THE PRESIDENT'S ANNUAL MESSAGE TO LAWMAKERS

Recommends Legislation on New and Important Subjects.

INCOME - INHERITANCE TAX

He Believes Such Laws Would Curb Growth of Fortunes to Dangerous Proportions.

His Views on Negro Question—Asks for Currency Reform, and Shipping Bill—Would Make Citizens of Japs—Many Other Important Subjects Discussed.

Washington, Dec. 3.—President Roosevelt's message to the second session of the Fifty-ninth congress deals with a number of new and important subjects, chief of which is the government prosecution of the trusts, the abuse of injunctions in labor troubles, the negro question, the preaching of class hatred between capital and labor, additional legislation for the control of large corporations, a federal inheritance and income tax law and currency reform.

The message opens with a statement of what the last congress left unfinished, and of this he says:

"I again recommend a law prohibiting all corporations from contributing to the campaign expenses of any party. Such a bill has already past one house of congress. Let individuals contribute as they desire; but let us prohibit in effective fashion all corporations from making contributions for any political purpose, directly or indirectly.

"Another bill which has just past one house of the congress and which is urgently necessary should be enacted into law is that conferring upon the government the right of appeal in criminal cases on questions of law. This right exists in many of the states; it exists in the District of Columbia by act of the congress. It is of course not proposed that in any case a verdict for the defendant on the merits should be set aside. Recently in one district where the government had indicted certain persons for conspiracy in connection with rebates, the court sustained the defendant's demurrer; while in another jurisdiction an indictment for conspiracy to obtain rebates has been sustained by the court, convictions obtained under it, and two defendants sentenced to imprisonment. The two cases referred to may not be in real conflict with each other, but it is unfortunate that there should even be an apparent conflict. At present there is no way by which the government can cause such a conflict, when it occurs, to be solved by an appeal to a higher court; and the wheels of justice are blocked without any real decision of the question. I can not too strongly urge the passage of the bill in question. A failure to pass will result in seriously hampering the government in its effort to obtain justice, especially against wealthy individuals or corporations who do wrong; and may also prevent the government from obtaining justice for wageworkers who are not themselves able effectively to contest a case where the judgment of an inferior court has been against them. I have specifically in view a recent decision by a district judge leaving railway employees without remedy for violation of a certain so-called labor statute. It seems an absurdity to permit a single district judge, against what may be the judgment of the immense majority of his colleagues on the bench, to declare a law solemnly enacted by the congress to be "unconstitutional," and then to deny to the government the right to have the supreme court definitely decide the question."

Evasion by Technicalities.

"In connection with this matter, I would like to call attention to the very unsatisfactory state of our criminal law, resulting in large part from the hab't of setting aside the judgments of inferior courts on technicalities absolutely unconnected with the merits of the case, and where there is no atiempt to show that there has been any failure of substantial justice. It would be well to enact a law providing something to the effect that:

"No judgment shall be set aside or new trial granted in any cause, civil or criminal, on the ground of misdirection of the jury or the improper admission or rejection of evidence, or for error as to any matter of pleading or procedure unless, in the opinion of the court to which the application is made, after an examination of the entire cause, it shall affirmatively appear that the error complained of has resulted in a miscarriage of justice."

Injunctions.

On the subject of the abolition of injunctions in labor disputes, he says:

"In my last message I suggested the enactment of a law in connection with the issuance of injunctions, attention having been sharply drawn to the matter by the demand that the right of applying injunctions in labor cases should be wholly abolished. It is at least doubtful whether a law abolishing altogether the use of injunctions in such cases would stand the test of the courts; in which case of course the legislation would be ineffective. Moreover, I believe it would be wrong altogether to prohibit the use of injunctions. It is criminal to permit sympathy with criminals to weaken our hands in upholding the law; and if men seek to destroy life or property by mob violence there should be no impairment of the power of the courts to deal with them in the most summary and effective way possible. But so far as possible the abuse of the power should be provided against by some such law as I advocated last year.

