Supplement

THE COURIER-HERALD.

FRIDAY...... DECEMBER 8, 1899.

M'KINLEY'S MESSAGE

The President's Address to Congress.

POLICY IN THE PHILIPPINES

Bebellion Is Nearly Ended and Makes Recommendation for Future Government-All Governments Are Friendly to the United States - Favors Gold.

To the Senate and House of Representa-

At the threshold of your deliberations you are called to mourn with your countrymen the death of Vice-President Hobart, who passed from this life on the morning of November 21 last. His great soul now rests in eternal peace. His private life was pure and elevated, while his public career was ever distinguished by large capacity, stainless integrity and exalted motives. He has been removed from the high office which he honored and dignified, but his lofty character, his devotion to duty his honesty of purpose and noble virtues remain with us as a priceless legacy and example.

CONDITION OF THE COUNTRY. Prosperity at Home and Peace With

The 56th congress convenes in its first regular session with the country in a condition of unusual prosperity, of uni-versal good-will among the people at home and relations of peace and friendship with every government of the world. Our foreign commerce has shown great increase in volume and value. The combined imports and exports for the are the largest ever shown by a single year in all our history. Our exports for 1889 alone exceeded by more than \$1,000,-400,000 our imports and exports combined in 1870. The imports per capita are 20 per cent less than in 1870, while the exports per capita are 58 per cent more than in 1870, showing the enlarged capacity of the United States to satisfy the wants of its own increasing population, as well as to contribute to those of the peoples of other nations. Exports of agricultural products were \$784,776,142. Of manufactured prodwe exported in value \$339,592,146 ing larger than any previous year. It is a noteworthy fact that the only years in all our history when the products of our manufactures sold abroad exceeded those sught abroad were 1898 and 1899.

FINANCES OF THE NATION. Receipts and Disbursements for the Last Fiscal Year.

Government receipts from all sources for the fiscal year ended June 30, 1899, includ-ing 311,798,36144, part payment of the Cen-tral Pacific indebtedness, aggregated \$60,-882,004 35. Of this sum, customs receipts were \$206,128,481 75, and those from inter-nal revenue \$273,437,161 51. For the fiscal year the expenditures were \$700,093,564 02, leaving a deficit of \$89,111,559 67.

secretary of the treasury estimates the receipts for the current fiscal ear will aggregate \$640,958,112, and upon year will aggregate \$500,388,112, and upon the basis of present appropriations the ex-penditures will aggregate \$500,388,112, leav-ing \$40,000,000. For the fiscal year ended June 30, 1889, the internal revenue receipts were increased about \$100,000,000.

Strength of the Treasury

The present gratifying strength of the treasury is shown by the fact that on December 1, 1899, the available cash balance was \$278,004,837 72, of which \$239,744,-206 36 was in gold coin and bullion. The conditions of confidence which prevail throughout the country have brought gold into more general use, and customs re-ceipts are now almost entirely paid in that coin. The strong condition of the treasury with respect to cash on hand, and the favorable showing made by the resources, e made it possible for the secretary of visions of section 3654 of the revised stat-utes relating to the sinking fund. Re-celpts exceeded expenditures for the first months of the current fiscal year by 13.413.389 91, and, as mentioned above, the secretary of the treasury estimates that there will be a surplus of approximately \$40,000,000 at the end of the year.

Recent Bond Purchases. Under such conditions, it was deemed advisable and proper to resume compliance with the provisions of the sinking-fund which for eight years has not been because of deficiencies in the reveoffered to purchase during November \$5,000,000 of the 5 per cent loan of 1904, or the 4 per cent funded loan of 1907, at the current market price. The amount offered and purchased during November was \$18,-608,600. The premium paid by the govern-ment on such purchases was \$2,263,521, and the saving in net interest was about \$2,-\$85,000. The success of this operation was sufficient to induce the government to contimue the offer to purchase bonds to and including the 23d day of December, unless the remainder of the \$25,000,000 called for d be presented in the meantime for

THE CURRENCY.

