

VOL. LV.

CITY OF LANCASTER, TUESDAY MORNING, DECEMBER 12, 1854.

PRESIDENT'S MESSAGE. Fellow citizens of the Senate and House of Representatives :--- The past has been an eventful year, and will be hereafter referred to as a marked epoch in the history of the While we have been happily preserved from the samities of war, our do- band articles, but also the less contested one, mestic prosperity has not been entirely uninterrupted. The crops, in portions of the country, have been nearly cut off. Disease has prevailed to a greater extent than usual, America and the sacrifice of human life, through casualities by sea and land, is without a

parallel. But the pestilence has swept by, and restored salubrity invites the absent to their homes, and the return of business to its ordinary channels. If the earth has rewarded the labor of the husbandman less but also as between them and all other nabountifully than in preceeding seasons, it has left him with abundance for domestic wants, and a large surplus for exportation. yet taken final action on the subject. I am In the present, therefore, as in the past, we find ample grounds for reverent thankful- the proposed stipulations has been made; ness to the God of Grace and Providence, but, on the contrary, they are acknowledged for his protecting care and merciful dealings with us as a people.

Although our attention has been arrested by painful interest to passing events, yet our country feels no more than the slight vibrations of the convulsions, which have shaken Europe. As individuals, we cannot repress sympathy with human suffering, nor regret for the causes which produce it. As a nation, we are reminded, that whatever interrupts the peace, or checks the prosperity, of any part of Christendom, tends, more r less to involve our own. The condition of States is not unlike that of individuals .----They are mutually dependent upon each other. Amicable relations between them. and reciprocal good will, are essential for the promotion of whatever is desirable in their moral.social. and political condition .----Hence, it has been my earnest endeavor to maintain peace and friendly intercourse with all nations.

The wise theory of this government, so early adopted and steadily pursued, of avoid ing all entangling alliances, has hitherto exempted it from many complications, in which t would otherwise have become involved. increasing disposition has been manifested. by some of its governments, to supervise, and, in certain respects to direct, our foreign policy. In plans for adjusting the bal- | equally exposed to hostile depredations. power among themselves, they have assumed to take us into account, and would constrain us to conform our conduct to their views. One or another of the powers of Europe

has, from time to time, undertaken to enforce arbitrary regulations, contrary in many respects to established principles of interhave, in their foreign intercourse, uniformly respected and observed, and they cannot rethe temporary interests of others may suggest. They do not admit that the sovereigns of one continent, or of a particular community of states, can legislate for all tage over us.

others. Leaving the trans-atlantic nations to adjust their political system, in the way they may think best for their common welfare, nowers of this contine

make the doctrine in question a principle of international law, by means of special conventions between the several powers of Europe and America. Accordingly, a proposition, embracing not only the rule, that free ships make free goods, except contrathat neutral property, other than contraband, the subject of the French government having though on ward enemy's ships, shall be ex- as it appeared, abraptly excluded the Ameriempt from confiscation, has been submitted by the government to those of Europe and

Russia acted promptly in this matter, and a convention was concluded, between that country and the United States, providing for the observance of the principles an nounced, not only as between themselves. tions, which shall enter into like stipulations. None of the other powers have as not aware, however, that any objection to to be essential to the security of neutral commerce; and the only apparent obstacle to their general adoption is in the possibility

that it may be encumbered by inadmissible conditions. The King of the Two Sicilies has expressed to our Minister at Naples his readiess to concur in our proposition relative to neutral rights, and to enter into a conven-

tion on that subject. The King of Prussia entirely approves of the project of a treaty to the same effect, ted to him, but proposes an additional article providing for the renunciation of privateering. Such an article, for most obvious reasons, is much desired by nations having naval establishments, large in proportion to their foreign commerce. If it were adopted as an international rule, the commerce of a nation having comparatively a small naval force, would be very much at the mercy of its enemy, in case of war with a power of decided naval superiority. The bare statement of the condition in which the United

States would be placed, after having surrendered the right to resort to privateers, in the e ent of war with a belligerent of naval Notwithstanding this, our clearly defined supren, cv, will show that this government and well-sustained course of action, and our could neve. "isten to such a proposition. The geographical position so remote from Europe, | navy of the first maratime power in Europe is at least ten times as large as that of the U. States. The foreign commerce of the two countries is nearly equal, and about In war between that power and the United States, without resort on our part to our mercantile marine, the means of our enemy

to inflict injury upon our commerce would be tenfold greater than ours-to retaliate .--We could not extricate our country from this unequal condition, with such an enemy. unless we at once departed from our present national law. That law, the United States peaceful policy, and became a great naval nower. Nor would this country be better situated, in war with one of the secondary cognize any such interpolations therein, as naval powers. Though the naval disparity would be less, the greater extent, and more exposed condition of our wide spread cominerce, would give any of them like advan-

> The proposition to enter into engagements to The proposition to enter into engagements of forego resort to privateers, in case this country should be forced into war with a great naval consideration of these claims, but hitherto power, is not entitled to more favorable consideration than would be a proposition, to agree not to accent the services of volunteers for operations on land. When the honor or the anxious desire to maintain friendly relations rights of our country require it to assume a with the Mexican Republic, and to cause its hostile attitude, it confidently relies upon the rights and territories to be respected, not only atriotism of its citizens, not ordinarily devoted to the military profession, to augment the army and the navy, so as to make them fully adequate to the emergency which calls them into action. The proposal to surrender the ight to employ privateers is professedly foundupon the principle, that private property of unoffending non-combatants though enemies. should be exempt from the ravages of war; but the proposed surrender goes but little way n carrying out that principle, which equal equires that such private property should no e seized or molested by national shins of war. Should the leading powers of Europe concur in proposing, as a rule of international law, to exmpt private property, upon the ocean, from eizure by public armed cruisers, as well as by privateers, the United States will readily mee hem upon that broad ground. Since the adjournment of Congress the rat treaty between the United fications of the treaty between the United States and Great Britain, relative to coast fishries, and to reciprocal trade with the British North American provinces, have been exchan-ged and some of its anticipated advantages are ready enjoyed by us, although its full execu ion was to abide certain acts of legislation not vet fully performed. So soon as it was ratied, Great Britain opened to our commerce th ree navigation of the river St. Lawrence, and o our fishermen unmolested access to the hores and bays, from which they had previously excluded, on the coast of their North American provinces ; in return for which, she asked for the introduction, free of duty, into the ports of the United States, of the fish aught on the same coast by British fishermen This being the compensation, stipulated in the treaty, for privileges of the highest impor-tance and value to the United States, which were thus voluntarily yielded before it became effective, the request seemed to me to be a rea-sonable one; but it could not be acceded to, from want of authority to suspend our laws imbosing duties upon all foreign fish. In the neantime, the Treasury Department issued a egulation, for ascertaining the duties paid or ecured by bonds on fish caught on the consts of the British provinces, and brought to our markets by British subjects, after the fishing-grounds had been made fully accessible to the itizens of the United States.

