PRESIDENT INFORMS CONGRESS ABOUT RELATIONS WITH OTHER COUNTRIES.

NEW ARBITRATION TREATIES

United States Helps In Amicable Settlement of Disputes-Events Connected With the Mexican Revolution-Need for Merchant Marine.

Washington, Dec. 7 .- Foreign affairs are the sole subject of President Taft's special message, which was submitted to Congress today. In part the document says:

The relations of the United States with other countries have continued during the past twelve months upon a basis of the usual good will and friendly intercourse. Arbitration.

The year just passed marks an important general movement on the part of the powers for broader arbitration. In the powers for broader arbitration. In the recognition of the manifold benefits to mankind in the extension of the policy of the settlement of international disputes by arbitration rather than by war, and in response to a widespread demand for an advance in that direction on the part of the people of the United States and of Great Britain and of France, new arbitration treaties were negotiated last appring with Great Britain and France, the terms of which were designed, as expressed in the preamble of these treaties, to extend the scope and obligations of the policy of arbitration adopted in our present treaties with those governments. present treaties with those governments. To pave the way for this treaty with the United States, Great Britain negotiated an important modification in its alliance with Japan and the French government also expedited the negotiations with sig-nal good will. The new treaties have been submitted to the senate and are awaiting its advice and consent to their ratification. All the essentials of these important treaties have long been known, and it is my earnest hope that they will receive prompt and favorable action.

Arbitrations.

In further illustration of the practical and beneficent application of the principle of arbitration and the underlying broad spirit of conciliation, I am happy to advert to the part of the United States in faciliating amicable settlement of disputes which menaced the peace between Panama and Costa Rica and between Haiti and the Dominican republic.

Since the date of their independence, Colombia and Costa Rica had been seeking a solution of a boundary dispute, which came as a heritage from Colombia to the new republic of Panama, upon its beginning life as an independent nation. In January, 1910, at the request of both governments the agents representing them met in conference at the department of state and subsequently concluded a protocol submitting this long-pend-ing controversy to the arbitral judgment of the chief justice of the United States, who consented to act in this capacity. boundary commission, according to the international agreement, has now been appointed, and it is expected that the arguments will shortly proceed and that this long-standing dispute will be honor-ably and satisfactorily terminated.

Again, a few months ago it appeared that the Dominican republic and Haiti were about to enter upon hostilities because of cemplications growing out of an acrimonious boundary dispute which the efforts of many years had falled to solve. The government of the United States, by a friendly interposition of good offices, succeeded in prevailing upon the parties to place their reliance upon some form of cific settlement.

Mexico.

The recent political events in Mexico received attention from this government because of the exceedingly delicate and difficult situation created along our southern border and the necessity for taking measures properly to safeguard American interests. The government of the United States, in its desire to secure a proper observance and enforcement of the so-called neutrality statutes of the federal government, issued directions to the appropriate officers to exercise a diligent and vigilant regard for the require-ments of such rules and laws. Although a condition of actual armed conflict existed, there was no official recognition of belligerency involving the technical neu-trality obligations of international law. After a conference with the secretary of war and the secretary of the navy, I thought it wise to assemble an army division of full strength at San Antonio, Tex., a brigade of three regiments at Galveston, a brigade of infantry in the Los Angeles district of southern California, together with a squadron of battleships and cruisers and transports at Galveston, and a small squadron of ships at San Diego. At the same time, through our representative at the City of Mexico I expressed to President Diaz the hope that no apprehensions might result from unfounded conjectures as to these mili-tary maneuvers, and assured him that they had no significance which should cause concern to his government.

I am more than happy to here record the fact that all apprehensions as to the effect of the presence of so large a mili-tary force in Texas proved groundless;

mo disturbances occurred.

The insurrection continued and resulted in engagements between the regular Mexican troops and the insurgents, and this along the border, so that in several instances bullets from the contending forces struck American citizens engaged in their lawful occupations on American

Proper protests were made against these invasions of American rights to the

The presence of a large military and naval force available for prompt action, near the Mexican border, proved to be the most fortunate under the somewhat trying conditions presented by this invasion of American rights.

The policy and action of this govern-ment were based upon an earnest friendliness for the Mexican people as a whole, and it is a matter of gratification to note that this attitude of strict impartiality as to all factions in Mexico and of sincere friendship for the neighboring nation, without regard for party allegiance, has been granted by the measure of the strict in the strict of been generally recognized and has resulted in an even closer and more sympathetic understanding between the two republics and a warmer regard one for the other. Action to suppress violence and restore tranquility throughout the Mexican republic was of peculiar inter-est to this government, in that it concorned the safeguarding of American life and property in that country. On May 25, 1911, President Diaz resigned, Senor de la Barra was chosen provisional presi-dent. Elections for president and vice-president were thereafter held throughout the republic, and Senor Francisco I. Madero was formally declared elected on October 15, to the chief magistracy. On November 6 President Madero entered upon the duties of his office.

