THE MONTROSE DEMOCRAT.

E. B. HAWLEY, Proprietor. MONTROSE, PA., WEDNESDAY DECEMBER 13, 1871. VOLUME XXVIII, NUMBER 50.

Business Cards.

C. E. BALDWIN,
ATTORNEY and COUNSELOR AT LAW, Great Bend, Pennsylvania. 3m.

B. L. BALDWIN,
ATTORNEY AT LAW, Montrose, Pa. Office with James E. Carmalt, Esq. Montrose, August 30, 1871. tf.

LOOMIS & LUSK.
Attorneys at Law, Office No. 224 Lackawanna Avenue, Scranton, Pa. Practice in the several Courts of Luzerne and Susquehanna Counties.
F. E. LOOMIS. WM. D. LUSK.
Scranton, Sept. 6th, 1871.—tf.

W. A. CROSSMON.
Attorney at Law, Office at the Court House, in the Commissioner's Office. Montrose, Sept. 6th, 1871.—tf. W. A. CROSSMON.

McKENZIE. C. C. FAUROT.
McKENZIE, & FAUROT.
ealers in Dry Goods, Clothing, Ladies and Misses fine Shoes. Also, agents for the great American Tea and Coffee Company. [Montrose, Pa., ap. 1, '70.

DR. W. W. SMITH,
DENTIST. Rooms at his dwelling, next door east of the Republican printing office. Office hours from 9 A. M. to 4 P. M. Montrose, May 3, 1871.—tf

THE BARBER—Ha! Ha! Ha!!
Charley Morris is the barber, who can shave your face to order; Cuts brown, black and grizzley hair, in his office, just up stairs. There you will find him, over Gere's store, below McKenzies—just one door. Montrose, June 7, 1871.—tf C. MORRIS.

J. B. & A. H. McCOLLUM,
ATTORNEYS AT LAW Office over the Bank, Montrose Pa. Montrose, May 10, 1871. tf

DR. D. A. LATHROP,
Has opened an office, at the foot of Chestnut street, near the Catholic Church, where he can be consulted at all times. Montrose, April 26, 1871. 1y

J. D. VAIL,
HOMŒOPATHIC PHYSICIAN AND SURGEON. Has permanently located himself in Montrose, Pa., where he will promptly attend to all calls in his profession with which he may be favored. Office and residence west of the Court House, near Fitch & Watson's office. Montrose, February 8, 1871.

LAW OFFICE.
FITCH & WATSON, Attorneys at Law, at the old office of Bentley & Fitch, Montrose, Pa. (Jan. 11, '71.) L. P. FITCH. W. W. WATSON.

CHARLES N. STODDARD,
Dealer in Boots and Shoes, Hats and Caps, Leather and Findings, Main Street, 1st door below Boyd's Store. Work made to order, and repairing done neatly. Montrose, Jan. 1, 1870.

LITTLES & BLAKESLEE,
Attorneys and Counsellors at Law. Office the one heretofore occupied by H. B. & G. P. Little, on Main street, Montrose, Pa. [April 20.
S. S. LITTLE. GEO. P. LITTLE. E. L. BLAKESLEE.

LEWIS KNOLL,
SHAVING AND HAIR DRESSING.
Shop in the new Postoffice building, where he will be found ready to attend all who may want anything in his line. Montrose, Pa. Oct. 18, 1869.

O. H. HAWLEY,
DEALER in DRY GOODS, GROCERIES, CROCKERY, Hardware, Hats, Caps, Boots, Shoes, Ready Made Clothing, Paints, Oils, etc., New Milford, Pa. [Sept. 8, '69.

DR. S. W. DAYTON,
PHYSICIAN & SURGEON, tenders his services to the citizens of Great Bend and vicinity. Office at his residence, opposite Barnum House, G't. Bend village. Sept. 1st, 1869.—tf

A. O. WARREN,
ATTORNEY A. LAW. Bounty, Back Pay, Pension and Exemption Claims attended to. Office first door below Boyd's Store, Montrose, Pa. [Ap. 1, '69

M. C. SUTTON,
Auctioneer, and Insurance Agent,
Friendsville, Pa.

C. S. GILBERT,
U. S. Auctioneer.
aug1 69tf Great Bend, Pa.

AMI ELY,
U. S. Auctioneer.
Aug. 1, 1869. Address, Brooklyn, Pa.

JOHN GROVES,
FASHIONABLE TAILOR, Montrose, Pa. Shop over Chandler's Store. All orders filled in first-rate style. Cutting done on short notice, and warranted to fit.

