PRESIDENT OF THE UNITED STATES. ENIVERED DEC. 8, 1857.

Fellow citizens of the Senate and House of Representatives:

cessary and expedient."

have enjoyed an unusual degree of health .-The earth has yielded her fruits abundantly, and has bountifully rewarded the toil of the husbandman. Our great staples have commanded high prices, and up till within a brief period, our manufacturing, mineral and meduced, while the appropriations made by fiscal year are very large in amount.

· Under these circumstances a loan may be required before the glose of your present session; but this although deeply to be regretted would prove to be only a slight misfortune when compared with the suffering and distress prevailing among the people. With sympathize, thought it may be without the power to extend relief.

THE FINANCIAL REVULATION. It is our duty to inquire what has produced recurrence can be prevented! In all former revulsions the blame might have been fairly attributed to a variety of co-operating causes; but not so upon the present occasion. apparent that our existing misfortunes of their circulation and deposits. have proceeded solely from our extravagant and vicious system of paper currency and bank credits; exciting the people to wild speculations and gambling in stocks. These revulsions must continue to recur at successive intervals so long as the amount of the paper fourteen hundred irresponsible banking instinature will consult the interest of their stockholders rather than the public welfare.

The framers of the Constitution, when they gave to Congress the power "to coin money and to regulate the value thereof," and prohibited the States from coining money, emit ting bills of credit, or making anything but distress, when their assistance is must needed, gold and silver coin a tender in payment of they and their debtors together sink into indebts, supposed they had protected the people against the evils of an excessive and irredeemable paper currency. They are not regovernment endowed with the sovereign at pared with the cost of similar articles in counsponsible for the existing anomaly that a tribute of coining money and regulating the value thereof should have no power to prevent others from driving this coin out of the country and filling up the channels of circulation with paper which does not represent

It is one of the highest and most responsible dulies of Government to insure to the people a sound circulating medium, the mount of which ought to be adapted with the utmost possible wisdom and skill to the wants of internal trade and foreign exchanges. If this be either greatly above or greatly below the proper standard, the marketable value of every man's property is increased or diminished in the same proportion, and injustice to individuals as well as incalculable evils to the community are the consequence.

Unfortunately, under the construction of the felleral constitution, which has now prevailed too long to be changed, this important and delicate duty has been dissevered from the coiningg power and virtually transferred to more than fourteen hundred State banks, noting independently of each other, and regulating their paper issues almost exclusively by a regard to the present interest of their stockholders. Exercising the sovereign power of providing a paper currency, instead of coiu, for the country, the first duty which these banks owe to the public is to keep in their coin at all times and under all circumstances. such restrictions on its business as, to secure this result. All other restrictions are comparatively vain. This is the only true touch-

doubtless wise and in all cases ought to be it can be effected on advantageous terms. required, that banks shall hold an amount of This, however, shall, if possible, be avoided— United States or State securities equal to but if not, then the amount shall be limited their notes in circulation and pledged for to the lowest practicable sum. States and State Governments into bank necessary for its defense shall proceed as extending their possessions in Central Amerinotes, without reference to the specie requirthough there had been no crisis in our monethough their present limits. It is not too notes, without reference to the specie required to redeem them. However valuable these securities may be in themselves, they cannot be donverted into gold and silver at the moment of pressure, as our experience teaches, any entried to the act of Parliament of Such a bank could not, if it would, regulate any entried to the issues and credits of fourteen hundred notes from the banking department, for the State banks in such a manner as to prevent notes from the banking department, for the State banks in such a manner as to prevent notes from the banking department, for the State banks in such a manner as to prevent notes from the banking department, for the such a manner as to prevent task would have been the more easily ac-

