

commercial world would participate, would at once be secured to the United States by the cession of this territory; while it is certain that, as long as it remains a part of the Mexican dominions, they can be enjoyed neither by Mexico herself nor by any other nation.

New Mexico has been a frontier province, and has never been of any considerable value to Mexico. From its locality, it is naturally connected with our western settlements. The territorial limits of the State of Texas, too, as defined by her laws before her admission into our Union, embrace all that portion of New Mexico lying east of the Rio Grande, while Mexico still claims to hold this territory as a part of her dominions. The adjustment of this question of boundary is important.

There is another consideration which induces the belief that Mexico might even desire to place this province under the protection of the Government of the United States. Numerous bands of fierce and warlike savages wander over it, and upon its borders; Mexico has been, and must continue to be, too feeble to restrain them from committing depredations, robberies, and murders, not only on the inhabitants of New Mexico herself, but upon those of the other Northern States and Mexico. It would be a blessing to all these Northern States to have their citizens protected against them by the power of the United States. At this moment many of the Mexicans, principally females and children, are in captivity among them. If New Mexico was held and governed by the United States, we could effectually prevent these tribes from committing such outrages, and compel them to release these captives, and restore them to their families and friends.

In proposing to acquire New Mexico and the California, it was known that an considerable portion of the Mexican people would be transferred with them, the country embraced within these provinces being chiefly an uninhabited region.

These were the leading considerations which induced me to authorize the terms of peace which were proposed to Mexico. They were rejected; and, negotiations being at an end, hostilities were renewed. An assault was made by our army upon the strongly fortified places near the walls of the city of Mexico, and upon the city itself; and after several days of severe conflict, the Mexican forces, vastly superior in numbers to our own, were driven from the city and it was occupied by our troops.

Immediately after information was received of the unfavorable result of the negotiations, believing that his continued presence with the army could be productive of no good I determined to recall the commissioner. A despatch to this effect was transmitted to him on the sixth of October last. The Mexican government will be informed of his recall; and that in the existing state of things, I shall not deem it proper to make any further overtures of peace, but shall be at all times ready to receive any proposals which may be made by Mexico.

Since the liberal proposition of the United States was ordered to be made in April last, large expenditures have been incurred, and the precious blood of many of our patriotic fellow-citizens has been shed in the prosecution of the war. This consideration, and the obstinate perseverance of Mexico in protracting the war, must influence the terms of peace which it may be deemed proper hereafter to accept.

Our arms have been everywhere victorious, having subjected to our military occupation a large portion of the enemy's country, including his capital, and negotiations for peace having failed, the important question arises—In what manner the war ought to be prosecuted? And what should be our future policy? I cannot doubt that we should secure and render available the conquests which we have made; and that, with this view, we should hold and occupy, by our naval and military forces, all the ports, towns, cities, and provinces now in our possession; that we should press forward our military operations and levy such military contributions on the enemy as may, as far as practicable, defray the future expenses of the war.

Had the government of Mexico acceded to the equitable and liberal terms proposed, that mode of adjustment would have been preferred. Mexico having declined to do this, and failed to offer any other terms which could be accepted by the United States, the national honor, no less than the public interest, requires the war should be prosecuted with increased energy and power until a just and satisfactory peace can be obtained. In the mean time, as Mexico refuses all indemnity, we should adopt measures to indemnify ourselves, by appropriating permanently a portion of her territory. Early after the commencement of the war, New Mexico and the California were taken possession of by our forces. Our military and naval commanders were ordered to conquer and hold them, subject to be disposed of by a treaty of peace.

These provinces are now in our undisputed occupation, and have been so for many months; all resistance on the part of Mexico having ceased within their limits. I am satisfied that they should never be surrendered to Mexico. Should Congress concur with me in this opinion, and that they should be retained by the United States as indemnity, I can perceive no good reason why the civil jurisdiction and laws of the United States should not at once be extended over them. To wait for a treaty of peace, such as we are willing to make, by which our relations towards them would not be changed, cannot be good policy; whilst our own interest, and that of the people inhabiting them, require that a stable, responsible, and free government under our authority should, as soon as possible, be established over them.