a witness in favor of another foreign consul, in to civil jurisdiction over Punta Arenas, a posi-violation, as the French government conceives, of his privileges under our consular conven which was in possession, under a title wholly establishment or to leave them impressed with tion with France. There being nothing in the transaction which could imply any disrespect to France or its consul, such explanation has

een made, as I hope, will be satisfactory. Subsequently, misunderstanding arose on can Minister to Spain from passing through France, on his way from London to Madrid.-But that government has unequivocally disavowed any design to deny the right of transmit to the Minister of the United States; and, after explanations to this effect, he has resumed his journey, and actually returned through France to Spain. I herewith lay before Congress the correspondence on this subject beween our envoy at Paris, and the Minister of Foreign Relations of the French government. The position of our affairs with Spain re-mains as at the close of your last session. Internal agitation, assuming very nearly the character of political revolution, has recently convulsed that country. The late Ministers were violently expelled from power, and men, of very different views in relation to its interaffairs, have succeeded. Since this change, there has been no propitious opportunity to re-sume, and press on, negotiations for the adustment of serious questions of difficulty be-ween the Spanish government and the United States. There is reason to believe that our Minister will find the present government more favorably inclined than the preceding to comly with our just demands, and to make suitae arrangements for restoring harmony, and

emption therefrom, as a matter of right. is admitted on all hands, that this exaction is anctioned, not by the general principles of the law of nations, but only by special conventions, which most of the commercial nations have en ered into with Denmark. The 5th article our treaty of 1826 with Denmark, provides, that there shall not be paid on the vessels of the United States and their cargoes when passing through the Sound, higher duties than ose of the most favored nations. This may be regarded as an implied agree

ment to submit to the tolls during the contin-uance of the treaty, and, consequently, may embarrass the asertion of our right to be released therefrom There are also other pro-visions in the treaty which ought to be modified It was to remain in force for ten years, and until one year after either party should give notice to the other of in ention to terminate it I deem it expedient that the contemplated notice should be given to the government of Denmark.

The naval expedition. despatched about two years since for the purpose of establishing relations with the Empire of Japan, has been ably and skillfully conducted to a successful termination by the officer to whom it was entrusted. A treaty, opeding certain ports of that populous country, has been ne gotiated, and in order to give full effect thereto adopt requisite commerci i regulations The treaty lately concluded between the Uni-

ted States and Mexico settled some of our most embarrassing difficulties with that country, but numerous claims upon it for wrongs and injuries to our citizens remained unadjusted, and many new cases have been recently added to the former list of grievances. Our legation has been earnest in its endeavors to obtain,

which was in possession, under a title wholly independent of them, of citizens of the United States, interested in the Nicaragua Transit Company, and which was indispensable nedes sary to the prosperous operation of this route across the lethmus. The company resisted their groundless claims; whereupon they pro ceeded to destroy some of its buildings, and attempted violently to dispossess it. At a later period they organized a strong

force for the purpose of demolishing the estab torce for the purpose of demolishing the estab-lishment at Punta Arenas, but this mischiev-ous design was defeated by the interposition of one of our ships of war, at that time in the harbor of San Joan Subsequently to this, in May last, a body of me from Greytown crossed over to Punta Arenas, arrogating au thority to arrest, on the charge of murder, a captain of one of the steamboats of the Transit Commun. Being well unce that the claim to Company Being well aware that the claim to exercise jurisdiction there would be resisted hen, as it had been on previous occasions hey went prepared to assert it by force of arms Our minister to Central America has arms pened to be present on that occasion. Belief ing that the captain of the steamboat was inplo-cent for he witnessed the transaction on which the charge was founded, and believing, also that the intruding party, having no juris de tion over the place where they make the arrest, would encount iter desperate resistance if they persisted in their purpose, h interposed, effectually, to prevent violence and bloodshed

The American minister afterwards visited Greytown, and whilst he was there, a mob, including certain of the so called public function-aries of the place, surrounded the house in which he was, avowing that they came to arble arrangements for restoring harmony, and preserving peace between the two countries. Negotiation are pending with Denmark to discontinue the practice of levyigg tolls on our vessels and their cargoes passing through the crowd. A boat, despatched from the Americrowd. A boat, despatched from the Andri-can steamer "Northern Light" to release him from the perilous situation in which he was understood to be, was fired into by the town guard, and compelled to return. These inci-dents, togther with the known character of the population of Greytown, and their excited state induced inst approchanisms that the line population of Greytown, and their excited state, induced just apprehensions that the lives and property of our citizens at Punta Arepas would be in imminent danger after the depar-ture of the steamer with her passengers, for New York, unless a guard was left for their protection. For this purpose, and in order to ensure the safety of the passengers and prop-erty passing over the route, a temporary force

was organized, at considerable expense to the United States, for which provision was made

United States, for which provision was made at the las@session of Congress. This pretended community, a heterogenous assemblage gathered from various countries, and composed, for the most part, of blacks and persons of mixed blood, had previously given

other indications of mischevious and dangerdus propensities. Early in the same month, prop-erty was clandestinely abstracted from the de-pot of the Transit Company, and taken ito Greytown. The plunderers obtained shelter there, and their pursuers were driven back by its people who not only protected the wrongts people, who not only protected the wrong-oers and shared the plunder, but treated with doers and shared the plunder, but treated with rudeness and violence those who sought to reover their property. Such, in substance, are the facts submitted

to my consideration, and proved by trustwor-thy evidence. I could not doubt that the case demanded the interposition of this government. Justice required that reparation should be inade for so many and such gross wrongs, and that a course of insolence and plunder, tending directly to the insecurity of the lives of nu-merous travellers, and of the rich treasure be-longing to our citizens, passing over this tran-sit way, should be personnecity arrested

ed with ordnance, small arms and ammunition

the idea that they might persevere with impun-ity in a career of insolence and plunder.