If this proportion was no more than suf-

with the whole of Great Britain, and to some extent the continent of Europe, as a field for its circulation, rendering it almost impossible paper currency had been expanded to a ruin ous extent, and immediate run to a dantition of the continent In obedience to the command of the Concient under our banking system. Each of our exchanges. It accordingly commenced a stitution, it has now become my duty "to fourteen hundred banks has but a limited system of curtailment of its loans and issues, give to Congress information of the state of circumference for its circulation, and in the in the vain hope that the joint stock and the Union, and recommend to their consideration such measures " as I judge to be " ne note-holders might demand from such a bank pelled to follow its example. It found, howa sufficient amount in specie to compel it to ever, that as it contracted they expanded, and But first, and above all, our thanks are due to Almighty God for the numerous benefits which He has bestowed upon this people; liabilities. And yet I am not aware, with "whatever reduction of the paper circulation fits which He has bestowed upon this people; liabilities. And yet I am not aware, with and our united prayers ought to ascend to the exception of the banks of Louisiana, that was effected by the Bank of England (in Him that He would continue to bless our any State bank throughout the Union has 1825) was more than made up by the issues great republic in time to come as he has been required by its charter to keep this or of the country banks." blessed it in time past. Since the adjournary other proportion of gold and silver comlation and deposits. What has been the consequence !

in a recent report made by the Treasury Department on the condition of the banks throughout the different States, according to returns dated nearest to January, 1857, the chanical occupations have largely partiken aggregate amount of actual specie in their of the general prosperity. We have possess-vaults is \$58,349,838, of their circulation ed all the elements of material wealth in rich \$214,778,822, and of their deposits \$230,351, abundance, and yet, potwithstanding all these | 352. Thus it appears that these banks in the advantages, our country, in its monetary in-terests, is at the present moment in a deplo-dollar in seven of gold and silver compared. rable condition. In the midst of unsurpassed with their circulation and deposits. It was plenting all the productions of agriculture palpable, therefore, that the very first presand in all the elements of national wealth, we sure must drive them to suspension, and defind our manufactures suspended, our public prive the people of a convertible currency works retarded, our private enterprises of with all its disastrous consequences. It is different kinds abandoned, and thousands of truly wonderful that they should have so long useful laborers thrown out of employment and continued to preserve their credit, when a reduced o want. The revenue of the Goy demands for the payment of one seventh of emment, which is chiefly derived from duties their immediate liabilities would have driven on imports from abroad, has been greatly rethem into insolvency. And this is the condition of the banks, notwithstanding that four Congress at its last session for the current hundred millions of gold from California have flowed in upon us within the last eight years and the tide still continues to flow.

Indeed, such has been the extravagance of bank credits that the banks now hold a considerably, less amount of specie, either in proportion to their capital or to their circuation and deposits combined, than they did before the discovery of gold in California.— While in the year 1848 their specie in proportion to their capital was more than equal to one dollar for four and a balf, in 1857 it does not amount to one dollar for every six such unfortunate results, and whether their dollars and thirty-three cents of their capital. In the year 1848 the specie was equal within a very small fraction to one dollar in five of their circulation and deposits; in 1857 it is not equal to one dollar in seven and a half

for our financial history for the last forty years. It has been a history of extravagant expansions in the business of the country followed by ruinous contractions. At successive intervals the best and most enterprising currency and bank loans and discounts of men have been tempted to their ruin by exthe country shall be left to the discretion of cessive bank loans of mere paper credit, exciting them to extravagant importations of tutions which from the very law of their foreign goods, wild speculations and ruinous and demoralizing stock gambling. When the crisis arrives, as arrive it must, the banks can extend no relief to the people. In a vain struggle to redeem their liabilities in specie they are compelled to contract their loans and their issues; and at last, in the hour of

It is this paper system of extravagant expansion, raising the nominal price of every article far beyond its real value, when comwhich has prevented us from competing in our own markets with foreign manufacturers has produced extravagant importations, and has counteracted the effect of the large incidental protection afforded to our domestic manufactures by the present revenue tariff.-But for this the branches of our manufactures composed of raw materials, the production of our own country-such as cotton, iron, and woolen fabrics-would not only have acquired almost exclusive possession of the home market, but would have created for themselves a foreign market throughout the world.