W. W. SMITH,
CABINET AND CHAIR MANUFACTURER.—Foot of Main street, Montrose, Pa. [aug. 1, 1869.

H. BURRITT,
DEALER in Staple and Fancy Dry Goods, Crockery Hardware, Iron, Stoves, Drugs, Oils, and Paints Boots and Shoes, Hats & Caps, Furs, Buffalo Robes Groceries, Provisions, &c., New Milford, Pa.

STROUD & BROWN,
FIRE AND LIFE INSURANCE AGENTS. All business attended to promptly, on fair terms. Office first door north of "Montrose Hotel," west side of Public Avenue, Montrose, Pa. [Aug. 1, 1869.
BILLINGS STROUD. CHARLES E. BROWN.

ABEL TURRELL,
DEALER in Drugs, Patent Medicines, Chemicals Liquors, Paints, Oils, Dye Stuffs, Varnishes, Window Glass, Groceries, Glass Ware, Wall and Window Paper, Stone-ware, Lamps, Kerosene, Machinery Oils, Trusses, Guns, Ammunition, Knives, Spectacles Brushes, Fancy Goods, Jewelry, Perfumery, &c.—being one of the most numerous, extensive, and valuable collections of Goods in Susquehanna Co.—Established in 1849. [Montrose, Pa.

D. W. SEARLE,
ATTORNEY AT LAW, office over the Store of A. Lathrop, in the Brick Block, Montrose, Pa. [aug'69

DR. W. L. RICHARDSON,
PHYSICIAN & SURGEON, tenders his professional services to the citizens of Montrose and vicinity.—Office at his residence, on the corner east of Sayre & Bros. Foundry. [Aug. 1, 1869.

DR. E. L. GARDNER,
PHYSICIAN and SURGEON, Montrose, Pa. Gives especial attention to diseases of the Heart and Lungs and all Surgical diseases. Office over W. B. Dean's Boards at Searle's Hotel. [Aug. 1, 1869.

BURNS & NICHOLS,
DEALERS in Drugs, Medicines, Chemicals, Dye-stuffs, Paints, Oils, Varnish, Liquors, Spices, Fancy articles, Patent Medicines, Perfumery and Toilet Articles. ☞Prescriptions carefully compounded.—Public Avenue, above Searle's Hotel, Montrose, Pa
A. B. BURNS, AMOS NICHOLS.
Aug. 1, 1869.

HUNT BROTHERS, SCRANTON, PA.
Wholesale & Retail Dealers in
HARDWARE, IRON, STEEL,
NAILS, SPIKES, SHOVELS,
BUILDER'S HARDWARE,
MINE RAIL, COUNTERSUNK & T RAIL SPIKES
RAILROAD & MINING SUPPLIES.
CARRIAGE SPRINGS, AXLES, SKEINS AND BOXES, BOLTS, NUTS and WASHERS.
PLATED BANDS, MALLEABLE IRONS, HUBS, SPOKES.
FELLOES, SEAT SPINDLES, BOWS, &c.
ANVILS, VICES, STOCKS and DIES, BELLOWS HAMMERS, SLEDGES, FILES, &c. &c.
CIRCULAR AND MILL SAWS, BELTING, PACKING
TACKLE BLOCKS, PLASTER PARIS
CEMENT, HAIR & GRINDSTONES.
FRENCH WINDOW GLASS, LEATHER & FINDINGS
FAIRBANK'S SCALES.
Scranton, March 21, 1868. 1y

IMPROVED HUBBARD!
PATRONIZE HOME MANUFACTURE!
CHANGEABLE Speed and Double Drive Wheel, It holds the Great New York State National Premium! Also the Great Ohio National Premiums, held at Mansfield, in 1870.
And the Pennsylvania, Maryland and Virginia State Premiums!
The gearing is simple, compact, removed entirely from the drive wheels, and enclosed in a neat case, in the centre of the machine, effectually securing it from grit and dust.
The operation can be changed instantly from a high speed to one a third slower, without stop, thus adapting itself to bad places and light and heavy grass.
One cutting apparatus is perfect. No brake and one patent knife-head. It is beyond doubt the strongest Machine in the world, and you can depend upon it, being perfectly reliable in every particular.
Montrose, May 3, 1871.—tf. SAYRE BROS.

EDAHON Valley College, Annville, Pa. For catalogues, address L. H. HAMMOND, A. M., President.

PRESIDENT'S MESSAGE.

THIRD ANNUAL MESSAGE, BY GRANT.