Reed of Changes to Promote Its Elas-

ticity. Increased activity in industry, with its welcome attendant-a larger employment for labor at higher wages-gives to the body of the people a larger power to ab-sorb the circulating medium. It is fur-ther true that year by year, with larger areas of land under cultivation, the in-creasing volume of agricultural prod-ucts, cotton, corn and wheat, calls for a larger volume of money supply. This is especially noticable at the crop-harvesting and crop-moving period. In its earlier history, the national banking act seemed history, the national banking act seemed to prove a reasonable avenue through which needful additions to the circulation could from time to time be made. Changing conditions have apparently rendered it now inoperative to that end. The high margin in bond securities required, resulting from large premiums which gov-erament bonds command in the market, or the tax on note issues, or both, oper-ating together, appear to be the influence which impairs its public utility.

The attention of congress is respectfully invited to this important matter, with the view of ascertaining whether or not such reasonable modifications can be made in the national banking act as will renits service in the particulars here referred to more responsive to the people's needs. I again urge that national banks be authorized to organize with a capiTHE GOLD STANDARD.

A Fitting Time to Make Provision for

Its Continuance. I urgently recommend that, to support he existing gold wandard and to maintain the parity in value of the coins of the two metals (gold and silver) and the equal power of every dollar at all times equal power of every dollar at all times in the market and in the paymen; of debts, the secretary of the treasury be given additional power and charged with the duty to sell United States bonds and to employ such other effective means as may be necessary to these ends. The authority should include the power to "ell bonds on long and short time, as conditions may require and should not use. tions may require, and should produce for a rate of interest lower than that fixed by the act of January 14, 1875. While there is now no commercial fright which withdraws gold from the government, but, on the contrary, such widespread confidence that gold seeks the treasury demanding paper money in exchange, yet the very situation points to the present as the most fitting time to make adequate provision to insure the continuance of the gold standard and of public confidence in the ability and purpose of the ment to meet all its obligations money which the civilized world recog-

Safeguards Against "Endless Chain." The financial transactions of the gov-rnment are conducted upon a gold basis. We receive gold when we sell United States bonds, and use gold for their payment. We are maintaining the parity of all the money issued or coined by au-thority of the government. We are doing things with the means at hand Happlly, at the present time we are not compelled to resort to loans to supply gold. It has been done in the past, however, and may have to be done in the fu-ture. It behooves us, therefore, to pro-vide at once the best means to meet the emergency when it arises, and the best means are those which are the most certain and economical. Those now authorized have the virtue neither of directness nor economy. We have already eliminated one of the causes of our financial plight and embarrassment during the years 1883, 1894, 1895 and 1896. Our receipts now equal our expenditures; deficient revenues no longer create alarm. Let us remove the only remaining cause conferring the full and necessary powe on the secretary of the treasury and impose upon him the duty to uphold the present gold standard and preserve the coins of the two metals on a parity with each other, which is the repeatedly de-clared policy of the United States.

In this connection I repeat my former recommendations that a portion of the gold holdings shall be placed in a trust fund from which greenbacks shall be reupon presentation, but when once redeemed shall not thereafter be paid out, except for gold.

OUR MERCHANT MARINE.

Industrial Greatness Should Be Sup-

plemented by Sea Progress. The value of an American merchant marine to the extension of our commercial trade and the strengthening of our power upon-the sea invites the immediate congress. Our national development long as the remarkable growth of our in-land industries remains unaccompanied by progress on the sea. There is no lack of constitutional authority for legisla lon which shall give to the country maritime which shall give to the country marking strength commensurate with its industrial achievements and with its rank among nations of the earth. The past year has recorded exceptional activity in our shipyards, and the promises of continual prosperity in shipbuilding are abundant. Advanced legislation for the protection tion of our seamen has been enacted. Our coast trade, under regulations wisely framed at the beginning of the government and since, shows results for the past fiscal year unequaled in our records or those of any other power. We shall fail to realize our opportunities, however, if we complacently regard only matters at home and blind ourselves to the necessity of securing our share in the valuable car-rying trade of the world.

Last year American vessels transported a smaller share of our exports and imports than during any former year in all our history, and the measure of our dependence upon foreign shipping was painfully manifested to our people. Without any choice of our own, but from necessity, the departments of the government charged with military and naval operations in the East and in the West Indies had to obtain from foreign flags merchant vessels essential for these operations.

PROBLEM OF THE TRUSTS.

Need of Early Amendment of the Existing Law.