This transaction has been the subject of com-plaint on the part of some foreign powers, and has been characterized with more of harshness than of justice. If comparisons were to be instituted, it would be difficult to present repeated instances in the history of States, standing in the very front of modern civilization, where communities, far less offending and more defenceless than Greytown, have been chastised with much greater severity, and where not cities only have been laid in ruins but human life has been recklessly sacrificed, and the blood of the innocent made profusely to mingle with that of the guilty.

Passing from foreign to domestic affairs, your is naturally directed to the financial con dition of the country, always a subject of general-interest. For complete and exact information re-garding the finances, and the various branchés of the public service connected therewith, I refer you to the report of the Secretary of the Treasurer, from which it will appear that the amount of reve-nue during the last fixed year, from all sources, was seventy-three million five hundred and fortywas seventy-infereminion into hundred and itory-ning thousand seven hundred and fire dollars: and that the public expenditures for the fame period exclusive of payments on account of the public debt, amounted to fifty-one million eighteen thou-sand two hundred and forty-nine dollars. During the same reside theory means made in redemption the same period, the payments made in redemption of the public debt, including interest and premium, amounted to twenty-four million three hundred and thirty-six thousand three hundred & eighty dollars To the sum total of the receipts of that year is to be added a balance remaining in the Treasury at the commencement thereof, amounting to twentyone million nine hundred and forty-two thousa one million nine hundred and forty-two thousand eight hundred and ninty-two dollars; and at the cless of the same year, a corresponding balance amounting to twenty million one hundred and thirty-seven thousand nine hundred and sixty-seven dollars of receipts above expenditure, also remain-ed in the Treasury. Although, in the opinion of the Secretary of the Treasury, the receipts of the current fiscal year are not likely to equal in amount those of the last, yet they will undoubtedly exceed the amount of expenditures by at least fifteen mil-lions of dollars. I shall, therefore, continue to di-rect that the surplus revenue be applied, so far as lions of dollars. I shall, therefore, continue to di-rect that the surplus revenue be applied, so far as t can be judiciously and economically done, to the reduction of the public debt, the amount of which, at the commencement of the last fiscal year, was sity-seven million three hundred and forty thou-sand six hundred and twenty-eight dollars; of which there had been paid on the twentieth day of November, 1854, the sum of twenty-two million three hundred and sixty-five thousand one hundred and seventy-two dollars; leaving a balance of out-standing public debt of only forty-four million nine hundred and seventy-five thousand four hun-dred and fifty-six dollars, redsemable at different periods within fourteen years. There are also rem periods within iourceal years. Infect a to also real-nants of other government stocks, most of which are already due, and on which the interest has ceased, but which have not yet been presented for payment, amounting to two hundred and thirty-three thousand one hundred and seventy-nine dol-

This statement exhibits the fact, that the annual income of the government greatly exceeds the amount of its public debt, which latter remains unpaid, only because the time of payment has not yet matured, and it cannot be discharged at onte, except at the option of public creditors, who prefer to retain the securities of the United States and the other fact, not less striking that the annua g that the and by many millions and the other lact, not less striking that the an revenue from all sources exceeds, by many mil of dollars, the amount/needed for a prudent economical administration of the government.

The estimates presented to Congress from the different Executive Departments, at the last sesand server the server of the s sit way, should be peremptorily arrested — excess of appropriations over estimates, however, Whatever it might be in other respects, the community in question, in power to do mis- ordinary objects, having no reference to the usual

and control of the second seco prising, therefore, that the system should be de-ficient in the symmetry and simplicity essential to the harmonious working of its several parts,

and require a careful revision. The present organization by maintaining large staff corps or departments, separates many offioers from that close connection with troops, and those active duties in the field, which are deem-

requisite to qualify them for the varied responsi-bilities of high command. Were the duties of the army staff mainly discarged by officers detach ed from their regiments; it is believed that the ed from their regiments, it is believed that the it is relating. The commendable policy of the government, and the discipline and instruction of the army bo improved. While due regard to the security of the rights of officers, and to the nice sense of honor which should be callivated among them, would seem to exact compliance with the estab-hond be commendable policy of the government, in relation to setting apart public domain for war, is illustrated by the fact, that since 1790 hones than thirty millions of acres have been applied to this object. ished rule of promotion in ordinary cares, still it can hardly be doubled that the range of pro-motion by selection, which is now practically confined to the grade of general officers, might e somewhat extended with benefit to the

blic service Observance of the rule of seniority sometimes eads eepecially in time of peace, to the promoon of officers who, after meritorious and even listinguished service, mays have been rendered by age or infirmity, incapable of performing ac-tive duty, and whose advancement, therefore, would tend to impair the efficiency of the army. suitable provision for this class of officers, by he creation of a retired list, would remedy the vil, without wounding 11 : just pride of men tho, by past services have established a claim o high consideration. In again commending his measure to the tayorable consideration of Congress, I would suggest that the power of placing officers on the retired list be limited to one year. The practical operation of the measure would thus be tested, and if, after the lapse of years, there should be occasion to renew the proon, it can be re-produced with any improve

organization of batteries into a corps of artillery would be more consistent with the nature of their listinction between the two arms being merely ominal. This nominal artillery in our service s entirely disproportionate to the whole force; id greater than the wants of the couptry demand. therefore command the dicontinuance of istinction, which has no foundation in either he arms used or the character of the service exected to be performed.

