The Columbus Journal.

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THE MESSAGE

WASHINGTON, D. C., Dec. 9.—President Harrison sent the following message to Congress:

To the Senate and House of Representatives: The reports of the heads of the several executive departments required by law to be submitted to me, which are herewith transmitted, and the report of the secretary of the treasury and the attorney general, made directly to congress, furnish a comprehensive view of the administrative work of the last fiscal year relating to international affairs. It would be of great advantage if these reports could have an attentive perusal by every member of congress and by all who take an interest in public affairs. Such a perusal could not fail to excite a higher appreciation of the vast labor and conscientious efforts which are given to the conduct of our civil administration. The reports will, I believe, show that every question has been approved, considered and decided from the standpoint of public duty, and upon considerations affecting the public interests alone. Again, I invite to every branch of the service the attention and scrutiny of congress.

STATE DEPARTMENT.

Relations With Chile a Little Strained—Minister Eagan Defended.

The work of the state department during the last year has been characterized by an unusual number of important negotiations and by diplomatic results of a notable and highly beneficial character. Among these are the reciprocal trade arrangements, which have been concluded in the exercise of the powers conferred by section 3 of the tariff law with the republic of Brazil, with Spain for its West India possessions and with San Domingo. Like negotiations with other countries have been much advanced, and it is hoped that before the close of the year further definite trade arrangements of great value will be concluded.

Bering Sea Dispute.

In view of the reports which had been received as to the diminution of the seal herds in the Bering sea, I deemed it wise to propose to her majesty's government in February last that an agreement for a closed season should be made pending the negotiations for arbitration, which then seemed to be approaching a favorable conclusion. After much correspondence and delays for which this government was not responsible, an agreement was reached and signed on the 15th day of June by which Great Britain undertook, from that date until May 1, 1892, to prohibit the killing by her subjects of seals in the Bering sea, and the government of the United States during the same period to enforce its existing prohibition against pelagic sealing and to limit the catch by the fur seal company upon the islands to 7,500 skins. If this agreement could have been reached earlier, in response to the strenuous endeavors of this government, it would have been more effective but coming as late as it did, it unquestionably resulted in greatly diminishing the destruction of the seals by the Canadian sealers.

In my last annual message, I stated that the basis of the arbitration with her majesty's government for the adjustment of the long standing controversy concerning the seal fisheries is not acceptable. I am glad now to be able to announce that terms satisfactory to this government have been agreed upon and that an agreement as to the arbitrators is all that is necessary to the completion of the convention. In view of the advanced position which this government has taken upon the subject of international arbitration, this renewed expression of our adherence to this method for the settlement of disputes, such as have arisen in the Bering sea case will, I doubt not, meet with the concurrence of congress.

Provision should be made for a joint demarcation of the frontier line between Canada and the United States, whenever required by the increasing border settlements, and especially for the east location of the water boundaries of the straits and rivers.

I should have been glad to announce some favorable disposition of the boundary dispute between Great Britain and Venezuela, touching the western frontier of British Guiana, but the friendly efforts of the United States in that direction have thus far been unavailing. This government will continue to express its concern at any appearance of foreign encroachment on territories long under the administrative control of American states. The determination of a disputed boundary is easily attainable by amicable American arbitration, where the rights of the respective parties rest as here on historical facts readily ascertainable.

Meat Inspection.

The law of the last congress providing a system of inspection for our meats intended for export, and clothing the president with power to exclude foreign products from our market in case the country sending them should perpetuate unjust discriminations against any product of the United States, placed this government in a position to effectively urge the removal of such discriminations against our meats. It is gratifying to be able to state that Germany, Denmark, Italy, Austria and France, in the order named, have opened their ports to inspected American pork products. The removal of these restrictions in every instance was asked for and given solely upon the ground that we had now provided a meat inspection that should be accepted as adequate to the complete removal of the dangers, real or fancied, which had been previously urged.

The state department, our ministers abroad, and the secretary of agriculture have co-operated with unflagging and intelligent zeal for the accomplishment of this great result.

The outlines of an agreement have been reached with Germany, looking to equitable trade concessions in consideration of the continued free importation of her sugars, but the time has not yet arrived when this correspondence can be submitted to congress.

The Brazil Episode.

The recent political disturbances in the republic of Brazil have excited regret and solicitude. The information we possessed was too meager to enable us to form a satisfactory judgment of the causes leading to the temporary assumption of supreme power by President Fonseca, but this government did not fail to express to him its anxious solicitude for the peace of Brazil, and for the maintenance of the free political institutions which had recently been established there, nor to offer our advice that great moderation should be observed in the clash of parties and the contest for leadership. These counsels were received in the most friendly spirit, and the latest information is that constitutional government has been re-established without bloodshed.