"In this matter of injunctions there is lodged in the hands of the judiciary a necessary power which is nevertheless subject to the possibility of grave abuse. It is a power that should be exercised with extreme care and should be subject to the jealous scrutiny of all men, and condemnation should be meted out as much to the judge who fails to use it boldly when necessary as to the judge who uses it wantonly or oppressively. Of course, a judge strong enough to be fit for his office will enjoin any resort to violence or intimidation, especially by conspiracy, no matter what his opinion may be of the rights of the original quarrel. There must be no hesitation in dealing with disorder. But there must likewise be no such abuse of the injunctive power as is implied in forbidding laboring men to strive for their own betterment in peaceful and lawful ways; nor must the injunction be used merely to aid some big corporation in carrying out schemes for its own aggrandizement. It must be remembered that a preliminary injunction in a labor case, if granted without adequate proof (even when authority can be found to support the conclusions of law on which it is founded), may often settle the dispute between the parties; and therefore if improperly granted may do irreparable wrong. Yet there are many judges who assume a matter-of-fact course granting of a preliminary injunction to be the ordinary and proper judicial disposition of such cases; and there have undoubtedly been flagrant wrongs committed by judges in connection with labor disputes even within the last few years, altho I think much less often than in former years. Such judges by their unwise action immensely strengthen the hands of those who are striving entirely to do away with the power of injunction; and therefore such careless use of the injunctive process tends to threaten its very existence, for if the American people ever become convinced that this process is habitually abused, whether in matters affecting labor or in matters affecting corporations, it will be well-nigh impossible to prevent its abolition."

The Negro Problem.

The negro problem is given considerable attention, after calling attention to the fact that no section of the country is free from faults, and that no section has occasion to jeer at the shortcomings of any other section, he turns to the subject of lynchings, and especially as applied to the negro of the south. He says the greatest existing cause for mob law is the perpetration by the blacks of the crime of rape, a crime which he terms even worse than murder. He quotes the admonitions to the white people spoken by Gov. Candler, of Georgia, some years ago, and by Gov. Jelks, of Alabama, recently, and then says:

"Every colored man should realize that the worst enemy of his race is the negro criminal, and above all the negro criminal who commits the dreadful crime of rape; and it should be felt as in the highest degree an offense against the whole country, and against the colored race in particular, for a colored man to fail to help the officers of the law in hunting down with all possible earnestness and zeal every such infamous offender. Moreover, in my judgment, the crime of rape should always be punished with death, as is the case with murder; assault with intent to commit rape should be made a capital crime, at least in the discretion of the court; and provision should be made by which the punishment may follow immediately upon the heels of the offense; while the trial should be so conducted that the victim need not be wantonly shamed while giving testimony, and that the least possible publicity shall be given to the details.

The members of the white race on the other hand should understand that every lynching represents by just so much a loosening of the bands of civilization; that the spirit of lynching inevitably throws into prominence in the community all the foul and evil creatures who dwell therein. No man can take part in the torture of a human being without having his own moral nature permanently lowered. Every lynching means just so much moral deterioration in all the children who have any knowledge of it, and therefore just so much additional trouble for the next generation of Americans.

"Let justice be both sure and swift; but let it be justice under the law, and not the wild and crooked savagery of a mob.

Need for Negro Education.

"There is another matter which has a direct bearing upon this matter of lynching and of the brutal crime which sometimes calls it forth and at other times merely furnishes the excuse for its existence. It is out of the question for our people as a whole permanently to rise by treading down any of their own number. Even those who themselves for the moment profit by such maltreatment of their fellows will in the long run also suffer. No more shortsighted policy can be imagined than, in the fancied interest of one class, to prevent the education of another class. The free public school, the chance for each boy or girl to get a good elementary education, lies at the foundation of our whole political situation. In every community the poorest citizens, those who need the schools most, would be deprived of them if they only received school facilities proportionately to the taxes they paid. This is as true of one portion of our country as of another. It is as true for the negro as for the white man. The white man, if he is wise, will decline to allow the negroes in a mass to grow to manhood and womanhood without education. Unquestionably education such as is obtained in our public schools does not do everything towards making a man a good citizen; but it does much. The lowest and most brutal criminals, those for instance who commit the crime of rape, are in the great majority men who have had either no education or very litle; just as they are almost invariably men who own no property; for the man who puts money by out of his earnings, like the man who acquires education, is usually lifted above mere brutal criminality. Of course the best type of education for the colored man, taken as a whole, is such education as is conferred in schools like Hampton and Tuskegee; where the boys and girls, the young men and young women, are trained industrially as well as in the ordinary public school branches. The graduates of these schools turn out well in the great majority of cases, and hardly any of them become criminals, while what little criminality there is never takes the form of that brutal violence which invites lynch law. Every graduate of these schools—and for the matter of that every oher colored man or woman—who leads a life so useful and honorable as to win the good will and respect of those whites whose neighbor he or she is, thereby helps the whole colored race as it can be helped in no other way; for next to the negro himself, the man who can do most to help the negro is his white neighbor who lives near him; and our steady effort should be to better the relations between the two. Great tho the benefit of these schools has been to their colored pupils and to the colored people, it may well be questioned whether the benefit has not been at least as great to the white people among whom these colored pupils live after they graduate."