Combinations of capital, organized into trusts to control the conditions of trade among our citizens, to stiffle competition, limit production, and determine the prices of products consumed by the people, are provoking public discussion and should early claim the attention of congress. The industrial commission created by the act of congress of June 18, 188, has been engaged in extended hearings upon the disputed questions involved in the subject of combinations in rethe subject of combinations in re-straint of trade and competition. They have not yet completed the investigation of this subject, and the conclusions and recommendations at which they may ar-rive are undetermined. The subject is one giving rise to many divergent views as to the nature and variety or cause and ex-tent of the injuries to the public which may arise from large combinations con-centrating more or less numerous enter-prises and establishments, which previous to the formation of the combination were carried on separately. It is universally conceded that combinations which engross conceded that combinations which engross or control the market of any particular kind of merchandise or commodity neces-sary to the general community by sup-pressing natural and ordinary competi-tion, whereby prices are unduly enhanced to the general consumer, are obnoxious not only to the common law, but also to the public welfare. There must be a remedy for the evils involved in such organ-izations. If the present law can be ex-tended more certainly to control or check these monopolies or trusts, it should be done without delay. Whatever power the congress possesses over this most import-ant subject should be promptly ascer-tained and asserted.

The Present Anti-Trust Law.

President Harrison, in his annual mes sage of December 3, 189, said: sage of December 3, 1899, said:

Earnest attention should be given by congress to a consideration of the question how far the restraint of those combinations of capital, commonly called "trusts," is a matter of federal jurisdiction. When organized, as they often are, to crush out all healthy competition and to monopolize the production or sale of an article of commerce and general necessity, they are dangerous conspiracies against the public good, and should be made the subject of prohibitory and even penal legislation.

An act to protect trade and commerce against unlawful restraints and monopolies was passed by congress on July 2, 1890.

was passed by congress on July 2, 1890. The provisions of this statute are comprehensive and stringent. It declares every contract or combination in the form of a trust or otherwise, or conspiracy in the restraint of trade or commerce between the several states or foreign nations, to be unlawful. It denominates as a criminal every person who makes any such contract or engages in any such combination or conspiracy, and provides punishment by fine or imprisonment. It invests the several circuit courts of the United States with furediction to create any contract of the contract of the contract of the United States. with jurisdiction to prevent and restrain violations of the act, and makes it the duty of the several United States district

ney-general to institute proceedings in equity to prevent and restra n such viola-tions. It further confers upon any per-son or corporation, by reason of anything forbidden or declared to be unlawful by the act, the power to sue therefor in any circuit court of the United States without respect to the amount in controversy, and to recover three-fold the damages by h.m sustained and the costs of the sult, including reasonable attorney fees. It will be perceived that the act is aimed at every kind of combination in the nature of a

trust or monopoly in restraint of interstate or international commerce.

The prosecution by the United States of offenses under the act of 1890 has been fre-quently resorted to in the federal courts, and notable efforts in the restraint of interstate commerce, such as the "Trans-Missouri Freight Association" and the "Joint Traffic Association" have been successfully opposed and suppressed.

FOREIGN RELATIONS.

No Dispute of Serious Character With Any Government.

review of our relations with foreign es is presented, with such recommendations as are deemed appropriate.

In my last annual message I adverted to the claim of the Austro-Hungar.an vernment for indemnity for the killing certain Austrian and Hungarian subjects by the authorities of the state of Pennsylvania, at Lattimer, while sup-Pennsylvania, at Lattimer, while sup-pressing an unlawful tumult of mine:s September 10, 1897. In view of the verd ct of acquittal rendered by the court before which the sheriff and his deputies were tried for murder, and following the estab-lished doctrine that the government may not be held accountable for injuries suffered by individuals at the hands of the public authorities while acting in the line of duty in suppressing disturbances of the abile peace, this government, after due ensideration of the claim advanced by the Austro-Hungarian government, was constrained to decline liability to indemnify the sufferers.

It is gratifying to be able to announce that the Belgian government has mitigated the restrictions on the importation of cattle from the United States, to which I referred in my last annual message.