New Orleans Lynching.

The lynching at New Orleans, in March last, of eleven men of Italian nativity by a mob of citizens was a most deplorable and discreditable incident. It did not, however, have its origin in any general animosity to the Italian people, nor in any disrespect to the government of Italy, with which our relations were of the most friendly character. The fury of the mob was directed against these men as the supposed participants or accessories of the murder of a city officer. I do not allude to this as mitigating in any degree this offense against law and humanity, but only as affecting the international questions which grew out of it. It was represented by the Italian minister that several of those whose lives had been taken by the mob were Italian subjects, and a demand was made for the punishment of the participants and for an indemnity to the families of those who were killed. It is to be regretted that the manner in which these claims were presented, was not such as to promote a calm discussion of the questions involved, but, this may well be attributed to the excitement and indignation which the crime naturally evoked. The views of this government, as to its obligations to foreigners domiciled here, were fully stated in the correspondence, as well as its purpose to make an investigation of the affair with a view to determine whether there were present any circumstances that could, under such rules of duty as we had indicated, create an obligation upon the United States. The temporary absence of a minister plenipotentiary at this capital has retarded the further correspondence, but it is not doubted that a friendly conclusion is attainable.

Some suggestions growing out of this unhappy incident are worthy the attention of congress. It would, I believe, be entirely competent for congress to make offenses against the treaty rights of foreigners domiciled in the United States cognizable in the federal courts. This has not, however, been done, and the federal officers and courts have no power in such cases to intervene either for the protection of a foreign citizen, or for the punishment of his slayers. It seems to me to follow in this state of law that the officers of the state, charged with police and judicial powers in such cases, must in the consideration of international questions growing out of such incidents be regarded in such sense as federal agents as to make this government answerable for their acts in cases where it would be answerable if the United States had urged its constitutional power to define and punish crimes against treaty rights.

The Chilean War.

The civil war in Chile, which began in January last, was continued, but fortunately with infrequent and not important armed collisions until August 28, when the congressional forces landed near Valparaiso, and after a bloody engagement captured that city. President Balmaceda at once recognized that his cause was lost, and a provisional government was speedily established by the victorious party. Our minister was promptly directed to recognize and put himself in communication with this government so soon as it should have established a de facto character, which was done. During the pendency of this civil contest frequent indirect appeals were made to this government to extend belligerent rights to the insurgents, and to give audience to their representative. This was declined, and that policy was pursued throughout which this government, when wrenched by civil war, so strenuously insisted upon on the part of European nations.

Itata Incident.

The Itata, an armed vessel commanded by a naval officer of the insurgent fleet, manned by its sailors and with soldiers on board, was seized under process of the United States court at San Diego, Cal., and for a violation of our neutrality laws. While in the custody of an officer of the court the vessel was forcibly wrested from his control and put to sea. It would have been inconsistent with the dignity and self-respect of this government not to have insisted that the Itata should be returned to San Diego to abide the judgment of the court. This was so clear to the junta of the congressional party established at Iquique that before the arrival of the Itata at that port the secretary of foreign relations of the provisional government addressed Rear Admiral Brown, commanding the United States naval forces, a communication, from which the following is an extract:

"The provisional government has learned by the cablegrams of the Associated Press that the transport Itata, detained in San Diego by order of the United States for taking on board munitions of war, and in possession of the marshal, left the port, carrying on board this official, who was landed at a point near the coast, and then continued her voyage. If this news be correct this government would deplore the conduct of the Itata, and as an evidence that it is not disposed to support or agree to the infraction of the laws of the United States, the undersigned takes advantage of the personal relations you have been good enough to maintain with him since your arrival in this port to declare to you that as soon as she is within reach of our orders his government will seize the Itata, with the arms and munitions she took on board in San Diego, at the disposition of the United States."

A trial in the district court of the United States for the southern district of California has recently resulted in a decision holding, among other things, that, insurgents in the congressional party had not been recognized as a belligerent power, the acts done in its interest could not be a violation of our neutrality laws. From this judgment the United States has appealed, not that the condemnation of the vessel is a matter of importance, but that we may know what is the present state of our laws, for, if this construction of the statute is correct, there is obvious necessity for revision and amendment.

