

THE MESSAGE.

President Cleveland's Address to the New Congress.

Foreign Policy of the Government Discussed—Points in Dispute with Great Britain—Financial Question Dwelt Upon at Length.

WASHINGTON, Dec. 3.—The president sent in the following message to congress:

Foreign Relations.

The present assembling of the legislative branch of our government occurs at a time when the interests of our people and the needs of the country give especial prominence to the condition of our foreign relations and the exigencies of our national finances.

By amendatory legislation in January last, the Argentine Republic, recognizing the value of the large market opened to the free importations of its wool under the last tariff act, has admitted certain products of the United States to enter at reduced duties.

The resumption of specie payments by Chile is a step of interest and importance, both in its direct consequences upon her own welfare as evincing the tendency of sound financial principles in one of the most influential of the South American republics.

The close of the momentous struggle between China and Japan, while relieving the diplomatic agents of this government from the delicate duty they undertook at request of both countries of rendering such service to subjects of either belligerent within the territorial limits of the other as our neutral position permitted.

Whatever may be the traditional sympathy of our countrymen as individuals with people who seem to be struggling for larger autonomy and greater freedom, deemed as such sympathy naturally must be in behalf of our neighbor, yet the plain duty of their government is to observe in good faith the recognized obligations of international relationship.

Occurrences in Turkey have continued to excite concern. The reported massacres of Christians in Armenia and the development there, and in other districts, of the spirit of fanatic hostility to Christian influences naturally excited apprehension for the safety of the devoted men and women, who as dependents of the foreign missionary societies in the United States all reside in Turkey.

The president states that our cordial relations with France continue, the only question of disagreement being the imprisonment of ex-consul Waller, and this, he says, is in course of satisfactory settlement.

Our relation with the states of the German empire are in some aspects typical of a condition of things elsewhere found in a country whose productions and trade supplies are in great measure our own.

Our relations with Great Britain, always intimate and important, have demanded, during the past year, even a greater share of consideration than is usual.

The application of the principles laid down by that august body has not been followed by the results they were intended to accomplish, either because the principles themselves lacked in breadth and definiteness or because their execution has been more or less imperfect.

It being apparent that the boundary dispute between Great Britain and the republic of Venezuela, concerning the limits of British Guiana, was approaching an acute stage, a definite statement of the interest and policy of the United States as regards the controversy seemed to be required, both on its own account and in view of its relations with the friendly powers directly concerned.

The answer of the British government has not yet been received, but is expected shortly, when further communication on the subject will probably be made to the congress.

Cuba is again gravely disturbed, an insurrection in some respects more active than the last preceding revolt, which continued from 1898 to 1898, now exists in a large part of the eastern interior of the island, menacing even some populations on the coast.

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The financial situation. As we turn from a review of our foreign relations to the contemplation of our national financial situation we are immediately aware that we approach a subject of the highest and most important nature.

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months after the second reinforcement of our gold reserve by the sale of bonds it had lost by such withdrawals more than \$5,000,000, and had fallen to \$1,993,881.

It will be seen by a reference to the debates in congress at the time laws were passed authorizing the issue of these notes that their advocates declared they were intended for only temporary use and to meet the emergency of war.

There has been issued and sold \$85,500,000 of the bonds authorized by the resumption act of 1875, the proceeds of which, together with the gold in the treasury, created a gold fund deemed sufficient to meet the demands which might be made upon it for the redemption of the outstanding United States notes.

This reserve, as has been stated, had fallen in April, 1893, to \$97,911,333. It has from that time to the present, with very few and important movements, steadily decreased, except as it has been temporarily replenished by the sale of bonds.

By the law of 1878, forbidding their future withdrawal from the gold reserve, the government provides that these notes when received into the treasury and belonging to the United States shall be "paid out again and kept in circulation."

once thrown open to the free and unlimited and independent coinage of both gold and silver dollars of full legal tender quality, regardless of the action of any other government and in full view of the fact that the ratio between the metals which they suggest calls for 100 cents' worth of gold in the gold dollar at the present standard and only 50 cents in intrinsic worth of silver in the silver dollar.

These who believe that our independent free coinage of silver at an artificial ratio with gold of 16 to 1 would restore the parity between the metals and consequently the coins oppose an unsupported and improbable theory to the belief and practice of other nations and the teachings of the wisest statesmen and economists of the world, both in the past and present, and what is far more conclusive they run counter to our own actual experiences.

On the 28th of January, 1893, it was reported by the secretary of the treasury that more than \$172,000,000 of the gold had been withdrawn for hoarding or shipment during the year preceding.

I am convinced the only thorough and practicable remedy for our troubles is found in the retirement and cancellation of our United States notes, commonly called greenbacks and the outstanding treasury notes issued by the government in payment of silver purchased under the act of 1891.

The currency withdrawn by the retirement of the United States notes and treasury notes, the treasury in the actual ownership of such notes might be supplied by such gold as would be used on their retirement or by an increase in the circulation of our national banks.

In the present stage of our difficulty it is not easy to understand how the amount of our revenue receipts directly affects it. The important question is not the quantity of money received in revenue payments, but the kind of money we maintain and our ability to continue in sound financial conditions.

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The act of July 11, 1890, in a still bolder effort increased the amount of silver the government was compelled to purchase and forced it to become the buyer annually of 64,000,000 ounces, or practically the entire product of our mines.

In the light of these experiences, which accord with the experience of other nations, there is certainly no secure ground for the belief that an act of congress could now bridge an inequality of 50 per cent. between gold and silver at our present ratio, nor is there less possibility that our country, which has less than one-seventh of the silver money in the world, could by its action alone raise not only our own but all silver, to its lost ratio with gold.

There is a vast difference between a standard of value and a currency for monetary use. The standard must necessarily be fixed and certain. The currency may be in diverse forms and of various kinds.

GROVER CLEVELAND.