WASHINGTON, D. C., Dec. 4, 1871.

To the Senate and House of Representatives:—In addressing my third annual message to the law-making branch of the Government, it is gratifying to be able to state that during the past year success has generally attended the effort to execute all laws found upon the statute books. The policy has been not to inquire into the wisdom of the laws already enacted, but to learn their spirit and intent, and to enforce them accordingly.

The past year has, under a wise Providence, been one of general prosperity to the Nation.

It has, however, been attended with more than usual chastisements in the loss of life and property by storm and fire. These disasters have served to call forth the best elements of the human nature of our country and to develope a friendship for us on the part of Foreign Nations, which goes far toward alleviating the distresses occasioned by the calamities. The benevolent, who have so generously shared their means with the victims of these misfortunes, will reap their reward in the consciousness of having performed a noble act and in deserving the grateful thanks of men, women and children, whose sufferings they have relieved.

The relations of the United States with foreign powers continue to be friendly.—The year has been eventful in witnessing two great nations, speaking one language, acting by peaceful arbitration disputes of long standing and liable at any time to bring those nations into bloody and hostile conflict. An example has thus been set which, if successful in its final issue, may be followed by other civilized nations, and finally be the means of returning to productive industry millions of men now maintained to settle the disputes of nations by the bayonet and the broadsword.

I transmit herewith a copy of the treaty alluded to, which has been concluded since the adjournment of Congress, with Her Brittanic Majesty, and a copy of the protocols of the conference of the Commissioners by whom it was negotiated.—This treaty provides methods for adjusting the questions pending between the two nations. Various questions are to be adjusted by arbitration.

I recommend Congress, at an early day, to make the necessary provisions for the tribunal at Geneva and for the several Commissions on the part of the United States, called for by the Treaty. His Majesty the King of Italy, the President of the Swiss Confederation, and His Majesty the Emperor of Brazil, have each consented in the joint request of the powers to name an arbitrator for the tribunal at Geneva. I have caused my thanks to be suitably expressed for the readiness with which the joint request has been complied with, by the appointment of men of eminence and learning to these important positions.

His Majesty, the Emperor of Germany, has been pleased to comply with the joint request of the two Governments and has consented to act as the arbitrator of the disputed water boundary between the United States and Great Britain. The contracting parties in the treat have undertaken to regard, as between themselves, certain principles of public law for which the United States have contended from the commencement of their history.—They have also agreed to bring these principles to the knowledge of the other maritime powers and to invite them to accede to them.

Negotiations are going on as to the form of the note by which the invitation is to be extended to the other powers.

I recommend the legislation necessary on the part of the United States to bring into operation the articles of the treaty relating to the fisheries and to the other matters touching the relations of the United States towards the British North American Possessions to become operative. As the proper legislation shall be had on the part of Great Britian and its Possessions, it is much to be desired that this legislation may become co-operative before the fishermen of the United States begin to make their arrangements for the coming season.

I have addressed a communication, of which a copy is transmitted to the Governors of New York, Pennsylvania, Ohio, Indiana, Michigan, Illinois and Wisconsin, urging upon the governments of these States respectively the necessary action on their parts to carry into effect the object of the article of the Treaty which contemplates the use of the canals on either side, connected with the navigation of the lakes and river for boundary, on terms of equity by the inhabitants of both countries. It is hoped that the importance of the object and the benefits to flow therefrom, will secure the speedy approval and legislative sanction of the States concerned.

I renew the recommendation for an appropriation for determining the true position of the forty-ninth parallel of latitude, where it forms the boundry between the United States and the British North American Possessions, between the Lake of the Woods and the summit of the Rocky Mountains. The early action of Congress on the recommendation named, would put it in the power of the War Department to place a force in the field during the next summer.

The resumption of the diplomatic relations between France and Germany have enabled me to give directions for the withdrawal of the protection extended to Germans in France by the diplomatic representatives of the United States in that country. It is just to add that the delicate duty of this protection has been performed by the Minister and the Consul General at Paris and the various Consuls in France under the supervision of the latter, with great kindness as well as with prudence and tact. Their course has received the commendation of the German Government, and has wounded no susceptibility of the French.

The government of the Emperor of Germany continues to manifest a friendly feeling towards the United States, and a decree to harmonize with the moderate and just policy which this Government maintains in its relations with Asiatic Powers, as well as with the South American Republics. I have given assurance that the friendly feelings of that government are fully shared by the United States.

The ratification of the Consular and Naturalization Convention with the Austrian and Hungarian Empires have been exchanged.

