed it an that merchandise has been transported over it and when the canal shall have been completed according to the original plan, the means of communication will be further improved.

It is understood that a considerable part of the railroad across the Isthmus of Panama has been completed, and that the mail and passen gers will in future be conveyed thereon Whichever of the several routes between the two oceans may ultimately prove most eligible for travelers to and from the different States on the Atlantic and Gulf of Mexico and our cons

on the Pacific, there is little reason to doubt that all of them will be useful to the public, and will liberally reward that individual enterprize by which alone they have been or are expected To be carried into effect.

Peuce has been concluded between the contending parties in the Island of St. Domingo, and it is hoped upon a durable basis. Such is the extent of our commercial relations with that island, that the United States cannot fail to

feel a strong interest in its tranquility.

The office of Commissioner to China remains unfilled; several persons have been appointed and the place has been offered to others, all o whom have declined its acceptance, on the ground of the inadequacy of the compensation. The annual allowance by law is six thousand dollars, and there is no provision for any outil. l earnestly recommend the consideration of this subject to Congress. Our commerce with China is highly important and is becoming more and more so, in consequence of the in creasing intercourse between our ports on the Pacific coast and Eastern Asia. China is understood to be a country in which living is very expensive, and I know of no reason why he American Commissioner sent thither should not be placed, in regard to compensation of

an equal footing with ministers who represent this country at the courts of Europe. By reference to the Report of the Secretary By reference to the Report of the Secretary of the Treasury, it will be seen that the aggre for the last fiscal year amo \$52.312.979 87; which \$52,312,979 87; which, with the balance in Treasury on the lat of July, 1850, gave, as

the available means for the year, the sum of

\$38,917,524 36.

The total expenditures for the same period were \$48,005,878 68.

The total imports for the year ending 30th June; 1851, were \$215,725,995

Of which there were in specie. 4,967,901

The exports for the same period \$217,517,130 \$217,517,130

were.....\$217
Of which there were of domestic products...\$178,546,555

\$217,517,301 Since the 1st of December last the payments in cash on account of the public debt, exclusive of interest, have amounted to \$7,501,456 56; which, however, includes the sum of \$3,242,400 which however, includes the sum of \$3,22,300 paid under the 12th article of the treaty with Mexico, and the further sum of \$2,591,213 45, being the amount of awards to American citizens under the late treaty with Mexico, for which the issue of stock was authorized, but which was paid in cash from the Trensury. The public debt on the 20th ultimo, exclusiver the excels sufficiently to be issued to sive of the stock authorized to be issued to Texas by the act of 9th September, 1850, was **\$**62,560,395 26.

The receipts for the next fiscal year are estimated at \$51,800,000, which, with the probable unappropriated balance in the Treasury, on the 30th June next, will give, as the probable available means for that year, the sum of \$63,258, It has been deemed proper, in view of the

large expenditures consequent upon the acquisition of territory from Mexico, that the estimates for the next fiscal year should be laid be-lore Congress in such manner as to distinguish the expenditures so required from the otherwise ordinary demands upon the Treasury.
The total expenditures for the next fiscal year are estimated at \$42,892,299 19, of which

there is required for the ordinary purposes of the Government, other than those consequent upon the acquisition of our new Territories, and deducting the payments on account of the public debt, the sum of \$33,343,198 08; and for the purposes connected directly or indirectly with those Territories, and in the fulfilment of the consequence of their acquisition, the sum of \$9,549,101 11.

If the views of the Secretary of the Treasury in reference to the expenditures required for these Territories shall be met by corresponding action on the part of Congress, and appropriations made in accordance therewith, there wil be an estimated unappropriated balance in the Treasury on the 30th June, 1853, of \$20.366, 443 90, wherewith to meet that portion of the public debt due on the 1st July following. amounting to \$6,237,931 35, as well as any appropriations which may be made beyond the

estimates.

In thus referring to the estimated expenditures on account of our newly acquired Territories, I may express the hope that Congress will concur with me in the desire that a liberal course of policy may be pursued towards them, and that every obligation, express or implied, entered into in consequence of their acquisition, shall be fulfilled by the most liberal appropriations for that purpose.