During the progress of the war in Chile, this government tendered its good offices to bring about a peaceful adjustment, and it was at one time hoped that a good result might be reached, but, in this we were disappointed. The instructions to our naval officers and to our minister at Santiago, from the first to the last of this struggle, enjoined upon them the most impartial treatment, and absolute non-interference. I am satisfied that these instructions were observed and that our representatives were always watchful to use their influence impartially in the interest of humanity, and on more than one occasion, did so effectively.

We could not forget, however, that this government was in diplomatic relations with the then established government of Chile, as it is now in such relations with the successor of that government. I am quite sure that President Montt, who has, under circumstances that promise peace for Chile, been installed as president of that republic will not desire that in the unfortunate event of any revolt against his authority the policy of this government should be other than which we have recently observed.

Egan Defended.

No official complaint of the conduct of our minister or of our naval officers during the struggle has been presented to this government, and it is a matter of regret that so many of our own people should give ear to unofficial charges and complaints that manifestly had their origin in rival interests and in a wish to pervert the relations of the United States with Chile.

Right of Asylum.

The collapse of the government of Balmaceda brought about a condition which is unfortunately too familiar in the history of the Central and South American states. With the overthrow of the Balmacedan government, he and many of his counselors and officers became at once fugitives for their lives and appealed to the commanding officers of the foreign naval vessels in the harbor of Valparaiso and to the resident foreign ministers at Santiago for asylum. This asylum was freely given, according to my information, by the naval vessels of several foreign powers and by several of the legations at Santiago. The American minister, as well as his colleagues, acting under the impulses of humanity, extended asylum to the political refugees, whose lives were in peril. I have not been willing to direct the surrender of such of these persons as are still in the American legation without a suitable understanding. It is believed that the government of Chile is not in a position, in view of the precedents in which it has been connected, to broadly deny the right of asylum, and the correspondence has not thus far presented any such denial. The treatment of our minister for a time was such as to call for a decided protest, and it was very gratifying to observe that unfriendly measures, which were undoubtedly the result of the prevailing excitement, were at once rescinded or suitably relaxed.

Valparaiso Tragedy.

On the 16th of October an event occurred in Valparaiso so serious and tragic in its circumstances and results as to very justly excite the indignation of our people and to call for prompt and decided action on the part of this government. A considerable number of the sailors of the United States ship Baltimore, then in the harbor of Valparaiso, being upon shore leave and unarmed were assaulted by armed men nearly simultaneously in different localities in the city. One petty officer was killed outright and seven or eight seamen were seriously wounded, one of whom has since died. So savage and brutal was the assault that several of our sailors received more than two, and one as many as eight stab wounds. An investigation of the affair was promptly made by a board of officers of the Baltimore, and their reports show that these assaults were unprovoked; that our men were conducting themselves in a peaceful and orderly manner, and that some of the police of the city took part in the assault and used their weapons with fatal effect, while a few others with some well disposed citizens, endeavored to protect our men.

Thirty-six of our sailors were arrested and some of them, while being taken to prison, were cruelly beaten and maltreated. The fact that they were all discharged, no criminal charge being lodged against any one of them, shows very clearly that they were innocent of any breach of the peace. So far as I have yet been able to learn no other explanation of this bloody work has been suggested than that it had its origin in hostility to those men as sailors of the United States, wearing the uniform of their government, and not in any individual act or personal animosity. The attention of the Chilean government was at once called to this affair, and a statement of the facts obtained by the investigation we had conducted was submitted, accompanied by a request to be advised of any other or qualifying facts in the possession of the Chilean government that might lend to relieve this affair of the appearance of an insult to this government. The Chilean government was also advised that, if such qualifying facts did not exist, this government would confidently expect full and prompt reparation. It is to be regretted that the reply of the secretary of foreign affairs of the provisional government was couched in an offensive tone. To this no response has been made. This government is now awaiting the result of an investigation, which has been conducted by the criminal court at Valparaiso. It is reported unofficially that the investigation is about completed, and it is expected that the result will soon be communicated to this government, together with some adequate and satisfactory response to the note by which the attention of Chile was called to this incident. If these just expectations should be disappointed, or further needless delay intervene, I will, by a special message, bring this matter again to the attention of congress for such action as may be necessary.

The entire correspondence with the government of Chile will at an early day be submitted to congress.

Spain's Exposition.

The government and people of Spain propose to celebrate the 400th anniversary of the discovery of America by holding an exposition at Madrid, which will open on the 12th of September, and continued until the 31st of December, 1892. A cordial invitation has been extended to the United States to take part, and as Spain was one of the first nations to express the intention to participate in the World's Columbian exposition at Chicago it would be very appropriate for this government to give this invitation friendly acceptance.

Intercontinental Railway.