Honduras and Nicaragua Treaties Proposed.

As to the situation in Central America. I have taken occasion in the past to emphasize most strongly the importance that should be attributed to the consummation of the conventions between the re-publics of Nicaragua and of Honduras and this country, and I again earnestly recommend that the necessary advice and consent of the senate be accorded to these treaties, which will make it possi-ble for these Central American republics to enter upon an era of genuine eco-nomic national development.

Our relations with the Republic of Panama, peculiarly important, due to mutual obligations and the vast interests created by the canal, have continued in the usual friendly manner, and we have been glad to make appropriate expression of our attitude of sympathetic interest in the endeavore of our neighbor. terest in the endeavors of our neighbor in undertaking the development of the rich resources of the country.

New Japanese Treaty. The treaty of commerce and navigation between the United States and Japan, signed in 1894, would by a strict inter-pretation of its provisions have terminat-

ed on July 17, 1912. Japan's general treaties with the other powers, however terminated in 1911, and the Japanese government expressed an earnest desire to conduct the negotiations for a new treaty with the United States simultaneously with its negotiations with the other powwith its negotiations with the other pow-ers. There were a number of important questions involved in the treaty, includ-ing the immigration of laborers, revision of the customs tariff and the right of Americans to hold real estate in Japan. The United States consented to waive all technicalities and to enter at once upon negotiations for a new treaty on the understancing that there should be a continuance throughout the life of the treaty of the same effective measures for the restriction of immigration of laborers to American territory which had been in operation with entire satisfaction to both governments since 1908. The Japanese government accepted this basis of negotiation, and a new treaty was quickly concluded, resulting in a highly satisfac-tory settlement of the other questions re-

Europe and the Near East. In Europe and the near east, during the past twelve-month, there has been at times considerable political unrest. The Moroccan question, which for some months was the cause of great anxiety, happily appears to have reached a stage at which it need no longer be regarded with concern. The Ottomer ampliance of the concern of the ottomer and the ottomer of the otto at which it need no longer be regarded with concern. The Ottoman empire was occupied for a period by strife in Albania and is now at war with Italy. In Greece and the Balkan countries the disquieting potentialities of this situation have been more or less felt. Persia has been the scene of a long internal struggle. These conditions have been the cause of uneasiness in European diplomacy, but thus far without direct political concern to the United States.

In the war which unhappily exists between Italy and Turkey this government has no direct political interest, and I took occasion at the suitable time to issue a proclamation of neutrality in that conflict. At the same time all necessary steps have been taken to safeguard the

steps have been taken to safeguard the personal interests of American citisens and organizations in so far as affected

Fur-Seal Treaty.

Fur-Seal Treaty.

The fur-seal controversy, which for nearly twenty-five years has been the source of serious friction between the United States and the powers bordering upon the north Pacific ocean, whose subjects have been permitted to engage in pelagic sealing against the fur-seal herds having their breeding grounds within the jurisdiction of the United States, has at last been satisfactorily adjusted by the conclusion of the North Pacific sealing convention entered into between the United States, Great Britain, Japan and Russia on the seventh of July last.

The attention of congress is especially called to the necessity for legislation on the part of the United States for the purpose of fulfilling the obligations assumed under this convention, to which the senate gave its advice and consent on the twenty-fourth day of July last.

International Opium Commission.

International Oplum Commission. In a special message transmitted to the congress on the seventh of January, 1911, in which I concurred in the recommendations made by the secretary of state in regard to certain needful legislation for the control of our interstate and foreign traffic in opium and other menacing drugs, I quoted from my annual message of December 7, 1909, in which I announced that the results of the International Opium commission held at Shanghai in February, 1909, at the invitation of the United States, had been laid before this government; that the report of that commission showed that China was mak-ing remarkable progress and admirable efforts toward the eradication of the optum evil; that the interested governum con ments had not permitted their commercial interests to prevent their co-operation in this reform; and, as a result of callateral investigations of the opium, question in this country, I recommended that the manufacture, sale and use of opium in the United States should be more rigorously controlled by legislation. Prior to that time and in continuation of the policy of this government to secure the co-operation of the interested nations, the United States proposed an international opium conference with full powers for the purpose of clothing with the force of international law the resolutions adopted by the above-mentioned commission, together with their essential corollories. The other powers concerned cordially responded to the proposal of this government, and, I am glad to be able to announce, representatives of all the powers assembled in conference at The Hague on the first of this month. Foreign Trade Relations of the United ments had not permitted their commer-

