PRESIDENT TO CONGRESS

Message Read to Both Houses of National Assembly

LEGISLATION CALLED FOR

Financial Standing of the Nation Deolared Excellent-Control of Corporations, the President Thinks. Should Be Left to the National Government-Labor Leaders Come in for Criticism-Respect for Law Vital to the Well-Being of Country.

Washington.-The message of President Roosevelt was read in both houses of congress Tuesday. In substance the document was as follows: To the Senate and House of Representatives: The financial standing of the nation at the present time is excellent, and the financial management of the nation's interests by the government during the last seven years has shown the most satisfactory results. But our currency system is imperfect, and it is earestly to be hoped that the currency ommission will be able to propose a thoroughly good system which will do sway with the existing defects.

During the period from July 1, 1901, to eptember 30, 1908, there was an increase the amount of money in circulation of \$902,991,399. The increase in the per capita uring this period was \$7.06. Within this ime there were several occasions when was necessary for the treasury department to come to the relief of the money market by purchases or redempons of United States bonds; by increasits in national banks; by stimidating additional issues of national bank and by facilitating importations rom abroad of gold. Our imperfect curency system has made these proceedings necessary, and they were effective monetary disturbance in the fall of 1997 immensely increased the difficulty of ordinary methods of relief. By the midle of November the available working alance in the treasury had been reduced approximately \$5,000,000. Clearing se associations throughout the counry had been obliged to resort to the xpedient of issuing clearing house cerficates, to be used as money. In this nergency it was determined to invite abscriptions for \$50,000,000 Panama canal onds, and \$100,000,000 three per cent. ertificates of indebtedness authorized by ne act of June 13, 1898. It was p posed o redeposit in the national back proceeds of these issues, and the mit heir use as a basis for addition : lating notes of national banks. The

moral effect of this procedure was so great that it was necessary to issue only \$24,631,980 of the Panama bonds and \$15, 436,500 of the certificates of indebtedness During the period from July 1, 1901, to 1908, the balance he net ordinary receipts and the net rdinary expenses of the government lowed a surplus in the four years 1902. 1903, 1906, and 1907, and a deficit in the years 1904, 1905, 1908 and a fractional part of the fiscal year 1909. The net result was a surplus of \$39,283,413.54. The finanoperations of the government during ils period, based upon these difference lited in a net reduction of the interestearing debt of the United States from \$987,141,040 to \$897,253,990, notwithstanding at there had been two sales of Panama \$34.631,980, and an issue of three per at certificates of indebtedness under

act of June 13, 1898, amounting to Refunding operations of the asury department under the act of 1900, resulted in the converinto two per cent. consols of 1930 of 309,400 bonds bearing higher rates of rest. A decrease of \$8.687.956 in the cal interest charge resulted from se operations. short, during the seven years and

se months there has been a net suripts over expenditures, a reduction the interest-bearing debt by ninety ions, in spite of the extraordinary exnearly nine millions on the annua

Control of Corporations. regards the great corporations en

red in interstate busin s, and espe-ily the railroads. I can only repeat at I have already again and again said my messages to the congress. I be e that under the interstate clause of constitution the United States has plete and paramount right to contol all agencies of interstate commerce. nt alone can exercise this right with ure justice from, and to do justice great corporations which are the I believe that it is worse than to attempt to prohibit all comations as is done by the Sherman i-trust law, because such a law can enforced only imperfectly and unst as much hardship as good. ongly advocate that instead of an une effort to prohibit all combination all expressly permit combinations are in the interest of the public. but shall at the same time give to some agency in the national government full power of control and supervision over control should be securing entire pub-licity in all matters which the public has a right to know, and furthermore. he power, not by judicial but by execuive action, to prevent or put a stop to every form of improper favoritism or other wrongdoing.

The railways of the country should be put completely under the interstate com-merce commission and removed from the domain of the anti-trust law. power of the commission should be made thoroughgoing, so that it could exercise complete supervision and control over the issue of securities as well as over the raising and lowering of rates. As regards rates, at least, this power should be summary. . . . Rates must be made as low as is compatible with giving proper returns to all the employes of the railroad, from the highest to the lowest, and proper returns to the shareholders, but they must not, for instance, be reduced in such fashion as to necessitate a cut in the wages of the employes or abolition of the proper and legitimate profits of honest shareholders.