In connection with the proposition for the inrease of the army, I have presented these sugestions with regard to certain measures of rem, as the complement of a system, which vould produce the happiest results from a given expenditure, and which I hope may attract the early attention, and be deemed worthy of the aproval of Coagress.

momently worthy of your favorable consideration The principles, which have controled our policy n relation to the permanent military force, by sea and hand, are sound, consistent with the theo-ry of our system and should by no means be isregarded. But, limiting the force to the obconsideration of these claims, but hitherto without success. This fuilure is, probably, in some measure, to be ascribed to the disturbed spective extension of on ommercial marine; nor tail to give weight to e fact that besides the two thousand miles of tlantic seaboard, we have now a Pacific coast, stretching from Mexico to the British possessions a the north, teeming with wealth and enterprize and demanding the constant presence of ships of war. The augmentation of the navy has not ept pace with the duties properly and profitably assigned to it in time of peace, and it is inade-quate for the large field of its operations, not merely in the present but still more in the pro gressively increasing exigencies of the wealth ud commerce of the United States 1 cordially approve of the projosed apprentice system for our national vessels, recommended by the Secre

With the increase of numerical force of the Increase army should, I think, be conbined certain meas-ures of reform in its organic arrangement and and the amount received therefor inine million administration. The present organization is the two hundred and slighty-five thousand five administration. The present organization is the two hundred and thirty three dollars. The aggre-nearly of partial legislation often directed to hundred and thirty three dollars, The aggre-interests; and laws regula-and land warrants, selected as swamp land; interests; and laws regula-interests; and laws regula-interests; and laws regulaand land warrants, selected as swamp lands by States, and by locating under grants for roads, is upwards of twenty three millions of acres. The increase of lands sold, over the acres. The morease or mands sold, over the previous year, is about six millions of acres; and the sales during the two first quarters of the current year present the extraordinary re sult of five and a balf millions sold, exceeding sult of five and a balf millions sold, exceeding by nearly four millions of acress the sales of the corresponding quarters of the last year, thus increasing to an extent unparalleled du-ring any like period in our past history, the amount of revenue derived from this source for the Federal Treasury. The commendable policy of the government, in relation to setting apert public domain for

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applied to this object.

The suggestions, which I submitted in my nunual message of last year, in reference to grants of land in aid of the construction of railways, were less full and explicit than th magnitude of the subject and subsequent de magnitude of the subject and subsequent de-velopments would seem to render proper and desirable. Of the soundness of the principle then asserted with regard to the limitation of the power of Congress, I entertain no doubt; but in its application it is not enough that the value of lands in a particular locality may be enhanced; that, in fact, a larger amount of money may probably be received, in a given time, for alternate sections, thus could have been realized for all the sections, without the been realized for all the sections, without the impulse and influence of the proposed im-provements. A prudent proprietor looks be-yond limited sections of his domain, beyond present results, to the ultimate effect which a particular line of policy is likely to produce upon all his possessions and interests. The government, which is trustee, in this matter, for the people of the States, is bound to take the same wise and comprehensive view Prior to and during the last session of Con-

The present organization of the artillery into organization of batteries into a corps of artillery into a corps of articlery into a corps of article such orders be abrogated, and the lands reduties. A large part of the troops now called stored to market; and instructions were im artillery are, and has been on duty as infantry; the mediately given to that effect. The applicamediately given to that effect. The applica-tions at the last session contemplated the tions at the last session contemplated the construction of more than five thousand miles of road, and grants to the amount of nearly twenty millions of acres of the public domain. Even admitting the right on the part of Congress to be unquestionable, is it quite clear that the proposed grants would be productive of good, and not ovil? - The different projects are confined, for the present, to eleven States of this Union, and one Territory Thè reasous assigned for the grants, show that it is prono sed to put the works speedily in process of construction. When we reflect, that since the commencement of the construction of railways in the United States, stimulated as they have been by the large dividends realized from the earlier works over the great theroughfares. The recommendation of the Secretary of the and between the most important points of Navy, having reference to more ample provisions commerce and population, encouraged by State the character of seamen, and for the reorganiza-ion and gradual increase of the navy. I deem teen thousand miles have been completed in all the States in a quarter of a centurywhen we see the crippled condition of many works commenced and prosecuted upon what were deemed to be sound principles and safe calculations, when we contemplate the enor mous absorption of capital withdrawn from the ordinary channels of business, the extrav operat)aukruptci s merely in money, but in character, and the neversy in money, but in character, and the inevitable effect upon innances generally;--can it be doubted that the tendency is to run to excres in this matter? Is it wise to aug-ment this excess by endouraging loops of sud-den wealth expected to flow from menuificent schemes dependent upon the action of Congress? Does the spirit which has produced such re-sults need to be stimulated or checked? Is it ot the better rule to leave all these works to private enterprise, regulated, and when expe-dient, aided, by the do operation of States ' If constructed by, private capital, the stimu lant and the check go tagether, and furnish a salutary restraint against speculative echomes and extravagance. But it is manifest that, with the mast effective guards, there is danger of going too fast and too far. We may well pause before a proposition con templating a simultaneous movement for the construction of railroads which, in extent, will equal, exclusive of the great Pacific road and all its branches, nearly one third of the entire ength of such works, now comploted, in the Jnited States, and which cannot cost, with equipments, less than one hundred and fifty millions of dollars. The dangers likely to re sult from combinations of interests of this cha independently of these considerations, where is the accurate knowledge, the comprehensive ntelligence, which shall disoriminate between the relative claims of these twenty eight pro posed roads, in eleven States, and one Territory? Where will you begin and where end? If to enable these companies to execute their proposed works, it is necessary that the aid of the general government be primarily given, the policy will present a problem so compre-bensive in its bearings, and so important to our political and social well being, as to claim tain anticipation, the severest analysis. Enter-taining these views. I recur with satisfaction to the experience and action of the last session of Congress, as furnishing assurance that the subject will not fail to elicit a careful re-examination and rigid scrutiny It was my intention to present, on this oc assion, some suggestions regarding internal mprovements by the general government, which want of time at the close of the last near sion prevented my submitting on the return to the House of Representatives, with objections, f the bill entitled. "an act making appropri ations for the repair, preservation and com pletion of certain public works heretofore commenced under authority of law," but the pace in this communication already occupied with other public matter of immediate public exigency constrains me to reserve that subject r a special message, which will be transmit ted to the two Houses of Congress at an early lay The judicial establishment of the U. States requires modification, and certain reforms in requires modificatioa, and certain reforms in the manner of conducting the legal business of the government are also much needed; but as I have addressed you upon both of these sub jects at length before. I have only to call your attention to the suggestions then made. My former recommendations, in relation to suitable provision for various objects of deep interest to the inhabitants of the District of interest to the inhabitants of the District of Columbia, are renewed Many of those objects partake largely of a national obstracter, and arc important, independently of their relation to the prosperity of the only considerable or ganized community, entirely unreprésented in ongress. I have thus presented suggestions on such subjects as appear to me to be of partibular interest or importance, and therefore most worthy of consideration during the short ra-maining period allotted to the labors of the present Congress. Our forefathors of the thirteen United Colonies, n acquiring their i dependence, and in tounding their i dependence, and in tounding the Republic of the United States of America, have devolved upon us, their descendants, the greatest and the most noble trust ever committed greatest and the most node trink ever committed to the hands of main, imposing upon all and espe-cially such as the public will may have invested for the time bring, will political functions, the most sacred obligations. We have to maintain inviolate the great doctring of the inherent right of experimental to recommend. inviolate the great doctrine of the inherent right of popular self government; for reconcile the largest liberty of the individual citizen, with com-plete security of the public order; to render' cheerful obedience to the laws of the land, to unite in entor ing their execution, and to frown undignantly on all combinations to resist Them; to harmonize a sincere and ardent devotion to the institutions of religious with the most unaversal religious toleration; to preserve the rights of all by causing each to render those of the other; to religious toleration; to preserve the rights of all by causing each to respect thouse of the other; to carry forward every social improvement to the uttermost limit 'of human perfectibility, by the free action of mind upon mind, suc by the obtru sive intervention of misapplied llorce; to uphold the integrity and guard the limitations of our or ganic law; to preserve sacred from all touch of upurpation, as the very palladium of our perfitted ealvation, the restive powers of the sever. saves and of the people i to cherish, with loyal ealty and devoted affection, this Union, as the only sure foundation on which the hopes of civit liberty rest; to administer government with vigi (CONCLUDED ON FOURTH PAGE.)