Deplorable, however, as may be our pres ent financial condition, we may yet indulge in bright hopes for the future. No other nation has ever existed which could have endured such violent expansions & contractions of paper credits without lasting injury-yet the buoyancy of youth, the energies of our population, and the spirit which never quails before difficulties, will enable us soon to recover from our present financial embarrassment, and may even occasion us speedily to

forget the lesson which they have taught. A TEMPORARY NATIONAL LOAN. In the mean time it is the duty of the Govvaults a sufficient amount of gold and silver banks, and to provide against the recurrence to insure the convertibility of their notes into of the same calamity. Unfortunately, in either aspect of the case, it can do but little. No bank ought ever to be chartered without Thanks to the independent treasury, the Govwas compelled to do by the failure of the banks in 1837. It will continue to discharge stone, the only efficient regulator of a paper its liabilities to the people in gold and silver. currency the only one which can guard its disbursements in coin will pass into cirthe public against over issues and bank sus- culation, and materially assist in restoring a As a collateral and eventual security it is we be compelled to make a temporary loan,

their redemption. This, however, turnishes I have, therefore, determined that while no no adequate security against over issues. On useful government works already in progress the contrary it may be perverted to inflate shall be suspended, new works, not already the surrency. Indeed, it is possible by this commenced, will be postponed, if this can be means to convert all the debts of the United done without injury to the country. Those

tary affairs, But the Federal Government cannot do much to provide against a recurrence of existing evils. Even if insurmountable constiin sufficient time to prevent bank suspensions tutional objections did not exist against the and the depreciation of bank notes. In Eng. creation of a National Bank, this would furland, which is to a very considerable extent nish no adequate preventive security. The apper money country, though vastly behind history of the last bank of the United States

secure us against future suspensions. In 18gerous amount should be made upon it, the power to contract it in order to reduce prices same proportion would certainly be insuffi- and restore the equilibrium of the foreign

> But a Bank of the United States would not, if it could, restrain the issues and loans of the State Banks, because its duty as a regulator of the currency must often be in direct conflict with the immediate interest of its stockholders. If we expect one agent to restrain or control another, their interests must at least, in some degree, be antagonistic.-But the Directors of a bank of the United States would feel the same interest and the same inclination with the Directors of the State Bank, to expand the currency, to accom-

modate their favorites and friends with loans, and to declare large dividends. Such has been our experience in regard to the last Bank. After all, we must mainly rely upon the patriotiam and wisdom of the States for the prevention and redress of the evil. If they will afford us a real aperia basis for our paper circulation by increasing the denomination of bank notes, first to twenty, and afterwards to fifty dollars; if they will require that the banks shall at all times keep on hand at least one dollar in gold and silver for every three dollars of their circulation and deposits; and if they will provide by a self executing enactment, which nothing can arrest, that the moment they suspend they shall go into liquidation, I believe that such provisions, with a weekly publication by each bank of a statement of its condition; would go far to secure

BANKRUPT LAW FOR THE BANKS. Congre s in my opinion, possesses the power to pass a uniform bankrupt law applicable to all banking institutions throughout the United States, and I strongly recommend its exercise. This would make it the irreversible organic law of each bank's existence, that a suspension of specie payments shall produce invasion from any quarter; and, finally, it its civil death. The instinct of self preservauld then compet it to perform its du ties in such a manner as to escape the penalty and preserve its life.

us against future suspensions of specie pay-

The existence of banks and the circulation of bank paper are so identified with the habits of our people, that they cannot at this day be suddenly abolished without much immediate injury to the country. If we could confine them to their appropriate sphere, and prevent them from administering to the wild and reckless speculation by extravagant loans and issues, they might be continued with advantage to the public.

But this I say, after long and much reflecion, if experience shall prove it to be imsame time suffering calamities which the ex- language: cesses of the banks have hitherto inflicted upon the country, it would then be far the leaser evil to deprive them altogether of the power to issue a paper currency and confine them to the functions of banks of deposit and

FOREIGN RELATIONS. Our relations with foreign governments are

upon the whole, in a satisfactory condition. The diplomatic difficulties which existed between the Government of the United States and that of Great Britain at the adjournment of the last Congress, have been happily ter-

be on terms of intimate friendship with each other, it has been our minfortune almost always to have had some irritating if not danger.

