

# PRESIDENT'S MESSAGE.

## DEVOTED TO FOREIGN AFFAIRS AND FINANCIAL DISCUSSION.

### BOTH FULLY REVIEWED.

#### Neutrality Laws in Regard to Cuba Must Be Strictly Complied With—An Exhaustive Argument for the Retirement of Greenbacks—Our Financial Trouble Thoroughly Set Forth.

WASHINGTON, Dec. 3.—The following is the President's message:

TO THE CONGRESS OF THE UNITED STATES:—The present assemblage of the legislative branch of our government occurs at a time when the interests of the people and the needs of the country give special prominence to the condition of our foreign relations and the exigencies of our national finances. The reports of the several administrative departments of the government fully and plainly exhibit what has been accomplished within the scope of their respective duties and present such recommendations for the betterment of our country's condition as patriotic and intelligent labor and observations suggest.

It therefore devolves upon my executive duty adequately to perform at this time by presenting to the Congress the important phases of our situation as related to our intercourse with foreign nations, and a statement of the financial problems which confront us, omitting, except as they are related to these topics, any reference to departmental organization.

I earnestly invite, however, not only the earnest consideration, but the severely critical scrutiny of the Congress and my fellow countrymen to the reports concerning these departmental operations. If justly and fairly examined, they furnish a position of assurance and painstaking care for the public welfare. I press the recommendations they contain upon the respectful attention of those charged with the duty of legislation, because I believe their adoption would promote the people's good.

**Missionary Riots in China.**  
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 services to subjects of either belligerent within the territory limits of the other as our position of neutrality demanded, developed a domestic condition in the Chinese empire which has caused much anxiety and called for prompt and careful attention. Either as a result of a weak control by the central government or the provincial administrations, following a condition of civil anarchy, governmental authority under the stress of an overwhelming national disaster, or a manifestation upon good opportunity of the aversion of the Chinese population to all foreign ways and undertakings, there have occurred in widely separated provinces of the interior, and especially in the old frontier provinces, outbreaks which, unchecked by the local authorities, if not actually connived at by them, have culminated in mob attacks on foreign missionary stations, causing much destruction of property, and attended with personal injuries as well as loss of life. In some instances, the Chinese citizenry was reported to have been actually wounded, and although the destruction of property may have fallen more heavily upon the missionaries of other nationalities than our own, it plainly behooved this government to take the most prompt and decisive action to guard against similar or perhaps more dreadful calamities.

The demands of the United States and other powers for the degradation and punishment of the responsible officials of the respective cities and provinces who by neglect or otherwise had permitted uprisings and for the adoption of stern measures by the Emperor's government for the protection of the life and property of foreigners, were followed by the disgrace and dismissal of certain provincial officials found negligent in duty, and the execution of a number of those found guilty of actual participation in the outrages. This government also insisted that a special American commission should visit the province where the first disturbances occurred for the purpose of investigation and that, if necessary, a force formed after such opposition, has gone overland from Tien Tsin accompanied by a suitable Chinese escort, and by its demonstration of the readiness and ability of our government to protect its citizens, will, it is believed, as a most influential deterrent of any similar outbreaks.

**The Walker Case.**  
The customary cordial relations between this country and France have been undisturbed, with the exception that a full explanation of the treatment of John L. Walker by the expeditionary military authorities of France still remains to be given. Mr. Walker, formerly United States consul at Tananarive, Madagascar after his term of office expired and was apparently successful in procuring business concessions from the Hoava, of greater or less value. After the occupation of Tananarive and the declaration of martial law by the French, he was arrested upon various charges, among them, that of communicating military information to the enemy of France, was tried and convicted by a military tribunal and sentenced to twenty years imprisonment. Following the course justified by abundant precedents, this government demanded from France the record of the proceedings of the French tribunal, which resulted in Mr. Walker's condemnation. This request has been complied with to the extent of supplying a copy of the beneficial record of the trial, the constitutionality and organization of the Court, the charges as formulated and the general course and result of the trial and by which it was shown that the accused was tried in open court and was defended by counsel. But the evidence introduced in support of the charges, which was not received by the French minister of foreign affairs until the first week in October, has thus far been withheld. The French government, taking the ground that its production in response to our demand would establish a bad precedent, the efforts of our ambassador in Paris, however, though impeded by recent changes in the French ministry have not been relaxed and it is confidently expected that some satisfactory solution of the matter will shortly be reached. Meanwhile it appears that Mr. Walker's confinement is over, and that the state of his health and all the other circumstances of the case demand or permit.