Having been invited by Belgium to par-ticipate in a congress held at Brussels to revise the provisions of the general act of July 2, 1890, for the repression African slave trade, to which the States was a signatory party, this gov-ernment preferred not to be represented by a plenipotentiary, but reserved the right of accession to the result. Notable changes were made, those especially re-ferring to this country being in the line of increased restriction of the deleterious trade in spirituous liquors with the na-tive tribes which this government has from the outset urgently advocated. The amended general act will be laid before the senate with the view to its advice and

Discussion of the questions raised by the action of Denmark in imposing restric-tions on the importing of American meats has continued without substantial result in our favor.

South America.

The long-pending boundary dispute be-tween the Argentine Republic and Chile was settled in March last, by the award of an arbitration commission, upon which the United States minister at Buenos

Ayres served as umpire.
Progress has been made toward the conclusion of a convention of extradition with the Argentine Republic. Having been advised and consented to by the United States senate and ratified by Argentina, it only awaits the adjustment of some slight changes in the text before exchange,

Central America.

The experimental association of Nicara-gua, Honduras and Salvador, under the title of the Greater Republic of Central America, when apparently on the thresh-old of a complete federal organization by the adoption of a constitution and the formation of a national legislature, was disrupted in the last days of November, 1898, by the withdrawal of Salvador.
Thereupon Nicaragua and Honduras abandoned the joint compact, each resuming its former independent sovereignty. This was followed by the reception of Minister Merry by the republics of Nicaragua and Salvador, while Minister Hunter in turn presented his credentials to the government of Honduras, thus re-verting to the old distribution of the dip-lomatic agencies of the United States in Central America, for which our existing statutes provide. A Nicaragua envoy has been accredited to the United States.

NICARAGUA CANAL.

Status of the Negotiations for the Inter-Ocean Waterway.

contract of the Maritime Canal Company, of Nicaragua, was declared forfeited by the Nicaragua government on the 16th of October, on the ground of nonfuifillment within the 10-year term stipulated in the contract. The Maritime Canal Company has lodged a protest against this action, alleging rights in the premises which appear worthy of conmises which appear worthy of consideration. This government expects that Nicaragua will afford the protestants a full and fair hearing upon the merits of

The Nicaragua canal commission, which has been engaged upon the work of examination and survey of a ship cana route across Nicaragua, having completed its labors and made its report, was dis-solved on May 21, and on June 10 a new commission, known as the Isthmian canal commission, was organized under the terms of the act approved March 3, 1889, for the purpose of examining the American isthmus with a view to determining the most practicable and feasible could for a spin canal access that with route for a ship canal across that isth-mus, with its probable cost and other essential details. This commission, under the presidency of Rear-Admiral John G. Walker, United States navy (retired), entered promptly upon the work intrusted to it, and is now carrying on examina-tions in Nicaragua along the route of the Panama canal, and in Darien from the Atlantic in the neighborhood of the Artric river to the bay of Panama, on the Pacific side. Good progress has been made, but under the law a comprehensive and complete investigation is called for, which will require much labor and covalidarship. will require much labor and considerable time for its accomplishment. The work will be prosecuted as expeditiously as possible, and a report may be expected at the earliest practicable date.

The great importance of this work can-not be too often or too strongly pressed upon the attention of the congress. In my message of a year ago I expressed my views of the necessity of a canal which would link the two great oceans, to which I again invite your consideration. The reasons then presented for early action

are even stronger now. A pleasing incident in the relations of government with that of Chile ocrred in the generous assistance given the warship Newark when in distress in Chilean waters. Not alone in this way has the friendly disposition of Chile found expression. That country has acceded to the convention for the establishment of the bureau of American republics, in which organization every independent state of the continent now shares.

The exchange of ratifications of a con-The exchange of ratifications of a convention for the revival of the United States and Chilean claims commission, and for the adjudication of the claims heretofore presented but not determined during the life of the previous commission, has been delayed by reason of the necessity for freeh action by the Chilean senate upon the amendments attached to the ratification of the treaty by the United States senate. This formality is soon to be accomplished.

CHINESE EMPIRE.

American Capital Finding Investment, and Trade Growing.

view of disturbances in the populous provinces of Northern China, where are many of our citizens, and of the immi-nence of disorder near the capital and toward the senboard, a guard of marines was landed from the Boston and stationed during last winter in the legation compound at Peking. With the restoration of order this protection was with drawn. The interest of our citizens in that vast empire have not been neglected during the past year. Adequate protection has been secured for our mission-aries and some injuries to their property

have been redressed.

