have here your purse.'

Herep it, and run as fast as you can.

'The deuce you have ! and how came you to meet with the chamberlain?'

He told me it was a debt which he had to pay to you ... He is going to start this ve- than you did in his." ry night with his lady fair to his estates.' 'Are you mad, man? How do you know

minister.

Watchman, you are besides yourself, where did, you see the minister of finances ?' lain, Pilzou, Counters Bonau, the marshall Prince, who was greatly surprised and re- ances, and the others, I find quite reasona joiced at its relation.

The Prince patted Phillip on the shoulder, the situation of my gardener. I put you at seeking an asylum on our soil in the protection and said: 'It was a foolish trick. I did the head of the gardens of my own chateaus, of our laws. The person alleged to have been not tell you without reason to run away in and I will pay you immediately five thou-abducted was promptly restored, and the circumnot tell you without reason to run away in and I will pay you immediately five thoutime. But do not be afraid, you shall not sand florins for the draft of the Chamberlain.

be harmed.' That will be explained hereafter,' one-el the officers said, 'in the meantime ho will |

go with us.' Whither ?' Phillip asked : 'I am on du-

ty; I am the watchman." "That we heard, and for that very rea-

son you must go with us.' Let him alone, gentleman,' said Julian. searching for money. As he did not find any he whispered to Phillip, to give them something out of the purse. But the policemen separated them and said. 'You must both go with us.'

Rosa was released. Just as the watchmen were proceeding to take Phillip and the Prince to the Minister of police, a carriage drove up, and a man wearing a star pushed the policeman aside, and released ihn Prince.

Julian did not know which way to turn in his embarrasment, for he recognised Dake Hermann.

"Answer !' the Duke cried, with a thundering voice. Julian shook his head, and beckened to the Duke to continue his way. and the latter became more anxious to know with whom he had to deal at the ball. He questioned the policemen, who said that he had orders to take the watchman immediately to the Minister of Police; that the watchman, had sung scandalous songs, as they had heard with their own ears; and they had caught him near the church engaged in confidental conversation with the mask, who seemed almost as suspicious as the watchman. That the mask had declared he belonged to the court; but that was evidently false. They had thought it, therefore, their duty to arrest the mask.

That man does not belong to the court the duke replied. 'He has introduced himself unlawfully into the ball-room, and made every body believe that he was Prince Julian. But he had to show at last his face to me, as he had also deceived me. He is an unknown person, an adventurer. Seize him then; you have made a valuable capture !'

After these words the duke returned to his carriage, and crying once more, 'let him not escape !' drove off.

The Prince saw that he was lost. He thought it was improper to show his face to the policemen, because they would have mado his pranks public. He saw less danger in unmasking his face before the head chamberlain, or the Minister of Police. He

White no reason to run my lord. But I pardon your wild and foolish acts. You deserve to be punished. If once more you play such a prank, I shall be inexorable. Aud a draft of fifty thousand florins from Nothing will save you. I must know more exactly the affair of Duke Hermann. Of what you said of the ministers of police and finances. I expect also proofs. Go now and give a present to the young gardener. He

behaved much more wisely in your mantle, The Prince left the King, and ordered Phillip to go with him to his palace. Phillip had there to repeat every word he had

•My Lord, the Minister of finances will heard or said at the ball. Julian patted pay all your debts, if you will keep him in him on the shoulder, and said: Uisten, Phillip ; you are a good and talented fellow. What you said in my name to the chamber-Phillip then related his adventures to the and his wife, Col. Cold, the minister of finble, and will consider it as if I had said it The very man we are seeking,' cried several voices at once, when Phillip, Rosa, and the Prince, were surrounded by six strong officers of the Police. Phillip took the girl's hand, and said : 'Do not be afraid !' punishment. As a compensation I offer you

Presidents Message.

Fellow-citizens of the Senate

and House of Representatives :

Sixty years have elapsed since the establish-tent of this Government, and the Congress of ment of this Government, and the Congress of the United States again assembles, to legislate for an empire of freemen. The predictions of evil prophets who formerly pretended to foretell the downfall of our institutions, are now re-membered only to be derided, and the United States of America; at this moment present to the world the most stable and permanent Government on earth.