may well assert the right to be exempt from all annoying interference on their part.-Systematic abstinence from intimate political connexion with distant foreign nations. does not conflict with giving the widest range to our foreign commerce. This distinction so clearly marked in history, seems to have been overlooked, or disre garded, by some leading foreign states. Our refusal to be brought within, and subjected to, their peculiar system, has, I fear, created iealous distrust of our conduct, and induced, on their part, occasional acts of dis turbing effect upon our foreign relations.

Our present attitude and past course give assurances, which should not be questioned. that our purposes are not aggressive, nor threatening to the safety and welfare of other nations. Our military establishment, in time of peace, is adapted to maintain exterior defences, and to preserve order among the aboriginal tribes within the limits of the Union. Our naval force is intended only for the protection of our sitizens abroad, and of our commerce, diffused, as it is, over all the seas of the globe. The government of the United States, being essentially pacific in policy, stands prepared to repel invasion the voluntary service of a patriotic peo ole. and provides no permanent means of foreign aggression. These considerations should allay all apprehension, that we are disposed to encroach on the rights, or endanger the security of other States.

Some European powers have regarded. with disquieting concern, the territorial expansion of the United States. This rapid growth has resulted from the legitimate exercise of sovereign rights, belonging alike to all nations, and by many liberally exer Under such circumstances, it could hardly have been expected that those among them, which have, within a comparatively recent period, subdued and absorbed ancien kingdoms, planted their standards on every continent, and .now possess. or claim the control of, the islands of every ocean as their appropriate domain, would look with unfriendly sentiments upon the acquisition of this country, in every instance honorably obtained, or would feel themselves justified in imputing our advancement to a spirit of aggression or to a passion for political predomination.

Our foreign commerce has reached magnitude and extent nearly equal to that of the first maratime power of the earth, and exceeding that of any other. Over this great interest, in which not only our merchants, but all classes of citizens at least in directly, are concerned, it is the duty of the executive and legislative branches of the government to exercise a careful supervision, and adopt proper measures for its protection. The policy which I have had view, in regard to this interest, embrace its future as well as its present security.

Long experience has shown that, in ger eral, when the principal powers of Europe are engaged in war, the rights of neutra nations are endangered. This consideration led, in the progress of the war of our inde pendence, to the formation of the celebrated confederacy of armed neutrality, a primary object of which was, to assert the doctrine. that free ships make free goods, except in the case of articles contraband of war: doctrine which, from the very commenc ment of our national being has been a cherished idea of the statesmen of this country. At one period or another, every maratim power has, by some solemn treaty stipulation, recognized that principle; and it might have been hoped that it would come to universally received and respected as a rule of international law. But the refusal of one power prevented this, and in the next great war which ensued, that of the French revoon, it failed to be respected among the

belligerent States of Europe. Notwithstanding this, the principle is generally admitted to be a sound and saluary one; so much so, that, at the commence ment of the existing war in Europe, Great Britain and France announced the r purpos to observe it for the present; not, however, as a recognized international right, but as a mere concession for the time being. The o-operation, however, of these two powerful maratime nations in the interest of neutral rights, appeared to me to afford an oc-

I recommend to your favorable consideration proposition, which will be submitted to you.

r authority to refund the duties and cance the bonds thus received. The provinces of Canada and New Brunswick have also anticiated the full operation of the treaty, by legpatent the full operation of the fixery, by a dust, islative arrangements, respectively, to admit, free of duty, the products of the United States mentioned in the free list of the treaty; and an arrangement, similar to that regarding Brit-ish fish has been made for duties now chargeable on the products of those provinces enu-merated in the same free list, and introduced therefrom into the United States; a proposition or refunding which will, in my judgement, be a like manner entitled to your favorable cononsideration.

