

PRESIDENT'S MESSAGE.

Fellow Citizens of the Senate and House of Representatives:

The Constitution of the United States provides that Congress shall assemble annually on the first Monday of December, and it has been usual for the President to make no communications of a public character to the Senate and House of Representatives until advised of their readiness to receive it. I have deferred to this usage until the close of the first month of the session, but my convictions of duty will not permit me longer to postpone the discharge of the obligation enjoined by the Constitution upon the President to give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient.

It is matter of congratulation that the Republic is tranquilly advancing in a career of prosperity and peace.

FOREIGN RELATIONS—CENTRAL AMERICA.

Whilst relations of amity continue to exist between the United States in all foreign powers, with some of them grave questions are depending, which may require the consideration of Congress.

Of such questions, the most important is that which has arisen out of the negotiations with Great Britain in reference to Central America.

By the conventions concluded between the two governments on the 19th of April, 1850, both parties covenanted that "neither will ever" "occupy, or fortify, or colonize, or assume or exercise any dominion over Nicaragua, Costa Rica, the Mosquito coast, or any part of Central America."

It was the undoubted understanding of the United States, in making this treaty, that all the present States of the former republic of Central America, and the entire territory of each, would henceforth enjoy complete independence; and that both contracting parties, engaged equally, and to the same extent, for the present and for the future, that if either of them had any claim to right in Central America, such claim, and all occupation or authority under it, were unreservedly relinquished by the stipulations of the convention; and that no dominion was thereafter to be exercised or assumed in any part of Central America, by Great Britain or the United States.

This Government consented to restrictions in regard to a region of country, wherein we had specific and peculiar interests, only upon the conviction that the like restrictions were in the same sense obligatory on Great Britain. But for this understanding of the force and effect of the Convention, it would never have been concluded by us.

So clear was this understanding on the part of the United States, that in correspondence contemporaneous with the ratification of the convention, it was distinctly expressed, that the mutual covenants of non-occupation were not intended to apply to the British establishment at the Balize. This qualification is to be ascribed to the fact that, in virtue of successive treaties with previous sovereigns of the country, Great Britain had obtained a concession of the right to cut mahogany or dye-woods at the Balize, but with positive exclusion of all domain or sovereignty; and thus it confirms the natural construction and understood import of the treaty as to all the rest of the region to which the stipulations applied.

It, however, became apparent, at an early day after entering upon the discharge of my present functions, that Great Britain still continued in the exercise or assertion of large authority in all that part of Central America commonly called the Mosquito Coast, and covering the entire length of the State of Nicaragua, and a part of Costa Rica; that she regarded the Balize as her absolute domain, and was gradually extending its limits at the expense of the State of Honduras; and that she had formally colonized a considerable insular group, known as the Bay Islands, and belonging of right to that State.

All these facts or pretensions of Great Britain, being contrary to the rights of the States of Central America, and to the manifest tenor of her stipulations with the United States, as understood by this government, have been made the subject of negotiation through the American Minister in London. I transmit herewith the instructions to him on the subject, and the correspondence between him and the British Secretary on Foreign Affairs, by which you will perceive that the two governments differ widely and irreconcilably as to the construction of the convention, and its effect on their respective relations in Central America.

Great Britain so construes the convention, as to maintain all her previous pretensions unchanged over the Mosquito coast and in different parts of Central America. These pretensions, as to the Mosquito coast, are founded on the assumption of political relations between Great Britain and the remnant of a tribe of Indians on that coast, entered into at a time when the country was a colonial possession of Spain. It cannot be successfully controverted that by the public law of Europe and America, no possible act of such Indians or their predecessors could confer on Great Britain any political rights.

Great Britain does not allege the assent of Spain as the origin of her claims on the Mosquito coast. She has, on the contrary, by repeated and expressive treaties renounced and relinquished all pretensions of her own, and recognized the full and sovereign rights of Spain in the most unequivocal terms. Yet these pretensions, so without solid foundation in the beginning, and thus repeatedly abjured, were, at a recent period revived by Great Britain against the Central American States, the legitimate successors to all the ancient jurisdiction of Spain in that region. They were first applied only to a defined part of the coast of Nicaragua, they are now reasserted to this extent notwithstanding engagements to the United States.