Telegraph and telephone companies engaged in interstate business should be out under the jurisdiction of the inter-

state commerce commission.
It is very earnestly to be wished that people, through their representatives, the interest of all of us that there should be a premium put upon individual initiative and individual capacity, and an ample reward for the directing intelligences alone compelent to manage the great business operations of to-day. It is well to keep in mind that exactly as the anarchist is the worst enemy of liberty and the reactionary the worst enemy of order, so the men who defend the rights of property have most to fear from the wrongdoers of great wealth, and the men who are hampioning popular rights have most to fear from the demagogues who in the name of popular rights would do wrong to and oppress honest business men, honest men of wealth; for the success of either type of wrongdoer necessarily invites a violent reaction against the cause the wrongdoer nominally upholds. . . . Need of Centralization.

proposal to make the

therefore to give it complete control over. the railroads and other instruments of interstate commerce is merely a propos-al to carry out to the letter one of the prime purposes, if not the prime purpose, for which the constitution was founded. It does not represent centralization. It represents merely the acknowledgment of the patent fact that centralization has already come in business. If this irre-sponsible outside business power is to be controlled in the interest of the general public it can only be controlled in one way; by giving adequate power of con-trol to the one sovereignty capable of exercising such power-the national government. To abandon the effort for national control means to abandon the effort for all adequate control and yet to render likely continual bursts of action by state leg-islatures, which cannot achieve the purpose sought for, but which can do a great deal of damage to the corporation without conferring any real benefit on

Corporations Learning Wisdom. I believe that the more farsighted cor porations are themselves coming to rec ognize the unwisdom of the violent hostility they have displayed during the last few years to regulation and control by the national government of combinations engaged in interstate business. truth is that we who believe in this movement of asserting and exercising a genuine control, in the public interest, over these great corporations have to contend against two sets of enemies who, though nominally opposed to one another, are really allies in preventing a proper solution of the problem. There are, first, the big corporation men, and the extreme individualists among business men, who genuinely believe in ut-terly unregulated business-that is, in the reign of plutocracy; and second, the men who, being blind to the econommovements of the day, believe in evernent of repression rather than of regulation of corporations, and who de-nounce both the power of the railroads and the exercise of the federal power which alone can really control the railroads. Those who believe in efficient national control, on the other hand, do not in the least object to combinations; do not in the least object to concentration in business administration. On the con-trary, they favor both, with the all-important proviso that there shall be such pub licity about their workings, and such thoroughgoing control over them, as to insure their being in the interest, and We do not object to the concentr. don of wealth and administration; bu we do believe in the distribution of the wealth in profits to the real owners, and in securing to the public the full benefit of the concentrated administration. We believe that with concentration in administration there can come both advantage of a larger owneship and of a equitable distribution of profits, and at the same time a better service to administration should be for the benefit of the mary; and that greed and rascality, practiced on a large scale, should be punished as relentiessly as if practiced on a small scale. We do not for a moment believe that

the problem will be solved by any short and easy method. The solution will come only by pressing various concurrent Some of these remedies must lie outside the domain of all government. Some must lie outside the domain of the federal government. But there is legislation which the federal government alone can enact and which is absolutely vital in order to secure the attainment of our purpose. Many laws are needed. There should be regulation by the national government of the great interstate corporations, including a simple method of account keeping, publicity, supervision of the issue of securities, abolition of rebates and of special privileges. should be short-time franchises for all corporations engaged in public business; including the corporations which get power from water rights. There should be national as well as state guardianship tion hereinafter referred to should con-To accomplish this, means a certain in-

ease in the use of-not the creation of lower, by the central government. and meanwhile the corporations over which the power ought to be exercised concentration of administrative power in responsible and accountable hands. It lies in having the power insufficiently concentrated, so that no one can be held responsible to the people for its use. Concentrated power is palpable, visible, responsible made to the people for its use. responsible, easily reached, quickly held to account. Democracy is in peril wherever the administration of political power is scattered among a variety of men who work in secret, whose very names are unknown to the common people. It is not in peril from any men who desires on the common people. thority from the people, who exercises it in sight of the people, and who is from time to time compelled to give an

Legislation for Wageworker.

There are many matters affecting labor and the status of the wageworker to tion, but an exhaustive discussion of the essary. I believe in a steady effort, or perhaps it would be more accurate to say in steady efforts in many different directions, to bring about a condition of affairs under which brain, the laborers, the superintendents, the men who produce the market and the men who find a market for the articles produced, shall own a far greater share than at present of the wealth they produce, and be enabled to invest it in the tools and instruments by which all work is carried on. As far as possible I hope to see a frank recognition of the advantages conferred by machinery, organiza-tion and division of labor, accompanied by an effort to bring about a larger share in the ownership by wage-worker of railway, mill and factory.