Should Congress, therefore, determine to hold these provinces permanently, and that they shall hereafter be considered as constituent parts of our country, the early establishment of territorial governments over them will be important for the more perfect protection of persons and property, and I recommend that such territorial governments be established. It will promote peace and tranquility among the inhabitants, by allaying all apprehension that they may still entertain of being again subjected to the jurisdiction of Mexico. I urge the early and favorable consideration of Congress to this important subject.

Besides New Mexico and the California, there are other Mexican provinces which have been reduced to our jurisdiction by conquest. These provinces, which are as delicious as the fruits of victory, and naval

commanders, under the general authority which is conferred upon a conqueror by the laws of war. They should concur to be held as a means of recovering Mexico to a cede to just terms of peace. Civil strife was as military officers are required to conduct such a government. Adequate compensation to be drawn from contributions levied on the enemy should be fixed by law for such officers as may be thus employed. What further provisions may become necessary, and what final disposition may be proper to make of them, must depend on the future progress of the war, and the cause which Mexico may think proper herself to pursue.

With the views I entertain, I cannot favor the policy which has been suggested, either to withdraw our army altogether, or to retire to a designated line, and simply hold and defend it. To withdraw our army altogether from conquests which they made by deeds of unparalleled bravery, and at the expense of so much blood and treasure, in a just war on our part, and one which, by the act of the enemy, we could not honestly have avoided, would be to degrade the nation in our own estimation and in that of the whole world.

To retire to a line, and simply hold and defend it, would not terminate the war. On the contrary, it would encourage Mexico to persevere, and tend to protract indefinitely.

It is not to be expected that Mexico, after refusing to establish such a line as a permanent boundary, when our victorious army is in possession of her capital, and in the heart of her country, would permit us to hold it without resistance. That she would continue the war, and in the most harassing and annoying forms, there can be no doubt. A border warfare of the most savage character extending over a long line, would be unceasingly waged. It would require a large army to be kept constantly in the field, stationed at posts and garrisons along such a line, to protect and defend it.

The enemy, relieved from the pressure of our arms on its coasts, and in the populous parts of the interior, would direct his attention to this line, and, selecting an isolated post for attack, would concentrate his forces upon it. This would be a condition of affairs which the Mexicans, pursuing their favorite system of guerrilla warfare, would probably prefer to any other. Were we to assume a defensive attitude on such a line, all the advantages of such a state of war would be on the side of the enemy. We could levy no contributions upon him, or in any way make him feel the pressure of the war, but must remain inactive and await his approach, being in constant uncertainty at what point on the line, or at what time, he might make an assault.

He may assemble and organize an overwhelming force in the interior, on his own side of the line, and, concealing his purpose, make a sudden assault upon some one of our posts so distant from any other as to prevent the possibility of timely succor or reinforcements; and in this way our gallant army would be exposed to the danger of being cut off in detail; or if by unequalled bravery and prowess, every where exhibited during this war, they should repulse the enemy, their numbers stationed at any one post may be too small to pursue him.

If the enemy be repulsed at one attack, he would have nothing to do but, to retreat to his own side of the line, and, being in no fear of a pursuing army, may reinforce himself at pleasure, for another attack on the same or some other post. He may, too, cross the line between our posts, make rapid incursions into the country which we hold, murder the inhabitants, commit depredations upon them, and retreat to the interior before a sufficient force can be concentrated to pursue him. Such would probably be the harassing character of a defensive war on our part.

If our forces, when attacked, or threatened with attack, be permitted to cross the line, drive back the enemy and conquer him, this would be again to invade the enemy's country, after having lost all the advantages of the conquests we have already made, by having voluntarily abandoned them. To hold such a line successfully and in security, it is far from being certain that it would not require as large an army as would be necessary to hold all the conquests we have already made, and to continue the prosecution of the war in the enemy's country. It is also far from being certain that the expenses of the war would be diminished by such a policy.