On the eastern coast of Nicaragua and Costa Rica, the interference of Great Britain, though off and on at one time in the form of military occupation of the Port of San Juan del Norte, then in the peaceful pos-

session of the appropriate authorities of the Central American States, is now presented by her as the rightful exercise of a protectorship over the Mosquito tribe of Indians.

But the establishment at the Balize, now reaching far beyond its treaty limits into the State of Honduras, and that of the Bay Islands, appertaining of right to the same state, are as distinctly colonial governments as that of Jamaica or Canada, and therefore contrary to the very letter, as well as to the spirit of the convention with the United States, as it was at the time of ratification, and now is understood by this government.

The interpretation which the British government, thus in assertion and act, persists in ascribing to the convention, entirely changes its character. While it holds us to our obligations, it in a great measure releases Great Britain from those which constituted the consideration of this government for entering into the convention. It is impossible, in my judgment, for the United States to acquiesce in such a construction of the respective relations of the two governments to Central America.

To a renewed call by this government upon Great Britain, to abide by, and carry into effect the stipulations of the convention, according to its obvious import, by withdrawing from the possession or colonization of portions of the Central American States of Honduras, Nicaragua and Costa Rica, the British government has at length replied, affirming that the operation of the treaty is prospective only, and did not require Great Britain to abandon or contract any possessions held by her in Central America, at the date of its conclusion.

This reply substitutes a partial issue, in the place of the general one presented by the United States. The British government passes over the question of the rights of Great Britain, real or supposed, in Central America, and assumes that she had such rights at the date of the treaty, and that those rights comprehended the protectorship of the Mosquito Indians, the extended jurisdiction and limits of the Balize, and the colony of the Bay Islands, and thereupon proceeds by implication to infer, that if the stipulations of the treaty be merely future in effect, Great Britain may still continue to hold the contested portions of Central America. The United States cannot admit either the inference or the premises. We steadily deny, that, at the date of the treaty, Great Britain had any possessions there, other than the limited and peculiar establishment at the Balize, and maintain that, if she had any, they were surrendered by the Convention.

The government recognizing the obligations of the treaty, has desired to see it executed in both parties, and in the discussion, therefore, has not looked to rights; which we might assert, independently of the treaty, in consideration of our geographical position and of other circumstances, which create for us relations to the Central American States, different from those of any government of Europe.

The British government, in its last communication, although well knowing the views of the United States, still declares that it sees no reason why a conciliatory spirit may not enable the two governments to overcome all obstacles to a satisfactory adjustment of the subject.

Assured of the correctness of the construction of the treaty constantly adhered to by this government, and resolved to insist on the rights of the United States, yet actuated also by the same desire which is avowed by the British government, to remove all causes of misunderstanding between two nations associated by so many ties of interest and kindred, it has appeared to me proper not to consider an amicable solution hopeless.

There is, however, reason to apprehend that, with Great Britain in the actual occupation of the disputed territories and the treaty therefore, practically null, so far as regards our rights, this international difficulty cannot long remain undetermined, without involving in serious danger the friendly relations, which it is the interest as well as the duty of both countries to cherish and preserve. It will afford me sincere gratification, if future efforts shall result in the success, anticipated heretofore with more confidence than the aspect of the case permits me now to entertain.

RECAPITULATION.

One other subject of discussion between the United States and Great Britain has grown out of the attempt, which the exigencies of the war in which she is engaged with Russia induced her to make, to draw recruits from the United States.

It is the traditional and settled policy of the United States to maintain impartial neutrality during the wars which from time to time, occur among the great powers of the world. Performing all the duties of neutrality towards the respective belligerent States, we may reasonably expect them not to interfere with our lawful enjoyment of its benefits. Notwithstanding the existence of such hostilities, our citizens retain the individual right to continue all their accustomed pursuits, by land or by sea, at home or abroad, subject only to such restrictions in this relation as the laws of war, the usage of nations, or special treaties may impose; and it is our sovereign right that our territory and jurisdiction shall not be invaded by either of the belligerent parties, for the transit of their armies, the operations of their fleets, the levy of troops for their service, the fitting out of cruisers by or against either, or any other act or incident of war. And these undoubted rights of neutrality, individual and national, the United States will, under no circumstances, surrender.