Ways to have had some irritating if not danger. ons, outstanding question with Great Britain. cation of our treaty with Great Britain would, THE CLASTON-BULWER TREATY.

Since the origin of the Government we have been employed in negotiating treaties with that power, and afterward in discussing their true intent and meaning. In this respect, the Convention of April 19th, 1850, commonly called the Clayton and Bulwer treaty, has been the most unfortunate of all; because the two Governm'ts place directly opposite and contraernment, by all proper means within its power, to aid in alleviating the sufferings of the important article. While, in the United States, people occasioned by the suspension of the banks, and to provide against the recurrence powers upon an exact equality by the stiputify, or colonize, or assume or exercise any dominion" over, any part of Central America, ernment has not suspended payment; as it it is contended by the British Government has left them in the rightful possession of all that portion of Central America which was n their occupancy at the date of the treaty; n fact, that the treaty is a virtual recognisound currency. From its high credit; should tion on the part of the United States of the right of Great Britain, either as owner or protector, to the whole extensive coast of Central America, sweeping round from the Rio Hondo to the port and harbor of San Juan de Nicar agus, together with the adjacent Bay Islands, except the comparatively small portion of this between the Sarstoon and Cape Hondu-

rat. According to their construction, the treaty does no more than simply prohibit them from the treaty had been considered susceptible of negotiated under the authority of the President, nor would it have received the approbation of the Senate. The universal convic-

cient to secure the convertibility of its notes, 25 an effort was made by the Bank of Eng. ty of the British Government in their con-

Under the late Administration negotiations were instituted between the two Governments for the purpose, if possible, of removing these difficulties; and a treaty having this laudable object in view was signed at London on the 17th October, 1856, and was submitted by the President to the Senate on the following 10th of December. Whether this treaty, either in its original or amended form, would have accomplished the object intended without giving birth to new and embarrassing complications between the two Governments, may perhaps be well questioned. Certain it is, however, it was rendered much less objectionable by the different amendments made to it by the Senate. The treaty, as amended, was ratified by me on the 12th of March 1857, and was transmitted to London for ratification by the British Government. That Government expressed its willingness to concur in all the amendments made by the Senate with the single exception of the clause relating to the Rustan and the other islands in the Bay of Honduras. The article in the original treaty, as submitted to the Senate, after reciting that these islands and their inhabitants "having been by a convention bearing date the 27th day of August, 1856, between Her Britanic Majesty and the Repulic of Honduras, constituted and declared free Territory under the sovereignty of the Republic of Honduras," stipulated that " the two contracting parties do hereby mutually engage to recognize and respect in all

Upon an examination of this Convention hatween Great Britain and Hondaras of the 27th of Auguet, 1856, it was found that, while declar ing the Bay Islands to be "a free territory under the sovereignty of the Republic of Honduras," it deprived that republic of rights without which its sovereignty over them could acarcely be said to exist. It divided them from the remainder of Honduras, and gave to their inhabitants a separate government of their own, with legislative, executive, and judicial officers elected by themselves. It deprived the government of Honduras of the taxing power in every form, and exempted the people of the islands from the perfomance of military duty except for their own exclusive defense. It also prohibited that republic from erecting fortifications upon them for their protection—thus leaving them open to

lic of Honduras"

British influence and control. Moreover, had our citizens against the Spanish Government. the United States ratified the treaty with Besides, the outrage committed on our flag Great Britain in its original form, we should by the Spanish was frigate Farrolana, on the have been bound "to recognize and respect high seas, off the coast of Cuba, in March, prejudice of Honduras. Being in direct op- El Dorado, and detaining and searching her, possible to enjoy the facilities which well simple recognition of the sovereign right of voy Entraordinary and Minister Plenipoten-regulated banks might afford, without at the Honduras to these islands in the following tiary to Madrid has asked to be recalled and

mutually engage to recognize and respect the questions pending between the two governrights of Rustan, Bonaco, Usila, Barbaretta, Helana, and Morat, situate in the Bay of Honduras, and off the coast of the Republic of Honduras, as under the sovereignity and ister urges the just claims of our citizens upon as a part of the said republic of Honduras." signing as the only reason, that the ratifica- never made the appropriation recommended private war against a powerful nation. If tions of the convention of the 27th of August, by President Polk, in his annual Message 1856; between her and Honduras, had not of December, 1847, "to be paid the Spanish been "exchanged, owing to the hesitation of Government for the purpose of distribution that Government." Had this been done, it is among the claimants in the Amistad case." of the last congress, have been happing terminated by the appointment of a British Minister to this country, who has been cordially received.