I am persuaded that the means of vindicating the national honor and interest, and of bringing the war to an honorable close, will be to prosecute it with increased energy and power in the heart of the enemy's country. In my annual message to Congress of December last, I declared that "the war has not been waged with a view to conquest; but having been commenced by Mexico, it has been carried into the enemy's country, and will be vigorously prosecuted there, with a view to obtain an honorable peace, and thereby secure ample indemnity for the expenses of the war, as well as to our much injured citizens, who held pecuniary demands against Mexico." Such, in my judgment, continues to be our true policy—indeed, the only policy which will secure a permanent peace.

It has never been contemplated by me, as an object of the war, to make a permanent conquest of the republic of Mexico, or to annihilate her separate existence as an independent nation. On the contrary, it has ever been my desire that she should maintain her nationality, and, under a good government adapted to her condition, be a free, independent and prosperous republic. The United States were the first among the nations to recognize her independence, and have always desired to be on terms of amity and good neighborhood with her. This she would not sacrifice.

By her own conduct we have been compelled to engage in the present war. In its prosecution, we seek not her overthrow as a nation; but in vindicating our national honor, we seek justice, redress, and indemnity for the wrongs she has done us, and indemnity for our just demands against her. We demand an honorable peace; and that peace must bring with it indemnity for the past, and security for the future. Hence Mexico has renounced all claim to indemnity, by which such a peace could be obtained.

Whilst our forces have advanced from victory to victory, from the commencement of the war, it has always been with the object of peace in their minds; and it has been the power of Mexico, at every

step, to arrest hostilities by accepting it.

One great obstacle to the attainment of peace has, undoubtedly, arisen from the fact that Mexico has so long been held under the control of one faction or military usurper after another, and such has been the condition of insecurity in which their successive governments have been placed, that each has been deterred from making peace, lest for this very cause, a rival faction might exert its power.

Such was the fate of President Herrera's administration in 1845; for being disposed

to listen to the overtures of the United States to prevent the war, as is fully confirmed by the official correspondence which took place in the month of August last, between him and his government, a copy of which is herewith communicated. "For the cause alone, the revolution which displaced him from power was set on foot" by General Paredes. Such may be the condition of insecurity of the present government.

There can be no doubt that the peaceable and well disposed inhabitants of Mexico are convinced that it is the true interest of their country to conclude an honorable peace with the United States, but apprehension of becoming the victims of some military faction or usurper may have prevented them from manifesting their feelings by any public act.

The Mexicans having thus shown themselves to be incapable of appreciating our forbearance and liberality, it was deemed proper to change the manner of conducting the war, by making them feel its pressure according to the usages observed under similar circumstances by all other civilized nations.

Accordingly, as early as the twenty-second day of September, 1846, instructions were given by the Secretary of War to Maj. Gen. Taylor to "draw supplies" for our army "from the enemy without paying for them, and to require contributions for his support," if in that way he was satisfied he could "get abundant supplies for his forces." In directing the execution of these instructions, much was necessarily left to the discretion of the commanding officer, who was best acquainted with the circumstances by which he was surrounded, the wants of the army, and the practicability of enforcing the measure.

Gen. Taylor, on the twenty-sixth of October, 1846, replied from Monterey, that "it would have been impossible hitherto, and is now, to sustain the army to any extent by forced contributions of money or supplies."

For the reasons assigned by him, he did not adopt the policy of his instructions, but declared his readiness to do so, "should the army, in its future operations, reach a part of the country which may be made to supply the troops with advantage." He continued to pay for the articles of supply which he could "get abundant supplies for his forces."

Similar instructions were issued to Major Gen. Scott on the third of April, 1847, who replied from Jalapa, on the twentieth of May, 1847, that if it be expected that "the army is to support itself by forced contributions levied upon the country, we may ruin and exasperate the inhabitants and starve ourselves." The same discretion was given to him that had been to Gen. Taylor in this respect. Gen. Scott, for the reasons assigned by him, also continued to pay for the articles of supply for the army which were drawn from the enemy's country.