Such is the result of the labors of those wh have gone before us. On Congress will evidently depend the future maintenance of our system of free government, and the transmission of it, unimpaired to posterity. We are at peace with all the nations of the

world, and seek to maintain our cherished rela-tions of amity with them. During the past year, we have been blessed, by a kind Providence, with an abundance of the fruits of the earth; and, although the destroying angel for a time, visited extensive portions of our territory with the ravages of a dreadful pestilence, yet, the Almighty has at length deigned to stay his hand, and to restore the inestimable blessing of general health to a people who have acknowledged his power, deprecated his wrath, and implored nerciful protection.

While enjoying the benefits of an amicable intercourse with foreign nations, we have not been insensible to the distraction and wars which have prevailed in other parts of the world. It is a proper theme of thanksgiving to Him who rules the destinies of nations, that we have been able to maintain, amidst all these contests, an independent and neutral position towards all be-

ligerent powers. Our relations with great Britain are of the most friendly character. In consequence of the alterations in the British navigation acts, Datish vessels, from British and other foreign ports, will. [under our existing laws,]after the first day of January next, be admitted to entry, in our ports, with cargoes of the growth, manufacture, or production of any part of the world, on the same terms, as to duties, imposts, and charges, same terms, as to duries, imposts, and terms as as vessels of the United States with their car-goes; and our vessels, will be admitted to the same advantages in British ports, entering there-in on the same terms as British vessels. Should no order in council disturb this legislative arrangement, the late act in the British Parliament, by which Great Bitian is brought within the terms proposed by the act of Congress of the 1st of March, 1817, it is hoped, will be productive

of benefit to both countries. A slight interruption of diplomatic intercourse which occured between this government and France, I am happy to say, has been terminated, and our Minister there has been received. It is therefore unnecessary to refer, now, to the cir-cumstances which led to that interruption. I need not express to you the sincere satisfaction with which we shall hail the arrival of another Envoy extraordinary, and Minister Plenipoten-

United States that adross the Isthings of Pana-Having been apprised that a considerable numma, pursuant to our Postal convention with that ber of adventurers were engaged in fitting out a republic, of the 6th of March 1844. Our Charge military expedition, within the United States, against a foreign country; and believing, from d'Affairs at Bogota has been directed to make such representations to the government of New Grenada as will, it is hoped, lead to a prompt the best information I could obtain, that it was destined to invade the island of Cuba. I deemremoval of this cause of complaint. ed it due to the friendly relations existing be-

The sanguinary civil war with which the Retween the United States and Spain, to the laws of the United States, and, above all, to the Amerpublic of Venezucla has for some time past been ravaged, has been brought to a close. In its proican honor, to exert the lawful authority of this gress, the rights of some of our citizens resident government in suppressing the expedition and preventing the invasion. To this end, I issued a proclamation, enjoining it upon the officers of or trading there bave been violated. The restoration of order will afford the Venezulan govern. ment an opportunity to examine and redress these United States, civil and military to use all lawful means within their power. A copy of that grievances and others of longer standing, which representatives at Caraccas have, hitherto proclamation is here with submitted. The expe- out ineffectually urged upon the attention of that gov dition has been suppressed. So long as the act of Congress, of the 20th of April, 1818, which ernment. The extension of the coast of the United States

interpose.

owes its existence to the law of nations and to the policy of Washington himself, shall remain on the Pacific, and the unexampled rapidity with which the inhabitants of California, especially, on our statute book, I uphold it to be the duty of the Executive faithfully to obey its injunctions. are increasing in numbers, have imparted new consequence to our relations with the other coun-While this expedition was in progress, I was

informed that a foreigner, who claimed our pro-tection, had been clandestinely, and, as was supposed, forcibly carried off in a vessel from New Orleans to the island of Cuba. I immediately caused such steps to be taken as I thought nezessary, in case the information I had receivcrease in population and wealth. ed should prove correct, to vindicate the honor of the country, and the right of every person

respectfully suggest, that although the crime charged to have been committed in this case is held orlious as being in conflict with our opinions on the subject of national sovereignty and personal freedom, there is no prohibition of it, or punishment for it, provided in any act of Congress. The expediency of supplying this defect in our criminal code is therefore recommended