Foreign Trade Relations of the United

In my last annual message I referred to the tariff negotiations of the department of state with foreign countries in connection with the application, by a series of proclamations, of the minimum tariff of the United States to importations from the several countries, and I stated that, in its general operation, sec-tion 2 of the new tariff law had proved a guaranty of continued commercial peace, although there were, unfortunately, instances where foreign governments dealt arbitrarily with American interests within their jurisdiction in a manner in-jurious and inequitable. During the past year some instances of discriminatory treatment have been removed, but I regret to say that there remain a few cases of differential treatment adverse to the commerce of the United States. While none of these instances now appears to amount to undue discrimination in the sense of section 2 of the tariff law of August 5, 1909, they are all exceptions to that complete degree of equality of tariff treatment that the department of state has consistently sought to obtain

for American commerce abroad.

While the double tariff feature of the tariff law of 1909 has been amply justified by the results achieved in removing former and preventing new, undue disiminations against American commerce, it is believed that the time has come for the amendment of this feature of the law in such way as to provide a graduated means of meeting varying degrees of discriminatory treatment of American commerce in foreign countries as well as to protect the financial interests abroad of American citizens against arbitrary and injurious treatment on the part of foreign governments through either leg-

islative or administrative measures.

It would seem desirable that the maximum tariff of the United States should embrace within its purview the free list, which is not the case at the present time, in order that it might have reasonable significance to the governments of those countries from which the importations into the United States are confined virtually to articles on the free list.

The fiscal year ended June 30, 1911,

shows great progress in the development of American trade. It was noteworthy marking the highest record of exports of American products to foreign countries, the valuation being in excess of \$2,000,000,000. These exports showed a gain over the preceding year of more

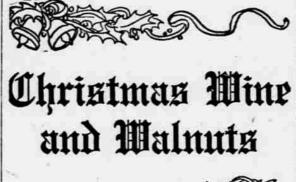
Crying Need for American Merchant Marine.

I need hardly reiterate the conviction that there should speedily be built up an American merchant marine. This is necessary to assure favorable transportation facilities to our great ocean-borne commerce as well as to supplement the navy with an adequate reserve of ships and men. It would have the economic advantage of keeping at home part of the vast sums now paid foreign shipping for carrying American goods. All the great commercial nations pay heavy subsidies to their merchant marine, so that it is obvious that without some wise aid from the congress the United States must lag behind in the matter of merchant marine in its present anomalous position. Improvement of the Foreign Service.

The entire foreign-service organization is being improved and developed with especial regard to the requirements of the commercial interests of the country. The rapid growth of our foreign trade makes it of the utmost importance that governmental agencies through which that trade is to be aided and protected should possess a high degree of efficiency. Not only should the foreign representatives be maintained upon a generous scale in so far as salaries and establishments are concerned, but the se-lection and advancement of officers should be definitely and permanently reg-ulated by law, so that the service shall not fail to attract men of high character and ability. The experience of the past few years with a partial application of civil service rules to the dipulomatic and consular service leaves no doubt in my mind of the wisdom of a wider and more permanent extension of those principles to both branches of the foreign service.



"For he's a jolly good fellow Which nobody can deny.



Wonderful Man.

Decem-Ginks had the most wonderful control of his features of any man ever knew.

Burr-I understand he was a mar

Decem-He was. Why, I've even seen that man look pleased when he saw what his wife had bought him for Christmas.

In Advance.

Mrs. Skinflint-Oh, John! Mary, the parlor maid, has just swallowed a quarter! What ever shall we do? Old Skinflint-Do? Well, I suppose we'd better let her keep it. She'd have expected a Christmas present, anyhow!

Once Enough.

"Christmas comes but once a year," said the cheery citizen.

"No use in its coming twice a year," said the morose person. "Must give a man a chance to save a little money before he can spend it!"

Too Late.

Highwayman-Halt! Your money or your life!

Victim-It's no go, stranger. My wife's in the same line of business always at Christmas time, and she's just finished with me.

A MYSTERY.



Dudley Nobs-Why does Santa always leave valuable presents to rich folks and cheap ones to poor people? Why don't he even things up?

A Clean Sweep. Caroline-I've been in the stores all

Pauline-So soon after Christmas, and still shopping?

Caroline-Shopping! I guess not. I'm exchanging all my presents. Dudley Nobs-Pa, there's one thing bout Santa Claus I never could un-

Mr Nohs-What is that, my son?

At the Dinner.

Last Christmas a certain minister was invited to a big dinner at the house of one of the leading men in the town. At the dinner table he was placed opposite a goose.

The lady of the house was placed on the minister's left. Seeing the goose he remarked: "Shall I sit so close to the goose?"