American capital has sought and found various opportunities of competing to carry out the internal improvements carry out the internal improvements which the imperial government is wisely encouraging, and to develop the natural resources of the empire. Our trade with China has continued to grow, and our commercial rights under existing treaties have been everywhere maintained during the past year, as they will be in the future.

The extension of the area offered to international foreign settlement at Shang-hai and the opening of the ports of Nan-king, Kiaochou and Tallenwan to foreign trade and settlement will doubtless afford American enterprise additional facilities and new fields of which it will not be slow. to take advantage.

In my message to congress of December 5, 1898, I urged that the recommendation which had been made to the speaker of the house of representatives by the secretary of the treasury on the 14th of June, 1898, for an apprepriation for a commission to study the commercial and industrial conditions in China and report as to oportunities for and obstacles to the enlargement of the markets in China for the raw products and manufactures of the United States, should receive at your hands the consideration which its Importance merits, but the congress failed to take action. I now renew this recom-mendation, as the importance of the sub ject has steadily grown since it was first submitted to you, and no time should be lost in studying for ourselves the re-sources of this great field for American trade and enterprise trade and enterprise.

FRENCH REPUBLIC.

Great Display to He Made at Paris of Our Progress.

The death of President Faure in February last called forth those sincere ex-pressions of sympathy which befit the relations of two republics as closely allied by unbroken historic tles as are the United States and France.

Preparations for the representation of the industries, arts and products of the United States at the world's exposition, to be held in Paris next year, continue on elaborate and comprehensive scale, thanks to the generous appropriation provided by congress and to the friendly in-terest the French government has shown in furthering a typical exhibit of Ameri-

There has been allotted to the United States a considerable addition of space, which, while placing our country in the first rank among exhibitors, does not suffice to meet the increasingly urgent de-mands of our manufactures. The efforts of the commissioner-general are ably di-rected toward a strictly representative display of all that most characteristically marks American achievements in the in-ventive arts and most adequately shows the excellence of our natural productions.

United States Building. The United States government building is approaching completion, and no effort will be spared to make it worthy, in beauty of architectural plan and in comness of display, to represent our na-It has been suggested that a permanent building, of similar or appropriate design, be erected on a convenient site already given by the municipality near the exposition grounds, to serve in com-memoration of the part taken by this country in this great enterprise, as an American national institute for our countrymen resorting to Paris for study.

I am informed by our commissioner-gensection at Paris over 700 exhibitors, from every state in our country, a number ten times as great as those who were repre-sented at Vienna in 1873, six times as sented at Vienna in 1873, six times as many as those in Paris in 1873, and four times as many as those who exhibited in Paris in 1889. This statement does not include the exhibits from either Cuba, Puerto Rico or Hawaii, for which ar-

GERMAN EMPIRE.

Commission Suggested to Investigate

Our relations with Germany continue be most cordial. The increasing inti-macy of direct association has been marked during the year by the granting of permission in April for the landing on our shores of a cable from Boskum Emden, on the North sea, by way of the Azores, and also by the conclusion on September 2 of a parcels post convention with the German empire. In all that promises closer relations of intercourse and commerce and a better understanding between the two races having so many traits in common, Germany can be as-sured of the most cordial co-operation of this government and people. We may be rivals in many material paths, but our rivalry should be generous and open, ever aiming toward the attainment of large results and the most beneficial advancement of each in the line of its especial adaptability. The several governments of the empire seem reluctant to admit the natural excellence of our food products and to accept the evidence we constantly tender of the care with which their purity is guarded by rigid inspection from the farm, through the slaughter-house and the packing establishments to the port of shipment. Our system of control over exported food staples invites examination from any quarter, and challenges respect by its efficient thoroughness.

GREAT BRITAIN AND CANADA.

Alaska Boundary Contention and Other Unsettled Questions.

Other Unsettled Questions.