Surveys for the connecting links of the projected intercontinental railway are in progress, not only in Mexico but at various points along the course mapped out. Three surveying parties are now in the field, under the direction of the commission. Nearly 1,000 miles of the proposed road have been surveyed, including the most difficult part, that through Ecuador and the southern part of Columbia. The reports of the engineers are very satisfactory and show that no insurmountable obstacles have been met with.

Mexican Boundary Treaty.

On November 12, 1884, a treaty was concluded with Mexico reaffirming the boundary between the two countries, as described in the treaties of February 2, 1848, and December 30, 1853. March 1, 1889, a further treaty was negotiated to facilitate the carrying out of the principles of the treaty of 1884, and to avoid the difficulties occasioned by reason of the changes and alterations that take place from natural causes in the Rio Grande and Colorado rivers in the portions thereof constituting the boundary line between the two republics. The international boundary commission, provided for by the treaty of 1889, to have exclusive jurisdiction of any question that may arise has been named by the Mexican government. An appropriation is necessary to enable the United States to fulfill its treaty obligationsin this respect.

International Copyright.

International copyright has been secured in accordance with the conditions of the act of March 3, 1891, with Belgium, France, Great Britain and the British possessions, and Switzerland, the laws of those countries permitting to our citizens the benefit of copyright on substantially the same basis as their own citizens or subjects. With Germany a special convention had been negotiated upon this subject, which will bring that country within the reciprocal benefits of our legislation.

TREASURY DEPARTMENT.

The Question of Foreign Commerce Discussed—Some Statistics.

The general interest in the operations of the treasury department has been much augmented during the last year by reason of the conflicting predictions which accompanied and followed the tariff and other legislation of the last congress affecting the revenue, as to the results of this legislation upon the treasury and upon the country. On the one hand it was contended that imports would so fall off as to leave the treasury bankrupt and that the prices of articles entering into the living of the people would be so enhanced as to only disastrously affect their comfort and happiness; while on the other it was argued that the loss to the revenue, largely the result of placing sugar on the free list, would be direct gain to the people; that the prices of the necessaries of life, including those most highly protected, would not be enhanced; that labor would have a larger market and the prices of the products of the farm advanced; while the treasury surplus and receipts would be adequate to meet the appropriations, including the large exceptional expenditures for the refunding to the states of the direct tax, and the redemption of the 4½ per cent. bonds. It is not my purpose to enter at any length into the discussion of the effect of the legislation which has been referred to, but a brief examination of the statistics of the treasury and a general glance at the state of business throughout the country, will, I think, satisfy any impartial inquiry that its results have disappointed the evil prophesies of its opponents and in a large measure realized the hopeful predictions of its friends. Rarely, if ever before in the history of the country, has there been a time when the proceeds of one day's labor or the product of one farm crop that could purchase such a large amount of things that enter into the living of the masses of the people. I believe that a full test will develop the fact that the tariff act of the Fifty-first congress is very favorable in its average effect upon the prices of articles entering into common use.

Silver Purchases.

Under the law of July 14, 1890, the secretary of the treasury has purchased since August 13, during the fiscal year, 48,336,113 ounces of silver bullion, at an average cost of $1.015 per ounce. In exchange for this silver bullion there have been issued $50,571,080 of the treasury notes authorized by the act. The lowest price of silver reached during the fiscal year was $0.9,636, on April 22, 1891, but on November 1 the market price was only $0.96, which would give to the silver dollar a bullion value of 74¼ cents. Before the influence of the prospective silver legislation was felt in the market silver was worth in New York about $0.95 per ounce. The silver advocates of free coinage in the last congress were most confident in their prediction that the purchases by the government required by the law would at once bring the price of silver to 1.2929 per ounce, which would make the bullion value of a dollar 100 cents, and hold it there. The prophesies of the silver men of disasters to result from the coinage of $2,000,000 per month were not wider of the mark. The friends of free silver are not agreed. I think, as to the causes that brought their hopeful predictions to naught.

Some facts are known. The exports of silver from London to India during the first nine months of the calendar year fell off over 50 per cent., or $17,202,730, compared with the same months of the preceding year. The exports of domestic silver bullion from this country, which has averaged for the last ten years over $7,000,000, fell in the last fiscal year to $13,757,291; while, for the first time in recent years, the imports of silver into this country exceeded the exports by the sum of $2,748,365. In the previous year the net exports of silver from the United States amounted to $8,930,555. The production of the United States increased from 10,000,000 ounces in 1889, to 54,500,000 in 1890. The government is now buying and putting aside annually 54,500,000 ounces, which, allowing 7,140,000 ounces of new bullion used in the arts, is 6,640,000 more than our domestic product available for coinage. I hope the depression in the price of silver is temporary and that a further trial of this legislation will more favorably affect it. That the increased volume of currency thus supplied for the use of the people was needed, and that the beneficial results upon trade and prices have followed this legislation, I think must be very clear to everyone, nor should it be forgotten that for every dollar of these notes issued a full dollar's worth of silver bullion is at the time deposited in the treasury as a security for its redemption.