Postal Savings banks will make it easy for the poorest to keep their sav-ings in absolute safety. The regulation of the national highways must be such that they shall serve all people with equal justice. Corporate finances must be supervised so as to make it far safer than at present for the man of small means to invest his money in stocks. There must be prohibition of child labor, ...minution of women labor, short-ening of hours of all mechanical labor; stock watering should be prohibited. and stock gambling so far as is possible discouraged. There should be a progressive inheritance tax on large fortunes. Industrial education As far as possible we should lighten the burden of taxation on the small man. We should put a premium upon thrift, hard work, and business energy; but these qualities cease to be the main factors in accumulating a fortune long before that fortune reaches a point where it would be seriously affected by any inheri-tance tax such as I propose. It is eminently right that the nation should fix the terms upon which the great for-tunes are inherited. They rarely do good and they often do harm to those who inherit them in their entirety. There should no long r be any palter-ing with the question of taking care of the wageworkers who, under our pres-

ent industrial system, become killed, crippled, or worn out as part of the regular incidents of a given busi-ness. As far as concerns those who have been worn out, I call your attention to the fact that definite steps toward providing old-age sions have been taken in many of our private industries. These may be in-definitely extended through voluntary association and contributory schemes, through the agency of savings banks, as under the Massachusetts plan.

Urgent Need of Reform.

Our present system, or rather no sys. tem, works dreadful wrong, and is of benefit to only one class of people—the lawyers. When a workman is injured what he needs is not an expensive and doubtful lawsuit, but the certainty of relief through immediate administra-tive action. No academic theory about "freedom of contract" or "consti-tutional liberty to contract" should be Pending a thoroughgoing investiga-

tion and action there is certain legis-lation which should be enacted at once. The law, passed at the last session of the congress granting compensation to certain classes of employes of the gov-ernment should be extended to include all employes of the government and should be made more liberal in its terms. There is no good ground for the distinction made in the law between those engaged in hazardous occupations and those not so en-gaged. The terms of the act pro-viding compensation should be made liberal than in the present quate for a wage-earner's family in the event of his death by accident in the course of his employment. And in the event of death occurring, say, ten or eleven months after the accident, the would only receive as compensation the equivalent of one or two months' earnings. In this respect the generosity of the United States towards ts employes compares most unfavorably with that of every country in Eu-

-even the poorest. The terms of the act are also a hardship in prohibiting payment in cases where the accident is in any way due to the negligence of the employe. It is inevitable that daily familiarity with danger will lead men to take chances that can be construed into negligence So well is this recognized that in practically all countries in the civilized world, except the United States, only a great degree of negligence acts as a bar to securing compensation. Probably in no other respect is our legislation, both state and national, so far behind practically the entire civilized world as in the matter of liability and compensation for accidents in industry It is humiliating that at European international congresses on accidents the United States should be singled out as the most belated among the nations in respect to emp overs' liability legislation. This government is itself a large employer of labor and in its dealings with its employes it should set a standard in this country which would place it on a par with the most progressive countries in Europe. The laws of the United States in this respect and the laws of European countries have been summarized in a recent bulletin of the bureau of labor, and no American who reads this summary can fail to be struck by the great contrast between our practices and theirs-a contrast not

my sense to our credit. I renew my recommendation made in previous message that half-holidays be granted during summer to all wage-

I also renew my recommendation that the principle of the eight-hour day should as rapidly and as far as practicable be extended to the entire work being carried on by the government; the present law should be amended to embrace contracts on those public works which the present wording of the act seems to exclude.

Would Double Salaries of Judges. I most earnestly urge upon the con

gress the duty of increasing the totally inadequate salaries now given to our On the whole there is no body of public servants who do as valuable work, nor whose moneyed reward is so inadequate compared to their work. Beginning with the supreme court the judges should have their salaries doubled. It is not befitting the dignity of the nation that its most honored public ervants should be paid sums so small compared to what they would earn in private life that the performance of public service by them implies an exeedingly heavy pecuniary sacrifice.

It is earnestly to be desired that some method should be devised for doing away with the long delays which now obtain in the administration of justice and which operate with peculiar severity against persons of small means, and favor only the very criminals whom it is most desirable to punish. These long delays in the final decisions of cases make in the aggregate a crying evil; and a remedy should be devised. Much of this intolerable delay is due to improper regard paid to technicaliover-regard for technicalities has resulted in a striking denial of justice and flagrant wrong to the body politic

Labor Leaders Criticised.