In my last annual message, I referred to the pending negotiations with Great Britain in respect to the Dominion of Canada. By means of an executive agreement, a joint high commission had been created for the purpose of adjusting all unsettled questions between the United States and Canada, embracing 12 subjects, among which were the questions of the fur seals, the fisheries of the coast and contiguous inland waters, the Alaska boundary, the transit of merchandise in bond, the allen labor laws, mining rights, reciprocity in trade, revision of the agreement respecting naval vessels in the Great Lakes, a more complete marking of parts of the boundary, provision for the conveyance of more complete marking of parts of the boundary, provision for the conveyance of criminals, and for wrecking and salvage. Much progress had been made by the commission toward the adjustment of many of these questions, when it became apparent that an irreconcilable difference the fallure of an agreement to the mean-ing of articles ill and iv of the treaty of 1825 between Russia and Great Britain, which defined the boundary between Alas-ka and Canada, the American commissioners proposed that the subject of the boundary be laid aside, and that the re-maining questions of difference be pro-ceeded with, some of which were so far advanced as to assure the probability of a settlement. This being declined by the

was taken until the boundary should be adjusted by the two governments. The subject has been receiving the careful atwith the result that a modus vivendi for provisional demarkations in the region about the head of Lynn canal has been agreed upon, and it is hoped that the negotiations now in progress between the two governments will end in an agreement for the establishment and delimita-tion of a permanent boundary.

Attitude in Anglo-Boer War. Apart from these questions growing out of our relationship with our northern neighbor, the most friendly disposition and ready agreement have marked the discussion of the numerous matters arising in the vast and intimate intercourse of the United States with Great Britain. This government has maintained an atti-tude of neutrality in the unfortunate contest between Great Britain and the Boer states of Africa. We have remained faithful to the precept of avoiding entangling alliances as to affairs not of our own direct concern. Had circumstances suggested that the parties to the quarrel suggested that the parties to the quarrel would have welcomed any kind expression of the hope of the American people that the war might be averted, good offices would have been gladly tendered. The United States representative at Pretoria was early instructed to see that all neutral American interests be respected by the combatants. This has been an easy lask, in view of the positive declarations of both British and Boer authorities that the personal and property rights of our citizens should be observed.

Upon the withdrawal of the British

Upon the withdrawnl of the British agent from Pretoria, the United States consul was authorized, upon the request of the British government, and with the assent of the South African and Orange Free State governments, to exercise customary good offices of a neutral the care of British interests. In the charge of this function I am happy to say that abundant opportunity has been af-forded to show the impartiality of this government to both the combatants for the fourth time in the present decade.

RELATIONS WITH ITALY.

Louisiana Lynchings and Questions Affecting Rights of Aliens.

Question has arisen with the gover ment of Italy in regard to lynching of Italian subjects. The latest of these de-plorable events occurred at Tallulah, La., whereby five unfortunates of Italian oriwere taken from jall and hanged, authorities of the state and a representative of the Italian embassy, having separately investigated the occurrence with discrepant results, particularly as to the alleged citizenship of the victims, and it not appearing that the state had been able to discover and punish the viclators of the law, an independent investi-gation has been set on foot through the agency of the department of state and is still in progress. The result will enable the executive to treat the question with the government of Italy in a spirit of fair-ness and justice. A satisfactory solu-tion will doubtless be reached.

JAPANESE EMPIRE

Evidences of Her Kindly Feeling Toward United States.

The treaty of commerce and navigation between the United States and Japan on November 22, 1894, took effect in accordance with the terms of article xix on the 17th of July last, simultaneously with the enforcement of like treaties with the other powers, except France, whose convention did not go into operation until December 4, the United States being, however, granted up to that date all the privileges and rights accorded to French citizens under the other French treaty. By this notable conventional reform, Japan's position as a fully independent sovereign power is assured, control being gained of taxation, customs revenues, judicial administration customs revenues, further than the control of the c dicial administration, coasting trade and all other domestic functions of government, and foreign extra-territorial rights being renounced. Comprehensive codes of civil and criminal procedure according to Western methods, public instruction, pat-ents and copyrights, municipal admin-istration, including jurisdiction over the former foreign settlements, customs other administrative measures have been proclaimed. The working of the new system has given rise to no material complaints on the part of American citizens or interests, a circumstance which at-tests the ripe consideration with which the change has been prepared.

REPUBLIC OF MEXICO.

Mutually Advantageous Relations-Extradition Controversy Ended.