Upon this subject, as upon the tariff, my recommendation is that the existing laws be given a full trial and that our business interests be spared the distressing influence which threats of radical changes always imparts.

Under existing legislation it is in the power of the treasury department to maintain that essential condition of national finance as well as of commercial prosperity—the parity in the use of the coin dollars and their paper representatives. The assurances that these powers would be freely and unhesitatingly used has done much to produce and sustain the present favorable business conditions.

Opposes Free Coinage of Silver.

I am still of the opinion that the free coinage of silver under existing conditions would disastrously affect our business interests at home and abroad. We could not hope to maintain an equality in the purchasing power of the gold and silver dollar in our own markets, and in foreign trade the stamp gives no added value to the bullion contained in coins. The producers of the country and its farmers and laborers, have the highest interest that every dollar, paper or coin, issued by the government, shall be as good as any other. The money lender will protect himself by stipulating for payment in gold, but the laborer has never been able to do that.

To place business upon a silver basis would mean a sudden and severe contraction of the currency, by the withdrawal of gold and gold notes, and such an unsettling of all values as would produce a commercial panic. I can not believe that a people so strong and so prosperous as ours will promote such a policy.

The producers of silver are entitled to just consideration, but they should not forget that the government is now buying and putting out of the market what is the equivalent of the entire product of our silver mines. This is more than they themselves thought of asking two years ago. I believe it is the earnest desire of a great majority of the people, as it is mine, that a full coin use shall be made of silver just as soon as the co-operation of other nations can be secured and a ratio fixed that will give circulation equally to gold and silver. The business of the world demands the use of both metals, but I do not see any prospect of gain, but much of loss, by giving up the present system, in which a full use is made of gold, and a large use of silver, for one in which silver alone will circulate. Such an event would be at once fatal to the further progress of the silver movement. Bimetalism is the desired end, and the true friends of silver will be careful to not overrun the goal and bring in silver monometalism, with its necessary evil attendants.

I have endeavored by the use of official and unofficial agencies to keep a close observation of the state of public sentiment in Europe upon this question, and have not found it to be such as to justify me in proposing an international conference. There is, however, I am sure, a growing sentiment in Europe in favor of the larger use of silver, and I know of no more effectual way of promoting this sentiment than by accumulating gold here. A scarcity of gold in the European reserves will be the most persuasive argument for the use of silver. The exports of gold to Europe which began in February last and continued until the close of July, aggregated over $70,000,000. The net loss of gold during the fiscal year was nearly $68,000,000. That no serious monetary disturbance resulted was most gratifying, and gave to Europe fresh evidence of the strength and stability of our financial institutions. With the movement of crops the outflow of gold was speedily stopped, and a return set in. Up to December 1 we had received of our gold loss, at the port of New York, $7,854,000, and it is confidently believed that during the winter and spring this aggregate will be steadily and largely increased.

The Cash Surplus.

The presence of a large cash surplus in the treasury has for many years been the subject of much unfavorable criticism and has furnished an argument to those who have desired to place the tariff upon a purely revenue basis. It was agreed by all that the withdrawal from circulation of so large an amount of money was an embarrassment to the business of the country and made necessary the intervention of the department at frequent intervals to relieve threatened monetary panics. The surplus on March 1, 1890, was $183,827,019.19. The policy of applying this surplus to the redemption of the interest bearing securities of the United States was thought to be preferable to that of depositing it without interest in selected national banks. There have been redeemed since the date last mentioned, of interest-bearing securities, $250,079,350, resulting in a reduction of the annual interest charge of $11,683,675. The money which had been deposited in banks without interest is being gradually withdrawn and used in the redemption of bonds. The result of this policy, of the silver legislation, and of the refunding of the 4½ per cent. bonds has been a large increase of the money in circulation. At the date last named the circulation was $1,401,235,805; or $23.03 per capita, while on the 1st of December, 1891, it had increased to $1,577,292,070, or $24.88 per capita. The offer of the secretary of the treasury to the holders of the 4½ per cent. bonds to extend the time of redemption at an interest of 2 per cent., was accepted by the holders of about one-half the amount, and the unextended bonds are being redeemed on presentation.