There is a difference of opinion between the United States and Great Britain, as to the boundary line of the Territory of Washington, djoining the British possessions on the Pacific, which has already led to difficulties on the part of the citizens and local authorities of the two governments. I recommend that provision be made for a commission, to be joined by one on the part of her Britannic Majesty, for the pur-pose of running and establishing the line in controversy. Certain stipulations of the third and fourth articles of the treaty concluded by the United States and Great Britain in 1848, regarding possessory rights of the Hudson' Bay Company, and property of the Puget Sound Agricultural Company, have given rise to serious disputes, and it is important to all con-cerned, that summary means of settling them amigobly should be devised. I have reason to befieve, an arrangement can be made on just terms, for the extinguishment of the rights in meeting. terms, for the extinguishment of the rights in question, embracing, also, the right of the Hudson's Bay Company to the navigation of the river Columbia; and I, therefore, suggest to your consideration, the expediency of making a contingent appropriation for that purpose. France was the early and efficient ally of the United Stetes in their struggle for indepen

United States in their struggle for indepen ence. From that time to the present, with becasional slight interruptions, cordial relations of friendship have existed between the governments and people of the two countries. nts, cherished alike by both nations, have led to an extensive social and commercial intercourse, which, I trust, will not be interrupted or checked by any casual event of n apparently unsatisfactory character. The tral rights, appeared to me to afford an oc-casion, inviting and justifying, on the part of the United States, a renewed effort to

condition of that courtry. It has been my by our citizens, but by foreigners, who have resorted to the United States for the purpose of organizing hostile expeditions against some of the States of that Republic. The defenceless condition in which the fron

tiers have been left, has stimulated lawles: adventurers to embark in these enterprises and greatly increased the difficulty of enforce ing our obligations of neutrality. Regarding it as my solemn duty to fulfil, efficiently, these obligations, not only towards Mexico, but oth er foreign nations, I huve exerted all the pow-ers with which I am invested, to defeat such ers with which I am invested, to defeat such criminal proceedings, and bring to punish-ment those who, by taking a part therein; vi-olated our laws. The energy and activity of our civil and military authorities have frus trated the designs of those who meditated ex-peditions of this character, except in two in-stances. One of these, composed of foreign rs, was at first countenanced and aide by he Mexican government itself, it having been deceived as to their real object. The other mall in number, eluded the vigilance of the

nagistrates at San Francisco, and succeeded reaching the Mexican territories, but the effective measures taken by this government compelled the abundonment of the undertak ng. The commission to establish the new line be tween the United States and Mexico. according to the provisions of the treaty of the 30th

work is already commenced Paraguay, secure to us the free navigation of the river La Platte, and some of its larger tri staries ; but the same success has not atteneasons in favor of the free use of the river. I reasons in favor of the free use of the river, i had occasion to present fully, in a former mes-sage; and, considering the cordial relations which have long existed between this govern-ment and Brazil, it may be expected that pen-ding negotiations will, eventually, reach a fa-roughle accept.

Convenient means of transit, between the several parts of the country, are not only de sirable for the objects of commercial and per-sonal communication, but essential to its exis ence under one government. Separated as are the Atlantic and Pacific coasts of the United States, by the whole breadth of the conti-nent, still the inhabitants of each are closely bound trgether by community of origin and institutions, and by strong attachment to the Union Hence the canstant and increasing in-tercourse, and vast interchange of commercial

roductions, between these remote divisions of he Republic. At the present time the mos practicable and only commodious routes for communication between them are by way of the Isthmus of Central America. It is the duty of the government to secure these avenues against all danger of interruption

In relation to Central America, perplexing questions existed between the United States and Great Britain at the time of the cession and Great Britain at the time of the cession of California. These, as well as questions which subsequently arose concerning inter-oceanic communication across the Isthmus, were, as it was supposed, adjusted by the trea-ty of April 19, 1850; but, unfortunately, they have been re opened by a serious misunder standing as to the import of some of its provi-sions are adjustment of mich is now under sions, a re-adjustment of which is now under consideration Our minister at London has made strenuous efforts to accomplish this desi rable object, but has not yet found it possible

to bring the negotiations to a termination As incidental to these questions, I deem it proper to notice an occurrence which happened in Central America, near the close of the last session of Congress So soon as the necessity wasperceived of establishing inter-oceanic com nunications across the Isthmus, a company was organized, under authority of the State of Nicaragua, but composed, for the most part, of citizens of the United States, for the purpose of opening such a transit way, by the river San Juan and Lake Nicaragua, which soon became an eligible and much used route in the trans portation of our citizens and their property beportation of our citizens and their property be-tween the Atlantic and Pacific. Meanwhile, and in anticipation of the completion and im portance of this transit way. a number of ad venturers had taken possession of the old Spanish port at the mouth of the river San Juan, in open defiance of the State or States of

Central America, which, upon becoming in-dependent. had rightfully succeeded to the local sovereignty and jurisdiction of Spain. These adventurers underlook to change the ame of the place from San Juan del Norte to Greytown, and, though at first pretending to act as the subjects of the Mosquito Indians, they subsequently repudiated the control of any power whatever, assumed to adopt a dis tinct political organization, and declared them selves an independent sovereign state. If, at some time, a faint hope was entertained that they might become a stable and respectuble community, that hope soon vanished

and might easily seize on the unarmed boats freighted with millions of property, which pass ed daily within its reach. It did not profess belong to any regular government, and kad in fact, no recognized dependen tion with, any one to which the endence, or connec-th the United States or their injured citizens might apply for re-dress, or which could be held responsible in any way, for the outrages committed. Not stand-ing before the world in the attitude of an organ-

ized political society, being neither competent to exercise the rights nor discharge the obligations of a government, it was, in fact a marauding establishment, too dangerous to be disregard ed, and too guilty to pass unpunished, and ye incapable of being treated in any other wa han as a piratical resort of out laws, or a cami of savages, depredating on emigrant trains of caravans and the frontier settlements of civil zed States.