In pursuance of this policy, the laws of the United States do not forbid their citizens to sell to either of the belligerent powers articles, contraband of war, or to take munitions of war or soldiers on board their private ships for transportation, and although, in so doing, the individual citizen exposes his property or person to some of the hazards of war, his acts do not involve any breach of national neutrality, nor of themselves implicate the government. Thus, during the progress of the present war in Europe, our citizens have, without national responsibility therefore, sold gunpowder and arms to all buyers, regardless of the destination of those articles. Our merchant men have been, and still continue to be, largely employed by Great Britain and

France, in transporting troops, provisions, and munitions of war to the principal seat of military operations, and in bringing home their sick and wounded soldiers, but such use of our mercantile marine is not interdicted either by the international, or by our municipal law, and therefore does not compromise our neutral relations with Russia.

But our municipal law, in accordance with the law of nations, peremptorily forbids, not only foreigners, but our own citizens, to fit out, within the limits of the United States, a vessel to commit hostilities against any State with which the United States are at peace, or to increase the force of any foreign armed vessel intended for such hostilities against a friendly State.

Whatever concern may have been felt by either of the belligerent powers lest private armed cruisers, or other vessels, in the service of one, might be fitted out in the ports of this country to deprecate on the property of the other, all such fears have proved to be utterly groundless. Our citizens have been withheld from any such act or purpose by good faith, and by respect for the law.

While the laws of the Union are thus peremptory in their prohibition of the equipment or armament of belligerent cruisers in our ports, they provide not less absolutely that no person shall, within the territory or jurisdiction of the United States, enlist or enter himself, or go beyond the limits or jurisdiction of the United States with intent to be enlisted or entered, in the service of any foreign state, either as a soldier, or as a marine or seaman on board of any vessel of war, letter of marque, or privateer. And these enactments are also in strict conformity with the law of nations, which declares, that no state has the right to raise troops for land or sea service in another state without its consent, and that, whether forbidden by the municipal law or not, the very attempt to do it, without such consent, is an attack on the national sovereignty.

Such being the public rights and the municipal law of the United States, no solicitude on the subject was entertained by this government, when, a year since, the British Parliament passed an act to provide for the enlistment of foreigners in the military service of Great Britain. Nothing on the face of the act, or in its public history, indicated that the British government proposed to attempt recruitment in the United States; nor did it ever give intimation of such intention to this government. It was matter of surprise, therefore, to find, subsequently, that the engagement of persons within the United States to proceed to Halifax, in the British province of Nova Scotia, and there enlist in the service of Great Britain, was going on extensively, with little or no disguise. Ordinary legal steps were immediately taken to arrest and punish parties concerned, and so put an end to acts infringing the municipal law and derogatory to our sovereignty. Meanwhile suitable representations on the subject were addressed to the British Government.

Thereupon it became known, by the admission of the British government itself, that the attempt to draw recruits from this country originated with it, or at least had its approval and sanction; but it also appeared that the public agents engaged in it had "stringent instructions" not to violate the municipal law of the United States.

It is difficult to understand how it should have been supposed that troops could be raised here by Great Britain, without violation of the municipal law. The unmistakable object of the law was to prevent every such act, which, if performed, must be either in violation of the law, or in studied evasion of it; and in either alternative, the act done would be alike injurious to the sovereignty of the United States.

In the meantime, the matter acquired additional importance, by their recruitments in the United States not being discontinued, and the disclosure of the fact that they were prosecuted upon a systematic plan devised by official authority; that recruiting rendezvous had been opened in our principal cities, and depots for the reception of recruits established on our frontier; and the whole business conducted under the supervision and by the regular co-operation of British officers, civil and military, some in the North American provinces, and some in the United States. The complexity of those officers in an undertaking, which could only be accomplished by defying our laws, throwing suspicion over our attitude of neutrality, and disregarding our territorial rights, is conclusively proved by the evidence elicited on the trial of such of their agents as have been apprehended and convicted. Some of the officers thus implicated are of high official position, and many of them beyond our jurisdiction, so that legal proceedings could not reach the source of the mischief.