WAR DEPARTMENT.

Indian Enlistment a Success—Gratifying Decrease in Desertions.

The report of the secretary of war exhibits the results of an intelligent, progressive and business-like administration of a department which has been too much regarded as one of mere routine. The separation of Secretary Proctor from the department, by reason of his appointment as senator from the state of Vermont, is a source of great regret to me, and to his colleagues, and I am sure it will be to all those who have had had business with the department while under his charge.

In the administration of army affairs, some especially good work has been accomplished. The efforts of the secretary to reduce the percentage of desertions by removing the causes that promoted it have been so successful as to enable him to report for the last year a lower percentage of desertions than has before been reached in the history of the army. The result in money saving is considerable, but the improvement in the morals of the enlisted men is the most valuable incident of the reforms which have brought about this result.

POSTOFFICE DEPARTMENT.

Favors Extension of the Free Delivery System.

In the report of the postmaster-general some gratifying results are exhibited and many betterments of the service suggested. A perusal of the report gives abundant evidence that the supervision and direction of the postal system have been characterized by an intelligent and continuous desire to improve the service. The revenues of the department show an increase of over $5,000,000, while the estimate for the year 1893 shows a surplus of receipts over expenditures.

Free Delivery Extension.

An appropriation was given by the last congress for the purpose of making some experiments in free delivery in the smaller cities and towns. The results of these experiments have been so satisfactory that the postmaster general recommends, and I concur in the recommendation, that the free deliver system be at once extended to towns of 5,000 population. His discussion of the inadequate facilities extended under our present system to rural communities and his suggestions with a view to giving these communities a fuller participation in the benefits of the postal service are worthy of your careful consideration. It is not just that the farmer who receives his mail at the neighboring town should not only be compelled to send to the postoffice for it, but to pay a considerable rent for a box in which to place it, or await his time at a general delivery window, while the city resident has his mail brought to his door. It is stated that over 54,000 neighborhoods are under the present system receiving mail at postoffices where money orders and postal notes are not issued. The extension of this system to these communities is especially desirable, as the patrons of such offices are not possessed of the other facilities offered in more populous communities.

For the transmission of small sums of money I have in a message to the preceeding congress expressed my views as to a modified use of the telegraph.

INTERIOR DEPARTMENT.

The President Sees Gratifying Progress in All of Its Bureaus.

The report of the secretary of the interior shows that very gratifying progress has been made in all of the bureaus which make up that complex and difficult department.

The work in the bureau of Indian affairs was perhaps never so large as now, by reason of the numerous negotiations which have been proceeding with the tribes for a reduction of the reservations, with the incident labor of making allotments, and was never more carefully conducted. The provision of adequate school facilities for Indian children and the locating of adult Indians upon farms, involve the solution of the "Indian question." Everything else—rations, annuities and tribal negotiations with the agents, inspectors and commissioners who distribute and conduct them—must pass away when the Indian has become a citizen secured in the individual ownership of a farm from which he derives his subsistence by his own labor, protected by and subordinate to the laws which govern the white man and provided by the general government or by the local communities in which he lives with the means of educating his children. When an Indian becomes a citizen in an organized state or territory his relation to the general government ceases in a great measure to be that of a ward, but the general government ought not to put upon the state or territory the burden of the education of his children. It has been my thought that the government schools and school buildings upon the reservation should be absorbed by the school system of the states and territories, but as it has been found necessary to protect the Indian against the compulsory alienation of his land by exemption from taxation for a period of twenty-five years it would seem to be right that the general government certainly, for there are tribal funds in its possession, should pay to the school fund of the state what would be equivalent to the local school tax on the property of the Indian.

It will be noticed from the report of the commissioner of Indian affairs that already some contracts have been made with district schools for the education of Indian children. There is great advantage, I think, in bringing the Indian children into mixed schools. This process will be gradual, and in the meantime the present educational provisions and arrangements, the result of the best experience of those who have been charged with this work, should be continued. This will enable those religious bodies that have undertaken the work of Indian education with so much zeal and with results so restraining and beneficent, to place their institutions in new and useful relations to the Indian and his white neighbors.

The Sioux Outbreak.