The values of our domestic exports for the

has fiscal year, as compared with those of the previous year, exhibit an increase of \$43,646, 322. At first view this condition of our trade with foreign nations would seem to present the most flattering hopes of its future prosperity.— An examination of the details of our exports, however, will show that the increased value of our exports for the last fiscal year is to be found in the high price of cotton which prevailed during the first half of that year, which price has since declined about one half. The value of our exports of breadstuffs and

provisions, which it was supposed the incentive of a low tariff and large importations from abroad would have greatly augmented, has fallen from \$48,701.921, in 1847, to \$26,051,373 in 1850, and to \$21,948,653 in 1851, with a strong probability, amounting almost to u certainty, of a still further reduction in the current,

year.

The aggregate values of rice exported during the last fiscal year, as compared with the previous year, also exhibit a decrease amounting to \$450.917, which, with a decline in the values of the exports of tobacco for the same period, make an aggregate decrease in these two articles of \$1,156,751.

The policy which dictated a low rate of duties on foreign merchandise, it was thought by those who promoted and established it, would tend who promoted and established it, would tend to benefit the farming population of this country, by increasing the demand and raising the price agricultural products in foreign markets

The foregoing facts, however, seem to show contestibly that no such result has followed the adoption of this policy. On the contrary, notwithstanding the repeal of the restrictive corn laws in England, the foreign demand for the products of the American farmer has steadily declined since the about energy and account of the contract of the American farmer has steadily declined since the about energy and the contract and the contract of ly declined, since the short crops and couseuent famine in a portion of Europe have been happily replaced by full crops and comparative

It will be seen, by recurring to the commerical statistics for the past year, that the value of our domestic exports has been increased in the single item of raw cotton by \$40,000,000 over single item of raw cotton by \$40,000,000 over the value of that export for the year preceding. This is not due to any increased general demand for that article, but to the short crop of the pre-ceding year, which created an increased de-mand and an augmented price for the crop of last year. Should the cotton brop new going forward to market be only equal in quantity to that of the year preceding, and be sold at the present prices, then there would be a falling off in the value of our exports for the present fiscal year of at least \$40,000,000, compared with the mount exported for the year ending 30th June,

The production of gold in California for the past year seems to promise a large supply of that metal from that quarter for some time to come. This large annual increase of the currency of the world must be attended with its usual results. These have been already par-tially disclosed in the enhancement of prices and a rising spirit of speculation and adventure, to over-trading, as well at home as Unless some salutary check shall be given to these tendencies, it is to be feared that importations of foreign goods beyond a healthy demand in this country will lead to a sudden drain of the precions metals from us, bringing with it, as it has done in former times, the mor disastrous consequences to the business and capital of the American people.

The exports of specie to liquidate our foreign ebt during the past fi cal year have been \$24. 263, 979 over the amount of specie imported. 263, 979 over the amount of specie imported.

The exports of specie during the first quarter
of the present fiscal year have been \$14.651,
827. Should specie continue to be exported at
this rate for the remaining three quarters of
this year, it will drain from our metallic currency during the year ending 30th June, 1852,
the enormous amount of \$58,607,308.

In the present prosperous condition of the
national finances, it will become the duty of

Congress to consider the best mode of paying off the public debt. If the present and anticipated surplus in the Treasury should not be absurbed by appropriations of an extraordinary character, this surplus should be employed in such a way, and under such restriction Congress may enact, in extinguishing the out-

standing debt of the nation.

By reference to the act of Congress a poroved
9th September, 1850, it will be seen that, in consideration of certain concessions by the State of Texas, it is provided that the "United States shall pay to the State of Texas the sum of ten millions of dollars, in a stock bearing five per cent. interest, and redeemable at the end of fourteen years, the interest payable balf yearly, at the Treasury of the United

In the same section of the law it is further provided "that no more than five millions of said stock shall be issued until the creditor of the State holding bonds and other certifi cates of stock of Texas, for which duties on imports were specially pledged, shall first file at the Treasury of the United States releases of all claims against the United States, for or on account of said bonds or certificates, in such form as shall be prescribed by the Secretary of the Treasury, and approved by the President of the United States."