Capital and Labor.

On the subject of capital and labor the president takes the agitators of class hatred to task and says "to preach hatred to the rich man, as such, . . . to seek to mislead and inflame to madness honest men whose lives are hard and who have not the kind of mental training which will permit them to appreciate the danger in the doctrines preached is to commit a crime against the body politic and to be false to every worthy principle and tradition of American national life." Continuing on this subject he says:

"The plain people who think—the mechanics, farmers, merchants, workers with head or hand, the men to whom American traditions are dear, who love their country and try to act decently by their neighbors, owe it to themselves to remember that the most damaging blow that can be given popular government is to elect an unworthy and sinister agitator on a platform of violence and hypocrisy. Whenever such an issue is raised in this country nothing can be gained by flinching from it, for in such case democracy is itself on trial, popular self-government under republican forms is itself on trial. The triumph of the mob is just as evil a thing as the triumph of the plutocracy, and to have escaped one danger avails nothing whatever if we sucuumb to the other. In the end the honest man, whether rich or poor, who earns his own living and tries to deal justly by his fellows, has as much to fear from the insincere and unworthy demagog, promising much and performing nothing, or else performing nothing but evil, who would set on the mob to plunder the rich, as from the crafty corruptionist, who, for his own ends, would permit the common people to be exploited by the very wealthy. If we ever let this government fall into the hands of men of either of these two classes, we shall show ourselves false to America's past. Moreover, the demagog and corruptionist often work hand in hand. There are at this moment wealthy reactionaries of such obtuse morality that they regard the public servant who prosecutes them when they violate the law, or who seeks to make them bear their proper share of the public burdens, as being even more objectionable than the violent agitator who hounds on the mob to plunder the rich. There is nothing to choose between such a reactionary and such an agitator; fundamentally they are alike in their selfish disregard of the rights of others; and it is natural that they should join in opposition to any movement of which the aim is fearlessly to do exact and even justice to all."

Railroad Employees' Hours.

He asks for the passing of the bill limiting the number of hours of employment of railroad employes, and classes the measure as a very moderate one. He says the aim of all should be to steadily reduce the number of hours of labor, with as a goal the general introduction of an eight-hour day, but insists that on the Isthmus of Panama the conditions are so different from what they are here that the introduction of an eight-hour day on the canal would be absurd, and continues, "just about as absurd as it is, so far as the isthmus is concerned, where white labor cannot be employed, to bother as to whether the work is done by alien black men or alien yellow men."

Investigation of Disputes.

He urges the enactment of a drastic child labor law for the District of Columbia and the territories, and a federal investigation of the subject of child and female labor throughout the country. He reviews the work of the commission appointed to investigate labor conditions in the coal fields of Pennsylvania in 1902, and refers to the wish of the commission "that the state and federal governments should provide the machinery for what may be called the compulsory investigation of controversies between employers and employes when they arise." After referring to the fact that a bill has already been introduced to this end he says:

"Many of these strikes and lockouts would not have occurred had the parties to the dispute been required to appear before an unprejudiced body representing the nation and, face to face, state the reasons for their contention. In most instances the dispute would doubtless be found to be due to a misunderstanding by each of the other's rights, aggravated by an unwillingness of either party to accept as true the statements of the other as to the justice or injustice of the matters in dispute. The exercise of a judicial spirit by a disinterested body representing the federal government, such as would be provided by a commission on conciliation and arbitration would tend to create an atmosphere of friendliness and conciliation between contending parties; and the giving each side an equal opportunity to present fully its case in the presence of the other would prevent many disputes from developing into serious strikes or lockouts, and in other cases, would enable the commission to persuade the opposing parties to come to terms.

"In this age of great corporate and labor combinations, neither employers nor employees should be left completely at the mercy of the stronger party to a dispute, regardless of the righteousness of their respective claims. The proposed measure would be in the line of securing recognition of the fact that in many strikes the public has itself an interest which cannot wisely be disregarded; an interest not merely of general convenience, for the question of a just and proper public policy must also be considered. In all legislation of this kind it is well to advance cautiously, testing each step by the actual results; the step proposed can surely be safely taken, for the decisions of the commission would not bind the parties in legal fashion, and yet would give a chance for public opinion to exert its full force for the right."

Control of Corporations.