I have been officially informed of the annexation of the States of the Church to the Kingdom of Italy, and the removal of the capital of that Kingdom to Rome. In conformity with the established policy of the United States, I have reconciled this change. The ratification of the new Treaty between the United States and Italy has been exchanged; the two powers have agreed in the treaty that private property at sea shall be exempt from capture in case of war between the two powers. The United States have spared no opportunity of incorporating this rule into the obligation of nations.

The Forty-first Congress, at its third session, made an appropriation for the organization of a mixed commission for adjudication upon the claims of citizens of the United States against Spain, growing out of the insurrection in Cuba. That commission has since been organized. I transmit herewith the correspondence relating to its formation and its jurisdiction. It is to be hoped that this commission will afford the claimants a complete remedy for their injuries. It has been made the agreeable duty of the United States to preside over a conference at Washington, between the plenipotentinries of Spain an the allied South American Republics, which has resulted in an armistice with the reasonable assurance of a permanent peace.

The intimate and friendly relations which have so long existed between the United States and Russia continue undisturbed. The visit of the son of the Emperor is a proof that there is no desire on the part of his government to diminish the cordiality of those relations. The hospitable reception which has been given to the Grand Duke is a proof that on our side we share the good feeling of that government. The inexcusable course of the Russian Minister, at Washington, rendered it necessary to ask his recall and to decline to longer receive that functionary as a diplomatic representative. It was impossible, with self-respect or with a just regard to the dignity of the country, to permit Mr. Catacazy to continue to hold intercourse with this government after his personal abuse of government officials, and his persistent interference, through various means, with the relations between the United States and other Powers. In accordance with my wishes this government has been relieved of further intercourse with Mr. Catacazy, and the management of the affairs of the Imperial legation has passed into the hands of a gentleman entirely unobjectionable.

With Japan we continue to maintain intimate relations. The Cabinet of the Mikado has, since the close of the last session of Congress, selected citizens of the United States to serve in offices of importance in several departments of Government. I have reason to think that this selection is due to an appreciation of the disinterestedness of the policy which the United States have pursued toward Japan. It is our desire to continue to maintain this disinterested and just policy with China as well as Japan. The correspondence transmitted herewith shows that there is no disposition on the part of this government to swerve from its established course, prompted by a desire to put an end to the barbarous treatment of our shipwrecked sailors on the Corean coast. I instructed our Minister at Pekin to endeavor to conclude a convention with Corea for securing the safety and humane treatment of such mariners. Admiral Rodgers was instructed to accompany him, with a sufficient force to protect him in case of need; a small surveying party sent out, on reaching the coast, was treacherously attacked at a disadvantage. Ample opportunity was given for explanation and apology for the insult. Neither came. A force was then landed, and after an arduous march over a rugged and difficult country, the forts from which the outrage had been committed, were reduced by a gallant assault and were destroyed. Having thus punished the criminals, and having vindicated the honor of the flag, the expedition returned, finding it impracticable under the circumstances to conclude the desired convention. I respectfully refer to the correspondence relating thereto, herewith submitted, and leave the subject for such action as Congress may see fit to take.

The republic of Mexico has not yet repealed the very objectionable laws establishing what is known as the Free Zone on the Frontier of the United States. It is hoped that this may be done, and also that more stringent measures may be taken by that Republic for restraining lawless persons on its frontier. I hope that Mexico, by its own action, will soon relieve this government of the difficulties experienced from these causes.

Our relations with the various Republics of Central and South America continue, with one exception, to be cordial and friendly. I recommend some action by Congress regarding the over-due installments under the award of the Venezuela Claims Commission of 1866. The internal dissensions of that Government present no justification for the absence of effort to meet their solemn treaty obligations. The ratification of an extradition treaty with Nicaragua has been exchanged.

It is a subject for congratulation that the great Empire of Brazil has taken the initiatory step towards the abolition of slavery. Our relations with that Empire, always cordial, will naturally be made more so by this act. It is not too much to hope that the government of Brazil may hereafter find it to its interest as well as intrinsically right, to advance toward entire emancipation more rapidly than the present act contemplates. The true prosperity and greatness of a nation is to be found in the elevation and education of its laborers.

It is a subject for regret that the reforms, in the direction which they were voluntarily promised by the statesmen of Spain, have not been carried out in its West India Colonies. The laws and regulations for the apparent abolition of slavery in Cuba and Porto Rico leave most of the laborers in bondage, with no prospect of release until their lives become a burden to their employers.