The form of release thus provided for has been prescribed by the Secretary of the Treasury, and approved. It has been published in all the leading newspapers in the commercial cities of the United States, and all persons holding claims of the kind specified in the foregoing proviso were required to file their releases (in the form thus prescribed) in the Treasury of the United States, on or before the 1st day of October, 1851. Although this publication has been continued from the 25th day of March, 1851, yet, up to the 1st of October last, comparatively few releases had been filed by the creditors of Texas.

creditors of Texas.

The authorities of the State of Texas, at the request of the Secretary of the Treasury, have furnished a achedule of the public debt of that State created prior to her admission into the Union, with a copy of the laws under which each class was contracted.

I have, from the documents furnished by the

State of Texas, determined the classes of claims which in my judgment fall within the provisions of the act of Congress of the 9th of Sept.,

1850.

On being officially informed of the acceptance by Texas of the propositions contained in the act referred to. I caused the stock to be prepared, and the fire millions which are to be issued unconditionally, bearing an interest of five per cent. from the 1st day of January, 1851, have been for some time result to be deligated. have been for some time ready to be delivered to the State of Texas. The authorities of Texas, up to the present time, have not authorized any one to receive this stock, and it remains in the Treasury Department, subject to the order of The releases, required by law to be deposit-

the remaining five millions have not been issued. This last amount of the stock will be withheld from Texas until the conditions upon which it is to be delivered shall be complied with by the creditors of that State, unless Con-gress shall otherwise direct by a modification if the law.

In my last annual message, to which I respectfully refer, I stated briefly the reasons which induced me to recommend a modification of the present tariff, by converting the ad valorem into a specific duty, wherever the ar-ticle imported was of such a character as to per-mit it, and that such a discrimination should be made, in favor of the industrial pursuits of our own country, as to encourage home production without excluding foreign competition.

The numerous frauds which continue to be

practised upon the revenue, by false invoices, and undervaluations, constitute an unanswera-ble reason for adopting specific instead of ad valorem duties in all cases where the nature of the commodity does not forbid it. A striking illustration of these frauds will be exhibited in the Report of the Secretary of the Treasury, showing the cuttom house valuation of articles imported under a former haw subject to specific duties, when there was no inducement to undervaluation, and the custom house valuations of the same articles, under the present system of ad valorem duties, so greatly reduced as to leave no doubt of the existence of the most flaleave no doubt of the existence of the most flagrant abuses under the existing laws. This practical evasion of the present law, combined with the languishing condition of some of the great interests of the country, caused by over importations and consequent depressed prices, and with the failure in obtaining a foreign market for our increasing surplus of breadstuffs and provisions, has induced me again to recommend a modification of the existing traiff.

modification of the existing tariff.

The report of the Secretary of the Interior. which accompanies this communication, will present a condensed statement of the operations of that important department of the Government. It will be seen that the cash sales of the public lands exceed those of the preceding year, and

that there is reason to anticipate a still further increase, notwithstanding the large donations which have been made to many of the States, and the liberal grants to individuals as a reward for military, services. This fact furnishes very gratify-ing evidence of the growing wealth and prosperity of our country.
Suitable measures have been adopted for com-

mencing the survey of the public lands in California and Oregon. Surveying parties have been ofganized, and some progress has been made in establishing the principal base and meridian lines. But further legislation and additional appropriations will be necessary before the proper subdivisions can be made, and the general land system extended over those remote parts of our territory. On the 3d of March last an act was passed pro viding for the appointment of three co ers to settle private land claims in California.— Three persons were immediately appointed, all of whom, however, declined accepting the office, in consequence of the inadequacy of the compensa tion. Others were promptly selected, who, for the same reason, also declined; and it was not until late in the season that the services of suitable persons could be secured. A majority of the commissioners convened, in this city, on the 10th of September last, when detailed instructions were given to them in regard to their duties will be held in San Francisco on the 8th day of

I have thought it proper to refer to these facts ot only to explain the cause of the delay in filling the commission, but to call your attention to the propriety of increasing the compensation of the commissioners. The office is one of great labor and responsibility, and the compensation such as to command men of a high order of talents and the most unquestionable in-

tegrity.