A considerable portion of the message is devoted to the subject of federal control of corporations in what he refers to the passage at the last session of the rate, meat inspection and food laws, and says that all of these have already justified their enactment, but recommends the amendment of the meat inspection law so as to put dates on the labels of meat products, and also to place the cost of inspection on the packers rather than on the government. Continuing on this subject of the control of corporations by the federal government he says:

"It cannot too often be repeated that experience has conclusively shown the impossibility of securing by the actions of nearly half a hundred different state legislatures anything but ineffective chaos in the way of dealing with the great corporations which do not operate exclusively within the limits of any one state. In some method, whether by a national license law or in other fashion, we must exercise, and that at an early date, a far more complete control than at present over these great corporations—a control that will among other things prevent the evils of excessive overcapitalization, and that will compel the disclosures by each big corporation of its stockholders and of its properties and business, whether owned directly or thru subsidiary or affiliated corporations. This will tend to put a stop to the securing of inordinate profits by favored individuals at the expense whether of the general public, the stockholders, or the wageworkers. Our effort should be not so much to prevent consolidation as such, but so to supervise and control it as to see that it results in no harm to the people. The reactionary or ultraconservative apologists for the misuse of wealth assail the effort to secure such control as a step toward socialism. As a matter of fact it is these reactionaries and ultraconservatives who are themselves most potent in increasing socialistic feeling. One of the most efficient methods of averting the consequences of a dangerous agitation, which is 80 per cent. wrong, is to remedy the 20 per cent. of evil as to which the agitation is well founded. The best way to avert the very undesirable move for the governmental ownership of railways is to secure by the government on behalf of the people as a whole such adequate control and regulation of the great interstate common carriers as will do away with the evils which give rise to the agitation against them. So the proper antidote to the dangerous and wicked agitation against the men of wealth as such is to secure by proper legislation and executive action the abolition of the grave abuses which actually do obtain in connection with the business use of wealth under our present system—or rather no system—of failure to exercise any adequate control at all. Some persons speak as if the exercise of such governmental control would do away with the freedom of individual initiative and dwarf individual effort. This is not a fact. It would be a veritable calamity to fail to put a premium upon individual initiative, individual capacity and effort; upon the energy, character and foresight which it is so important to encourage in the individual. But as a matter of fact the deadening and degrading effect of pure socialism, and especially of its extreme form communism, and the destruction of individual character which they would bring about, are in part achieved by the wholly unregulated competition which results in a single individual or corporation rising at the expense of all others until his or its rise effectually checks all competition and reduces former competitors to a position of utter inferiority and subordination.

"In enacting and enforcing such legislation as this congress already has to its credit, we are working on a coherent plan, with the steady endeavor to secure the needed reform by the joint action of the moderate men, the plain men who do not wish anything hysterical or dangerous, but who do intend to deal in resolute commonsense fashion with the real and great evils of the present system. The reactionaries and the violent extremists show symptoms of joining hands against us. Both assert, for instance, that if logical, we should go to government ownership of railroads and the like; the reactionaries, because on such an issue they think the people would stand with them, while the extremists care rather to preach discontent and agitation than to achieve solid results. As a matter of fact, our position is as remote from that of the bourbon reactionary as from that of the impracticable or sinister visionary. We hold that the government should not conduct the business of the nation, but that it should exercise such supervision as will insure its being conducted in the interest of the nation. Our aim is, so far as may be, to secure, for all decent, hard-working men, equality of opportunity and equality of burden.

Combinations Are Necessary.

"The actual working of our laws has shown that the effort to prohibit all combination, good or bad, is noxious where it is not ineffective. Combination of capital like combination of labor is a necessary element of our present industrial system. It is not possible completely to prevent it; and if it were possible, such complete prevention would do damage to the body politic. What we need is not vainly to prevent all combination, but to secure such rigorous and adequate control and supervision of the combinations as to prevent their injuring the public, or existing in such form as inevitably to threaten injury—for the mere fact that a combination has secured practically complete control of a necessary of life would under any circumstances show that such combination was to be presumed to be adverse to the public interest. It is unfortunate that our present laws should forbid all combinations, instead of sharply discriminating between those combinations which do evil. Rebates, for instance, are as often due to the pressure of big shippers (as was shown in the investigation of the Standard Oil company and as has been shown since by the investigation of the tobacco and sugar trusts) as to the initiative of big railroads. Often railroads would like to combine for the purpose of preventing a big shipper from maintaining improper advantages at the expense of small shippers and of the general public. Such a combination, instead of being forbidden by law, should be favored. In other words, it should be permitted to railroads to make agreements, provided these agreements were sanctioned by the interstate commerce commission and were published. With these two conditions complied with it is impossible to see what harm such a combination could do to the public at large. It is a public evil to have on the statute books a law incapable of full enforcement because both judges and juries realize that its full enforcement would destroy the business of the country; for the result is to make decent railroad men violators of the law against their will, and to put a premium on the behavior of the wilful wrongdoers. Such a result in turn tends to throw the decent man and the wilful wrongdoer into close association, and in the end to drag down the former to the latter's level: for the man who becomes a lawbreaker in one way unhappily tends to lose all respect for law and to be willing to break it in many ways. No more scathing condemnation could be visited upon a law than is contained in the words of the interstate commerce commission when, in commenting upon the fact that the numerous joint traffic associations do technically violate the law, they say: "The decision of the United States supreme court in the Transmissiasippi case and the Joint Traffic association case has produced no practical effect upon the railway operations of the country. Such associations, in fact, exist now as they did before these decisions, and with the same general effect. In justice to all parties, we ought probably to add that it is difficult to see how our interstate railways could be operated with due regard to the interest of the shipper and the railway without concerted action of the kind afforded thru these associations."