At the last election certain leaders of organized labor made a violent and sweeping attack upon the entire jud dary of the country, an attack couched in such terms as to include the most upright, honest band broad-minded judges, no less than those of narrower Last year, before the house com mittee on judiciary, these s labor leaders formulated their mands, specifying the bill that contained them, refusing all compromise, stating they wisned the principle of that bill or nothing. They insisted on a provision that in a labor dispute no injunction should issue except protect a property right, and specifically provided that the right to carry on business should not be construed as a property right; and in a second provision their bill made legal in a labor dis pute any act or agreement by or between two or more persons that would not have been unlawful if done by a single person. In other words, this hill legalized blacklisting and boycotting in every form, legalizing, for instance, those forms of the secondary boycott which the anthracite coal strike con mission so unreservedly condemned; while the right to carry on a business was explicitly taken out from under that protection which the law throws over property. The demand was made that there should be trial by jury in impairing the authority of the courts. All this represented a course of policy which, if carried out, would mean the enthronement of class privilege in its crudest and most brutal form, and the destruction of one of the most essential functions of the judicary in all civillized lands.

The violence of the crusade for this legislation, and its complete failure, illustrate two truths which it is essential our people should learn. In the first place, they ought to teach the workingman, the laborer, the wageworker, that by demanding what is improper and impossible he plays into the hands of his foes. Such a crude and vicious attack upon the courts, even if it were temporarily successful, would inevitably in the end cause a violent reaction and would band the great mass of citizens together, forcing them to stand by all the judges, competent and incompetent alike, rather than to

see the wheels of justice stopped. The wageworkers, the workingmen, the laboring men of the country by the way in which they repudiated the effort to get them to cast their votes in response to an appeal to class hatred. have emphasized their sound patriotism and Americanism. Such an attitude is an object lesson in good citizenship to

the entire nation.

Judicial System Sound. Our judicial system is sound and effective at core, and it remains, and must ever be maintained, as the safeguard of those principles of liberty and justice which stand at the foundation of American institutions: justice are separated, neither is safe. There are, however, some members of the judicial body who have lagged behind in their understanding of these great and vital changes in the body whose minds have never been opened to the new applications of the old principles made necessary by the new conditions. Judges of this stamp do last-ing harm by their decisions, because they convince poor men in need of protection that the courts of the land are profoundly ignorant of and out of sympathy with their needs, and profoundly ignorant or hostile to any proposed remedy. To such men it seems a cruel mockery to such their it spents a cruer mockery to have any court decide against them on the ground that it desires to preserve "liberty" in a purely technical form, by withholding liberty in any real and constructive sense.

There are certain decisions by various courts which have been exceedingly detrimental to the rights of wage-workers This is true of all decisions that decide that men are, by the constitution, "guaranteed their liberty" to contract to enter

permitted to interfere with this and a dangerous occupation, or to work an undesirable or improper number of hours, or to work in unhealthy surroundings; and therefore cannot recover damages when maimed in that occupation, and cannot be forbidden to work what the legislature decides is an excessive numper of hours, or to carry on the work under conditions which the legislature decides to be unhealthy. Decisions such as those nullify the legislative effort to protect the wage-workers who most need protection from those employ-ers who take advantage of their grinding need. They halt or hamper the movement for securing better and more equi-

table conditions of labor. There is also, I think, ground for the belief that substantial injustice is often suffered by employes in consequence of injunctions without notice to them, and punishing them for contempt of court in instances where, as a matter of fact, they have no knowledge of any proceed-Organized labor is chafing ings. the unjust restraint comes from repeated resort to this of procedure. Its discontent been unwisely expressed, and is a sound basis for it, and the orderly and law-abiding people of a com-munity would be in a far stronger position for upholding the courts if the undoubtedly existing abuses could be pro-

vided against. Matters for Thought for Labor. Such proposals as those mentioned above as advocated by the extreme labor leaders, contain the vital error of being class legislation of the most offensive kind, and even if enacted into law I be lieve that the law would rightly be held unconstitutional. Moreover, the labor people are themselves now beginning to nvoke the use of the power of injunc During the last ten years and within my own knowledge, at least fifty injunctions have been obtained by labor them being to protect the union label (a "property right"), but some being obtained for other reasons against employ-

Injunction Must Remain.