Insu this been done, it is among the character would A similar recommendation was made by my immediate predecessor, in his Message of Described by the Senate, which cember, 1853, and entirely concurring with While it is greatly to the interest, as I am then would have had in effect the same significant with Spain or the convinced it is the sincere desire of the governments and people of the two countries to ernments and people of the two countries to this would have been the effect; whether the 27th October, 1795, I carnestly recommend this would have been the effect; whether the such an appropriation to the favorable conmerce circumstance of the British convention with "in effect" have had "the same significance as the original wording," and thus have nullified the amendment of the Senate, may well be doubted. It is, perhaps, fortunate that the question has never arizen.

The British Government, immediately after rejecting the treaty as amended, proposed to enter into a new treaty with the United States, similar in all respects to the treaty which they had just refused to ratify, if the United States would consent to add to the Senate's clear and unqualified recognition of Islands the following conditional stipulation; Whenever and so soon as the Republic of Honduras shall have concluded and ratified a treaty with Great Britain, by which Great Britain shall have ceded, and the Republic of Honduras shall have accepted, the said islands, subject to the provisions and conditions contained in such treaty."

This proposition, was of course, rejected. After the Senate had refused to recognize the British convention with Honduras of the 27th of August, 1856, with full knowledge of its contents, it was impossible for me, necessarily ignorant of "the provisions and conditions which might be contained in a future convention between the same parties, to sanction them in advance. ABROGATION OF THE CLAYTON-BULWER TREA-

TY RECOMMENDED. fact is that when two nations like Great Britain and the United States, mutually desirous, as they are, and I trust ever much to assert that if in the United States may be, of maintaining the most friendly relations with each other, have unfortunately anch a construction, it never would have been concluded a treaty which they understand in to abrogate such a treaty by mutual consent essainty interrupted the trade of all nations and to commence anew. Had this been done with Canton, which is now in a state of acter, require that we about adopt such that in some districts delegates may be electromaptly, all difficulties in Central America blockade, and have occasioned a serious loss senses directly opposite, the wisest course is tion in the United States was, that when our promptly, all difficulties in Central America tional and time-honored policy, and to stipu- justed to the satisfaction of both parties. The rection within the empire against the exist-

our currency which annoted the country placed in the same position with ourselves, countries in Central America is identical, between against future suspensions. In 18- While we have no right to doubt the sinceri- ing confined to securing safe transits over all the routes across the Isthmus.

> CENTRAL AMERICA. While entertaining these sentiments, shall nevertheless not refuse to contribute to any reasonable adjustment of the Central American questions which is not practically inconsistent with the American interpretation of the treaty. Overtures for this purpose have been recently made by the British Government in a friendly spirit, which I cordially reciprocate; but whether this renewed effort will result in success I am not yet prepared to express an opinion. A brief period will determine.

With France our ancient relations friendship still continue to exist. The French Government have in several recent instances, which need not be enumerated, evinced a spirit of good will and kindness toward our country which I heartily reciprocate. It is, notwithstanding to be much regretted that two nac sions whose productions are of such a character as to invite the most extensive exchanges and freest commercial intercourse, should continue to enforce ancient and obsolete re strictions of trade against each other. Our commercial freaty with France is in this respect an exception from our treaties with all ther commercial nations. It jealously levies discriminating duties both on tonnage and on articles, the growth, produce or manufacture of one country, when arriving in vessels beonging to the other.