The outbreak among the Sioux, which occurred in December last, was, as to its causes and incidents, fully reported upon by the war department and the department of the interior. That these Indians had some just complaints, especially in the matter of the reduction of the appropriation for rations and in the delays attending the enactment of laws to enable the department to perform the engagements entered into with them, is probably true, but the Sioux tribes are naturally warlike and turbulent and their warriors were excited by their medicine men and chiefs, who preached the coming of an Indian messiah who was to give them power to destroy their enemies. In view of the alarm that prevailed among the white settlers on the reservation and of the fata consequences that would have resulted from an Indian uprising, I placed at the disposal of General Miles, the arms that were thought by him to be required. He is entitled to the credit of having given thorough protection to the settlers, and of bringing the hostiles into subjection with the least possible loss of life.

The appropriation of $2,991,459 for the Choctaws and Chickasaws contained in the general Indian appropriation bill of March 3, 1891, has not been expended, for the reason that I have not yet approved a release to the government of the Indian claim to the lands mentioned. This matter will be made the subject of a special message, placing before congress all the facts which have come to my knowledge.

Indian Allotments a Success.

The good work of reducing the larger Indian reservations by allotments in severalty to the Indians, and the cession of the remaining lands to the United States for disposition under the homestead law has been prosecuted during the year with energy and success. In September last I was enabled to open to settlement in the territory of Oklahoma 900,030 acres of land, all of which was taken up by settlers in a single day. The rush for these lands was accompanied by a great deal of excitement, but was happily free from incidents of violence. It was a source of great regret that I was not able to open at the same time the surplus land of the Cheyenne and Arapahoe reservation, amounting to about 3,000,000 acres by reason of the insufficiency of the appropriation for making the allotments. Deserving and impatient settlers are waiting to occupy these lands and I urgently recommend that a special deficiency appropriation be promptly made of the small amount needed, so that the allotments may be completed and the surplus lands opened in time to allow the settlers to get upon their homesteads in the early spring.

During the past summer the Cherokee commission has completed arrangements with the Wichita, Kickapoo and Tonkan tribes, whereby, if the arrangements are ratified by congress, over 800,000 additional acres will be opened to settlement in Oklahoma.

General Land Office.

Early in the administration, a special effort was begun to bring up the work of the general land office by faithful work. At the end of the last fiscal year, only 84,172 final agricultural entries remained undisposed of, and the commissioner reports that with the present force, the work can be fully brought up by the end of the next fiscal year. Your attention is called to the difficulty experienced by the secretary of the interior in the administration of the law of March 3, 1891, establishing a court of private land claims. The small holdings intended to be protected by the law are estimated to be more than 15,000 in number, the claimants are almost all a deserving class and their titles are supported by the strongest equities. The greatest difficulty grows out of the land having been largely surveyed according to our methods, while the holdings, many of which have been in the same family for generations, are laid out in narrow strips a few rods wide, upon a stream and running back to the hills for pasturage and timber. Provisions should be made for numbering these tracts as lots and for patenting them by such numbers and without reference to section lines.

Pension Bureau.

The administration of the pension bureau has been characterized during the year by great diligence. The total number of pensioners upon the roll on the 30th day of January, 1889, was 676,169. There were allowed, during the fiscal year ending at that time, 150,766 cases. Of this number 117,357 were allowed under the law of June 27, 1890. The issuing of certificates has been proceeding at the rate of about 90,000 per month, about 75 per cent. of these being cash under the new law. The commissioner expressed the opinion that he will be able to carefully adjudicate and allow 350,000 claims during the present fiscal year. The appropriation for the payment of pensions for the fiscal year 1890-91, was $127,685,793.89, and the amount expended $119,530,649.20, leaving an unexpended surplus of $9,155,144.64.

The commissioner is quite confident that there will be no call this year for a deficiency appropriation, notwithstanding the rapidity with which the work is being pushed. The mistake which was made by many in their estimates of the cost of pensions is in not taking account of the diminished value of first payments under the recent legislation. These payments under the laws, have been for many years very large, as the pensions, when allowed, dated from the time of filing the claim, and most of these claims had been pending for years. The first payments under the law of June, 1890, are relatively small, and, as the per cent. of those cases increases and that of the old cases diminish, the annual aggregate of first payments is largely reduced. The commissioner, under date of November 13, furnishes me with the statement, that during the last four months, 113,175 certificates were issued, 27,893 under the act of June 27, 1890. The average first payment during the four months was $131.55, while the average first payment upon cases allowed during the year ending June 30, 1891, was $239.33, being a reduction in the average first payments during these four months of $107.48.

Pension Estimates.

The estimates for pension expenditures for the fiscal year ending June 30, 1893, is $144,958,000, which, after a careful examination of the subject, the commissioner is of the opinion will be sufficient. While these disbursements to the disabled soldiers of the great civil war are large, they do not realize the exaggerated estimates of those who oppose this beneficent legislation.