These considerations, and the fact that the cause of complaint was not a mere casual occurrence, but a deliberate design, entered upon with full knowledge of our laws and national policy, and conducted by responsible public functionaries, impelled me to present the case to the British government, in order to secure not only a cessation of the wrong but its reparation. The subject is still under discussion, the result of which will be communicated to you in due time.

VARIOUS SUBJECTS—SYNOPSIS.

The President again recommends that provision be made for the adjustment, by survey, of our disputed boundary between the territory of Oregon and the British Possessions, as there has been imminent danger of a collision there on the subject. He also recommends the extinguishment, by purchase, of the rights of the British Hudson's Bay Company, and Pugh's Sound Agricultural Company, in Oregon and Washington Territories.

The fishery commission has been organized, and has commenced its labors.

On the 14th of April last, the United States gave notice to Denmark of its intention to terminate the treaty of commerce and navigation with that power, one year from that date, on account of an article therein which might be construed into a submission to the Sound Dues. The President remains of the opinion

that we ought not to submit to those tolls, because they in effect recognize the right of Denmark to treat as a close sea one of the great maritime highways of nations. Denmark has indicated a readiness to make some new arrangement on the subject, and has invited the governments interested to a convention to consider her proposal for the capitalization of the Sound Dues, and the distribution of the sum to be paid as commutation among the various nations in proportion to their Baltic commerce. This invitation the President declined accepting, because Denmark did not offer to submit to the Convention the question of her right to levy the Sound dues, and because, if she did, the Convention would not be competent to deal with the great international principle of commercial freedom involved.

Above all, the Convention proposes to complicate this topic with the European balance of power. But while rejecting the proposition, the President has expressed to Denmark a willingness on the part of the United States to share with other powers in compensating her for her expenditures to improve the navigation of the Sound or Belts. Should no satisfactory arrangement be soon concluded, the President will again call the attention of Congress to the subject, with a view to measures for the security of our rights.

The difficulty with France about the French Consul at San Francisco has been satisfactorily adjusted, as also the difficulty with Greece about the sequestration of property belonging to the present Consul at Athens. Spain has disavowed the seizure of the steamer Black Warrior, and has paid the indemnity. The other matters in dispute with Spain are the subject of negotiation, and the President hopes to conclude with that government some general arrangement to avoid future difficulties in Cuba. Demands for reparation for injuries done the American citizens and their property in Mexico, exist, but are obliged to wait for some settled condition of affairs in that country. A casual reference is made to the Nicaraguan filibusters, from which it appears that the President is, or desires to seem, hostile to both Walker and Kinney, and is endeavoring to compass their expulsion from Central America. Treaties have been made with Naples and Hawaii.

During the fiscal year ending June 30th, 1855, the receipts into the national treasury from all sources were \$65,003,930, and the public expenditures, exclusive of payments on account of the public debt, \$56,365,303. The payments in redemption of the public debt, including interest and premium, amounted during the year to \$9,844,528. The balance in the treasury, July 1st, 1855, was \$18,931,976. For the present year the estimated receipts are given at \$67,918,734, making the available resources of the year \$86,856,710. The estimated expenditures of the present year are stated at \$71,226,846, thereby leaving an estimated balance in the treasury, on July 1st, 1856, of \$15,629,863 40. At the commencement of the present fiscal year, the amount of the public debt was \$40,583,631, and as payments have been made since, the debt is now less than forty millions.

The President recommends that a law be passed making it felony on the part of public officers, to make false entries in their books of record, or make false returns. In view of the fact that the national revenue exceeds the wants of the government, the President recommends a reduction of the tariff. A departure from the principles of the present tariff, however, is not anticipated.

As regards the army, the new regiments have been recruited, organized and sent to the field, where the great bulk of the force has been employed against the hostile Indians. A partial reorganization of the army is again recommended.

The six new steam frigates will be ready for service early in the spring, and the President recommends an appropriation to build six new steam sloops of war.

As the Post Office expenditures for the year have exceeded the receipts \$2,626,206, and much of this is attributable to the enormous quantities of printed matter transmitted by mail free, the President recommends action to provide a remedy.

During the year, the quantity of public land sold was 15,729,524 acres, yielding the sum of \$11,485,380.