More than forty years ago, on the 3d of-March 1815 Congress passed an act offering deeply interested than any other nation in from them, and have otherwise been treated to all nations to admit their vessels laden with their national productions into the ports tions of the respective foreign nations who der our treaty with New Grenada of the 12th event of a refusal. This is accordingly recomment to the United States. The act of May. 24th, the neutrality of the Isthmus of Paname, arrangements have been founded, except with is founded upon equivalents granted by the may not long exist. RUSSIA.

Our relations with Russia remain as they have ever been, on the most friendly footing. The present Emperor, as well as his predecessors, have never failed, when the occasion

people of the United States. BPAIN. With all other European governments exposition to the spirit and meaning of the remains unacknowedged and unredressed. Clayton and Bulwer treaty as understood in The general tone and temper of the Spanish the United States, the Senate rejected the Governmen towards that of the United States entire clause, and substituted in its stead a are much to be regretted. Our present Ensimple recognition of the sovereign right of voy Estraordinary and Minister Plenipoten-Great Britain rejected this amendment, as met with the objection that Congress have

the notice of the Spanish Government, he is both in the opinion that this indemnity is just-PERÉIA.

A treaty of friendship and commerce concluded at Constantinople on the 13th Deember, 1850, between the United States and Persia, the ratifications of which were exchanged at Constantinople on the 13th of June. 1857, and the treaty was proclaimed by the President on the 18th August, 1857. This treaty, it is believed, will prove beneficial to American commerce. The Shah has manifested an earnest disposition to cultivate friendly relations with our country, and has expressed a strong wish that we should be represented at Teheran by a Minister Plenipothe sovereignty of Honduras over the Bay tentiary; and I recommend that an appropriation be made for this purpose. CHINA Recent occurrences in China have been un-

favorable to a revision of the treaty with that

empire of the 3d July, 1844, with a view to

the security and extension of our commerce.

The twenty-fourth article of this treaty stipulated for a revision of it, in case experience should prove this to be requisite: " In which case the two Governments will, at the expiration of twelve years from the date of said convention, treat amicably concerning the same. by means of suitable persons appointed to conduct such negotiations." These twelve years expired on the 3d July, 1856; but long efore that period it was ascertained that important changes in the treaty were necessary and several fruitless attempts were made by the Cambissioner of the United States to effect these changes. Another effort was about to be made for the same purpose by our Commissioner, in conjunction with the Ministers of England and France, but this was suspended by the occurrence of hostilities in the Canton River between Great Britain and the chinese Empire. These northines have necessarily interrupted the trade of all nations and our interest, as well as our national char- on the other side. This arises from the fact would most probably ere this have been ad- of life and property. Meanwhile the insur-

MESSAGE gold and silver equal to one third of its com
our currency which afflicted the country Britain should, in this respect at least, be complished because the interest of the two zen of Pennsylvania Envoy Extraordinary amended by the Senaia, the signature of which countries in Countri place his of destination in July last in the war steamer Minnesota. Special Ministers to Ching have also been appointed by the Governments of Great British and France.

existing hostilities at Canton, he will cordialy co-operate with the British and French Parana river, the steamer was fired upon by Ministers in all peaceful measures to secure a Paraguayan fort. The fire was returned; by treaty stipulations, those just concessions to commerce which the nations of the world have a right to expect, and which China cannot long be permitted to withhold. From assurances received, I entertain no doubt that the three Ministers will act in harmonious concert to obtain similar commercial treaties for each of of the powers they represent. BRACIL AND NEW GRENADA.

We cannot fail to feel a deep interest in all that concerns the welfare of the independent eration, the right of its government to expect republics on our own continent, as well as of that such a decree would be obeyed cannot the empire of Brazil.

a short time since bore so threatening an as was a small steamer, engaged in a scientific pect, are, it is to be hoped, in a fair train of enterprise, intended for the advancement of settlement in a manner just and honorable to commercial States generally. Under these both parties. THE ISTUMUS ROUTES.