I desire to direct your attention to the fact that citizens of the United States, or persons claiming to be citizens of the United States, are large holders in foreign lands of this species of property, forbidden by the fundamental law of their alleged country. I recommend to Congress to provide, by stringent regulation, a suitable remedy against the holding, owning or dealing in slaves, or being interested in slave property in foreign lands, either as owners, heirs or mortgagees, by citizens of the United States.

It is to be regretted that the disturbed condition of the Island of Cuba continues to be a source of annoyance and of anxiety. The existence of a protracted struggle, in such close proximity to our own territory, without apparent prospect of an early termination, cannot be other than an object of concern to a people who, while abstaining from interference in the affairs of other powers, naturally desire to see every country in the undisturbed enjoyment of peace, liberty and the blessings of free institutions. Our naval commanders in Cuban waters have been instructed, in case it should become necessary, to spare no effort to protect the lives and property of bonafide American citizens, and to maintain the dignity of the flag. It is hoped that all pending questions with Spain, growing out of the affairs in Cuba, may be adjusted in the spirit of peace and conciliation, which has hitherto guided the two powers in their treatment of such investigations.

To give importance and to add to the efficiency of our diplomatic relations with Japan and China, and to further aid in retaining the good opinion of those people, and to secure to the United States its share of the commerce destined to flow between those nations and the balance of the commercial world, I earnestly recommend that an appropriation be made to support at least four American youths in each of these countries, to serve as a part of the official family of our Ministers there. Our representatives would not even then be placed upon an equality with the representatives of Great Britain and some other powers. As now situated, our representatives in Japan and China have to depend for interpretation and translation upon natives of those countries who know our language imperfectly, or procure for the occasion the services of employees in the foreign business houses, or the interpreters to other foreign Ministers.

I would also recommend liberal measures for the purpose of supporting the American lines of steamers now plying between San Francisco and Japan and China, and the Australian line, almost our only remaining lines of ocean steamers, [illegible] in their services.

The national debt has been reduced to the extent of eighty-six millions, fifty-seven thousands one hundred and twenty-six dollars and eighty-six cents during the year, and by the negotiation of national bonds at a lower rate of interest, the interest on the public debt has been so far diminished that now the sum to be raised for the interest account is nearly seventeen million dollars less than on the 1st of March, 1869. It was highly desirable that this rapid diminution should take place both to strengthen the credit of country, and to convince its citizens of their entire ability to meet every dollar of liability without bankrupting them, but in view of the accomplishment of these desirable ends, of the rapid development of the resources of the country, its increasing ability to meet the large demands, and the amount already paid, it is desirable that the present resources of the country should continue to be taxed in order to continue this rapid payment. I therefore recommend a modification of both the tariff and internal taxation. I recommend that all taxes from internal sources be abolished except those collected from spirituous and malt liquors, in its various forms and from stamps. In readjusting the tariff, I suggest that a careful estimate be made of the amount of surplus revenue collected under the present laws, after providing the current expenses of the government, the interest account, and a sinking fund, and that this surplus be reduced in such a manner as to affort the greatest relief to the greatest number. There are many articles not produced at home, but which enter largely into general consumption, through articles which are manufactured at home, such as medicines compounded etc., etc., from which very little revenue is derived, but which enter into general use. All such articles I recommend to be placed on the free list. Should a further reduction prove advisable, I would then recommend that it be made upon those articles which can bear it, without disturbing home production, or reducing the wages of American labor. I have not entered into figures, because, to do so, would be to repeat what will be laid before you in the report of the Secretary of the Treasury. The present laws for collecting the revenues, pay collectors of Customs shall be, but provide for shares in all seizures which are made at principal ports of entry, particularly to raise the compensation of those officials to a large sum. It has always seemed to me as if this system must at times work perniciously. It holds out an inducement to dispose men to be lax in their scrutiny of goods entered to enable them finally to make large seizures. Your attention is respectfully invited to this subject.

Continued fluctuations in the value of gold as compared with the national currency, has a most damaging effect upon the increase and development of the country in keeping up prices of all the necessaries in every day life; it fosters a spirit of gambling, prejudicial alike to national morals and the national finances. If the question can be met as to the fixed value over currency, that value constantly and uniformly approaching par with specie, a very desirable object will be gained.