The power of injunction is a great equitable remedy, which should on no account be destroyed. But safeguards should be erected against its abuse. In substance, provision should be made that no injunction or temporary re-straining order issue otherwise than on notice, except where irreparable injury would otherwise result; and in such case a hearing on the merits of the order should be had within a short fixed period, and, if not then continued after hearing, it should forthwith lapse. Decisions should be rendered immediately, and the chance of delay minimized in every way. Moreover, I believe that the procedure should be sharply defined, and the judge required minutely to state the particulars both of his action and of his reasons therefor, so that the congress can if it desires examine and investigate

For many of the shortcomings of justice in our country our people as a whole are themselves to blame, and the judges and juries merely bear their share together with the public as a whole. It is discreditable to us as a people that there should be difficulty in convicting murderers, or in bringing to justice men who as public servants have been guilty of corruption, or who have profited by the corruption of public servants. The result is equally unfortunate, whether due to hairsplitting technicalities in the interpretation of law by judges, to sentimentality and class consciousness on the part of juries, or to hysteria and sensationalism in the daily press. For much of this fallure of justice no responsibility whatever lies on rich men as such. We who make up the mass of the people cannot shift the responsibility from ou own shoulders. But there is an important part of the failure w...ch has specially to do with inability to hold to proper account men of wealth who

The Modern Corporation. The huge wealth that has been accu-

mulated by a few individuals of recent years, in what has amounted to a so as regards some of these individuals made possible only by the improper use of the modern corporation. A certain type of modern corporation, with its officers and agents, its many issues of securities, and its constant consolida-tion with allied undertakings, finally becomes an instrument so complex to contain a greater number of ments that, under various judicial de-cisions, lend themselves to fraud and oppression than any device yet evolved the human brain. Corporations are necessary instruments of modern busi-They have been permitted secome a menace largely because the people have worked slowly in providing for adequate control over them. Our great clusters of trusts and fabulously wealthy multimillionaires, employ the very best lawyers they can obtain to pick flaws in statutes after their passage; but they also employ a class secret agents who seek, under the advice of experts, to render hostile legisla ion innocuous by making it unonstitutional, often through the insertion of what appear on their face to be drastic and sweeping provisions against the interests of the parties inspiring them; while the demagogues, the rupt creatures who introduce black mailing schemes to "strike" corpora tions, and all who demand extreme and undesirably radical, measure show themselves to be the worst enemies of the very public whose loud-mouthed champions they profess to be. Real damage has been done by manifold and conflicting interpretations o. the interstate commerce law. Con-trol over the great corporations doing interstate business can be effective only if it is vested with full power in an administrative department, a branch of the federal executive, carrying out a federal law; it can never be effective to divided responsibility is left in both the states and the nation; it can never be effective if left in the hands of the courts to be decided by lawsuits.

Respect for Law Must Be Upheld. The courts hold a prace of peculiar and deserved sanctity under our form of gov ernment. Respect for the law is essen tial to the permanence of our institu-tions; and respect for the law is largely conditioned upon respect for the courts. It is an offense against the republic to say anything which can weaken this spect, save for the gravest reason and in the most carefully guarded manner. In no other nation in the world do the courts wield such vast and far-reaching power as in the United States. All that is necessary is that the courts as a whole should exercise this power with the farsighted wisdom already shown by those judges who scan the future while they act in the present. Let them exercise this great power not only honestly and bravely, but with wise insight into the needs and fixed purposes of the people, so that they may do justice, and work equity, so that they may protect all persons in their rights, and yet break down the barriers of privilege, which is the for

Forest Preservation.

If there is any one duty which more than another we owe it to our children to perform at once, it is to save the for ests of this country, for they constitute the first and most important element in the conservation of the natural resources of the country. . . Just as a farmer, after all his life making his living from his form silliving from his farmer. living from his farm, will, if he is an expert farmer, leave it as an asset of increased value to his son, so we should leave our national domain to our children, increased in value and not worn out. There are small sections of our own country, in the east and in the west, in the Adirondacks, the White mountains and the Appalachians, and in the Rocky mountains, where we can already see for ourselves the damage in the shape of permanent injury to the soil and the river systems which comes from reckless deforestation. It matters not this deforestation is due to the actual reckless cutting of timber, to the fires that inevitably follow such reckless cutting of timber, or to reckless and uncon-trolled grazing, especially by the great migratory bands of sheep, the un-checked wandering of which over the country means destruction to forests and

settlers of limited means.

