

territory, north of the Columbia, extending along the Pacific and the Straits of Fuca, from Bulfinch's harbor inclusive, to Hood's Canal, and to make free to the United States any port or ports south of latitude forty-nine degrees, which they might desire, either on the main land, or on Quadra and Vancouver's island. With the exception of the free ports, this was the same offer which had been made by the British and rejected by the American government in the negotiation of 1826. This proposition was properly rejected by the American Plenipotentiary on the day it was submitted. This was the only proposition of compromise offered by the British plenipotentiary. The proposition on the part of Great Britain having been rejected, the British plenipotentiary requested that a proposal should be made by the U. States for "an equitable adjustment of the question."

When I came into office, I found this to be the state of the negotiation. Though entertaining the settled conviction, that the British pretensions of title could not be maintained on any portion of the Oregon territory upon any principle of public law recognised by nations, yet, in deference to what had been done by my predecessors, and especially in consideration that propositions of compromise had been twice made by two preceding administrations to adjust the question on the parallel of forty-nine degrees, and in two of them yielding to Great Britain the free navigation of the Columbia, and that the pending negotiation had commenced on the basis of compromise, I deemed it to be my duty not abruptly to break it off. In consideration, too, that under the conventions of 1818 and 1827, the citizens and subjects of the two powers held a joint occupancy of the country, I was induced to make another effort to settle this long pending controversy in the spirit of moderation which had given birth to the renewed discussion. A proposition was accordingly made, which was rejected by the British plenipotentiary, who, without submitting any other proposition, suffered the negotiation on his part to drop, expressing his trust that the United States would offer what he saw fit to call "some further proposal for the settlement of the Oregon question, more consistent with fairness and equity, and with the reasonable expectations of the British government."

The proposition thus offered and rejected, repeated the offer of the parallel of forty-nine degrees of north latitude, which had been made by two preceding administrations, but without proposing to surrender to Great Britain, as they had done, the free navigation of the Columbia river. The right of any foreign Power to the free navigation of any of our rivers, through the heart of our country, was one which I was unwilling to concede. It also embraced a provision to make free to Great Britain any port or ports on the cap of Quadra and Vancouver's island, south of this parallel. Had this been a new question, coming under discussion for the first time, this proposition would not have been made. The extraordinary and wholly inadmissible demands of the British government, and the rejection of the proposition made in deference alone to what had been done by my predecessors, and the implied obligation which their acts seem to impose, afford satisfactory evidence that no compromise which the United States ought to accept, can be effected. With this conviction, the proposition of compromise which had been made and rejected, was by my direction, subsequently withdrawn, and my title to the whole Oregon territory asserted, and, as is believed, maintained by irrefragable facts and arguments.

The civilized world will see in these proceedings a spirit of liberal concession on the part of the United States; and this government will be relieved from all responsibility which may follow the failure to settle the controversy.

All attempts at compromise having failed, it becomes the duty of Congress to consider what measures it may be proper to adopt for the security and protection of our citizens now inhabiting, or who may hereafter inhabit Oregon, and for the maintenance of our just title to that territory. In adopting measures for this purpose, care should be taken that nothing be done to violate the stipulations of the convention of 1827, which is still in force. The faith of treaties, in their letter and spirit, has ever been, and I trust, will ever be, scrupulously observed by the U. States. Under that convention, a year's notice is required to be given by either party to the other, before the joint occupancy shall terminate, and before either can rightfully assert or exercise exclusive jurisdiction over any portion of the territory. This notice it would, in my judgment, be proper to give; and I recommend that provision be made by law for giving it accordingly, and terminating, in this manner, the convention of the 6th of August, 1827.