o your consideration. I have scrupuiously avoided any interference in the wars and contentions which have recent-

ly distracted Burope. Buring the late conflict between Austria and providing for the satisfaction of American claims on that government, and will be submitted to Hungary, there stemed to be a prospect that the latter might become an independent nation.---However faint that prospect at the time appear-Minister Plenipotentiury from that empire, and our relations with it are founded, upon the most ed, I thought it my duty, in accordance with the general sentiment of the American people, who deeply sympathized with the Magyar patriots, to amicable understanding. stand prepared, upon the contingency of the es-tablishment by her of a permanent government, to be the first to welcome independent Hungary into the family of nations. For this purpose, I to be denied, that this trade is still, in part, car invested an agent, then in Europe, with power to declare our willingness promptly to recognise her independence, in the event of her ability to sustain it. The powerful intervention of Rus-States, and owned or navigated by some of partment of State and the Minister and Consu sia, in the contest, extinguished the hopes of the struggling Magyars. The United States did not, at any time, interfere in the contest; but the feelat any time, interfere in the contest; out the reel-ings of the nation were strongly enlisted in the represents that it is a customary device to cause, and by the sufferings of a brave people, who had made a gallant though unsuccessful ef-set to be fore. vided with such papers by the Consul, instead fort to be free. of returning to the United States, for a new

Our claims upon Portugal have been, during the past year, prosecu e. with renewed vigor, register, proceed, at once to the coast of Afri-and it has been my object to employ every effort [ca, for the nurnose of obtaining cargoes of ca, for the purpose of obtaining cargoes of and it has been my object to employ every effort of honorable diplomacy to procure their adjust-ment. Our late Charge d'Affairs at Lisbon, the Hon. George W. Hopkins, made able and en-ergetic, but unsuccessful efforts to settle these unpleasant matters of controversy, and to obtain indemnity for the wrongs which were the subects of complaint. Our present charge d'Affairs at the court will, also, bring to the prosecution of these claims ability and zeal. The revolutionary and distracted condition of Portugal, in past times has been represented as one of the leading causes of her delay in indemnifying our suffering citizens. But I must now say, it is a matter of profound regret that these claims have not yet been settled. The omission of Portugal to do justice to the American claimants has now assumed a character so grave and serious, that I shall shortly make it the subject of a special eral policy, in this repect, may be preserved, message to Congress with a view to such ulti- and at the same time the abuse of our flag, by mate action as its wisdom and patriotism may

suggest. With Russia, Austria, Prussia, Sweden, Denmark, Belgium, the Netherlands, and the Italian States, we still maintain our accustomed emicable relations.

