

HILLSBORO, OREGON, THURSDAY, DECEMBER 5, 1895.

VOL. 2.

Cleveland's first message to the Fifty-fourth congress was presented to and ment was \$346,681,016. It became necessary to strengthen it. mentous subject. I cannot refrain from begging them

at a time what the interests of our peo-ple and the needs of the country give especial prominence to the condition of our foreign relations and the ex-igencies of our national finances. The reports of the heads of the government departments fully and plainly exhibit what has been accomplished within the scope of their respective duties, and January 1, 1879, which had been fixed the second reinforcement of our gold present such recommendations for the upon four years before as the date for reserve by the sale of bonds, it had lost, betterment of our country's conditions entering upon the redemption and re-as patriotic and intelligent labor and tirement of all these notes and for 000,000, and had fallen to \$41,340,181. observation suggest.

I therefore deem my executive duty provided.

adequately performed, at this time, by presenting to congress the important phases of our situation, as related to our intercourse with foreign nations, on demand, which could neither be re-and a statement of the financial prob-tired by receiving such notes in dislems which confront us, omitting, ex- charge of obligations due the govern- ous position, and earnestly recommend- fit, are in this instance appreciated by copt as they are related to these topics, ment, nor cancelled by actual payment ing that authority be given the secre- the country from which our woolen any reference to departmental opera- in gold. It was forced to redeem with- tary of the treasury to issue bonds factories drew their needful supply of tions. I earnestly invite, however, out redemption and to pay without ac- bearing a low rate of interest, payable raw materials.

not only the careful consideration, but quittance. by their terms in gold, for the purpose the severely critical scrutiny of the There had been issued and sold \$95,- of maintaining a sufficient gold rethe severely critical sorutiny of the congress and my fellow countrymen to the reports concerning these depart-mental operations. If justly and fairly examined, they will furnish proof of assiduous and painstaking care for the ed sufficient to meet the domands in the treasury created a gold fund deem-ed sufficient to meet the domands law of 1890. This recommendation in the treasury created in an award in fa-the treasury in the treasury in treasury in the treasury in the treasury in the treasury in the public welfare.

contain upon the respectful attention States notes. This fund, together with fore, the situation was exceedingly ending a long-protracted controversy, of those charged with the duty of leg- such gold as might be from time to critical. With a reserve perilously and sgain demonstrating the wisdom islation, because I believe their adoption would promote the people's good. purpose, has been since our gold re- everything indicated that the end of tional boundary disputes by recourse to

FINANCIAL QUESTION.

A Discussion of the Situation and Some Recommendations

As we turn to a review of our national financial situation, we are im-mediately aware that we approach a April, 1893, for the first time since its the gold paid into the treasury upon subject of domestic concern more im- establishment, this reserve amounted sales was promptly drawn out again importance, both in its direct conseportant than any other which can en- to less than \$100,000,000, containing by the presentation of United States gage our attention, and one, at present, in such a perplexing and delicate pre-dicament as to require prompt and wise at had been passed directing larger only temporarily parted with it in the direction only temporarily parted with it in the fluential of the South American repubgage our attention, and one, at present, at that date only \$97,011,830. treatment. We may well be encour. government monthly purchases of sil- purchase of bonds. aged to earnest effort in this direction ver than had been required under prewhen we recall the steps already taken vious laws, and providing that in pay- its surrounding perplexities, it became preciate how well the way has been payable on demand in gold or silver not only that our gold reserve must, prepared for further progress by an coin at the discretion of the secretary for the third time in less than thirteen

This was the condition of affairs scarcely more than two months after

which such abundant means had been Nearly \$45,000,000 had been with-

drawn during the month immediately

garded as an adequate amount to ac- imminent. The results of prior bond Negotiations are progressing for a

lics. In this emergency, and in view of

Present Fiscal and Financial IIIs of the Country. Washington, Dec. 3. — President Standing at the time of the passage of standing at the time of the passage of the passage

read in the two houses today. It is as follows: The present assemblage of the legis-lative branch of our government occurs at a time when the interests of our peo-ple and the needs of the country give

Questions at Issue Between This and

Other Governments. By mandatory tariff legislation, in January last, the Argentine Republic, recognizing the value of the large market opened to the free importation of

its wools under our last tariff act, has admitted certain products of the United tablish a bad precedent. The efforts States to enter at reduced duties. It is pleasing to note that the efforts we

ublic welfare. I press the recommendations they redemption of outstanding United approval. In February, 1895, theretime in the treasury available for the low and a refusal of congressional aid and desirability of settling internaserve, and \$100,000,000 has been re gold payments by the government was friendly arbitration.

complish its object. This fund amounted, January I, 1879, to \$114,-193,360, and though, thereafter, con-stantly fluctuating, it did not fall be-sale in open market, gave rise to a rea-the expirations are progressing for a revival of the United States and Chil-ean claims commission, whose work was abruptly terminated last year by the expiration of the stipulated time Chile is a step of great interest and quences upon her own welfare, and as

Chinese Outbreaks.