The year has been marked by constant increase in the intimacy of our relations with Mexico and in the magnitude of mutually advantageous interchanges. This government has omitted no opportunity to show its strong desire to develop and perpetuate the ties of cordiality now so long happily unbroken. Following the termination on January 20, 1899, by Mexico, of the extradition treaty of Decem-ber II, 1891, a new treaty, more in accord-ance with the ascertained needs of both countries, was signed February 22, 1898, and exchanged in the City of Mexico on the 22d of April last. Its operation thus far has been effective and satisfactory A recent case has served to test the ap A recent case has served to test the application of its fourth article, which provides that neither party shall be bound to deliver up its own citizens, but that the executive authority of each shall have the power to deliver them up if, in its discretion, it be deemed proper to do so.

The extradition of Mrs. Mattle Rich, a citizen of the United States charged with homicide committed in Mexico, was af-

homicide committed in Mexico, was, af-ter mature consideration, directed by me, in the conviction that the ends of justice would be thereby subserved. Similar action, on appropriate occasion, by the Mexican executive will not only tend to accomplish the desire of both governments that grave crimes go not unpun-ished, but also to repress lawlessness along the border of the two countries. along the border of the two countries.

The new treaty stipulates that neither government shall assume jurisdiction in the punishment of crimes committed exclusively within the territory of the other. This will obviate in future the embarrass ing controversies which have heretofore arisen through Mexico's assertion of a claim to try and punish an American citizen for an offense committed within the jurisdiction of the United States.

RUSSIAN EMPIRE.

Ready Consent to Submit Claims to Single Arbitrator.

Claims growing out of the seizure of American scaling vessels in Behring sea have been under discussion with the government of Russia for several years, with the recent result of an agreement to submit them to the decision of a single arbitrator. By this set Russia affords proof the adherence to the beneficent principles.

bitrator. By this act Russia affords proof of her adherence to the beneficent principle of arbitration, which her plenipotentiary conspicuously favored at The Hague disarmament congress, when it was advocated by the representatives of the United States.

A suggestion for a permanent exposition of our products and manufactures in Russia, although not yet fully shaped, has been so cordially welcomed by the imperial government that it may not inaptly take a fitting place in whatever legislation the congress may adopt looking to enlargement of our commercial opportunities abroad.

Advantages to Accrue From Recent Partition of the Islands.
Important events have occurred he Samoan islands. The election,

cording to the laws and customs of Sa-moa, of a successor to the late King Mailetoa Tupepa, developed a contest as to the validity of the result, which issue, by the terms of the general act, was to be decided by the chief instice. Upon his rendering a judgment in favor of Malletoa Tanus, the rival chief, Ma-taafa, took up arms. The accise in ex-vention of American and British warships became imperative to restore order, at became imperative to restore order, the cost of sangulnary encounters. In this emergency, a joint commission of representatives of the United States, Germany and Great Britain was sent to Sa-moa to investigate the situation and provide a temporary remeny. By its active efforts a peaceful solution was reached for the time being, the kingship being abolished and a provisional government established

Claims have been preferred by white Claims have been preferred by white residents of Samoa on account of injuries alleged to have been suffered through the acts of the treaty governments in putting down the late disturbances. A convention has been made between the three powers for the investigation and settlement of these claims by a neutral arbitrator, to which the attention of the senate will be invited.

THE WEST INDIES.

Pacification and Government of Cuba -Progress Made.

My annual message of last year was necessarily devoted in great part to a consideration of the Spanish war, the results it wrought, and the conditions it imposed for the future. I am gratified to announce that the treaty of peace has restored friendly relations between the two powers. Effect has been given to its most important provisions. The evacuation of important provisions. The evacuation of Puerto Rico having already been accomplished on the 18th of October, 1888, nothing remained necessary there but to continue the provisional military control of the island until the congress should enact a suitable government for the coded teerly sultable government for the ceded terri-tory. Of the character and scope of the measures to that end I shall treat in an-

other part of this message,

The withdrawal of the authority of Spain
from the island of Cuba was effected by the list of January, so that the full re-es-tablishment of peace found the relinquished territory, held by us in trust for the in-habitants, maintaining under the direction of the executive such government and con-trol therein as should conserve public or-der, restore the productive conditions of der, restore the productive conditions of peace, long disturbed by the instability and disorder which prevailed for the greater part of the preceding three decades, and build up that tranquil development of the domestic state whereby alone can be realized the high purpose, as proclaimed in the joint resolution adopted by the congress on the 19th of April, 1888, by which the United States disclaimed any disposition or intention to exercise sovereignty, jurisdiction or control over Cuba execut jurisdiction or control over Cubs, except for the pacification thereof, and asserted its determination when that was accomplished to leave the government and con-trol of the island to its people. The pledge contained in this resolution is of the highest honorable obligation and must

piedge contained in this resolution is of the highest honorable obligation and must be sacredly kept.