Seasonable notice was given to the people of Greytown that this government required hem to repair the injuries that they had done o our citizens, and to make a suitable apology or their insult of our minister, and that a ship of-war would be dispatched thither to enforce 1 of-war would be dispatched thither to enforce compliance with these demands. But the no-tice passed unbeeded. Thereupon, a comman-der of the navy, in charge of the sloop-of-war "Cyanne," was ordered to repeat the demands, and to insist upon a compliance therewith Finding that neither the populace or those as-cumption to here suther it to be the suther it.

suming to have authority over them, manifest ed any disposition to make the required repar-ation, or even to offer excuse for their conduct becomber last, has been organized, and the f December last, has been organized, and the ork is already commenced. Our treaties with the Argentine Confedera-on, and with the Republics of Uruguay and By this procedure he afforded them opportu-

nity to provide for their personal safety. If those also who desired to avoid loss of prop lataries; but the same success has not atten-let our endeavors to open the Amazon The the offending town he furnished the means of the offending town he furnished t the open and of a steamer which he pocured and tendered to them for that purpose. At length perceiving no disposition on the part of the town to comply with his requisitions, he ap-pealed to the commander of her Britannic Ma-

jesty's schooner "Bermuda," who was seen to have intercourse, and apparently much influ-ence with the leaders among them,-to interpose, and persuade them to take some course calculated to save the necessity of resorting t the extreme measure indicated in his proclama his proclama tion ; but that officer, instead of acceding t the request, did nothing more than to protest against the contemplated bombardment. No steps of any sort were taken, by the people, t

give the satisfaction required. No individuals, if any there were, who regarded themselves as not responible for the misconduct of the com-munity, adopted any means to separate them-selves from the fate of the guilty. The several charges, which the demands for redress were founded, had been publicly known to all for some time, and were again announc-ed to them. They did not deny any of these charges is ther offend on compution potters.

harges; they offered no explanation, nothing n extenuation of their conduct; but contuma-iously refused to hold any intercourse with he commander of the "Cvane." By their db stinate silence they seemed rather desirous t provoke chastisement than to escape it. Ther ample reason to believe that this conduct is is ample reason to believe that this conduct of wanton defiance, on their part, is imputable to the delusive idea that the American govern-ment would be deterred from punishing them, through fear of displeasing a form 'able for-eign power, which, they presumed to think, looked with complancy upon their aggressive and insulting deportment towards the United States. The "Cyane" at length fired upon the town. Before much injury had been done, the fire was twice suspended, in order to afford opmortunity for an arrangement; but this was the new was twice suspended, in order to alrow the opportunity for an arrangement; but this was declined. Most of the buildings of the place, of little value generally, were, in the sequel, destroyed; but owing to the considerate pre-cautions taken by our naval Commander, there was no destruction of life.

was no destruction of life. When the "Cyane" was ordered to Central America, it was confidently hoped and expect-ed that no occasion would arise for "a resort to violence and destruction of property and loss of life," Instructions to that effect were given to her commander. And no extreme act would have been requisite had not the people themselves, by their extraordinary conduct in the affair, frustated all the possible mild measfrom the place, the object of his visit entirely defeated, would, under the circumstances in which the commander of the Cyane found him self, have been the absolute abandonment of all claim of our citizens for indemnification and taim of our cluzens for interminection and submissive acquisescence in national indignity. It would have encouraged in these lawless men a spirit of insolence and rapine most dangerous to the lives and preperty of our citizens at Punta Arenas, and probably emboldened them to grasp at the treasures and valuable merchan-ding continually measing out, the Nicaronia dize continually passing over the Nicaragua route. It certainly would have been most satisfactory to me if the objects of the "Cyanels" mission could have been consummated without

They proceeded to assert unfounded claims any act of public force; but the arrogant con the treaty between the United States and Mexico so that, in fact, for objects of ordinary expenditure he appropriations were limited to considerably ess than forty millions of dollars. I therefore, renew my recommendation for a reduction of th duties on imports. The report of the Secretary or the Treasury presents a scries of tables, showin the operation of the revenue system for severs mendation for a reduction of th uccessive years, and as the general principle of reduction of duties with a view to revenues and no nuction of duties with a view to revenues and not protection, may now be regarded as the settled policy of the country, I trust that little difficulty will be encountered in settling the details of a neasure to that effect. In connection with this subject, I recommend

change in the laws, which recent experience as shown to be essential to the protection of the as above to be essentiat to the protection of the government. There is no express provision of law, requiring the records and papers of a public character, of the several officers of the government, to be left in their offices for the use of the ment, to be left in their onces for the use of their successors, nor any provision declaring it lefony on their, part to make false entries in the books, or return false accounts. In the absence of such express provision by law, the outgoing officers in many instances, have claimed and exercised the right to take into their own possession, impor-tant books and papers, on the ground that these were their private property; and have placed them beyond the reach of the government. Con-duct of this character, brought in several instan-ses to the notice of the present Secretary of the Pressure numerally any heard has used on any Freasury, ntaurally awakened his suspicion, an esulted in the disclosure that at four ports nam sources in the one-cost of that at our ports name-y Oswego, Toledo, Sandusky, and Milwaukie, he treasury had, by false entries, been defraud-id, within the four years next preceding March 1853, of thesum of one-hundred and ninety-eigh housand dollars. The great difficulty with which he detection of these frauds has been attended, ne consequence of the abstraction of books and papers by the retiring officers, and the facility with which similar facuds in the public service may be perpetrated, render the necessity of ne egal enactments, in the respects above referred o quite obvious. For other material modifica lations of the revenue laws which seem lesirable, I refer you to the Secretary l'reasury. That report and the tables wh , which ac ompanyit, furnish ample proofs of the soli oundation on which the financial security of the country rests, and of the salutary influence he independent treasury system upon comme

ind all monetary operations. The experience of the last year furnishes add tional reasons, I regret to say, of a painful char acter, for the recommendation heretufore made cter, for the recommendation heretolore made opprovide for increasing the military force on loyed in the territory inhabited by the Indians. The settlers on the northern frontier have suffe-deneral formation international formation of the settlers. d much from the incursions of predatory bands and large parties of emigrants to our Pacific po sessions have been massacred with impunit sessions have been massacred with impunity.— The recurrence of such scenes can only be pre-vented by teaching these wild tribes the power of, and their responsibility to the United States. From the garrisons of our frontier posts, it is on-ly possible to detach (roops in small bodies; and though these have on all occasions displayed a a gallantry and a stern devotion to duty, which on a larger field would have communded univer sil admiration, they have usually suffered severe ly in those conflicts with superior numbers, an have computing the operation of the severe duty of the severe ly set the severe duty of the severe duty of the severe ly set the severe duty of the severe duty of the severe ly set the severe duty of the severe duty of the severe ly set the severe duty of the severe duty of the severe ly set the severe duty of the severe du ave sometimes been entirely sacrificed. he disposable force of the army is already ployed on this service, and is known to be whole y inadequate to the protection which should be afforded.