lie of that name, we have separately negotia During the recent revolutions in the Papal ted with some of them treaties of amity and States, our Charge d'Affairs at Rome has been unable to present his letter of credence, which, indeed, he was directed by my predecessor to commerce, which will be laid before the indeed, he was directed by my predecessor to withhold until he should receive further orders. Such was the unsettled condition of things in those States, that it was not deemed expedient to Senate. Such was the unsettled condition of things in those States, that it was not deemed expedient to structing a ship canal, through the territory of ve him any instructions hat State, to connect the Atlantic and Paci senting his credential letter different from those with which he had been furnished by the late ad-ministration, until the 25th of June last; when in oceans. I have directed the negotiation of a treaty with Nicaragua, pledging both govern ments to protect those who shall engage in and consequence of the want of accurate information perfect the work. All other nations are invi-ted by the state of Nicaragua, to enter into the of the exact state of things, at that distance from us, be was instructed to exercise his own discresame treaty stipulations with her ; and the bention in presenting himself to the existing gov-ernment, if, in his judgment, sufficiently stable; or if not, to await further events. Since that pe-ried, Rome has undergone another revolution, and he abides the establishment of a government sufficiently permanent to justify him in opening liplomatic intercourse with it. With the Republic of Mexico, it is our true policy to cultivate the most friendly relations .ince the ratification of the treaty of Guadalune Hidalgo, nothing has occurred of a serious char icter to disturb them. A faithful observance of the treaty, and a sincere respect for her rights, can not fail to secure the lasting confidence and friendship of the Republic. The message of my predecessor to the House of Representatives, of he 8th of Febuary last, communicating, in compliance with a resolution of that body, a copy o a paper called a protocol, signed at Queretaro on the 30th of May, 1848, by the commissioners of the United States and the minister of foreign affairs of the Mexican government, having been a subject of correspondence between the Department of State and the Envoy Extraordinary and Minister Plenipotentiary of that republic accredited to this government, a transcript of that cor-respondence is herewith submitted. The Commissioner on the part of the United States for making the boundary between the two republics, though delayed in reaching San Diego by unforseen obstacles, arrived at that place be rea within a short period after the time required by within a snort period after the time required by the treaty, and was there joined by the Commiss-ioner on the part of Mexico. They entered upon their duties; and, at the date of the latest intelligence from that quarter, some progress had been made in the survey. The expenses incident to the organization of the commission, and to its conveyance to the point where its operations were to begin, have so much reduced the fund appropriated by Congress, that a further sum to cover the charges which must be incurred during the present fiscal year, will be necessary .---The great length of frontier along which the boundary extends, the nature of the adjacent territory, and the difficulty of obtaining supplies, except at or near the extremes of the line render it also indispensible that a liberal provision should be made to meet the necessary charges during the fiscal year ending on the 30th of June 1851. Taccordingly recommend this subject to your attention. In the adjustment of the claims of American citizens on Mexico, provided for by the late treaty counsel, on the part of the the employment of overnment, may become important for the purose of assisting the commissioners in protecting the interests of the United States. I recom mend this subject to the carly and faverable con-

for money, a right which ought to be equally to all nations, on payment of a reason able toll to the owners of the Inprovement who would doubtless, be well contented with that compensation and the guarantees of the maritime States of the world, in separate treates negotiated with Mexico, binding her and them to protect those who should construct the Such guarantees would do more to sework. cure the completion of the communication through the territory of Mexico, than any other reasonable consideration that could be offered and as Mexico herself would be the greatest gainer by the opening of this communication between the Gulf and the Pacific ocean; it is presumed that she would not hesitate to yield her aitl, in the manner proposed, to accomplish

an improvement so important to her own best interests We have reason to hope that the proposed

railroad across the Isthmus at Panama will be successfully constructed, under the protection tries whose territories border upon that ocean It is probable that the intercourse between those countries and our possessions in that duarter, of the late treaty with New Grenada, ratified and exchanged by my predecessor on the 10th day of June, 1848, which gaarantees the per-fect neutrality of the Isthmus, and the rights of particularly with the Republic of Chili, will become extensive and mutually advantageous in proportion as California and Oregon shall insovereignty and property of New Grenada over It is desirable that territory, "with a view that the free transit from ocean to ocean may not be interrupted or therefore, that this Government should do every thing in its power to foster and strengthen its re embarrassed" during the existence of the lations with those States, and that the spirit of treaty. It is our policy to encourage every amity between us should be mutual and cordial. practicable route across the Isthmus, which I recommend the observance of the same connects North and South America, either ourse towards all other American States. The by railroad or canal, which the energy United States stands as the great American pow and enterprise of our citizens may induce er to which, as their natural alley and friend, them to complete, and I consider it obligatory upon me to adopt that policy, especially in conthey will always be disposed, first to look for mediation and assistance, in the event of any collision between them and any European nation. equence of the absolute necessity of facilitating intercourse with our nossessions on the Pa-As such, we may often kindly mediate in their