The secretary of the interior shows with great fullness the care that has been taken to exclude fraudulent claims and also the gratifying fact that the persons to whom these pensions are going are men who rendered, not slight, but substantial war service.

Report of the Commissioner of Railroads.

The report of the commissioner of railroads shows that the total debt of the subsidised railroads in the United States was on December 31, 1890, $112,512,013.06. A large part of the debt is now approaching maturity, with no adequate provision for its payment. Some policy for dealing with this debt, with a view to its ultimate collection, should be at once adopted. It is very difficult, well nigh impossible, for so large a body as congress to conduct necessary negotiations and investigations. I therefore recommend that provision be made for the appointment of a commission to agree upon and report a plan for dealing with this debt.

AGRICULTURAL DEPARTMENT.

Rusk's Establishment Is a Model One—Some of the Fruits.

If the establishment of the department of agriculture is regarded by anyone as a mere concession to the unenlightened demand of a worthy class of people, that impression has been most effectually removed by the great results already attained. Its shown influence has been very great in disseminating agricultural and horticultural information; in stimulating and directing a further diversification of crops; in detecting and eradicating diseases of domestic animals; and, more than all, disclosses admirable tact in the relations which it has established and maintains with the farmers and stock raisers of the whole country. Every request for information has had prompt attention and every suggestion merited consideration. The scientific corps of the department is of a high order and is pushing its investigations with method and enthusiasm.

Inspection Law Results.

The inspection by this department of cattle and pork products intended for shipment abroad has been the basis of the success which has attended our efforts to secure the removal of the restrictions maintained by the European governments. For ten years protests and petitions upon this subject from the packers and stock raisers of the United States have been directed against these restrictions which so seriously limited our markets and curtailed the profits of the farm. It is a cause for general congratulation that success has at last been attained, for the effects of an enlarged foreign market for these meats will be felt, not only by the farmer, but in our public finance and in every branch of trade. It is particularly fortunate that the increased demand for food products resulting from the removal of the restrictions upon our meats and from the reciprocal trade arrangements to which I have referred should have come at a time when the agricultural surplus is so large. Without the help thus derived lower prices would have prevailed. The secretary of agriculture intimates that the restrictions upon the importations of our pork products into Europe lost us a market for $20,000,000 worth of these products annually.

The grain crop of this year was the largest in our history, 50 per cent. greater than that of last year, and yet the market that has opened and the larger demand resulting from short crops in Europe have sustained prices to such an extent that the enormous surplus of meats and breadstuffs will be marketed at good prices, bringing relief and prosperity to an industry that was much depressed. The value of the grain crop of the United States is estimated by the secretary to be this year $500,000,000 more than last year, of meats $150,000,000 more, and of all the products of the farm $700,000,000 more. It is not inappropriate, I think, however, to suggest here that our satisfaction in the contemplation of this marvelous addition to the national wealth is unclouded by any suspicion of the currency by which it is measured and in which the farmer is paid for the products of his fields.

Presidential Electors.

The Michigan departure in the matter of electing presidential electors is referred to and condemned by the president. After a review of the system adopted by that state he concludes as follows:

While the policies of the general government upon the tariff, upon the restoration of our merchant marine, upon the river and harbor improvements, and other such matters of grave and general concern, are liable to be turned this way or that by the results of congressional elections and administrative policies, sometimes involving issues that tend to peace or war, to be turned this way or that by the results of a presidential election, there is a lawful interest in all of the states, and in every congressional district that will not be deceived or silenced by the audacious pretense that a question of the right of any body of legal voters in any state or in any congressional district to give its suffrage freely upon these general questions is a matter only of local concern or control. The demand that the limitations of suffrage shall be found in the law, and only there, is a just demand.

My appeal is, and must continue to be, for a consultation that shall "proceed with candor, calmness and patience upon the lines of justice and humanity."

To the consideration of these very grave questions I invite not only the attention of congress, but that of all patriotic citizens. We must not entertain the delusion that our people have come to regard a free ballot and equal representation as the price of their allegiance to laws and to civil magistrates. I have been greatly rejoiced to notice many evidences of the increased unification of our people and of a revived national spirit. The vista that now opens to us is wider and more glorious than ever before. Gratification and amazement struggle for supremacy as we contemplate the population, wealth and strength of our country. A trust, momentous in its influence upon our people and upon the world, is for a brief time committed to us and we must not be faithless to its first condition—the defense of the free and the equal influence of the people in the choice of public officers and in the control of public affairs.

BENJAMIN HARRISON.

Executive