This means that the law as construed by the supreme court is such that the business of the country cannot be conducted without breaking it. I recommend that you give careful and early consideration to this subject, and if you find the opinion of the interstate commerce commission justified, that you amend the law so as to obviate the evil disclosed.

Inheritance and Income Tax.

It was expected that the president would refer in some way to his belief in the necessity for the curbing of enormous fortunes, and he has done so by recommending legislation for both income and an inheritance tax. He believes the government should impose a graduated inheritance tax, and, if possible, a graduated income tax. He says:

"I am well aware that such a subject as this needs long and careful study in order that the people may become familiar with what is proposed to be done, may clearly see the necessity of proceeding with wisdom and self-restraint, and may make up their minds just how far they are willing to go in the matter; while only trained legislators can work out the project in necessary detail. But I feel that in the near future our national legislators should enact a law providing for a graduated inheritance tax by which a steadily increasing rate of duty should be put upon all moneys or other valuables coming by gift, bequest, or devise to any individual or corporation. It may be well to make the tax heavy in proportion as the individual benefited is remote of kin. In any event, in my judgment the pro rata of the tax should increase very heavily with the increase of the amount left to any one individual after a certain point has been reached. It is most desirable to encourage thrift and ambition, and a potent source of thrift and ambition is the desire on the part of the breadwinner to leave his children well off. This object can be attained by making the tax very small on moderate amounts of property left; because the prime object should be to put a constantly increasing burden on the inheritance of those swollen fortunes which it is certainly of no benefit to this country to perpetuate.

There can be no question of the ethical propriety of the government thus determining the conditions upon which any gift or inheritance should be received. Exactly how far the inheritance tax would, as an incident, have the effect of limiting the transmission by devise or gift of the enormous fortunes in question it is not necessary at present to discuss. It is wise that progress in this direction should be gradual. At first a permanent national inheritance tax, while it might be more substantial than any such tax has hitherto been, need not approximate, either in amount or in the extent of the increase by graduation, to what such a tax should ultimately be.

Inheritance Tax Constitutional.

"This species of tax has again and again been imposed, altho only temporarily, by the national government. It was first imposed by the act of July 6, 1797, when the makers of the Constitution were alive and at the head of affairs. It was a graduated tax; tho small in amount, the rate was increased with the amount left to any individual, exceptions being made in the case of certain close kin. A similar tax was again imposed by the act of July 1, 1862; a minimum sum of $1,000 in personal property being excepted from taxation, the tax then becoming progressive according to the remoteness of kin. The war-revenue act of June 13, 1898, provided for an inheritance tax on any sum exceeding the value of $10,000, the rate of tax increasing both in accordance with the amounts left and in accordance with the legatee's remoteness of kin. The supreme court has held that the succession tax imposed at the time of the civil war was not a direct tax but an impose of excise which was both constitutional and valid. More recently the court, in an opinion delivered by Mr. Justice White, which contained an exceedingly able and elaborate discussion of the powers of the congress to impose death duties, sustained the constitutionality of the inheritance tax feature of the war-revenue act of 1898.

Is Income Tax Constitutional?

"In its incidents, and apart from the main purpose of raising revenue, an income tax stands on an entirely different footing from an inheritance tax, because it involves no question of the perpetuation of fortunes swollen to an unhealthy size. The question is in its essence a question of the proper adjustment of burdens to benefits. As the law now stands it is undoubtedly difficult to devise a national income tax which shall be constitutional. But whether it is absolutely impossible is another question; and if possible it is most certainly desirable. The first purely income tax law was past by the congress in 1861, but the most important law dealing with the subject was that of 1894. This the court held to be unconstitutional.