behalf, without entangling ourselves in foreign cific. The position of the Sandwich Islands, with wars or unneccssary controversies. Whenever the faith of our treaties whith any of them shall reference to the territory of the United States on the Pacific; the success of our persevering and benevolent citizens who have repaired to require our interference, we must necessarily inthat remote quarter in christenizing the natives A convention has been negotiated with Brazil. and inducing them to adopt a system of gov-erament and laws suited to their capacity and the Senate. Since the last session of Congress we have received an Envoy Extraordinary and wants; and the use made by our numerous whale ships of the harbors of the islands as places of resort for obtaining refreshments and repairs, all combine to render their destiny pe-cultarly interesting to us. It is our duty to encourage the authorities of those islands in Your attention is earnestly invited to an amendment of our existing laws relating to the African slave trade, with a view to the efficient their efforts to improve and elevate the moral and political condition of those inhabitants suppression of that batbarous traffic. It is not and we should make reasonable allowances for the difficulties inseparable from this task. We desire that the islands may maintain their inried on by means of vessels built in the United dependence, and that other nations should concitizens. The correspondence between the Decur with us in this sentiment. We could in no event be indifferent to their passing under the dominion of any other power. The principal of the United States at Rio Janeiro, which has from time to time been laid before Congress, commercial States have in this a com imon interest, and it is to be hoped that no one of them will attempt to interpose obstacles to the entire independence of the islands.

The receipts into the treasury for the fiscal year ending on the thirtieth of June last were, in cash, forty-eight million eight hundred and thirty thousand ninety-seven dollars and, fifty slaves. Much additional information, of the cents, (\$48,830,097,50,) and in Treasury notes funded, ten millions eight hundred and thirty-three thousand dollars, (\$10,833,000.) making same character, has recently been transmitted to the Department of State. It has not been onsidered the policy of our laws to subject an an aggregate of fifty-nine millions six hundred American citizen, who, in a foreign country, purchases a vessel built in the United States, to and sixty-three thou-and ninety-seven dollars and fifty cents, (559,663,097.50.) and the exthe inconvenience of sending her home for a penditures, for the same time were, in cash, forty six millions seven hundred and ninety-eight thousand six hundred and sixty-seven doltars and eighty-twocents.) \$46,798,067,82.) which might have a tendency to impede the free trans-fer of property in vessels between our chizens, oight hundred and thirty-three thousand dollars, (\$10,833.000.) making an aggregate of fillyor the free navigation of those vessels between in lawful commerce, should be well and cau-tiously considered; but I trust that your wisseven millions six hundred and thirty-one thousand six hundred and sixty-sever doldom wilf devise a method by which our genlars and eighty-two cents, (\$57,631,667,82) The accounts and estimates which will be

submitted to Congress in the report of the Secretary of the Treasury, show that there will probably be a deficit, occasioned by the expen-Having ascertained that there is no prospec ses of the Mexican war and treaty, on the first day of July next, of five millions eight hunof the reunion of the five states of Central America, which formerly composed the repubdred and twenty-one dollars and sixty-six cents, (\$5,828,121,66.) and on the 1st day of July 1851, of ten millions five hundred and fortyseven thousand and ninety-two dollars and, seventy-three cents, (\$10,547,092,73.) making

whole a probable deficit, to be provided in the for, of sixteen millions three hundred and seventy-five thousand two hundred and fourteen ars and thirty-nine cents, (\$16,375 214,39.) of the war with The extraordinary expenses Mexico, and the purchase of California and New Mexico, exceed in amount this deficit, ogether with the loans heretolore made for those objects. I therefore recommend that authority be given to borrow whatever sum may be necessary to cover that deficit. I recommend the observance of strict economy in the appropriation and expenditure of the public noney.

I shall not renew any proposition to purchase , give the reason to suppose, has been accomplished; and, it is believed they will shortly apply for the admission of California into the Union, as a sovereign s'ate. Should such be the case, and should their constitution be conformable to the requisitions of the constitution of the United States, I recommend their applica-tion to the favorable consideration of Congress. The people of New Mexico will also, it is believed, at no very distant period present themselves for admission into the Union. Proparatory to the admission of California and New Mexico, the people of each will have in-stituted for themselves a republican form of government, "laying its toundations in such principles, and organizing its powers in such form, as to them shall seem mostalikely to effect their safety and happiness,"

By awaiting their action, all causes of measiness may be avoided, and confidence and kind teeling preserved. With a view of maintaining the harmony and tranquility so dear to all, we should abstain from the introduction of those exciting topics of a rectional character which have hitherto produced painful appreheusions in the public mind; and I repeat the soleinn warning of the first and most illustrious of my predecessors against fornishing "any ground for characterizing parties by geographical discriminations."