Finding his words a bit equivocal, he turned round to the lady, and said, in a most inoffensive tone:

"Excuse me, my lady; I meant the roast one."

OPPORTUNE.



George-Ah, Lily, dear, this will be the jolliest Christmas I've ever spent. Now that we're engaged I think only of the future.

Lily-Do you? Well, at this time of the year I think only of the present.

Christmas Thanks.

When turkey's on the table laid. And good things I may scan, I'm thankful that I wasn't made A vegetarian.

Trouble and a Turkey.

Brown was boasting of the fine turkey he had bought for Christmas. "Biggest bird I ever saw; cost me seven-fifty."

"That's nothing to the turkey I had last Christmas," said his friend Jones. "It cost me \$150." "One hundred and fifty dollars!"

credulity. "Yes," said Jones, bitterly.

have weighed about 630 pounds!" "It only weighed twenty pounds,"

alive and tried to kill it myself. It dies, cloaks and sweetmeats. flew all over the house first and did \$150 worth of damage."

Two Kinds. There are friends and Christmas

you with beautiful boughs.

Cackling.

Mrs. Gramercy-She must have been | hall." surprised when her husband gave her such an expensive present for Christ-

Mrs. Park-Not surprised, my dear, | but suspicious.

REAL MEANING OF CHRISTMAS

Primarily a Religious Anniversary, and Only Secondarily a Festival of Good Cheer.

As Christmas day draws near the question arise how far the opportunity to make others happy has been utilized. To whom has the essential message of this season been carried, the message of good will?

This is not a question of what has been given in form of physical tokens. The Christmas spirit is not confined to the exchanging of gifts. A word, a letter, a handclasp may suffice. The exchange of greetings should never be perfunctory at such a time. Wishing another "Merry Christmas" should express the hope that his day may be in truth a happy one, happy in all its significance and possibilities, and that it may be a token of brighter, more

joyous times to come. A certain veneer of custom has environed this most significant of all festal days. There is danger that the real meaning of it may be lost in the somewhat commercial spirit that has developed of late years. In the churches hymns of praise are sung and sermons are preached to bring back the thoughts of men to the real nature of the day, but each individual may make it a true Christmas by applying the principles of him whose birth is about to be celebrated. Let it not be forgotten that after all Christmas is primarily the anniversary of the event which forms the foundation of the Christian religion, and only secondarily a festival of good cheer and personal jubilation

THE FIRST PRESENTS.



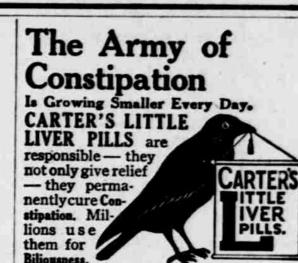
The giving of Christmas presents was first introduced by the early Romans They exchanged gifts freely, but in compliance with a sumptuary law they were never allowed to give

anything very elaborate. The receiver of a present which was judged positively shricked Brown, in his in- too expensive had to offer it up for auction, when it was knocked down to the highest bidder, and the money "Turkeys," said Brown, looking him appropriated by the national treasurer straight in the eye, "are generally to of the period. Consequently, although be bought for a quarter a pound. Say the Romans continued to distribute yours was a quarter, then it must their presents in great numbers, they had to confine their offerings to such trifles as jars of olives, napkins, jelsaid Jones, sadly; "but I bought it lied fishes, boxes of toothpicks, can-

Ancestral Christmas Punch.

"Yes," said the fair young thing; "that Christmas punch you have just tasted is made from a recipe that has tree friends. The latter take all the been treasured in the family for cenpresents they can get and present turies. The earliest authentic record we have of it was in the lifetime of my great-great-ever-so-great-grandfather, whose suit of armor stands in the

"If he drank much of that punch." observed the young man, who had had two glasses of it, "he must have wished he was wearing that armor on his inside instead of his outside



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LOTS OF EXCITEMENT.



Stranger-But isn't this town pretty

Native-Slow? Say, nearly every evenin' there's the gol dingest most excitin' checker game at the store you ever seen!

Resigned.

The sick man had called his lawyer "I wish to explain again to you," said he weakly, "about willing my proper-

The attorney held up his hand reassuringly. "There, there," said he,

'leave that all to me." The sick man sighed resignedly. "I suppose I might as well," said he, turning upon his pillow. "You'll get it, anyway."

The Paradox.

"My doctor is a paradoxical one."

"The more he reduced the swelling the higher the bills grew."

Do your share of work each day, pay your debts, have a little money. talk only when you have something to say, and you will assist the world in growing better.

The fellow who goes around looking for trouble generally meets somebody who takes him at his word.