It will become proper for Congress to determine what legislation they can, in the mean time, adopt without violating this convention. Beyond all question, the protection of our laws and our jurisdiction civil and criminal, ought to be immediately extended over our citizens in Oregon. They have had just cause to complain of our long neglect in this particular, and have, in consequence, been compelled, for their own security and protection, to establish a provisional government for themselves. Strong in their allegiance and ardent in their attachment to the United States, they have been thus cast upon their own resources. They are anxious that our laws should be extended over them, and I recommend that this be done by Congress with as little delay as possible, in the full extent to which the British

Parliament have proceeded in regard to British subjects in that territory, by their act of July 2d, 1821, for regulating the fur-trade, and establishing a criminal and civil jurisdiction within certain parts of North America." By this act Great Britain extended her laws and jurisdiction, civil and criminal, over her subjects, engaged in the fur-trade in that territory. By it the courts of the province of Upper Canada were empowered to take cognizance of causes civil and criminal. Justices of the peace and other judicial officers were authorized to be appointed in Oregon, with power to execute all process issuing from the courts of that province, and to "sit and hold courts of record for the trial of criminal offences and misdemeanors," not made the subject of capital punishment, and also of civil cases, where the cause of action shall not "exceed in value the amount or sum of two hundred pounds."

Subsequent to the date of this act of Parliament, a grant was made from the British crown to the Hudson's Bay Company, of the exclusive trade with the Indian tribes in the Oregon territory, subject to a reservation that it shall not operate to the exclusion of the subjects of any foreign States who, under or by force of any convention for the time being, between us and such foreign States respectively, may be entitled to, and shall be engaged in the said trade."

It is much to be regretted, that, while under this act British subjects have enjoyed the protection of British laws and British judicial tribunals throughout the whole of Oregon, American citizens, in the same territory, have enjoyed no such protection from their government. At the same time, the result illustrates the character of our people and their institutions. In spite of this neglect, they have multiplied, and their number is rapidly increasing in that territory. They have made no appeal to arms, but have peacefully fortified themselves in their new homes, by the adoption of republican institutions for themselves; furnishing another example of the truth that self-government is inherent in the American breast, and must prevail. It is due to them that they should be embraced and protected by our laws.

It is deemed important that our laws regulating trade and intercourse with the Indian tribes east of the Rocky mountains should be extended to such tribes as dwell beyond them.

The increasing emigration to Oregon, and the care and protection which is due from the government to its citizens in that distant region, make it our duty, as it is our interest, to cultivate amicable relations with the Indian tribes of that territory. For this purpose, I recommend that provision be made for establishing an Indian agency, and such sub-agencies as may be deemed necessary, beyond the Rocky mountains.

For the protection of emigrants whilst on their way to Oregon, against the attacks of the Indian tribes occupying the country through which they pass, I recommend that a suitable number of stockades and block house forts be erected along the usual route between our frontier settlements on the Missouri and the Rocky Mountains; and that an adequate force of mounted riflemen be raised to guard and protect them on their journey. The immediate adoption of these recommendations by Congress will not violate the provisions of the existing treaty. It will be doing nothing more for American citizens than British laws have long since done for British subjects in the same territory. It requires several months to perform the voyage by sea from the Atlantic States to Oregon; and although we have a large number of whale ships in the Pacific, but few of them afford an opportunity of interchanging intelligence, without great delay, between our settlements in that distant region, and the United States. An overland mail is believed to be entirely practicable; and the importance of establishing such a mail, at least once a month, is submitted to the favourable consideration of Congress.

It is submitted to the wisdom of Congress to determine whether, at their present session, and until after the expiration of the year's notice, any other measures may be adopted, consistently with the convention of 1827, for the security of our citizens in Oregon. That it will ultimately be wise and proper to make liberal grants of land to the patriotic pioneers, who, amidst privations and dangers, lead the way through savage tribes inhabiting the vast wilderness intervening between our frontier settlements and Oregon, and who cultivate, and are ever ready to defend the soil, I am fully satisfied. To doubt whether they will obtain such grants as soon as the convention between the United States and Great Britain shall have ceased to exist, would be to doubt the justice of Congress; but, pending the year's notice, it is worthy of consideration whether a stipulation to this effect may be made, consistently with the spirit of that convention.

The recommendations which I have made, as to the best manner of securing our rights in Oregon, are submitted to Congress with great deference. Should they, in their wisdom, devise any other mode better calculated to accomplish the same object, it shall meet with my hearty concurrence.

At the end of the year's notice, should Congress think it proper to make provision for giving that notice, we shall have reached a period when the national rights in Oregon must either be abandoned or firmly maintained. That they cannot be abandoned without a sacrifice of both na-

tional honour and interest, is too clear to admit of doubt.