Thanks to our own recklessness in the use of our splendid forests, we have already crossed the verge of a timber famine in this country, and no measures that we now take can, at least for many years, undo the mischief that vent further mischief being done; and it would be in the highest degree reprehen sible to let any consideration of teminterfere with such action, especially as regards the national forests which the nation can now, at this very moment,

The lesson of deforestation in China is a lesson which mankind should have learned many times already from what has occurred in other places. Denudation leaves naked soil; then gullying cuts down to the bare rock; and meanwhile the rock-waste buries the bottomlands. must go; and the process does not take

Plea for Inland Waterways.

Action should be begun forthwith, dur ing the present session of the congress, for the improvement of our inland water ways-action which will result in giving us not only navigable but navigated

Until the work of river improvement i undertaken in a modern way it can not have results that will meet the needs of this modern nation. The plan which promises the best and quickresults is that of a permanent commission authorized to co-ordinate the work of all the government departments relating to waterways, and to frame and supervise the execution of a comprehensive plan. Under such a commission the actual work of construc tion might be entrusted to the reclama tion service; or to the military engineers acting with a sufficient number of civili ans to continue the work in time of war or it might be divided between the rec-iamation service and the corps of engineers. Funds should be provided from current revenues if it is deemed wiseotherwise from the sale of bonds. The essential thing is that the work should go forward under the best possible plan, and with the least possible delay. The time for playing with our waterways is past. The country demands results

The president urges that national parks adjacent to national forests be placed under the control of the forest service of the agricultural department; he also points out the benefits derived from pure food legislation.

The message continues: Needs of the Secret Service.

Last year an amendment was incorporated in the measure providing for the secret service, which provided that there should be no detail from the secret serv ice and no transfer therefrom. amendment in question was of benefit to no one excepting to criminals, and it seriously hampers the government in the detection of crime and the securing of justice. The chief argument in favor of the provision was that the congressmen did not them-selves wish to be investigated by the secret service men. Very little of such investigation has been done in the past but it is true that the work of the secre service agents was partly responsible for the indictment and conviction of a senator and a congressman for land frauds in Oregon. I do not believe that it is in Oregon. I do not believe that it is in the public interest to protect criminals n any branch of the public service, and exactly as we have again and again durpast seven years prosecuted and convicted such criminals who were in the executive branch of the government so in my belief we should be given amplemeans to prosecute them if found in the legislative branch. But if this is no onsidered desirable a special exception could be made in the law prohibiting the use of the secret service force in inves tigating members of the congress

Postal Savings Banks.

I again renew my recommendation for postal savings banks, for depositgovernment behind them. The object the wage-earner and person of mod aggregate vast sums of money would be strumentality of the postal savings

Parcel Post.

In my last annual message I com nended the postmaster-general' mended the postmaster-general's recommendation for an extension of the parcel post on the rural routes. establishment of a local parcel post on benefit of the farmer and the country storekeeper, and it is desirable that the routes, serving more than 15,000,000 people, should be utilized to the fullest practicable extent. Education.

With the limited means hitherto pro-vided, the bureau of e ducation has rendered efficient service, but the con grees has neglected to adequately supply the bureau with means to meet the educational growth of the country, I earnestly recommend that this the national educational office be reme died by adequate appropriations. recommendation is urged by the repre sentatives of our common schools and great state universities and the leading ducators, who all unite in requesting favorable consideration and action by the congress upon this subject.

The president points out the neces sity of better organization of the various bureaus responsible for the public health, and urges the placing of all soldiers' homes under the jurisdiction of the war department.

Statehood.

On the question of statehood the president says: I advocate the immediate admission New Mexico and Arizona as states. This should be done at the present session of the congress. The people of the two territories have made it evident by votes that they will not come in as one state. The only alternative is to admithem as two, and I trust that this will be

done without delay. Interstate Fisheries.

I call the attention of the congress to the importance of the problem of the fisheries in the interstate waters. On the Great Lakes we are now, under the very wise treaty of April II of this year, endeavoring to come to an international agreement for the preservation and satisfactory use of the fisheries of these wa ters which can not otherwise be achieved. Lake Erie, for example, has the riches fresh water fisheries in the world; but it is now controlled by the statutes of two nations, four states, and one province and this province by two different ordinances in different counties. All these political divisions work at cross purposes, and in no case can they achieve protection to the fisheries, on the one hand, and justice to the localities and individuals on the other.

This nation's foreign policy is based on the theory that right must be done between nations precisely as between individuals, and in our actions for the last ten years we have in this matte our faith by our deeds. have behaved, and are behaving, to wards other nations, as in private life an honorable man would behave towards his fellows.