A collector has been appointed at Saw Fran-cisco, under the act of Congress extending the revenue laws over California; and measures have been taken to organise the custom-bon-ses at that and the other ports mentioned in the act, at the earliest period practicable. The collector proceeded overland, and advices have not yet been received of his arrival at San Fran-cisco. Meanwhile it is understood that the rustoms have continued to be collected there by officers acting under military authority, as they were during the administration of my pre-decessor. It will, I think, be expedient to contirm the collections thus made, and direct the avails fafter such allowances as Congress may think fit to authorize) to be expended within the territory, or to be paid into the Treasury,

for the purpose of meeting appropriations for the improvement of its rivers and harbors. A party, engaged on the coast survey, was dispatched to Oregon in January last. According to the latest advices, they had not left California ; and directions have been given to them, as soon as they shall have fixed on the sites of the two lighthouses and the buoys authorised to be constructed and placed in Oregon, to proceed without delay to make reconnoissances of the most important points on the coast of California, and especially to examino and determine on sites for lighthouses on that coast, the specdy erection of which is urgently demanded by our rapidly increasing commerce.

I have transferred the Indian Agencies from Upper Missouri and Council Bluffs to Santa Fe and Salt Lake ; and have caused to be appointed sub-agents in the valleys of the Gila, the Sacramento, and San Joanuin Rivers. Still further legal provisions will be necessary to the effective and successful extension of our system of Indian intercourse over the new Territories.

I reccommends the establishment of a branch mint in California, as it will, in my opinion afford important facilities to those ngaged in mining, as well as to the lovernment in the disposition of the minerl lands.

I also recommend that commissions be organized by Congress, to examine and decide upon the validity of the present subsisting land titles in California and New Mexico; and that provision be made for the establishment of offices of Surveyor General in New Mexico, California, and Oregon, and for the surveying and bringing into market the public lands in those Territories. Those lands, remote in position, and difficult of access, ought to be disposed of on terms liberal to all, but especially favorable to the early emigrants.

In order that the situation and character of the principal mineral deposites in California may be ascertained, I reccommend that a geological and mineralogical exploration be connected with the linear surveys, and that the mineral lands be divided into small lots suitable for mining, and be disposed of, by sale or lease, so as to give our citizens an opportunity of procuring a permanent right of property in the soil. This would seem to be as important to the success of mining as of agricultural pursuits. The great mineral wealth of California, and the advantages which its ports and harbors, and those of Oregon, afford to commerce, especially with the islands of the Pacific and Indian oceans, and the populous regions of Eastern Asia, make it certain that there will arise, in a few years, large and prosperous communities on our western coast. It, therefore becomes important that a line of communication, the best and most expeditious which the nature of the country will admit, should be opened, within the territory of the United States, from the navigable waters of the Atlantic or the Gulf of Mexico, to the Pacific. Opinion. as elicited and expressed by two large and respectable conventions, lately assembled at St. Louis and Memphis, points to a railroad as that which, if practicable, will best meet the wishes, and wants of the country, But while this, if in successful operation, would be a work of great national importance, and of a value to the country which it would be difficult to estimate, it ought also to be regarded as an undgrtaking of vast magnitude and expense, and one which must, if it be, indeed, practicable, encounter many difficulties in its construction and use. Therefore, to avoid failure and disappointment ; to enable Congress to judge whether, in the condition of the country. through which it must pass, the work be easible, and if it be found so, whether i' should he undertaken as a national improv /cment or left to individual enterprise ; a" .d in" the latter alternative, what aid, if may. ought to be extended to it by the Jocernment. I reccommend as a pr eliminary measure, a careful reconnoisse nce of the several proposed routes by o sc tentile corps, and a report as to the, practic ability of making such a road, with an estimate of the cost of its construction and support. For further views or , these and other matters connected; wit' a the duties of the Home Department, L reheriyen to the re-I recommend r arte approprintions for continuing the Ti les and burton improve ments which has a seenal hady begon, and also for the con surgering of those for which

stances of the case are now about to undergo investigation before a judicial tribunal. I would

cried. therefore. go on !!

They moved on, and Rosa followed them with tearful eyes.