Oregon is a part of the North American continent to which it is confidently affirmed, the title of the United States is the best now in existence. For the grounds on which that title rests, I refer you to the correspondence of the late and present Secretary of State with the British plenipotentiary during the negotiation. The British proposition of compromise, which would make the Columbia the line south of forty-nine degrees, with a trifling addition of detached territory to the United States, north of that river, and would leave on the British side two-thirds of the whole Oregon territory, including the free navigation of the Columbia and all the valuable harbors on the Pacific, can never, for a moment, be entertained by the United States, without an abandonment of their just and clear territorial rights, their own self respect, and the national honor. For the information of Congress, I communicate herewith the correspondence which took place between the two governments during the late negotiation.

The rapid extension of our settlements over our territories heretofore unoccupied; the addition of new States to our confederacy; the expansion of free principles, and our rising greatness as a nation, are attracting the attention of the Powers of Europe; and lately the doctrine has been broached in some of them of a "balance of power" on this continent, to check our advancement. The United States, sincerely desirous of preserving relations of good understanding with all nations, cannot in silence permit any European interference on the North American continent; and should any such interference be attempted, will be ready to resist it at any and all hazards.

It is well known to the American people and to all nations, that this government has never interfered with the relations subsisting between other governments. We have never made ourselves parties to their wars or their alliances; we have not sought their territories by conquest; we have not mingled with parties in their domestic struggles; and believing our own form of government to be the best, we have never attempted to propagate it by intrigues, by diplomacy, or by force. We may claim on this continent a like exemption from European interference. The nations of America are equal in sovereign and independent with those of Europe. They possess the same rights, independent of all foreign interposition, to make war, to conclude peace, and to regulate their internal affairs. The people of the United States cannot, therefore, view with indifference attempts of European powers to interfere with the independent action of the nations on this continent. The American system of government is entirely different from that of Europe. Jealousy among the different sovereigns of Europe, lest any one of them might become too powerful for the rest, has caused them anxiously to desire the establishment of what they term the "balance of power." It cannot be permitted to have any application on the North American continent, and especially to the United States. We must ever maintain the principle that people of this continent alone have the power to decide their own destiny. Should any portion of them constituting an independent State, propose to unite themselves with our confederacy, this will be a question for them and us to determine, without any foreign interposition. We can never consent that European powers shall interfere to prevent such a union, because it might disturb the "balance of power" which they may desire to maintain upon this continent. Near a quarter of a century ago, the principle was distinctly announced to the world in the annual message of one of my predecessors, that "the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European Power." This principle will apply with increased force, should any European Power attempt to establish any new colony in North America. In the existing circumstances of the world, the present is deemed a proper occasion to reiterate and re-affirm the principle avowed by Mr. Monroe, and to state my cordial concurrence in its wisdom and sound policy. The reassertion of this principle, especially in reference to North America, is at this day but the promulgation of a policy which no European power should cherish the disposition to resist. Existing rights of every European nation should be respected; but it is due alike to our safety and our interests, that the efficient protection of our laws should be extended over our whole territorial limits, and that it should be distinctly announced to the world as our settled policy, that no future European colony or dominion shall, without our consent, be planted or established, on any part of the North American continent.

A question has recently arisen under the tenth article of the subsisting treaty between the United States and Prussia. By this article, the consuls of the two countries have the right to sit as judges and arbitrators "in such differences as may arise between the captains and crews of the vessels belonging to the nation whose interests are committed to their charge, without the interference of the local authorities, unless the conduct of the crews or of the captain should disturb the order or tranquility of the country; or the said consuls should require their assistance to cause their decisions to be carried into effect or supported."

The Prussian consul at New Bedford, in June, 1844, applied to Mr. Justice Story to carry into effect a decision made by him between the captain and crew of the Prussian ship Borussia; but the request was refused on the ground that, without previous legislation by Congress, the Judiciary did not possess the power to give effect to this article of the treaty. The Prussian government through their minister here, have complained of this violation of the treaty, and have asked the government of the United States to adopt the necessary measures to prevent similar violations hereafter. Good faith to Prussia, as well as to other nations with whom we have similar treaty stipulations, requires that these should be faithfully observed. I have deemed it proper, therefore, to lay the subject before Congress, and to recommend such legislation as may be necessary to give effect to these treaty obligations.