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To act otherwise, in the existing state of things in Mexico, and to withdraw our army without peace, would not only leave all the wrongs of which we complain undredged, but would be the signal for new and evil dissensions and new revolutions—all alike hostile to peace relations with the United States.

Besides, there is danger, if our troops were withdrawn before a peace was concluded, that the Mexican people, wearied with successive revolutions, and deprived of protection for their persons and property, might at length be inclined to yield to foreign influences, and to cast themselves into the arms of some European monarch for protection from the anarchy and suffering which would ensue. This, for our own safety, and in pursuance of our established policy, we should be compelled to resist. We could never consent that Mexico should be converted into a monarchy governed by a foreign prince.

Mexico is our near neighbor, and her boundaries are co-terminous with our own, through the whole extent across the North American continent, from ocean to ocean. Both politically and commercially, we have the deepest interest in her regeneration and prosperity. Indeed, it is impossible that with any just regard to our own safety, we can ever become indifferent to her fate.

It may be that the Mexican government and people have misconstrued or misunderstood our forbearance, and our objects, in desiring to conclude an amicable adjustment of the difficulties between the two countries. They may have supposed that we would submit to terms degrading to the nation, or they may have drawn false inferences from the supposed division of opinion in the United States on the subject of the war, and may have calculated to gain much by prolonging it; and, indeed, that we might ultimately abandon it altogether, without insisting on any indemnity, territorial or otherwise.

Whatever may be the false impressions under which they have acted, the adoption and prosecution of the energetic policy proposed must undeceive them. In the future prosecution of the war, the enemy must be made to feel its pressure more than they have done heretofore. At its commencement, it was deemed proper to conduct it with a spirit of forbearance and liberality. With this end in view, early measures were adopted to conciliate, as far as a state of war would permit, the mass of the Mexican population; to convince them that the war was waged not against the peaceful inhabitants of Mexico, but against their faithless government, which had commenced hostilities; to remove from their mind the false impressions which their designing and interested rulers had attempted to make, that the war on our part was one of conquest; that it was a war against their religion and their churches, which were to be desecrated and overthrown; and their rights of person and private property would be violated. To remove these false impressions, our commanders in the field were directed scrupulously to respect their religion, their churches, and their church property, which were in no way to be violated; they were directed also to respect the rights of persons and property of all who should not take up arms against us.

Assurances to this effect were given to the Mexican people by Major General Taylor, in a proclamation issued in pursuance of instructions from the Secretary of War, in the month of June, 1846, and again by Major General Scott, who acted upon his own convictions of the propriety of issuing it in a proclamation of the 11th of May, 1847,

In this spirit of liberality and conciliation, and with a view to prevent the body of the Mexican population from taking up arms against us, was the war conducted on our part, and, provisions and other supplies furnished to our army were paid for at fair and liberal prices agreed upon by the parties. After the lapse of a few months, it became apparent that these assurances, and this mild treatment had failed to produce the desired effect upon the Mexican population. While the war had been conducted on our part according to the most humane and liberal principles observed by civilized nations, it was waged in a different spirit on the part of Mexico. Not appreciating our forbearance, the Mexican people generally became hostile to the United States, and availed themselves of every opportunity to commit the most savage excesses upon our troops. Large numbers of the population took up arms, and, engaging in guerrilla warfare, robbed and murdered in the most cruel manner individual soldiers, or small parties, whom incident or other causes separated from the main body of the army; bands of guerrillas and robbers infested the roads, harassed our trains, and, whenever it was in their power, cut off our supplies.

The Mexicans having thus shown themselves to be incapable of appreciating our forbearance and liberality, it was deemed proper to change the manner of conducting the war, by making them feel its pressure according to the usages observed under similar circumstances by all other civilized nations.

After the adjournment of the last session of Congress, events transpired in the prosecution of the war which, in my judgment, required a greater number of troops in the field than had been anticipated. The strength of the army was accordingly increased by accepting the services of all the volunteer forces authorized by the act of the 13th of May, 1846, without putting a construction on that act the correctness of which was seriously questioned.