Latin-American Republics. The commercial and material prog-

ress of the 20 Latin-American republic s worthy of the careful attention of the congress. The International Bureau useful work in making these nations and their resources better known to us, and in acquainting them not only with us as a people and with our purposes towards them, but with what we have to exchange for their goods. Panama Canal.

The work on the Panama canal is be ing done with a speed, efficiency and entire devotion to duty, which make it a model for all work of the kind. The men on the Isthmus, from Col. Goethals and his fellow commissioners through the entire list of employes who are faithfully doing their duty, have won their right to the ungrudging respect and gratitude of the American people.

the ocean mail act of 1891 so that satisfactory American ocean mail lines to South America, Asia, the Philippines and Australasia may be established

Hawaii.

I call particular attention to the Territory of Hawaii. The importance of those islands is apparent, and the need of improving their condition and de veloping their resources is urgent. The Philippines.

Real progress toward self-government is being made in the Philippine islands. I trust that within a generation the time will arrive when the Philippines can decide for themselves whether it is well for them to become independent, or to continue under the protection of a strong and disinterested power, able to guarantee to the islands order at home and protection from foreign invasion

Porto Rico. I again recommend that American citizenship be conferred upon the people of

In Cuba our occupancy will cease in about two months' time; the Cubans have in orderly manner elected their ow: governmental authorities, and the island will be turned over to them. Our occu pation on this occasion has lasted a lit tle over two years, and Cuba has thriv hope and one desire is that the peopl-

selves with justice, so that peace and or der may be secure

of the island shall now govern them

Japanese Exposition. The Japanese government has postponed until 1917 the date of the great international exposition, the action being taken so as to insure ample time in which to prepare to make the exposition all that it should be made. American commissioners have visited Japan and the postponement will merely give ampler opportunity for America to be represented at the exposition Not since the first international exposition has there been one of greater importance than this will be, marking. as it does, the fiftieth anniversary of the ascension to the throne of the emperor of Japan. The extraordinary leap to the foremost place among the nations of the world made by Japan during this half century is something

unparalleled in all previous history I take this opportunity publicly to state my appreciation of the way in which in Japan, in Australia, in New Zealand, and in all the states of South America, the battle fleet has been received on its practice voyage around the world. The American government can not too strongly express its appreciation of the abounding and generous hospitality shown our ships in every port they visited.

The Army.

As regards the army I call attention to the fact that while our junior off cers and enlisted men stand very high the present system of promotion by seniority results in bringing into the higher grades many men of mediocre capacity who have but a short time to No man should regard it as his vested right to rise to the highest rank in the army any more than in any other profession. It is a curious and by no means creditable fact that there should be so often a failure on the part of the public and its representa-tives to understand the great need, from the standpoint of the service and the nation, of refusing to promote respectable, elderly incompetents. The higher places should be given to the most deserving men without regard to seniority; at least seniority should be treated as only one consideration. In the stress of modern industrial competition no business firm could succeed if those responsible for its management were chosen simply on the ground that they were the oldest people in its employment; yet this is the course advocated as regards the army, and required by law for all grades except those of general officer. As a matter of fact all of the best officers in the highest ranks of the army are those who have attained their present posielection. The scope of retiring boards should

sider general unfitness to command for any cause, in order to secure a far more rigid enforcement than at present in the elimination of officers for menta physical or temperamental disabilities But this plan is recommended only if the congress does not see fit to provide what in my judgment is far better, that is, for selection in promotion, and for elimination for age. Officers who tain age, should be retired—for in-stance, if a man should not attain field rank by the time he is 45 he should of course be placed on the re-tired list. General officers should be selected as at present, and one-third of the other promotions should be made by selection, the selection to be made by the president or secretary of war, from a list of at least two candidates proposed for each vacancy by a board of officers from the arm of the service from which the promotion is to be made. A bill is now before the congress having for its object to secure the promotion of officers to vari-ous grades at reasonable ages through process of selection, by boards of of-icers, of the least efficient for retirement with a percentage of their pay depending upon length of service. The bill, although not accomplishing all that should be done, is a long step in the right direction; and I earnestly recommend its passage, or that of a more completely effective measure. National Guard.

Now that the organized militia, the National Guard, has been incorporated with the army as a part of the national forces, it behooves the government to do every reasonable thing in its power to perfect its efficiency. It should be assisted in its instruction and otherwise aided more liberally than hereto-fore. The continuous services of many well-trained regular officers will be essential in this connection. A bill is now pending before the congress creating a number of extra officers in the army, which if passed as it ought to be, will enable more officers to be trained as instructors National Guard and assigned to that duty. In case of war it will be of the utmost importance to have a large number of trained officers to use for turning raw levies into good troops.