By virtue of an arrangement made between the Spanish government and that of the United States, in December, 1831, American vessels, since the 29th of April, 1832, have been admitted to entry in the ports of Spain, including those of the Balaeric and Canary Islands, on payment of the same tonnage duty of five cents per ton, as though they had been Spanish vessels; and this, whether our vessels arrive in Spain directly from the United States, or indirectly from any other country. When Congress, by the act of the 13th of July, 1832, gave effect to this arrangement between the two governments, they confined the reduction of tonnage duty merely to Spanish vessels "coming from a port in Spain," leaving the former discriminating duty to remain against such vessels coming from a port in any other country. It is manifestly unjust that, whilst American vessels, arriving in the ports of Spain from other countries, pay no more duty than Spanish vessels arriving in the ports of the United States from other countries should be subjected to heavy discriminating tonnage duties. This is neither equality nor reciprocity, and is in violation of the arrangement concluded in December, 1831, between the two countries. The Spanish government have made repeated and earnest remonstrances against this inequality, and the favourable attention of Congress has been several times invoked to the subject by my predecessors. I recommend as an act of justice to Spain, that this inequality be removed by Congress, and that the discriminating duties which have been levied under the act of the thirteenth of July, 1832, on Spanish vessels coming to the United States from any other foreign country be refunded. This recommendation does not embrace Spanish vessels arriving in the United States from Cuba and Porto Rico, which will still remain subject to the provisions of the act of June thirtieth, 1834, concerning tonnage duty on such vessels.

By the act of the 14th of July, 1832, coffee was exempted from duty altogether. This exemption was universal, without reference to the country where it was produced, or the national character of the vessel in which it was imported. By the tariff act of the 30th of August, 1842, this exemption from duty was restricted to coffee imported in American vessels from the place of its production; whilst coffee imported under all other circumstances was subjected to a duty of 20 per cent. *ad valorem*. Under this act, and our existing treaty with the King of the Netherlands Java coffee imported from the European ports of that Kingdom into the United States, whether in Dutch or American vessels, now pays this rate of duty. The government of the Netherlands complains that such a discriminating duty should have been imposed on coffee, the production of one of its colonies, and which is chiefly brought from Java to the ports of that kingdom, and exported from thence to foreign countries. Our trade with the Netherlands is highly beneficial to both countries, and our relations with them have ever been of the most friendly character. Under all the circumstances of the case, I recommended that this discrimination should be abolished, and that the coffee of Java imported from the Netherlands, be placed upon the same footing with that imported direct from Brazil and other countries where it is produced.

Under the eighth section of the tariff act of the 30th Aug. 1842, a duty of fifteen cents per gallon was imposed on Port wine in casks; while on the red wines of several other countries, when imported in casks, a duty of only six cents per gallon was imposed. This discrimination, so far as regarded the Port Wine of Portugal, was deemed a violation of our treaty with that Power, which provides that "no higher or other duties shall be imposed on the importation into the United States of America of any article the growth, produce or manufacture of Portugal than such as are or shall be payable on the like article being the growth produce or manufacture of any other foreign country." Accordingly, to give effect to the treaty, as well as to the intention of Congress, expressed in a proviso to the tariff act itself, that nothing therein contained should be so construed as to interfere with subsisting treaties with foreign nations, a treasury circular was issued on the 16th of July, 1844, which, among other things, declared the duty on the Port wine of Portugal, in casks, under the existing laws and treaty, to be six cents per gallon, and directed that the excess of duties which had been collected on such wine should be refunded. By virtue of another clause in the same section of the act, it is provided that all imitations of Port, or any other wines, "shall be subject to the duty provided for the genuine article." Imitations of Port wine, the productions of France, are imported to

some extent into the United States; and the Government of that country now claims that, under a correct construction of the act these imitations ought not to pay a higher duty than that imposed on the original Port wine of Portugal. It appears to me to be unequal and unjust, that French imitations of Port wine should be subjected to a duty of fifteen cents, while the more valuable article from Portugal should pay a duty of six cents only per gallon. I therefore recommend to Congress such legislation as may be necessary to correct the inequality.