The message says that in the territory of Kansas there have been acts prejudicial to good order, but as yet none have occurred under circumstances to justify the interposition of the Federal Executive, which, it says, could only be in case of obstruction to federal law, or organized resistance to territorial law, assuming the character of insurrection.

CONSTITUTIONAL THEORY OF THE GOVERNMENT.

I have thus passed in review the general state of the Union, including such particular concerns of the federal government, whether of domestic or foreign relation, as it appeared to me desirable and useful to bring to the especial notice of Congress. Unlike the great states of Europe and Asia, and many of those of America, these United States are wasting their strength neither in foreign war nor domestic strife. Whatever of dissension or pub-

lic dissatisfaction exists, is attributable to the imperfections of human nature, or is incident to all governments, however perfect, which human wisdom can devise. Such subjects of political agitation, as occupy the public mind, consist, to a great extent, of exaggeration of inevitable evils, or over zeal in social improvement, or mere imagination of grievance, having but a remote connexion with any of the constitutional functions or duties of the federal government. To whatever extent these questions exhibit a tendency menacing to the stability of the constitution, or the integrity of the Union, and no further, they demand the consideration of the Executive, and require to be presented by him to Congress.

Before the Thirteen Colonies became a confederation of independent States, they were associated only by community of transatlantic origin, by geographical position, and by the mutual tie of common dependence on Great Britain. When that tie was sundered, they severally assumed the powers and rights of absolute self-government. The municipal and social institutions of each, its laws of property and of personal relation, even in its political organization, were such only as each one chose to establish, wholly without interference from any other. In the language of the Declaration of Independence, each State had "full power to levy war, conclude peace, contract alliances, establish commerce, and to do all other things which independent States may of right do." The several colonies differed in climate, in soil, in natural productions, in religion, in systems of education, in legislation, and in the forms of political administration; and they continued to differ in these respects when they voluntarily allied themselves as States to carry on the war of the revolution.

The object of the war was to disenthral the United Colonies from foreign rule, which had proved to be oppressive, and to separate them permanently from the mother country: the political result was the foundation of a federal republic of the free white men of the colonies, constituted as they were, in distinct, and reciprocally independent State governments.—As for the subject races, whether Indian or African, the wise and brave statesmen of that day, being engaged in no extravagant scheme of social change, left them as they were, and thus preserved themselves and their posterity from the anarchy, and the ever-recurring civil wars, which have prevailed in other revolutionized European colonies of America.

When the confederated States found it convenient to modify the condition of their association, by giving to the general government direct access, in some respects to the people of the States, instead of confining it to the action on the States as such, they proceeded to frame the existing constitution, adhering steadily to one guiding thought, which was, to delegate only such power as was necessary and proper to the execution of specific purposes, or in other words, to retain as much as possible, consistently with those purposes, of the independent powers of the individual States. For objects of common defence and security, they entrusted to the general government certain carefully defined functions, leaving all others as the undelimited rights of the separate independent sovereignties.

Such is the constitutional theory of our government, the practical observance of which has carried us, and us alone, among modern republics, through nearly three generations of time without the cost of one drop of blood in civil war. With freedom and concert of action, it has enabled us to contend successfully on the battle field against foreign foes, has elevated the feeble colonies into powerful States, and has raised our industrial productions, and our commerce which transports them to the level of the richest and the greatest nations of Europe. And the admirable adaptation of our political institutions to their objects, combining local self-government with aggregate strength, has established the practicability of a government like ours to cover a continent with confederate States.

The Congress of the United States is in effect, that congress of Sovereignties, which good men in the Old World have sought for, but could never attain, and which imparts to America an exemption from the mutability of leagues for common action, from the wars, the mutual invasions, and vague aspirations after the balance of power, which convulse from time to time the governments of Europe. Our co-operative action rests on the conditions of permanent confederation prescribed by the constitution. Our balance of power is in the separate reserved rights of the States, and their equal representation in the Senate. That independent sovereignty in every one of the States, with its reserved rights of local self-government, assured to each by their equal power in the Senate, was the fundamental condition of the constitution. Without it the Union would never have existed. However desirous the larger States might be to reorganize the government so as to give to their population its proportionate weight in the common councils, they knew it was impossible, unless they conceded to the smaller ones

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