"The question is undoubtedly very intricate, delicate, and troublesome. The decision of the court was only reached by one majority. It is the law of the land, and, of course, is excepted as such and loyally obeyed by all good citizens. Nevertheless, the hesitation evidently felt by the court as a whole in coming to a conclusion, when considered together with the previous decisions on the subject, may perhaps indicate the possibility of devising a constitutional income-tax law which shall substantially acccomplish the results aimed at. The difficulty of amending the constitution is so great that only real necessity can justify a resort thereto. Every effort should be made in dealing with this subject, as with the subject of the proper control by the national government over the use of corporate wealth in interstate business, to devise legislation which without such action shall attain the desired end; but if this fails, there will ultimately be no alternative to a constitutional amendment."

He makes a strong plea for technical and industrial education for the masses, and while the federal government can do but little in this line, he asks that schools of this character be established in the District of Columbia as an example to the various states.

Agricultural Interests.

He appeals for every encouragement that the congress can give to the agricultural interests of the country. He points to the good that is being done by the various forms of grange organizations, and says:

"Several factors must cooperate in the improvement of the farmer's condition. He must have the chance to be educated in the widest possible sense—in the sense which keeps ever in view the intimate relationship between the theory of education and the facts of life. In all education we should widen our aims. It is a good thing to produce a certain number of trained scholars and students; but the education superintended by the state must seek rather to produce a hundred good citizens than merely one scholar, and it must be turned now and then from the class book to the study of the great book of nature itself. This is especially true of the farmer, as has been pointed out again and again by all observers most competent to pass practical judgment on the problems of our country life. All students now realize that education must seek to train the executive powers of young people and to confer more real significance upon the phrase "dignity of labor," and to prepare the pupils so that in addition to each developing in the highest degree his individual capacity for work, they may together help create a right public opinion, and show in many ways social and cooperative spirit. Organization has become necessary in the business world; and it has accomplished much for good in the world of labor. It is no less necessary for farmers. Such a movement as the grange movement is good in itself and is capable of a well-nigh infinite further extension for good so long as it is kept to its own legitimate business. The benefits to be derived by the association of farmers for mutual advantage are partly economic and partly sociological.

"Moreover, while in the long run voluntary effort will prove more efficacious than government assistance, while the farmers must primarily do most for themselves, yet the government can also do much. The department of agriculture has broken new ground in many directions, and year by year it finds how it can improve its methods and develop fresh usefulness. Its constant effort is to give the governmental assistance in the most effective way; that is, thru associations of farmers rather than to or thru individual farmers. It is also striving to coordinate its work with the agricultural departments of the several states, and so far as its own work is educational, to coordinate it with the work of other educational authorities. Agricultural education is necessarily based upon general education, but our agricultural educational institutions are wisely specializing themselves, making their course relate to the actual teaching of the agricultural and kindred sciences to young country people or young city people who wish to live in the country.

"Great progress has already been made among farmers by the creation of farmers' institutes, of dairy associations, of breeders' associations, horticultural associations, and the like. A striking example of how the government and the farmers can cooperate is shown in connection with the menace offered to the cotton growers of the southern states by the advance of the boll weevil. The department is doing all it can to organize the farmers in the threatened districts, just as it has been doing all it can to organize them in aid of its work to eradicate the cattle fever tick in the south. The department can and will cooperate with all such associations, and it must have their help if its own work is to be done in the most efficient style."

He urges the extension of the irrigation and forest preservation system, and asks for an appropriation for building a memorial theater at Arlington.

Marriage and Divorce.

As a means of bringing about national regulation of marriage and divorce he suggests a constitutional amendment, and says it is not safe to leave these questions to be dealt with by the various states. Continuing on this subject he says:

When home ties are loosened; when men and women cease to regard a worthy family life, with all its duties fully performed, and all its responsibilities lived up to, as the life best worth living; then evil days for the commonwealth are at hand. There are regions in our land, and classes of our population, where the birth rate has sunk below the death rate. Surely it should need no demonstration to show that wilful sterility is, from the standpoint of the nation, from the standpoint of the human race, the one sin for which the penalty is national death, race death; a sin for which there is no atonement; a sin which is the more dreadful exactly in proportion as the men and women guilty thereof are in other respects, in character, and bodily and mental powers, those whom for the sake of the state it would be well to see the fathers and mothers of many healthy children, well brought up in homes made happy by their presence. No man, no woman, can shirk the primary duties of life, whether for love of ease and pleasure, or for any other cause, and retain his or her self-respect.