The proper disposal of the mineral lands of California is a subject surrounded by great difficulties. In my last annual message I mended the survey and sale of them in small parcels, under such restrictions as would effectually guard against monopoly and speculation.-But upon further information, and in deference to the opinions of persons familiar with the subject, I am inclined to change that recommendation, and to advise that they be permitted to remain, as at present, a common field, open to the enterprise and industry of all our citizens, until further experience shall have developed the best policy to be ultimately adopted in regard to them It is safer to suffer the inconveniences that now exist, for a short period, than, by premature lefounded in error, which may place the whole subject beyond the future control of Congress.

The agricultural lands should, however, b surveyed and brought into marke: with as little lelay as possible, that the titles may become set tled, and the inhabitants stimulated to make permanent improvements, and enter on the ordi nary pursuits of life. To effect these objects i is desirable that the necessary provision be made by law for the establishment of land offices in California and Oregon, and for the efficient pro-

secution of the surveys at an early day. Some difficulties have occurred in organizing the Territorial governments of New Mexico an Utah: and, when more accurate information shall be obtained of the causes, a further commu nication will be made on that subject.

In my last annual communication to Congress recommended the establishment of an Agricultural Bureau, and I take this occasion again to nvoke your favorable consideration of the sub-

Agriculture may justly be regarded as the great interest of our people. Four fifths of our active population are employed in the cultivation of the soil, and the rapid expansion of our settlements over new territories is daily adding to the umber of those engaged in that vocation. Justice and sound policy, therefore, alike require that the Government should use all the means authorized by the Constitution to promote the interests and welfore of that important class of ur fellow-citizens. And yet it is a singular fact that, whilst the manufacturing and commercial interests have engaged the attention of Congress during a large portion of every session, and our statutes abound in provisions for their protection and encouragement, little has yet been done directly for the advancement of agriculture. It is time that this reproach to our legislation should be removed: and I sincerely hope that the pre adopting efficient means to supply the omissions of those who have preceded them

An Agricultural Bureau, charged with the duty of collecting and disseminating correct information as to the best modes of cultivation, and of the most effectual means of preserving and restoring the fertility of the soil and of procuring and distributing seeds and plants and other vegetable productions, with instructions in regard to the soil, climate, and treatment best adapted to their growth, could not fail to be, in the language Congress, a 'very cheap instrument of immense

Regarding the act of Congress approved 28th September, 1850, granting bounty lands to persons who had been engaged in the military service of the country, as a great measure of national justice and munificence, an anxious desire has been felt by the officers entrusted with its immediate execution, to give prompt effect to its provisions. All the means within their control were, visions. All the means within their control were, therefore, brought into requisition to expedite the adjudication of claims, and I am gratified to be able to state that near one hundred thousand applications have been considered, and about eventy thousand warrants issued within the short space of nine months. If adequate provision be made by law to carry into effect the re-commendations of the Department, it is confidently expected that, before the close of the next fiscal year, all who are entitled to the benefits of the act will have received their warrants.

The Secretary of the Interior has suggested in his report various amendments of the laws relating to pensions and bounty lands, for the purpose of more effectually guarding against abuses and frauds on the Government, to all of which I invite your particular attention.

The large accessions to our Indian population

consequent upon the acquisition of New Mexico and California, and the extension of our settlements into Utah and Oregon, have given increased interest and importance to our relations with the aboriginal race.