The volunteer forces now in the field, with those who had been accepted to serve for twelve months, and were discharged at the end of their term of service, exhaust the fifty thousand men authorized by the act of the 13th of May 1846. Had it been clear that the claim continues to be urged, so long as it remains unsettled, it will be a source of continual irritation and discord between the two countries, which may prove highly prejudicial to the interests of the United States. Good policy, no less than a faithful compliance with our treaty stipulations, requires that the inconsiderable appropriation demanded should be made.

A detailed statement of the condition of the finances will be presented in the annual report of the Secretary of the Treasury.—The imports for the last fiscal year, ending the 30th of June, 1847, were of the value of \$16,545,638; of which the amount imported was \$5,011,158, leaving \$11,534,480 in the country for domestic use.

The value of the exports for the same period was \$158,648,622, of which \$10,637,464 consisted of domestic production, and \$5,011,158 of foreign articles.

The receipts into the treasury for the same period amounted to \$20,346,703; of which there was derived from customs \$23,747,864 66; from sales of public lands \$2,493,335 20; and from incidental and from incidental and miscellaneous sources, \$100,000,270 51. The last fiscal year during which this amount was received comprised five months under the operation of the tariff of 1842, and seven months during which the tariff act of 1846 was in force.

The difficulty with the Brazilian government, which at one time threatened to interrupt the friendly relations between the two countries, will I trust, be speedily adjusted. I have received information that an envoy extraordinary to the United States will shortly be appointed by Imperial Majesty, and it is hoped he will come instructed and prepared to adjust all remaining differences between the two governments in a manner acceptable to both. In the meantime, I have reason to believe that nothing will occur to prevent our amicable relations with Brazil.

Similar instructions were issued to Major Gen. Scott on the third of April, 1847, who replied from Jalapa, on the twentieth of May, 1847, that if it be expected that "the army is to support itself by forced contributions from the country which may be made to it, then we shall ultimately fail, then we shall have exhausted all honorable means in pursuit of peace, and must continue to occupy her country with our troops, taking the full measure of indemnity into our own hands, and must enforce the terms which our honor demands.

To act otherwise, in the existing state of things in Mexico, and to withdraw our army without peace, would not only leave all the wrongs of which we complain undredged, but would be the signal for new and evil dissensions and new revolutions—all alike hostile to peace relations with the United States.

Besides, there is danger, if our troops were withdrawn before a peace was concluded, that the Mexican people, wearied with successive revolutions, and deprived of protection for their persons and property, might at length be inclined to yield to foreign influences, and to cast themselves into the arms of some European monarch for protection from the anarchy and suffering which would ensue. This, for our own safety, and in pursuance of our established policy, we should be compelled to resist. We could never consent that Mexico should be converted into a monarchy governed by a foreign prince.

Before the principal ports of Mexico were blockaded by our navy, the revenue derived from impost duties, under the laws of Mexico, was paid into the Mexican treasury. After these ports had fallen into our military possession, the blockade was raised, and commerce with them permitted upon prescribed terms and conditions. They were opened to the trade of all nations upon the payment of duties more moderate in their amount than those which had been previously levied by Mexico; and the revenue, which was formerly paid into the Mexican treasury, was directed to be collected by our military and naval officers, and applied to the use of our army and navy.

Care was taken that the officers, soldiers, and sailors of our army and navy should be exempted from the operations of the order; and, as the merchandise imported upon which the order operated, must be consumed by Mexican citizens, the contributions exacted were in effect, the seizure of the public revenues of Mexico, and the application of them to our own use. In directing this measure, the object was to compel the enemy to contribute, as far as possible, towards the expenses of the war.

For the amount of contributions which have been levied in this form, I refer you to the accompanying reports of the Secretary of War and of the Secretary of the Navy, by which it appears that a sum exceeding half a million of dollars has been collected.

This amount, I must undoubtedly, have been much larger, but for the difficulty of keeping open communication between the coast and the interior, so as to enable the owners of the merchandise imported to transport and vend it to the inhabitants of the country. It is difficult to estimate the amount of contributions exacted by this method.

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