The Isthmus of Central America, including that of Panama, is the great highway between government. the Atlantic and Pacific, over which a large portion of the commerce of the world is dus-tined to pass. The United States are more preserving the freedom and security of all the by the authorities in an insulting and arbicommunications across this isthmus. It is trary manner which requires redress. our duty, therefore, to take care that they A demand for these purposes will be made 1828, removed this restriction, and offered a through which the Pansma Railroad passes, similar reciprocity to all such vessels without "as well as the rights of sovereignty and reference to the origin of their cargoes. Upon property which New, Grenada has and possesthese principles, our commercial treaties and ses over the said Territory." This obligation arrangements have been founded, except with is founded upon equivalents granted by the other, and any accident might have re-lighted france; and let us hope that this exception treaty to the Government and people of the the flames of civil war. Besides at this United States.

Under these circumstances, I recommend to Congress the passage of an act authorizing the President in case of necessity to employ the land and naval forces of the United States to carry into effect this guarantee of neutraloffered, to manifest their good will to our country; and their friendship has always been lar legislation for the security of any, other highly appreciated by the Government and route across the islamus in which we may pose of framing a constitution preparatory to

Had Hondurns ratified this convention, ful as we could desire. I regret to say that can never feel indifferent to their fate, and visions. she would have ratified the establishment of a no progress whatever has been made since must always, rejoice in their prosperity. State substantially independent within her the adjournment of Congress, towards the Unfortunately, both for them and for us, our extensive organization existed in the Territory. own limits, and a State at all times subject to settlement of any of the numerous claims of example and advice have lest much of their in all future time" these stipulations to the 1855, by firing into the American mail steamer enterprises in violation of the law of nations. FILIBUSTERISM.

It is one of the first and highest duties of any Independent State, in its relations with he members of the great family of nations, to tiary to Madrid has asked to be recalled and it is my purpose to send out a new Minister gression against their citizens or subjects. The The two contracting parties do hereby to Spain, with special instructions on all most eminent writers on public law do not hesitate to denounce such hostile acts as robbery

and murder. Weak and feeble States, like those of Cenest account for not preventing such enormi-

Ever since the administration of General Washington, acts of Congress have been in time of their admission." force to punish severely the crime of setting on foot a military expedition within the limits of the United States, to proceed from thence against a nation or State with whom we are at peace. "The present neutrality act of A-pril 20, 1818, is but little more than a collec-

tion of pre-existing laws. Under this act, the President is empowered to employ the land and naval forces and the militia," for the purpose therefore, in my instructions to Gov. Walker of preventing the carrying on of any such ex- of the 28th March last, I merely said that pedition or enterprise from the territories and when "a Constitution shall be submitted to jurisdiction of the United States," and the the people of the Territory, they must be pro-collectors of customs are authorized and required to detain any vessel in port when there for or against that instrument, and the fair in such lawless enterprises.

When it was first rendered probable that

an attempt would be made to get up another hese precautions, the expedition has escaped our citizens have sustained heavy losses from ascertained. the San Juan between the two oceans.

(\* Gen. Wm Walker.)

China, and to avail himself of any opportunities which may offer to make changes in the sion in December, 1853. The reasons assignative existing treaty favorable to American Cothesis and the reliable will appear in the corresmerce. He left the United States for the pondence berewith submitted: It being desirable to ascertain the fitness of

the river La Plata and it stributaries for navigaz-tion by steam, the United States steamer Water of Great Britian and France.

While our minister has been instructed to occupy a neutral position in reference to the the peaceful prosecution of her voyage up the but as the Water Witch was of small force, and not designed for offensive operations, she retired from the conflict. The pretext upon which the attack was made was a decree of the President of Paraguay, of October, 1854, prohibiting foreign vessels of war from navigating the rivers of that State. As Paraguay, however, was the owner of but one bank of the river of that name, the other belonging to Corrientes, a State of the Argentine Confedbe acknowedged. But the Water Witch was Our difficulties with New Grenada, which not properly speaking a vessel-of-war. She circumstances I am constrained to consider the attack upon her as unjustifiable, and as calling for satisfaction from the Paraguayan

Citizens of the United States, also, who were established in business, in Paraguay, have had their property seized and taken

with our own voscels, provided they would shall not be interrupted either by invasions in a firm but conciliatory spirit. This will the reciprocate to us similar advantages. This from our own country or by wars between the act confined the reciprocity to the production of the production o

It is unnecessary to state in detail the alarming condition of the Territory of Kansas at the time of my inauguration. The opposing parties then stood in hostile array against each critical moment Kansas was left without a Governor, by the resignation of Governor

On the 19th of February previous, the Teritorial Legislature had passed a law providing for the election of delegates, on the third admission into the Union. This law was in acquire an interest by treaty.