No material change has taken place, within the last year, in the condition and prospects of the Indian tribes who reside in the Northwest-ern Territory and west of the Mississippi river. We are at peace with all of them; and it will be a source of pleasure to you to learn that they are gradually advancing in civilization and the

Along the Mexican frontier, and in California, and Oregon, there have been occasional manifestations of unfriendly feeling, and some depredations committed. I am satisfied, however, that they resulted more from the destitute and starving condition of the Indians than from any set-tled hostility toward the whites. As the settlements of our citizens progress towards them, the game upon which they mainly rely for subsist ence is driven off or destroyed, and the only alternative left to them is starvation or plunder It becomes us to consider, in view of this condition of things, whether justice and humanity, as well as an enlightened economy, do not require that, instead of seeking to punish them for of fence which are the result of our own policy towards them, we should not provide for their immediate wants and encourage them to engage in agriculture, and to rely on their labor, instead of the chase, for the means of support.

Various important treaties have been negotia-ted with different tribes during the year, by which their title to large and valuable tracts of country has been extinguished, all of which will, at the proper time, be submitted to the Senate for ratifi-cation.

The joint commission under the treaty of Guadalupe Hidalgo has been actively engaged in running and marking the boundary line between the United States and Mexico. It was stated, in the last annual report of the Secretary of the Interior, that the initial point on the Pacific and the point of junction of the Gila with the Colorado river had been determined, and the intervening line, about one hundred and fifty miles in length, run and marked by temporary monunents. Since that time a monument of marble has been erected at the initial point, and permanent landmarks of iron have been placed at suit-

able distances along the line.

The initial point on the Rio Grande has also been fixed by the commissioners at latitude 32° 22\, and at the date of the survey of the line had been made thence westward about one hundred and fifty miles to

the neighborhood of the copper mines. The commission on our part was at first or ganized on a scale which experience proved to be unwieldly and attended with unnecessary expense. Orders have, therefore, been issued for the reduction of the number of persons employed within the smallest limits, consistent with the safety of those engaged in the service, and the prompt and efficient execution of their importan

Returns have been received from all the officers engaged in taking the census in the States and Territories, except California. The superintendent employed to make the enumeration in that State has not yet made his full report, from causes, as he alleges, beyond his control. This failure is much to be regretted, as it has prevented the Secretary of the Interior from making the cennial apportionment of representatives an the States, as required by the act approved May 23, 1850. It is hoped, however, that the returns will soon be received, and no time will then be lost in making the necessary apportionment, and in transmitting the certificates

The Superintendent of the Seventh Consus is diligently employed, under the direction of the ecretary of the Interior, in classifying and arranging, in tabular form, all the statistical infor nation derived from the returns of the marshals. completed, it will exhibit a more perfect view of the population, wealth, occupations, and social condition of a great country, than has ever been spresented to the world. The value of such a work, as the basis of enlightened legislation, can hardly be over-estimated; and I carnestly hope that Congress will lose no time in making the appropriations necessary to complete the classi-fications, and to publish the results in a style worthy of the subject and of our national charac-

The want of a uniform fee bill, prescribing the compensation to be allowed district attorneys, clerks, marshals, and commissioners in civil and criminal cases, is the cause of much vexation injustice, and complaint. I would recommend a thorough revision of the laws upon the whole subject, and the adoption of a tariff of fees which, as far as practicable, should be uniform, and preribe a specific compensation for every service which the officer may be required This subject will be fully presented in the report f the Secretary of the Interior.

In my last annual message I gave briefly my reasons for believing that you possessed the con-stitutional power to improve the harbors of our great lakes and seacoast, and the navigation of our principal rivers, and recommended that an works as had already been commenced, and for commencing such others as might seem to the wisdom of Congress to be of public and general mportance. Without repeating the reason arged. I deem it my duty again to call your at tention to this important subject. The works on many of the harbors were left in an unfinished state; and consequently exposed to the action of the elements, which is fast destroying them. Great numbers of lives and vast amo perty, are annually lost for want of safe and con-venient harbors on the lakes. None but those who have been exposed to that dangerous navigation can fully appreciate the importance of this sub-ject. The whole northwest appeals to you for relief, and I trust their appeal will receive due consideration at your hands.

The same is in a measure true in regard to some the harbors and inlets on the seacoast. of the harbors and inlets on the seacoast.