I believe that substantial progress has been made in this direction. All the administrative measures adopted in Cuba have aimed to fit it for a regenerated existence by enforcing the supremacy of law and justice; by placing where it is practicable the machinery of administration in the hands of the inhabitants; by instituting needed san tary reforms, by spreading education, by fostering industry and trade, by inculcating public morality, and in short taking every rational step to aid the Cuban people to attain to that plane of self-conscious respect and self-reliant unity which fits an enlightened community for self-government within its own sphere, for self-government within its own sphere while enabling it to fulfill all outwar

obligations. Obligations to Cuba Must Re Kept. This nation has assumed before the world a grave responsibility for the future good government of Cuba. We have accepted a trust, the fulfillment of which calls for the sternest integrity of purpose and the exercise of the highest wisdom. The new Cuba yet to arise from the ashesof the past must needs be bound to us by ties of singular intimacy and strength, if its enduring welfare is to be assured. Whether these ties shall be organic or conventional, the destinies of Cuba are in some rightful form and manner irrehow far is for the future to determine in the ripeness of events. Whatever be the outcome, we must see to it that free Cuba be a reality, not a name; a perfect entity, not a hasty experiment bearing within itself the elements of failure. Our mission, to accomplish which we took up the gage of battle, is not to be fulfilled by turning adrift any loosely framed commonwealth to face the vicussitudes which too often attend weaker states, whose natural wealth and abundant resources are offset by the incongrulties of their political organization and the recurring occasions for internal rivairies to sap their strength and dissipate their energies. ... greatest blessing which can come to Cuba is the restoration of her agricultural and industrial prosperity, which will give employment to idle men and re-establish the pursuits of peace. This is her chief and immediate need. On the 19th of last August an order was made for the taking of the census in the island, to be completed on the 30th of November.

Our Markets to Be Open to Cuba. Under the terms of the treaty of peace, the Spanish people on the island have until April 11, 1900, to elect whether they will remain citizens of Spain or become citizens of Cuba. Until then it cannot be definitely ascertained as to who shall participate in the formation of Cuba. By that time the results of the census will have been tabulated, and we shall proceed with the elections, which will deliver the mubeen tabulated, and we shall proceed with the elections, which will deliver the mu-nicipal governments of the island to the of-ficers elected by the people. The experi-ence thus acquired will prove of great value in the formation of a representative convention of the people to draft a con-stitution and a general scheme of inde-pendent government for the island. In the meantime, and so long as we control the island, the products of Cuba should have a market in the United States on as good terras and with as favorable rates of duty a market in the United States on as good terms and with as favorable rates of duty as are given to the West Indian Islands under treaties of reciprocity which may be made. For the relief of the distressed in the Island of Cuba, the war department issued supplies to destitute persons through the officers of the army, which have amounted to 5,493,000 rations at a cost of \$1415.44 \$7.

amounted to viscour and the cu-ban volunteer army, and in the interest of public peace and the welfare of the people, the sum of \$75 was paid to each Cuban soldier borne upon the authenti-cated rolls, on condition that he should deposit his arms with the authorities designated by the United States. The sum thus disbursed aggregated \$2.574,770, which was paid from the emergency fund provided by the act of January 25, 1899, provided by the act of January 25, 1899, for that purpose. Out of the Cuban Island revenues during the six months ended June 30, 1899, \$1,712,014.20 was expended for sanitation, \$253,881.70 for char-

Relations Resumed With Spain.

Following the exchange of ratifications of the treaty of peace, the two governments accredited ministers to each other. Spain scuding to Washington the Duke of Arcos, an eminent diplomatist, previously stationed in Mexico, while the United States transferred to Madrid the Hon. Bellamy Storer, its minister at Brussels. This was followed by the respective appointment of consuls, 'hereby fully resuming the relations interrupted by the war. In addition to its consular representation in the United States, the Following the exchange of ratifications