

### The President's Message.

Fellow-Citizens of the Senate and of the House of Representatives: Since your last assembling, another year of health and bountiful harvest has passed, and while it has not pleased the Almighty to bless us with a return of peace, we cannot but press on, guided by the best light He gives us, trusting that in His own time and wise way all will be well.

#### OUR FOREIGN RELATIONS.

The correspondence touching foreign affairs which has taken place during the last year, is herewith submitted, in compliance with a request to that effect made by the House of Representatives near the close of the past session of Congress. If the condition of our relations with other nations is less gratifying than it has usually been at other periods, it is certainly more satisfactory than a nation so unmercifully distrusted as we are, might reasonably have apprehended. In the month of June last, there were some grounds to expect that the maritime powers, which at the beginning of our domestic difficulties so wisely and so unnecessarily, we think, recognized the insurgents as a belligerent power, would soon recede from that position, which has proved only less injurious to themselves than to our own country; but the temporary reverses which afterwards befell the National arms, and which were greatly exaggerated by our disloyal citizens abroad, have hitherto delayed that act of simple justice. The civil war which has so radically changed for the moment the occupations and habits of the American people, has necessarily disturbed the social conditions and affected very deeply the prosperity of the nations with which we have carried on a commerce that has been steadily increasing throughout a period of half a century—it has at the same time excited the political ambitions and apprehensions which have produced a profound agitation throughout the civilized world. In this unusual agitation we have borne taking part in any controversies between parties and factions in any such States. We have attempted no propaganda and acknowledged no revolutions. We have left to every nation the executive conduct and arrangement of its own affairs. Our struggle has, of course, contemplated by foreign nations with reference less to its own merit than to its supposed, and often exaggerated, effects and consequences resulting to those nations themselves. Nevertheless, complaint on the part of this Government, even if it were just, would be unwise.

The treaty with Great Britain for the suppression of the slave trade has been put into operation with a good prospect of complete success. It is an occasion of real pleasure to acknowledge that the execution of it on the part of Her Majesty's Government has been marked with a zealous respect for the authorities of the United States and the rights of their moral and loyal citizens.

The convention with Hanover for the abolition of the *Stadt* does not yet stand in full effect under the act of Congress for that purpose.

A blockade of three thousand miles of sea coast could not be established and vigorously enforced in a season of great commercial activity, like the present, without committing occasional mistakes, and inflicting unintentional injuries upon foreign nations and their subjects. A civil war, occurring in a country where foreigners reside and carry on trade under treaty stipulations, is necessarily fruitful of complaints of the violation of neutral rights. All such collisions tend to excite misapprehensions and possibly to produce recriminations between nations which have a common interest in preserving peace and friendship. In clear cases of these kinds, I have, as far as possible, heard and redressed the complaints which have been preferred by foreign powers. There is, however, a large and augmenting number of doubtful cases, upon which the Government is unable to agree with the governments whose protection is demanded by the claimants. There are, moreover, many cases in which the United States or their citizens suffer wrongs from naval or military authorities of foreign nations, which the governments of those states are not prepared to redress. I have proposed to some of the foreign ministers thus introduced, mutual conventions to examine and adjust such complaints. This proposition has been made especially to Great Britain, to France, to Spain, and to Prussia. In each case it has been kindly received, but has not yet been formally adopted. I deem it my duty to recommend an appropriation in behalf of the owners of the Norwegian bark Admiral P. Torensen Riola, which vessel was, in May, 1861, prevented by the commander of the blocking force off Charleston from leaving that port with a cargo, notwithstanding a similar privilege had before been granted to an English vessel. I have directed the Secretary of State to cause the papers in the case to be communicated to the proper committees.

#### COLONIZATION.

Applications have been made to me by many free Americans of African descent to favor their emigration, with a view to such colonization as was contemplated in recent Acts of Congress. Other parties, at home and abroad, some from motives of prejudice, others upon patriotic principles, and still others influenced by philanthropic sentiments, have suggested similar measures, while, on the other hand, several of the Spanish-American republics have protested against the sending of such colonies to their respective territories. Under these circumstances, I have declined to give any such colony to any state without first obtaining the consent of its government, with an agreement on its part to receive and protect such parties in all their rights as freemen, and I have at the same time offered to the several states situated in the tropics, or having colonies there, to negotiate with them subject to the advice and consent of the Senate, to favor the voluntary removal of portions of that class to their respective territories, upon conditions which shall be equally just and humane—Liberia and Hayti are yet the only countries to which colonists of African descent from here could go, with a certainty of being received and adopted as citizens, and I regret to say that such persons contemplating colonization do not seem so willing to emigrate to these countries as to some others—not so willing as I think their interests demand. I believe, however, that their opinion is improving, and that ere long there will be an augmented and considerable emigration to both these countries from the United States. \* \* \*