The Navy.

I approve the recommendations of the general board for the in-crease of the navy, calling especial attention to the need of addi-tional destroyers and colliers, and above all, of the four battleships. It is desirable to complete as soon as possible a squadron of eight battleships of the best existing type.

I most earnestly recommend that the general board be by law turned into a general staff. There is literally no excuse whatever for continuing the present bureau organization of the navy. navy should be treated as a purely military organization, and everything should be subordinated to the one object of se curing military efficiency. A syster of promotion by merit, either by selec tion or by exclusion, or by both processes, should be introduced. It is out of the question, if the present principle of promotion by mere seniority is kept, to expect to get the best results from the higher officers. Our men come too old, and stay for too short a time, in the high command positions.

Nothing better for the navy from every standpoint has ever occurred than the cruise of the battle fleet around the world. The improvement of the ships in every way has been extraordinary, and they have gained far more experience in battle tactics than they would have gained if they had stayed in the Atlantic waters. The American people have cause for profound gratification, both in view of the excellent condition of the fleet as shown by this cruise, and in view of the improvement the cruise has worked in this already high condition. I do not believe that there is any other service in the world in which the average of character and efficiency in the enlisted men is as high as is now the case in our

The White House, Tuesday, December

TO CURE A COUGH

Or Break a Cold in 24 Hours

Mix two ounces of Glycerine and a half ounce of Virgin Oil of Pine compound pure with a half pint of Straight Whisky. Shake well and take a tea-

spoonful every four hours. The genuine Virgin Oil of Pine compound pure is prepared only by The Leach Chemical Co., Cincinnati, Ohio, and is put up only in half-ounce vials, each vial securely sealed in a round wooden case to insure its freshness and purity.

AMONGST THE BULL-RUSHES.



Lazy Larry-Woof! Just to think, with all this wasted effort, I could have won the Marathon race!

Expert Pocket-Picking.

An old lady was accosted in a London street by a well-dressed and refined-looking stranger, who effusively claimed her as a friend. "I really don't believe you remember me!" she exclaimed, reproachfully, and the old lady, never doubting that her memory was at fault, confessed that she could not quite recall the name. "Ah, but I have changed it since you knew me, said her interlocutor, gayly, and after a few more lively speeches she passed on, having possessed herself meanwhile of the old lady's purse.

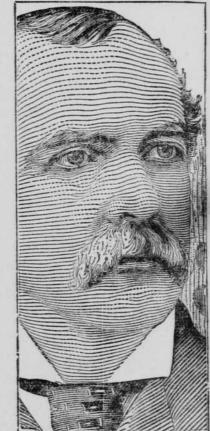
Sheer white goods, in fact, any fine wash goods when new, owe much of their attractiveness to the way they are laundered, this being done in a manner to enhance their textile beauty. Home laundering would be equally satisfactory if proper attention was given to starching, the first essential being good Starch, which has sufficient strength to stiffen, without thickening the goods. Try Defiance Starch and you will be pleasantly surprised at the improved appearance of your work.

Lachrymose.

"Pa, Mary's upstairs crying again." "What's the matter this time.

"I can't just make out whether it's because she's afraid Jim won't ask her to go to the theater to-night or whether she hasn't anything fit to wear, if he should."-Detroit Free

UNITED STATES SENATOR FROM SOUTH CAROLINA PRAISES PE-RU-NA.



Ex-Senator M. C. Butler.

Dyspepsia Is Often Caused by Catarrh of the Stomach-Peruna Relieves Catarrh of the Stomach and Is Therefore a Remedy for Dyspepsia.

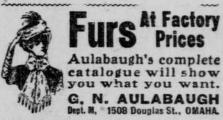
Hon. M. C. Butler, U. S. Senator from South Carolina for two terms, in a letter from Washington, D. C., writes to the Peruna Medicine Co., as follows:

"I can recommend Peruna for dyspepsia and stomach trouble. I have been using your medicine for a short period and I feel very much relieved. It is indeed a wonderful medicine, besides a good tonic." ***************

CATARRH of the stomach is the correct name for most cases of dyspepsia. Only an internal eatarrh remedy, such as Peruna, is available.

Peruna Tablets can now be procured. Ask your Druggist for a Free Peruna Almanac for 1909.

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