The public mind of the country has been r cently shocked by savage atrocities committe upon defence less emigrants and border settle-ments, and hardly less by the unnecessary de-struction of valuable lives, where inadequate detachments of troops have undertaken to fur-nish the needed aid. Without increase of the military lorce, these scenes will be repeated, i is to be feared, on a larger scale, and with mor-disastrous consequences. Congress, I am sure will perceive that the plainest duties and re some process that the plantest duties and re-eponsibilities of government are involved in this question, and I doubt not that prompt action may be confidently anticipated when delay must be attended by such fearful hazards. The bill of the last session, providing for an increase of the pay of the rank and file of the event has de here the rank and file of the

army has had beneficial results, not only in fa-cilitating enlistments, but in obvious improve-ment in the class of meh who enter the service, I regret that corresponding consideration was not bestowed on the officers, who, in view of heir character and services, and the expense to which they are necessarily subject, preseut what is, in my judgment, in mpensation. The valuable services, constantly rendered b

the Army, and its inestimable importance, as the nucleus around which the volunteer forces of nucleus around which the volunteer forces of the nation can promptly gather in the hour of danger, sufficiently attest the wisdom of main-taining a military peace establishment; but the theory of our system and the wise practice under it, require that any proposed augmentation, in time of peace, be only commensurate with our extended limits and frontier relations. While rended initia and noncer rendeds. While cruphically adhering to this principle, I find, in xisting circumstances, a necessity for increase f our military force, and it is believed that four new regiments, two of infantry and two of mounted men, will be sufficient to meet the presmounted men, while sometent to meet the pro-ent exigency. If it were necessary carelully to weigh the cost in a case of such urgency, it would be shown that the additional expense would be comparatively light.

tary of the Navy. The occurrence, during the last few months of marine disasters of the most tragic nature involving great loss of human life, has produ ted intense emotions of sympathy and sorrow shroughout the country. It may be well doubted whether all these calamitous events are wholly attributable to the accessary and in-with a stributable to the accessary and in-writh a stributable to the sea. The merchants, mariners, and ship builders of the U. States, arc, it is true, unsurpassed in far reaching enterprises, skill, intelligence, and courage, by any other in the world. But with the inreasing amount of our commercial tonnage i he aggregate, and the larger size and improv d equipment of the ships now constructed, a leficiency in the supply of reliable seamen be gins to be very seriously felt. The inconve nience may, perhaps, be met, by due regula tion for the introduction into our merchan hips, of indentured apprentices; which, while is would afford useful and eligible occupations to numerous young men, would have a tenden cy to raise the character of seamen as a class. And it is deserving of serious reflection, whe-ther it may not be desirable to revise the exsting laws for the maintenance of discipline at sea, upon which the security of life and pro porty on the ocean must to so great an exten lepend. Although much attention has alread dy been given by Congress to the proper con-struction and arrangement of steam vessels, and all passenger ships, still it is believed that he achievements of science and mechanica

skill in this direction have not been exhausted No good reason exists for the marked distinc tion, which appear upon our statutes between the laws for protecting life and property at sea, and those for protecting them on land. In nost of the States severe penalties are provi most of the States severe penalities are provi-ded to punish conductors of trains, engineers, and others employed in the transportation of persons by railway, or by steamboats on rivers. Why should not the same principle be applied to acts of insubordination, cowardice. other misconduct on the part of masters and

or other misconduct on the part of masters and mariners, producing injury or death to passen-gers on the high seas, beyond the jurisdiction of any of the States, and where such delinquencies can be reached only by the power of Con gress? The whole subject is earnestly comended to your consideration. The report of the Post Master General, to

which you are referred for many interesting details in relation to this important and rapidly extending branch of the public service, shows that the expenditures of the year ending June 30, 1854, including one hundred and thirty

hree thousand, four hundred and eighty three dollars of balance due to foreign offices, amoun-ted to eight millions seven hundred and ten housand, nine hundred and seven dollars -The gross receipts during the same period amounted to six millions, nine hundred and fifty-five thousand, five hundred and eighty-six dollars, exhibiting an expenditure_over income of one million, seven hundred and fifty-five thousand, three hundred and twenty one dollars, and a diminution of deficiency, as compared with the last year, of three hundred and sixty-one thousand, seven hundred and fifty-six

The increase of the revenue of the department for the year ending June 30, 1854, over the preceding year ending line so, lost, over the preceding year, was nine hundred and seventy thousand three hundred and ninety nine dollars No proportionate increase, however, can be anticipated for the current however, can be anticipated for the durient year, in consequence of the act of Congress of June 24, 1854. providing for increased com pensation to all postmasters. From these statements, it is apparent that the Post Office Department, instead of defraying its expenses according to the design at the time of its crea-tion, is now, and under existing laws musi continue to be to no senall extent a charge

continue to be, to no small extent, a charge commuc to be, to no small extent, a charge upon the general treasury The cost of mail transportation. during the year ending June 30, 1854, exceeds the cost of the preceding year by four hundred and unety five thousand and seventy four dollars anety five thousand and seventy four donars I again call your attention to the subject of mail transportation by ocean steamers, and commend the suggestions of the Postmaster General to your early attention. During the fast fired year eleven million

seventy thousand nine bundred and thirty five acres of the public lands have been surveyed. ion one hundred and ninety thou and eight mi sand and seventeen sores brought into market.