The unobstructed navigation of our large rivers is of equal importance. Our settlements are now extending to the sources of the great rivers which empty into, and form a part of the Mississippi, and the value of the public lands in those regions. would be greatly enhanced by freeing the navi-gation of those waters from obstructions. In view, therefore, of this great interest, I deem it my therefore, of this great interest, I deem it my duty again to urge upon Congress to make such

appropriations for these improvements as they

may deem necessary.

The survey of the D-lts of the Mississippi, with

The survey of the D-lta of the Mississippi, with a view to the prevention of the overflows that have proved so disastrous to that region of country, have been nearly completed, and the reports thereof are now in course of preparation, and will shortly be laid before you.

The protection of our southwestern fronter, and of the adjacent Mexican States, against the Indian tribes within our border, has claimed my earnest and constant attention. Congress having failed, at the last session, to adopt my recommendation that an additional regiment of mounted dation that an additional regiment of mounted men specially adapted to that service should be raised, all that remained to be done was to make to best use of the means at my disposal. Accordingly, all the troops adapted to that service that could properly be spared from other quarters have been concentrated on the frontier, and officers of high reputation selected to command them, A new arrangement of the military posts has also been made, whereby he tropps are brought near-er to the Mexican frontier and to the tribes they

are intended to overawe. Sufficient time has not yet elapsed to realise all Sufficient time has not yet elapsed to realise all the benefits that are expected to result from these arrangements, but I have every reason to hope that they will effectually check their marauding expeditions. The nuture of the country, which furnishes little for the support of an army and abounds in places of refuge and concealment, is remarkably well adapted to this predatory warfare; and we can scarcely hope that any military force, combined with the greatest vigilance, can entirely suppress it.

By the treaty of Guadalupe Hidalgo, we are bound to protect the territory of Mexico against the incursions of the savage tribes within our border "with equal diligence and energy" as if the

der "with equal diligence and energy" as if the same were made within our territory or against our citizens. I have endeavored to comply, as far as possible, with this provision of the treaty. Orders have been given to the officers command-ing on that frontier to consider the Mexican ter-fitory and its inhabitants as equally with our own ritory and its inhabitants as equally with our own detitled to their protection; and to make all their plans and arrangements with a view to the attainment of this object. Instructions have also been given to the Indian commissioners and agents among these tribes, in all treaties, to make the clauses designed for the protection of our own citizens apply also to those of Mexico. I have no reason to doubt that these instructions have been fully carried into effect. Neverthless, it is probable that, in cuite of all our efforts, some of y and its inhabitants as equally with our own probable that, in spite of all our efforts, some of the neighboring States of Mexico may have suf-fered, as our own have, from depredations by the

Indians.
To the difficulties of defending our own territory, as above mentioned, are superadded, in defending that of Mexico, those that arise from its remoteness, from the fact that we have no right to sta-tion our troops within her limits, and that there is no efficient military force on the Mexican side to co-operate with our own. So long as this shall continue to be the case, the number and activity of our troops will rather increase than dimin the evil, as the Indians will naturally turn towards that country where they encounter the least resis-tance. Yet these troops are necessary to subdue them, and to compel them to make and observe treaties. Until this shall have been done, neither

treaties. Until this shall have been done, neither country will enjoy any security from their attacks.

The Indians in California, who had previously appeared of a penceable character, and disposed to cultivate the friendship of the whites, have recently committed so eral acts of hostility. As a large portion of the reinforcements sent to the Mexican frontier were drawn from the Pacific, the military force now tationed there is considered actively independent of the defense. It considered entirely indequate to its defence. It cannot be increased, however, without an increase of the army; and I again recommend that measure as indispensable to the protection of the frontier. I invite your attention to the suggestions on this subject, and on others connected with his Department.

subject, and on others connected with his Department, in the report of the Secretary of War.

The appropriations for the support of the army during the current fiscal year ending 30th June next, were reduced far below the estimate submitted by the Department. The consequence of this reduction is a considerable deficiency, to

this reduction is a considerable denciency, to which I invite your early attention.

The expenditures of that Department, for the year ending 30th of June last, were \$9,060,263 68. The estimates for the year commencing 1st July next and ending June 30, 1853, are \$7.898,775 83; showing a reduction of \$1,161,492 75.