The late President, in his annual message of December last recommended an appropriation to satisfy the claims of the Texas government against the U. States, which had been previously adjusted, so far as the powers of the Executive extend. These claims arose out of the act of disarming a body of Texas troops under the command of Major Snively, by an officer in the service of the United States, acting under the orders of our government; and the forcible entry into the custom-house at Bryarly's landing, on Red river, by certain citizens of the United States, and taking away therefrom the goods seized by the collector of the customs as forfeited under the laws of Texas. This was a liquidated debt, ascertained to be due to Texas when an independent state. Her acceptance of the terms of annexation proposed by the United States does not discharge or invalidate the claim. I recommend that provision be made for its payment.

The commissioner appointed to China, during the special session of the Senate in March last shortly afterwards set out on his mission in the U. S. ship Columbus. On arriving at Rio de Janeiro on the passage, the state of his health had become so critical, that by the advice of his medical attendants, he returned to the United States early in the month of October last. Commodore Biddle, commanding the East India squadron, preceded on his voyage in the Columbus, and was charged by the commissioner with the duty of exchanging with the proper authorities the ratifications of the treaty lately concluded with the Emperor of China. Since the return of the commissioner to the United States, his health has been much improved, and he entertains the confident belief that he will soon be able to proceed on his mission.

Unfortunately differences continue to exist among some of the nations of South America, which following our example, have established their independence, while in others internal dissensions prevail. It is natural that our sympathies should be warmly enlisted for their welfare; that we should desire that all controversies between them should be amicably adjusted, and their governments administered in a manner to protect the rights, and promote the prosperity of their people. It is contrary, however, to our settled policy, to interfere in their controversies, whether internal or external.

I have thus adverted to all the subjects connected with our foreign relations, to which I deem it necessary to call your attention. Our policy is not only peace with all, but good will towards all the Powers of the earth. While we are just to all, we require that all shall be just to us. Excepting the differences with Mexico and Great Britain, our relations with all civilized nations are of the most satisfactory character. It is hoped that in this enlightened age, these differences may be amicably adjusted.

The Secretary of the Treasury in his annual report to Congress, will communicate a full statement of the condition of our finances. The imports for the fiscal year ending on the 30th of June last, were of the value of \$117,254,564, of which the amount exported was \$15,346,830—leaving a balance of \$101,907,734 for domestic consumption. The exports for the same year were of the value of \$114,646,006; of which the amount of domestic articles was \$99,299,776. The receipts into the treasury during the same year were \$29,769,133 58; of which there were derived from customs, \$27,528,112 70; from sales of public lands, \$2,077,022 30; and from incidental and miscellaneous sources, \$103,998 56. The expenditures for the same period were \$29,068,206 98; of which, \$8,598,157 62 were applied to the payment of the public debt. The balance in the treasury on the first of July last, was \$7,658,306 22.

The amount of the public debt remaining unpaid on the first of October last was \$17,075,445 52. Further payments of the public debt would have been made, in anticipation of the period of its reimbursement under the authority conferred upon the Secretary of the Treasury by the acts of July twenty-first, 1841, and of April 15th, 1842, and March 3d, 1843, had not the unsettled state of our relations with Mexico menaced hostile collisions with that power. In view of such a contingency, it was deemed prudent to retain in the treasury an amount unusually large for ordinary purposes.

A few years ago our whole national debt growing out of the Revolution and the war of 1812 with Great Britain was extinguished, and we presented to the world the rare and noble spectacle of a great and growing people who had fully discharged every obligation. Since that time, the existing debt has been contracted; and small as it is, in comparison with the similar burdens of most other nations, it should be extinguished at the earliest practicable period. Should the state of the country permit, and especially, if our foreign relations interpose no obstacle, it is contemplated to apply all the moneys in the treasury as they accrue beyond what is required for the appropriations by Congress to its liquidation. I cherish the hope