As they approached the palace, Philip's heart beat faster. His cloak, horn and pole were taken from him. The Prince said a few words to a gentleman of rank. The policeman was forthwith sent away. The Prince went up stairs, and Philip was ordered to follow. Before the Prince left him ho repeated once more to him, not to be afraid. Philip was led into a small antechamber, where he remained alone for a long time. At last one of the royal chamberlains came in and said, 'Come with me, the King wants to see you."

Philip was frightened almost out of his Hiskness became weak. He was senses. introduced into a beautiful room. There the old King sat laughing at a small table. By his side Prince Julian was standing without his mask. No one else was in the

room. The King looked at the young man for some time, apparently with pleasure.

'Tell me every thing exactly,' the King said, 'as it has happened to night.'

Philip's courage revived at the kind man ner in which the venerable old King addressed him, and he confessed most minutely, what he had done and experienced from beginning to the end, yet he was prudent and modest enough to skip those communications of the courtiers, which might have brought the Prince into trouble.

The King several times during Philip's marration burst into laughter ; and after having addressed him several questions about his parents and trade, he took some gold pieces and gave them to him with these words :

"Now go my son, and take care of your not tell any one what you have done or heard this night ?

Phillip fell on his knees before the King, and kissed his hand while he stammered few wards of thanks. As he rose to depart, Prince Julian said :

theg most humbly .that your Alajesty may, slow the young man to wait in the anterroom . I have to soitle a little debt with him for the trouble I have occasioned him

to sight, in The King nodded with a smile, and Phil lip left the room

Prince, said the King, threatening with his forefinger, it is fortunate for you that the legation, at Prinkfort, to be transferred to inefficiency of the means provided by the gov-you told may the truth. I will once more the American legation at Berlin.

tiary from a sister republic, to which we have so long been, and still remain bound by the

strongest ties of amity. ortly after I had entered upon the discharge of the executive duties, I was apprised that a war-steamer, belonging to the German Empire, was being fitted out in the harbor of New York, with the aid of some of our naval officers, rendered under the permission of the late Secretary of the Navy. This permission was granted during an armistice between that empire and the Kingdom of Denmark, which had been engaged in the Schleswig Holstein war. Apprehensivo that this act of intervention, on

our part, might be viewed as a violation of our neutral obligations, incurred by treaty with Denmark, and of the provisions of the act of Congress of the 20th of April, 1818, I directed that no further aid should be rendered by any agent or officer of the navy; and I instructed the

retary of State to apprise the Minister of the German empire accredited to this Government, of my determination to execute the law of the United States, and to maintain the faith of ties with all nations. The correspondence, which ensued between the Department of State and the Minister of the German Empire, is here-with laid before you. 'The execution of the law and the observance of the treaty were deemed by me to be due to the honor of the country, as well

as to the sacred obligations of the Constitution I shall not fail to pursue the same course, should a similar case arise with any other nation. Having avowed the opinion, on taking the oath of office, that, in disputes between conflicting foreign governments, it is our interest, not less than our duty, to remain strictly neutral, I shall not abandon it. You will perceive, from the correspondence submitted to you, in connection with this subject, that the course adopted in this case has been properly regarded by the beliger-

ant powers interested. Aithough a Minister of the United States to the German empire was appointed by my predeces-sor in August, 1848, and has, for a long time, been in attendance, at Frankfort-on-the-Maine; and although a Minister appointed to represent that Empire, was received and accredited here, yet no such apportment as that of the German that Empire, was received and accreance and yet no such government as that of the German

Empire has been definitely constituted. affairs, No harm will be done you, but do Donelson, our representative at Frankfort, remained there several months, in the expectation that a union of the German States, under one

constitution or form of government, might, at length be organized. It is believed, by those well acquainted with the existing relations between Prussia and the states of Germany, that no such union can be permanently established

without her co-operation. In the event of the formation of such Eunion, and the organization of a central power in Germany, of which she of a central power in definant, of which and would form a part, bit would become necessary to withdraw our Agnister at Berlin: but while Prussia exists an independent kingdom and di-plomatic relations are maintained with her, there