For the operations of the army in the past year, the expense of maintaining it, the estimates for the ensuing year and for continuing the sea coast and other improvements, conducted under the supervision of the War Department, I refer you to the accompanying report of the Secretary of War. I call your attention to the provisions of the act of Congress, approved March 3d, 1869, which discontinues promotion in the staff corps of the army, until provided for by law. I recommend that the number of officers in each grade of the staff corps be fixed, and that whenever the number in any one of the grade falls below the number so fixed, that the vacancy be filled by promotion from the graduates. I also recommend that when the office of chief of corps becomes vacant, the place may be filled by selections from the corps in which the vacancy exists.

The report of the Secretary of the Navy shows an improvement in the number and efficiency of the naval force without material increase in the expenses of of supporting it. This is due to the policy which has been adopted, and is being extended as fast as our material will admit of using smaller vessels as cruisers on the several stations. By this means we have been enabled to occupy at once a larger extent of cruising ground, and more frequently the posts where the presence of our flag is desirable, and generally to discharge more efficiently the appropriate duties of the navy in time of peace, without exceeding the number of men or the expenditures authorized by law.

During the past year the navy has, in addition to its regular service, supplied the men and officers for the vessels of the coast survey, and has completed the survey authorized by Congress of the Isthmus of Darien and Tehauntepec, and under like authority has sent out an expedition, completely furnished and equipped, to explore the unknown ocean of the North. The suggestions of the report as to the necessity for increasing and improving the navy, and the plan recommended for reducing the service to a peace standard, by the gradual abolition of certain grades of officers, the reduction of others, and the employment of some in the service of the Commercial Marine, are well considered and deserves the attention of Congress. I also recommend that all promotions in the navy, above the rank of captain, be by selection instead of by seniority. This course will secure, in the higher grades, greater efficiency, and hold out an incentive to young officers to improve themselves in the knowledge of their profession. The present cost of maintaining the navy, its cost compared with that of the preceeding year, and the estimates for the ensuing year, are contained in the accompanying report of the Secretary of the Navy.

The enlarged receipts of the Post-office Department, as shown by the accompanying report of the Post-master General, exhibits a gratifying increase in that branch of the public service. It is the index of the growth of education and of the prosperity of the people; two elements highly conducive to the vigor and stability of the Republic with a vast territory like ours, much of it scarcely populated, but all requiring the services of the mail. It is not at present to be expected that this department can be made self-sustaining, but a gradual approach to this end, from year to year. It is confidently believed that the day is not far distant when the post-office department of the government will prove a much greater blessing to the whole people than it is now. The suggestions of the Postmaster-General, for improvement in the department presided over by him, are earnestly recommended to your special attention. Especially do I recommend a favorable consideration of the plan for a telegraph system of the United States with the postal system. It is believed that by such a course, the cost of telegraphing could be much reduced, and the service as well, if not better rendered. It would secure the further advantage of extending the telegraph through a portion of the country where private enterprise will not construct it. Commerce, trade and above all, the efforts to bring a people widely scattered into a community of interests, are always benefitted by a rapid introduction. Education, the grand work of Republican institutions, is encouraged by the increasing of the facilities to gather speedy news from all parts of the country. The desire to reap the benefit of which improvements will stimulate education. I refer you to the report of the Postmaster-General for full details of the operations of last year and for comparative statements of results with former years.

There has been imposed upon the Executive branch of the government the execution of the act of Congress approved April 20th, 1871, and commonly known as the Ku Klux Law, in a portion of the State of South Carolina. The necessity of the course pursued will be demonstrated by the report of the committee to investigate Southern outrages. Under the provisions of the above act I issued a proclamation; calling the attention of the people of the United States to the same, and declaring my reluctance to exercise any of the extraordinary powers thereby conferred upon me, except in cases of imperative necessity, but making known my purpose to exercise such power whenever it should be necessary to do so for the purpose of securing to all citizens of the United States the peaceful enjoyment of the rights guaranteed by the constitution and the laws. After the passage of this law, information was received from time to time that combinations of the character referred to in this law existed, and were powerful in many parts of the Southern States, particularly in certain counties in the State of South Carolina. Careful investigation was made and it was ascertained that in nine counties of that State, Such combinations were active and powerful, embracing a sufficient portion of citizens to control the local authority, and having among other things the object of depriving the emancipated class of the substantial benefits of freedom, and prescribing the free political action of those citizens, who did not sympathize with their own views. Among their operations were frequent scourging and occasional assassinations, generally perpetrated at night by disguised persons, the victims in almost all cases being citizens of different political sentiments from their's, or other persons who had shown a disposition to claim equal rights with other citizens. Thousands of inoffensive and well-disposed citizens were the sufferers by this lawless violence; thereon, on the 12th of October, 1871, a proclamation was issued, in terms of the law, calling upon the members of those combinations to disperse within five days, and to deliver to the marshal or military officers of the United States, all arms, ammunition, uniforms, disguises and other means and implements used by them for carrying out their unlawful purposes. This warning not having been heeded, on the 17th of October another proclamation was issued suspending the privilege of the writ of "habeas corpus" in nine counties in that State. Direction was given that within the counties so designated, supposed creditable information was given to the members of such unlawful combinations, that they should be arrested by the military forces of the United States, and delivered to the marshal to be dealt with according to law. In two of said counties, York and Spartanburg, many arrests have been made. At the last account the number of persons thus arrested was one hundred and sixty-eight. Several hundred, whose criminality was ascertained to be on inferior degree, was released for the present. These have generally made confession of their guilt. Great caution has been exercised in making these arrests, and notwithstanding the large number, it is believed that no innocent person is now in custody. The prisoners will be held for regular trial in the judicial tribunals of the United States. As soon as it appeared the authorities or the United States were about to take vigorous measures to enforce the law, many persons absconded, and there is good ground for supposing that all of such persons have violated the law. A full report of what has been done under this law will be submitted to Congress by the Attorney General.