The president asks for the enactment into law of a shipping bill that will place American interests on the seas on a par with those of other countries, and urges especially that something be done that will establish direct steamship communication with South American ports.

Currency Reform.

Amendments to the present currency laws are asked for, and after showing that present laws are inadequate because of the wide fluctuation of interest charges, he says:

"The mere statement of these facts shows that our present system is seriously defective. There is need of a change. Unfortunately, however, many of the proposed changes must be ruled from consideration because they are complicated, are not easy of comprehension, and tend to disturb existing rights and interests. We must also rule out any plan which would materially impair the value of the United States two per cent. bonds now pledged to secure circulation, the issue of which was made under conditions peculiarly creditable to the treasury. I do not press any special plan. Various plans have recently been proposed by expert committees of bankers. Among the plans which are possibly feasible and which certainly should receive your consideration is that repeatedly brought to your attention by the present secretary of the treasury, the essential features of which have been approved by many prominent bankers and business men. According to this plan national banks should be permitted to issue a specified proportion of their capital in notes of a given kind, the issue to be taxed at so high a rate as to drive the notes back when not wanted in legitimate trade. This plan would not permit the issue of currency to give banks additional profits, but to meet the emergency presented by times of stringency.

Need of Automatic System.

"I do not say that this is the right system. I only advance it to emphasize my belief that there is need for the adoption of some system which shall be automatic and open to all sound banks, so as to avoid all possibility of discrimination and favoritism. Such a plan would tend to prevent the spasms of high money and speculation which now obtain in the New York market; for at present there is too much currency at certain seasons of the year, and its accumulation at New York tempts bankers to lend it at low rates for speculative purposes; whereas at other times when the crops are bing moved there is urgent need for a large but temporary increase in the currency supply. It must never be forgotten that this question concerns business men generally quite as much as bankers; especially is this true of stockmen, farmers and business men in the west; for at present at certain seasons of the year the difference in interest rates between the east and the west is from six to ten per cent., whereas in Canada the corresponding difference is but two per cent. Any plan must, of course, guard the interests of western and southern bankers as carefully as it guards the interests of New York or Chicago bankers; and must be drawn from the standpoints of the farmer and the merchant no less than from the standpoints of the city banker and the country banker.

The law should be amended so as to specifically to provide that the funds derived from customs duties may be treated by the secretary of the treasury as he treats funds obtained under the internal revenue laws. There should be a considerable increase in bills of small denominations. Permission should be given banks, if necessary under settled restrictions, to retire their circulation to a larger amount than $3,000,000 a month."

He again asks for free trade with this country for the Philippines and in the same connection reviews the work done by this country in the islands, and says "if we have erred in the Philippines it has been in proceeding too rapidly in the direction of granting a large measure of self-government."

American citizenship should be conferred on the citizens of Porto Rico. The harbor of San Juan in Porto Rico should be dredged and improved. The expenses of the federal court of Porto Rico should be met from the federal treasury. The administration of the affairs of Porto Rico, together with those of the Philippines, Hawaii and our other insular possessions, should all be directed under one executive department; by preference the department of state or the department of war.

Naturalization of Japs.

President Roosevelt scores San Francisco and other Pacific coast cities for their treatment of the Japanese, and makes the following recommendations:

Our nation fronts on the Pacific, just as it fronts on the Atlantic. We hope to play a constantly growing part in the great ocean of the orient. We wish, as we ought to wish, for a great commercial development in our dealings with Asia; and it is out of the question that we should permanently have such development unless we freely and gladly extend to other nations the same measure of justice and good treatment which we expect to receive in return. It is only a very small body of our citizens that act badly. Where the federal government has power it will deal summarily with any such. Where the several states have power I earnestly ask that they also deal wisely and promptly with such conduct, or else this small body of wrongdoers may bring shame upon the great mass of their innocent and right-thinking fellows—that is, upon our nation as a whole. Good manners should be an international no less than an individual attribute. I ask fair treatment for the Japanese as I would ask fair treatment for Germans or Englishmen, Frenchmen, Russians or Italians. I ask it as due to humanity and civilization. I ask it as due to ourselves because we must act uprightly toward all men.