### THE NATIONAL FINANCES.

The condition of the finances will claim your most diligent consideration. The vast expenditures incident to the military and naval operations required for the suppression of the African slave trade, are each as well enforced perhaps as any law can ever be, in a country where the moral sense of the people imperfectly supports the law itself. The great body of the people abide by the legal obligations in both cases, and a few break over each. This, I think, cannot be perfectly cured, and it would be worse in both instances after separation of the States than before. The foreign slave trade, now imperfectly suppressed, would be ultimately renewed with or without restriction, while fugitives, now only partially surrendered, would not be surrendered at all by the other. Physically speaking, we cannot separate. We cannot remove our respective sections from each other, nor build an impassable wall between them. A husband and wife may be divorced, and get out of the presence and beyond the reach of each other, but the different parts of our country cannot do this. They cannot but remain face to face, and intercourse either amicable or hostile must continue between them. Is it possible then to make that intercourse more advantageous or more satisfactory after separation than before? Can aliens make this easier than friends can make laws? Can treaties be more faithfully enforced between aliens than laws can among friends? Suppose you go to war, you cannot fight always, and when after much loss on both sides, and no gain on either, you cease fighting, the identical questions as to terms of intercourse are again upon you. There is no line, straight or crooked, suitable for a national boundary, upon which to divide Traces through from east to west upon the line, both of the free and slave country, and we shall find a little more than one-third of its length are rivers easy to be crossed and populated, or so as to be thickly populated, on both sides, while in nearly all its remaining length are merely surveyors' lines, over which people may walk back and forth without any consciousness of their presence. No part of this line can be made any more difficult to pass by writing on paper or parchment, as a national boundary. The fact of separation, if it comes, gives up on the part of the seceding section the fugitive clause along with all other Constitutional obligations upon the section seceded, from which no treaty stipulation would ever be made to take in that clause. But there is another difficulty. The great interior section bounded east by the Alleghany, north by the Brushy domain, west by the Rocky Mountains, and south the line lying where the cultivation of corn and cotton meet, and which includes part of Virginia, part of Tennessee, all of Kentucky, Ohio, Michigan, Wisconsin, Illinois, Missouri, Kansas, Iowa, Minnesota, and Territories of Dakota, Nebraska, and part of Colorado, has about ten millions of people, and will have fifty millions within fifty years, if not prevented by any political foolishness or mistake. It contains more than one-third of the country owned by the revolted States, and certainly more than one million miles of surface. One-half as populous as Massachusetts already is, it would have more than seventy-five millions of people. A glance at the map shows, that territorially speaking, it is the greatest body of the republic. The other parts are but marginal borders to it. The magnificent region sloping west from the Rocky Mountains to the Pacific, being the deposit of great mineral wealth, and also the richest undeveloped region in the production of provisions, grain, grasses, and all such products from them, that this great interior region is naturally one of the most important in the world, is certain, from statistics of the small proportion of the region which has as yet been brought into cultivation, and also from the large and rapidly increasing amount of the products. We shall be overwhelmed with the magnitude of the prospect presented, and yet this region has no sea coast, touching no ocean anywhere. As part of one nation, its people now may find, and may forever find their way to Europe by New York, to South America by New Orleans, to Asia by San Francisco. But separate our common country into nations designed by the present rebellion, and every man in this great interior region is thereby cut off from one or more of these outlets—not, perhaps, by a physical barrier, but by embargoes emanating from trade regulations, and this is true whenever a dividing or boundary line may be fixed. Place it between the first day of July, 1862, of \$13,043,446.81. It should be observed that the sum of \$66,996,023.09 expended for reimbursements and redemption of the Public Debt, including reimbursement of temporary loan and redemption, \$9,596,623.09, making an aggregate of \$670,841,300.25; and leaving a balance in the Treasury of the preceding year, for the fiscal year ending on the 30th of June, 1862, were \$5,858,247.66, of which sum \$49,998,352.62 were derived from savings; \$1,795,381.73 from the direct tax; from public lands, \$152,203.77; from miscellaneous sources, \$931,789.64; from loans in all forms, \$529,692,860.50; the remainder, \$257,065.50, was the balance from last year. The disbursements during the same period were, for Congressional, Executive and Judicial purposes, \$50,932,009.29; for foreign intercourse, \$1,239,710.35; loans, Post Offices, deficiencies, collections of revenue and other dues and charges, \$14,129,701; for expense under the Interior Department, \$3,192,985.52; under the War Department, \$354,368,407.38; under the Navy Department, \$42,674,589.69; for interest on the Public Debt, \$13,136,324.45; and for the payment of the Public Debt, including reimbursement of temporary loan and redemption, \$9,596,623.09, making an aggregate of \$670,841,300.25; and leaving a balance in the Treasury of the first day of July, 1862, of \$13,043,446.81. 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