In Utah there still remains a remnant of barbarism, repugnant to civilization, to decency, and to the laws of the United States. Territorial officers, however, have been found who are willing to perform their duty in a spirit of equity, and with a due sense of sustaining the majesty of the law. Neither polygamy nor any other violation of existing statutes will be permitted in the territory of the United States. It is not with the religion of the self-styled Saints that we are now dealing, but with their practices. They will be protected in the worship of God according to the dictates of their consciences, but they will not be permitted to violate the laws under the cloak of religion. It may be advisable for Congress to consider what, in the execution of the laws against polygamy, is to be the status of plural wives and their offspring. The propriety of Congress passing an enabling act authorizing the territorial legislature of Utah to legitimatize all children born prior to the time fixed in the act, might be justified by its humanity to these innocent children. This is a suggestion only and not a recommendation.

The policy pursued towards the Indians has resulted favorably so far as can be judged from the limited time during which it has been in operation. Through the exertions of the various societies of Christians to whom it has been entreated, the execution of the policy, and the Board of Commissioners authorized by the law of April 10th, 1869, nine tribes of Indians have been induced to settle upon the reservations, to cultivate the soil, to perform productive labor of various kinds, and to partially accept civilization. They are being cared for in such a way, it is hoped, as to induce those who are still pursuing their old habits of life to embrace the only opportunity which is left them to avoid extermination. I recommend liberal appropriation to carry out the Indian peace-policy, not only because it is humane, Christian-like, and economical, but because it is right.

I recommend to your favorable consideration also; the policy of granting a territorial government to the Indians in the Indian Territory, west of Arkansas and Missouri and south of Kansas. In doing so, every right guaranteed to the Indians by the treaty, should be secured. Such a course might, in time, be the means of collecting most of the Indians now between the Missouri and the Pacific and south of the British Possessions, into one Territory or one State. The Secretary of the Interior has treated upon this subject at length, and I commend to you his suggestion.

I renew my recommendation that the public lands be regarded as a heritage to our children, to be disposed of only as required for occupation and to actual settlers. Those already granted have been in a great measure disposed of in such a way as to secure access to the balance by the hardy settler who may wish to avail himself of them. But caution should be exercised even in attaining so desirable an end. Educational interests will be served by the grant of the proceeds of the sale of public lands to settlers. I do not wish to be understood as recommending, in the least degree, a curtailment of what is being done by the General Government for the encouragement of education.

The report of the Secretary of the Interior submitted with this, will give you all the information, collected and prepared for publication, in regard to the census taken during the year 1870.

The operations of the Bureau of Education for the year, the Patent office, the Land office and the Indian bureau, the report of the Commissioner of Agriculture, gives the operation of this department for the year.

As agriculture is the ground work of our prosperity, too much importance cannot be attached to the labor of this department. It is in the hands of an able head, with able assistants, all zealously devoted to introducing into the agricultural productions of the nation, all useful products adapted to any of the various climates and sections of our territory, and to giving all useful information as to the method of cultivation, and the planting of cereals and other products adapted to particular localities and quality. But surely the Agricultural Bureau is working a great national good, and if liberally supported, the more widely its influence will be extended, and the less dependant we shall be upon the products of foreign countries.