The Board of Commissioners, to whom the

management of the affairs of the Military Asylum created by the act of the "d March last was entrusted, have selected a site for the establishment of an Asylum in the vicinity of this city, which has been approved by me, subject to the produc-

The report of the Secretary of the Navy will the report of the Secretary will exhibit the condition of the public service under the supervision of the Department. Our naval force affoat during the present year has been acrively and usefully employed in giving protection to our widely-extended and increasing commerce and interests in the various quarters of the globe, and our flag has every where afforded the security and received the repect inspired by the justice and liberality of our intercourse, and the dignity and power of the nation.

and power of the nation.

The expedition commanded by Lieutenant De Haven, despatched in search of the British commander, Sir John Franklin, and his companions in the Arctic eas, returned to New York in the month of October, after having undergone great peril and suffering from an unknown and dangerous navigation and the rigors of a northern elimate, without any satisfactory information of the objects of their search, but with new contributions to science and navigation from the unfrequented polar regions. The officers and men of the expedition, having been all volunteers for this service, and having so conducted it as to ment service, and having so conducted it as to meet the entire approbation of the Government, it is suggested, as an act of grace and generosity that the same allowances of extra pay and emoluments be extended to them that were made to the officers and men of like rating in the late exploring expedition to the South Seas.

expedition to the South Seas.

I carnestly recommend to your attention the necessity of reorganizing the Naval Establishment, apportioning and fixing the number of offiment, apportuning and mang the interest of meets in each grade, providing some mode of promotion to the higher grades of the navy, having reference to merit and capacity, rather than seniority or date of entry into the service, and for retiring from the effective list upon reduced pay those who may be incompetent to the performance of the desired by the service. ance of active duty. As a measure of economy as well as of efficiency in this arm of the service, the provision last mentioned is eminently worthy of your consideration. f your consideration.

The determination of the questions of relative

rank between the sea officers and civil officers of the navy, and between officers of the army and navy, in the various grades of each, will also merit your attention. The failure to provide any substitute, when corporal punishment was abolished for offences in the navy, has occasioned the ished for offences in the navy, has occasioned the convening of numerous courts-martial upon the arrival of vessels in port, and is believed to have had an injurious effect upon the discipline and efficiency of the service. To moderate punishment from one grade to another is among the humane reforms of the age; but to abolish one of severity, which applied so generally to offences on ship board, and provide nothing in its stead, is to suppose a progress of improvement in every individual among seamen which is not assumed by the Levislature in respect to any other class of individual among seamen which is not assumed by the Legislature in respect to any other class of men. It is hoped that Congress, in the ample opportunity afforded by the present session, will thoroughly investigate this important subject, and establish such modes of determining guilt, and such gradations of punishment as are consistent with humanity and the personal rights of individuals, and at the same time shall ensure the more prepring and efficient performance of duty and with humanity and the personal rights of individuals, and at the same time shall ensure the most energetic and efficient performance of duty and the suppression of crime in our ships of war.

The stone dock in the navy yard, at New York, which was ten years in process of construction, has been so far finished as to be surrendered up to the authorities of the yard. The dry dock at Philadelphia is reported as completed, and is expected soon to be tested and delivered over to the seents of the Government. That in Portsmouth, New Hampshire, is also nearly ready for delivery; and a contract has been concluded, agreeably to the act of Congress at its last session, for a floating sectional dock on the Bay of San Francisco. I invite your attention to the recommendation of the Department touching the establishment of a navy yard in conjunction with this dock on the Parific. Such a station is highly necessary to the convenience and effectiveness of our fleet in that ocean, which must be expected to increase with the growth of commerce, and the rapid extension of our whala fisheries over its waters.

The Naval Academy at Annapolis, under a revised and improved system of regulations, now affords opportunities of education and instruction to the pupils quite equal, it is believed, for professional improvement; to those enjoyed by the cadlets in the Military Academy. A large class

nvement, to those enjoyed by the fessional improvement, to those enjoyed by the cadets in the Military Academy. A large class of acting midshipmen was received at the com-

mencement of the last academic term, and a