"I recommend to the congress that an act be passed specifically provding for the naturalization of Japanese who come here intending to become American citizens. One of the great embarrassments attending the performance of our international obligations is the fact that the statutes of the United States government are entirely inadequate. They fail to give to the national government sufficiently ample power, through United States courts and by the use of the army and navy, to protect aliens in the rights secured to them under solemn treaties which are the law of the land. I therefore earnestly recommend that the criminal and civil statutes of the United States be so amended and added to as to enable the president, acting for the United States government, which is responsible in our international relations, to enforce the rights of aliens under treaties. Even as the law now is something can be done by the federal government toward this end, and in the matter now before me affecting the Japanese, everything that it is in my power to do will be done, and all of the forces, military and civil, of the United States which I may lawfully employ will be so employed. There should, however, be no particle of doubt as to the power of the national government completely to perform and enforce its own obligations to other nations. The mob of a single city may at any time perform acts of lawless violence against some class of foreigners which would plunge us into war. The city by itself would be powerless to make defense against the foreign power thus assaulted, and if independent of this government it would never venture to perform or permit the performance of the acts complained of. The entire power and the whole duty to protect the offending city or the offending community lies in the hands of the United States government. It is unthinkable that we should continue a policy under which a given locality may be allowed to commit a crime against a friendly nation, and the United States government limited, not to preventing the commission of the crime, but, in the last resort, to defending the people who have committed it against the consequences of their own wrongdoing."

Cuban Intervention.

The rebellion in Cuba and the incidents leading up to the establishment of the provisional government is reviewed, and the president says:

"When the election has been held and the new government inaugurated in peaceful and orderly fashion of the provisional government will come to an end, I take this opportunity of expressing upon behalf of the American people, with all possible solemnity, our most earnest hope that the people of Cuba will realize the imperative need of preserving justice and keeping order in the island. The United States wishes nothing of Cuba except that it shall prosper morally and materially, and wishes nothing of the Cubans save that they shall be able to preserve order among themselves and therefore to preserve their independence. If the elections become a farce, and if the insurrectionary habit becomes confirmed in the island, it is absolutely out of the question that the island should continue independent; and the United States, which has assumed the sporsorship before the civilized world for Cuba's career as a nation, would again have to intervene and to see that the government was managed in such orderly fashion as to secure the safety of life and property. The path to be trodden by those who exercise self-government is always hard, and we should have every charity and patience with the Cubans as they tread this difficult path. I have the utmost sympathy with, and regard for, them; but I most earnestly adjure them solemnly to weigh their responsibilities and to see that when their new government is started it shall run smoothly, and with freedom from flagrant denial of right on the one hand, and from insurrectionary disturbances on the other."

Considerable space is devoted to the international conference of American republics and the visit of Secretary Root to South America, and points to the fact that our efforts in behalf of the nations of that country are appreciated by them.

On the subject of the Panama canal he promises a special message in the near future.

The Army and Navy.

The message closes with a plea for the maintenance of the navy at its present standard, to do which he says would mean the building of one battleship each year. Of the present efficiency of the army and navy he says:

"The readiness and efficiency of both the army and navy in dealing with the recent sudden crisis in Cuba illustrates afresh their value to the nation. This readiness and efficiency would have been very much less had it not been for the existence of the general staff in the army and the general board in the navy; both are essential to the proper development and use of our military forces afloat and ashore. The troops that were sent to Cuba were handled flawlessly. It was the swiftest mobilization and dispatch of troops over sea ever accomplished by our government. The expedition landed completely equipped and ready for immediate service, several of its organizations hardly remaining in Havana over night before splitting up into detachments and going to their several posts. It was a fine demonstration of the valor and efficiency of the general staff. Similarly, it was owing in large part to the general board that the navy was able at the outset to meet the Cuban crisis with such instant efficiency; ship after ship appearing on the shortest notice at any threatened point, while the marine corps in particular performed indispensable service. The army and navy war colleges are of incalculable value to the two services, and they cooperate with constantly increasing efficiency and importance.

"The congress has most wisely provided for a national board for the promotion of rifle practise. Excellent results have already come from this law, but it does not go far enough. Our regular army is so small that in any great war we should have to trust mainly to volunteers; and in such event these volunteers should already know how to shoot; for if a soldier has the fighting edge, and ability to take care of himself in the open, his efficiency on the line of battle is almost directly proportionate to excellence in marksmanship. We should establish shooting galleries in all the large public and military schools, should maintain national target ranges in different parts of the country, and should in every way encourage the formation of rifle clubs thruout all parts of the land. The little republic of Switzerland offers us an excellent example in all matters connected with building up an efficient citizen soldiery.

"THEODORE ROOSEVELT."