**Trade Complications with Germany.**  
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 production and trade are similar to our own. The close trade of competing industries in the various parts of the German empire is promoted and its wealth increased by a policy which, in substituting its own products, necessarily obstructs their sale in foreign markets. The efforts of our ambassador in Germany, however, though impeded by recent changes in the German ministry have not been relaxed and it is confidently expected that some satisfactory solution of the matter will shortly be reached. Meanwhile it appears that Mr. Walker's confinement is over, and that the state of his health and all the other circumstances of the case demand or permit.

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This should be our policy as a producing nation, and it plainly becomes as a people who love generosity and the moral aspects of national good faith and reciprocal forbearance. These considerations should not, however, constitute an excuse for inactivity. A nation is not to be considered as a mere bystander to the enforcement of our share of the legitimate advantages of proper trade relations. If an examination of the situation suggests such measures on our part as would involve sacrifice, it is our duty to make such sacrifices, and to secure a course in such a case it should, however, by no means be lightly entered upon, since the necessity for the inauguration of such a policy would be regretted by the best sentiment of our people, and because it naturally and logically might lead to consequences of the gravest character.

**The Behring Sea Matter.**  
Our relations with Great Britain, always intimate and important, have demanded, during the past year, even a greater share of consideration than usual. Several vexatious questions were left undetermined by the decision of the Behring Sea arbitration tribunal. The application of the principles laid down by the tribunal in its decision, and 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. The understanding by which the United States was bound to abstain from fishing in the Bering Sea, and to receive a lump sum of \$2,000,000 in full settlement of all British claims for damages arising from our seizure of British sealing vessels unauthorized under the award of the Paris tribunal of arbitration was not confirmed by the last Congress, which deemed it necessary to make necessary appropriations to carry out the terms of the understanding. It is the opinion of the President that a just and equitable arrangement was a judicious and advantageous one for the government, and I earnestly recommend that it be again considered and sanctioned. If, however, this does not meet with the favor of Congress, it certainly will hardly dissent from the policy of the United States in the future to every consideration of honor and good faith to provide for the speedy adjustment of these claims by arbitration as the only other alternative. A treaty of arbitration has, therefore, been agreed upon and will be immediately laid before the Senate so that, in case of the mores suggest, a final settlement may be reached.

**The Venezuela Issue.**  
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The general conclusions there reached are: first, that in substance, the traditional and established policy of this government is firmly opposed to a forcible increase by any European power of its territorial possessions on this continent; that this policy is as well founded in principle as it is strongly supported by numerous precedents; that as a consequence the United States is bound to oppose any enlargement of the area of British Guiana at the expense of the rights and against the will of Venezuela; that, considering the disparity in strength of Great Britain and Venezuela, the territorial dispute between them can be easily settled by friendly and impartial arbitration; and that the report to such an arbitration should include the whole controversy and is not satisfied if one of the powers concerned is permitted to draw an arbitrary line through the territory in debate and to declare that it will remain in that position, and that the portion lying on one side of it, in view of the conclusions of the dispatch in question called upon the British government for a definite answer to the question whether it would or would not submit the territorial controversy between itself and Venezuela to the arbitration of an impartial tribunal. The answer by the British government has not yet been received, but is expected shortly further communication on the subject will probably be made to Congress.

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**Envoys of Italians in Colorado.**  
The deplorable lynching of several Italian laborers in Colorado was naturally followed by international representations and I am happy to say that the best efforts of the State in which the offenses occurred have been put forth to discover and punish the authors of the atrocious crime. The dependent families of some of the unfortunate victims invite by their deplorable condition generous provisions for their needs. These manifestations against the heinous crime, by which the lives of innocent and defenseless men were taken, are a strong evidence of the sympathy and interest of the American people in the welfare of the Italian laborers who have been so cruelly treated. It is confidently expected that some satisfactory solution of the matter will shortly be reached. Meanwhile it appears that Mr. Walker's confinement is over, and that the state of his health and all the other circumstances of the case demand or permit.

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**Envoys of Italians in Colorado.**  
The deplorable lynching of several Italian laborers in Colorado was naturally followed by international representations and I am happy to say that the best efforts of the State in which the offenses occurred have been put forth to discover and punish the authors of the atrocious crime. The dependent families of some of the unfortunate victims invite by their deplorable condition generous provisions for their needs. These manifestations against the heinous crime, by which the lives of innocent and defenseless men were taken, are a strong evidence of the sympathy and interest of the American people in the welfare of the Italian laborers who have been so cruelly treated. It is confidently expected that some satisfactory solution of the matter will shortly be reached. Meanwhile it appears that Mr. Walker's confinement is over, and that the state of his health and all the other circumstances of the case demand or permit.