piomatic relations are maintained with her, there ing the interests of the ean be no necessity for the continuance of the mend this subject to the mission to Prankford. I have, therefore, recall, sideration of Ongress. ed Mr. Bonsison, and directed the archives of Complaints have been made in regard to the

efit to be derived by each from such an arrangement, will be the protection of this great inter-oceanic communication against any power which might seek to obstruct it, or to mon-opolize its advantages. All states, entering into such a treaty, will enjoy the right of paasage through the canal on payment of the same The work, if constructed under these guar-

new register, before permitting her to proceed

means of sea-letters, in the manner indicated

on a voyage. Any alteration of the laws

different parts of the world,

may be prevented.

intees, will become a bond of peace, instead of a subject of contention and strife, between the nations of the earth. Should the great maritime States of Europe consent to this arrangement, (and we have no reason to suppose that a proposition so fair and honorable will be opposed by any,) the energies of their seople and ours will co-operate in promoting the auccess of the enterprise. I do not recommend any appropriation from the National treasury for this purpose, nor do I believe that uch an appropriation is necessary. Private enterprise, if properly protected, will complete the work, should it prove to be feasible. The parties who have procured the charter frem Nicaragua, for its construction, desire no assistance from this Government beyond its protec-

tion: and they profess that, having examined the proposed line of communication, they will dy to commence the undertaking whenever that protection shall be extended to them. Should there appear to be reason, on examining the whole evidence, to entertain a serious doubt of the practicability of constructing such

canal, that doubt could be sneedily solved by an actual exploration of the route. Should such a work be constructed, under

the common protection of all nations, for equal benefits to all, it would be neither just nor expedient that any great maritime State should command the communication. The territory through which the canal may be opened ought to be freed from the claims of any foreign powar. No such power should occupy a position that would enable it hereafter to exercise so controlling an influence over the commerce of he world, or to obstruct a highway which ought o be dedicated to the common uses of mankind. The routes across the Isthmus, at Tehauntebec and Panama, are also worthy of our serions consideration. They did not fail to engage the attention of my predecessors. The nego-tiator of the treaty of Guadaloupe Hidalgo was instructed to offer a very large sum of monoy for the right of transit across the lethmustof Tehauniepec. The Mexican government did not accede to the proposition for the purchase of the right of way, probably because it had al-ready contracted with private individuals for the construction of a passage from the Guasacualco

I recommend a revision of the existing tariff. and its adjustment on a basis which may aug-ment the revenue. I do not doubt the right or duty of Congress to encourage domestic indusry, which is the great source of national as well as individual wealth and prosperity. I ook to the wisdom and patriotism of Congress for the adoption of a system which may place home labor, at last, on a sure and permanent footing, and, by due succuragement of manufactures, give a new and increased stimulus to agriculture, and promote the developement of ur vast resources and the extension of our commerce. Believing that to the attainment of these ends (as well as the necessary augmentation of the revenue and the prevention of frauds) a system of specific duties is best adapted. I strongly recommend to Congress the adoption of that system, fixing the duties at rates high enough to afford substantial and sufficient encouragement to our own industry. and at the same time so adjusted as to insure stability.

The question of the continuance of the Sub treasury system is respectfully submitted to the of Congress. If continued, importvisdon ant modifications of it appear to be neces-

For further details and views of the above and other matters connected with commerce, the finances, and revenue, I refer to the report

of the Secretary of the Treasury. No direct and hasbeengiven by the General, Government to the improvement of agriculture except by the expenditure of small sums for the collection and publication of agricultural statistics, and for some chemical analyses which have been, thus far, paid out of the pa tent fund. This aid is, in my opinion, wholly inadequate. To give to this leading branch of American industry the encouragement which it merits, I respectfully recommend the estabishment of an Agricultural Bureatt, to be connected with the Department of the Interior. To elevate the social condition of the agriculturist, to increase his prosperity, and to extend his means of usefulness to his country, by multiplying his sources of information, should multiplying his sources of information, sh be the study of every statesman, and a primary object with every legislator. No civil government having been provided.

by Congress for California, the people of that territory impelled by the necessity of their political condition, recently met in convention, for the purpose of forming a constitution and State government, which, the latest advices