With the independent republics on this the main fair and just; and it is to be regretcontinent it is both our duty and our interest ted that all the qualified electors had not to cultivate the most friendly relations. We registered themselves and voted under its pro-

At the time of the election for delegates an influence in consequence of the lawless expe- down the lawful government by force, and to ditions which have been fitted out against establish a government of their own under some of them within the limits of our counthe so called Topeka Constitution. The try. Nothing is better calculated to retard our persons attached to this revolutionary organi-

The act of the Territorial Legislature had omitted to provide for -ubmitting to the people the constitution which might be framed by the convention; and in the excited state f public feeling throughout Kansas an apprehension extensively prevailed that a design existed to force upon them a constitution in relation to slavery against their will. In this emergency it became my duty, as it was my unquestionable right, having in view the union of all good citizens in support of the tertral America, may not feel themselves able to ritorial laws, to express an opinion on the assert and vindicate their rights. The case true construction of the provisions concerning would be far different if expeditions were set slavery contained in the organic act of Conon foot within our own territories to make gress of the 30th of May, 1554. Congress private war against a powerful nation. If declared it to be "the true intent and meansuch expeditions were fitted out from abroad ing of this act not to legislate slavery into against any portion of our own country, to any territory or State, nor to exclude it thereburn down our cities, murder and plunder from, but to leave the people thereof perfectly our people, and usurp our government, we free to form and regulate their domestic inshould call any power on earth to the strict- stitutions in their own way." Under it Kansas when admitted as a State," was to "be received into the Union, with or without slavesy, as their constitution may prescribe at the

Did Congress mean by this language that the delegates elected to frame a Constitution should have authority finally to decide the question of slavery, or did they intend, by leaving it to the people, that the people of Kansas themselves should decide this question by a direct vote! On this subject I confess I had never entertained a serious doubt, and reason to believe she is about to take part expression of the popular will must not be interrupted by fraud or violence.

In expressing this opinion it was far from my intention to interfere with the decision of unlawful expedition against Nicaragua, the the people of Kansas, either for or against Secretary of State issued instructions to the Marshall and District Attorneys, which were directed by the Secretaries of War and Navy to the appropriate Army and Navy officers, my only desire was that the people of Kansas requiring them to be vigilant, and to use their should furnish to Congress the evidence rebest exertions in carrying into effect the pro-visions of the act of 1818. Notwithstanding against slavery, and in this manner smooth against slavery, and in this manner smooth their passage into the Union. In emerging: rom our shores. Such enterprises can do no pos- from the condition of territorial dependence sible good to the country, but have already in- into that of a sovereign State, it was their flicted much injury both to its interests and its duty, in my opinion, to make known their character. They have prevented peaceful emigration from the United States to the States question whether this important domestic inof Central America, which could not fail to stitution should or should not continue to exprove highly beneficial to all the parties con- ist. Indeed, this was the only possible mode cerned. In a pecuniary point of view alone, in which their will could be authentically

the seizure and closing of the transit route by The election of delegates to a convention must necessarily take place, in reparate disne can Juan octween the two oceans. I must necessarily take place in reparate dis-The leader (\*) of the recent expedition was tricts. From this cause it may readily arrested at New Orleans, but was discharged happen, as has often been the case, that a on giving bail for his appearance in the majority of the people of a State or Territory. insufficient sum of two thousand dollars. are on one side of the question, whilst a ma-I commend the whole subject to the serious jority of the representatives from the several attention of Congress, believing that our duty districts into which it is divided may be upsufficiently great not only to overcome the votes given for the former, but to leave a large