The subject of compensation to the heads of bureau officials, holding positions of responsibility and requiring ability and character to fill them properly, is one to which your attention is invited. But few of the officials receive a compensation equal to the respectable support of a family, while their duties are such as to involve millions of interests. In private life services demand compensation equal to the services rendered. A wise economy dictate the same rule in goverment service.

I have not given the estimates for the support of Government for the ensuing year, nor the comparative statement between the expenditures for the year just passed and the one just preceding, because all these figures are contained in the accompanying reports, or in those presented directly to Congress. These estimates have my approval.

More than six years have elapsed since the last hostile gun was fired between the armies then arrayed against each other, one for the perpetuation, the other for the destruction of the Union, it may well be considered whether it is not now time that the disabilities imposed by the Fourteenth amendment should be removed. That amendment does not exclude the ballot, but only imposes the disability to hold office upon certain classes. When the purity of the ballot is secure, majorities are sure to elect officers reflecting the views of the majority. I do not see the advantage or propriety of excluding men from office merely because they were before the rebellion of standing character sufficient to be elected to positions requiring them to take oaths to support the Constitution, and admitting to eligibility those entertaining precisely the same views, but of less standing in their communities. It may be said that the former violated an oath, while the latter did not. The latter did not have it in their power to do so. If they had taken this oath it cannot be doubted they would have broken it as did the former class. If there are any great criminals distinguished above all others for the part they took in opposition to the Government, they might, in the judgment of Congress, be excluded from such an amnesty. This subject is submitted for your careful consideration. The condition of the Southern States is unhappily not such as all true, patriotic citizens would like to see. Social ostracism for opinions sake, personal violence or threats towards persons entertaining political views opposed to those entertained by the majority of the old citizens, prevents immigration and the flow of much needed capital into the States lately in rebellion. It will be a happy condition of the country when the old citizens of these States will take an interest in public affairs, promulgate the idea honestly entertained, vote for men representing their views, and tolerate the same freedom of expression and ballot in those entertaining different political convictions.

Under the provisions of the act of Congress approved February 21st, 1871, a Territorial Government was organized in the District of Columbia. Its results have thus far realized the expectations of its advocates. Under the direction of the Territorial officers, a system of improvement has been inaugurated, by means of which Washington is rapidly becoming a city worthy of the Nation's Capital. The citizens of the District, having voluntarily taxed themselves to a large amount for the purpose of contributing to the adornment of the seat of Government, I recommend liberal appropriations on the part of Congress, in order that the Government may bear its just share of the expense of carrying out a judicious system of improvement.

By the great fire in Chicago, the most important of the government buildings in that city were consumed. Those burned had already become inadequate to the wants of the government in that growing city, and looking to the near future were totally inadequate. I recommend therefore that an appropriation be made immediately to purchase the remainder of the square on which the burned buildings stood, provided it can be purchased at a fair valuation, or provided that the legislature of Illinois will pass a law authorizing its use for government purposes, and also an appropriation of as much money as can properly be expended towards the erection of new buildings during this fiscal year.

The number of emigrants, ignorant of our laws and habits and coming into our country annually, has become so great and the impositions practiced upon them so numerous and flagrant, that I suggest Congressional action for their protection. It seems to me a fair subject of legislation by Congress. I cannot now state, as fully as I desire the nature of the complaints made by emigrants of the treatment they receive, but will endeavor to do so during the session of Congress, particularly if the subject should receive your attention.

It has been the aim of the Administration to enforce honesty and efficiency in all public offices. Every public servant, who has violated the trust placed in him, has been proceeded against with all the rigor of the law. If bad men have secured places, it has been the fault of the system established by law and custom for making appointments, or the fault of those who recommend for government positions persons not sufficiently well-known to them personally, or who give letters endorsing the character of office-seekers without a proper sense of the grave responsibility which such a course devolves upon them. A Civil Service reform, which can correct this abuse, is much desired. In mercantile pursuits the business man who gives a letter of recommendation to a friend, to enable him to obtain credit from a stranger, is regarded as morally responsible for the integrity of his friend, and his ability to meet his obligations. A reformatory law, which would enforce this principle against all endorsers of persons for public place, would insure great caution in making recommendations. A salutary lesson has been taught the careless and the dishonest public servant in the great number of prosecutions and convictions of the last two years. It is gratifying to notice the favorable change which is taking place throughout the country in bringing to punishment those who have proven recreant to the trusts confided to them, and in elevating to public office none but those who possess the confidence of the honest and virtuous, who, it will always be found comprise the majority of the community in which they live.

In my message to Congress, one year