**Trade Complications with Germany.**  
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 production and trade are similar to our own. The close trade of competing industries in the various parts of the German empire is promoted and its wealth increased by a policy which, in substituting its own products, necessarily obstructs their sale in foreign markets. The efforts of our ambassador in Germany, however, though impeded by recent changes in the German ministry have not been relaxed and it is confidently expected that some satisfactory solution of the matter will shortly be reached. Meanwhile it appears that Mr. Walker's confinement is over, and that the state of his health and all the other circumstances of the case demand or permit.

ent soundness, to guarantee those qualities. Nor are these difficulties confined to our food products designed for exportation. Our great insurance companies, for example, having built up a vast business abroad and invested a large share of their gains in foreign countries, in compliance with the local laws and regulations then existing, now find themselves within the reach of a door-closing and, in some conditions, are confronted by the necessity of retirement from a field these made unprofitable if indeed they are not summarily expelled, as some of them have lately been in Prussia. It is not to be forgotten that international trade cannot be one-sided. Its currents are alternating and its movements should be honestly reciprocal. Without this it almost necessarily degenerates into a device to gain advantage or a contrivance to secure benefits with only the semblance of a return. In our dealings with other nations, we ought to be open-handed and scrupulously fair.

This should be our policy as a producing nation, and it plainly becomes as a people who love generosity and the moral aspects of national good faith and reciprocal forbearance. These considerations should not, however, constitute an excuse for inactivity. A nation is not to be considered as a mere bystander to the enforcement of our share of the legitimate advantages of proper trade relations. If an examination of the situation suggests such measures on our part as would involve sacrifice, it is our duty to make such sacrifices, and to secure a course in such a case it should, however, by no means be lightly entered upon, since the necessity for the inauguration of such a policy would be regretted by the best sentiment of our people, and because it naturally and logically might lead to consequences of the gravest character.

**The Behring Sea Matter.**  
Our relations with Great Britain, always intimate and important, have demanded, during the past year, even a greater share of consideration than usual. Several vexatious questions were left undetermined by the decision of the Behring Sea arbitration tribunal. The application of the principles laid down by the tribunal in its decision, and 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. The understanding by which the United States was bound to abstain from fishing in the Bering Sea, and to receive a lump sum of \$2,000,000 in full settlement of all British claims for damages arising from our seizure of British sealing vessels unauthorized under the award of the Paris tribunal of arbitration was not confirmed by the last Congress, which deemed it necessary to make necessary appropriations to carry out the terms of the understanding. It is the opinion of the President that a just and equitable arrangement was a judicious and advantageous one for the government, and I earnestly recommend that it be again considered and sanctioned. If, however, this does not meet with the favor of Congress, it certainly will hardly dissent from the policy of the United States in the future to every consideration of honor and good faith to provide for the speedy adjustment of these claims by arbitration as the only other alternative. A treaty of arbitration has, therefore, been agreed upon and will be immediately laid before the Senate so that, in case of the mores suggest, a final settlement may be reached.

**The Venezuela Issue.**  
It being apparent that the boundary dispute between Great Britain and the Republic of Venezuela concerning the Guianan territory, 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 Republic of Venezuela. In this respect, a dispatch was addressed to our ambassador at London for communication to the British government in which the attitude of the United States was fully and distinctly set forth.

The general conclusions there reached are: first, that in substance, the traditional and established policy of this government is firmly opposed to a forcible increase by any European power of its territorial possessions on this continent; that this policy is as well founded in principle as it is strongly supported by numerous precedents; that as a consequence the United States is bound to oppose any enlargement of the area of British Guiana at the expense of the rights and against the will of Venezuela; that, considering the disparity in strength of Great Britain and Venezuela, the territorial dispute between them can be easily settled by friendly and impartial arbitration; and that the report to such an arbitration should include the whole controversy and is not satisfied if one of the powers concerned is permitted to draw an arbitrary line through the territory in debate and to declare that it will remain in that position, and that the portion lying on one side of it, in view of the conclusions of the dispatch in question called upon the British government for a definite answer to the question whether it would or would not submit the territorial controversy between itself and Venezuela to the arbitration of an impartial tribunal. The answer by the British government has not yet been received, but is expected shortly further communication on the subject will probably be made to Congress.

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