justified by abundant precedents, this them can be reasonably settled only by government requested from that of friendly, impartial arbitration, and France the record of the proceedings of that the resort to such arbitration the French tribunal, which resulted in should inledude the whole controversy, Mr. Waller's condemnation. This re- and is not satisfactory if one of the quest has been complied with to the extent of supplying a copy of the of-ficial record, from which appear the constitution and organization of the submit to abritration only the portion court, the charges as formulated and lying on one side of it. In view of the general course and result of the these conclusions, the dispatch in ques-trial, and by which it is shown that tion called upon the British governtaking the ground that its production further communication on the subject lating as individuals, the neutrality

Lynching of Italians in Colorado. of our ambassador to secure it, however, though impeded by recent changes relaxed, and it is confidently expected sentations, and I am happy to say that age, consequent upon the futile en-matter will be shortly reached. Mean- the best efforts of the state, in which deavors thus far made to restore peace while it appears that Mr. Waller's coninement has every alleviation which the state of his health and all the other thors of this atrocious orime. The de- the cruelties, which appear to especialcircumstances of the case demand or pendent families of some of the unfor- 'ly characterize this sanguinary and permit.

An agreeable contrast to the difference above noted, respecting a matter their needs. of common concern where nothing is sought except such a mutually satis-factory outcome as the true merits of and characteristic which constitute a the devastation of armed conflict may the case require, is the recent resolu- nation's greatness. We have reason speedily be stayed, and order and quiet tion of the French chambers favoring for congratulation in the fact that the the conclusion of a permanent treaty of government of the United States by the arbitration between the two countries. exchange of liberal treaty stipulations with the new Japan, was the first to An invitation has been extended by

recognize her wonderful advance, and France to the government and the peoto extend the consideration and conple of the United States to participate fidence due to her national enlightenin a great international exposition at ment and progressive character. Paris in 1900, as a suitable commemoration of the close of this, the world's Nicaragua's Internal Troubles.

marvelous century of progress. I In last year's message F narrated, at heartily recommend its acceptance, tosome length, the jurisdictional ques-tions then freshly arisen in the Mos-quito Indian strip of Nicaragua. Since gether with such legislation as will adequately provide for a due representation of this government and its people that time, by the voluntary act of the on the occasion.

Serenity of Germany.

to them has been incorporated with Our relations with the states of the Nicaragua, the Indians formally sub-German empire are, in some aspects, jecting themselves to be goverened by typical of a condition of things else- the general laws and regulations of the tinued to excite alarm concerning the doctrine that the internal development

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PRESIDENT'S MESSAGE
the secretary of the treasury was an boilt of the reasury was and be secretary of the treasury was and treasury treasury treasury treasury of the treasury was and trea the part of this government to en obedience to our neutrality laws, and to prevent the territory of the United States from being abused as a vantage ground from which to aid those bearing arms against Spanish sovereignty. Whatever may be the traditional sympathy of our countrymen, as individuals, with a people who seem to be struggling for larger autonomy and greater freedom, and as such sympathy naturally must be in behalf of our neighbors, yet the plain duty of their government is to observe in good faith the accused was tried in open court and was defended by counsel; but the evidence adduced in support of the charges, which was not received by the French minister for foreign affairs till partial arbitration. The answer of the our citizens of the obligations growing the first week in October, has thus far British government has not yet been out of their allegiance to their country, been withheld, the French government received, but is expected shortly, when which should restrain them from vio-

> which the nation of which they are members is bound to observe in its relations to friendly sovereign states. The deplorable lynching of several Though neither the warmth of our peo-Italian laborers in Colorado was nat-ple's sympathy with the Cubap insurgents, nor our loss and material damthe outrages occurred, have been put and order, nor any shock our humane forward to discover and punish the au- responsibility may have received from tunate victims invite, by their deplor-able condition, gracious provision for least shaken the determination of the government to honestly fulfill every in-Japan has furnished abundant evi- ternational obligation, yet it is to restored to the distracted island, bringing in their train the activity and

thrift of peaceful pursuits. Guatemala and Mexico

The boundary dispute which lately threatened to embroil Guatemala and Mexico, has happily yielded to pacific counsel, and its determination has, by the joint agreement of the parties, been submitted to the sole arbitration of the United States minister to Mexico. The commission appointed under the con-vention of Februray 18, 1889, to set new monuments along the boundary between the United States and Mexico, has completed its task.

American Missionaries in Turkey.

Occurrences in Turkey have conwhen we recall the steps already taken toward improving our economic and financial situation and when we ap-preciate how well the way has been been well the way has been well the way has been well the way has been been well the way has been w

oused and intelligent popular inter. of the treasury. It was, however, deest in these subjects.

By command of the people a customs ed policy of the United States to main- of interest and badly suited to the purrevenue system, designed for the pro- tain the two metals on a parity with tection and benefit of favored classes, each other, upon the present legal raat the expense of the great mass of our tio, or such ratio as may be provided

countrymen, and which, while in-efficient for the purpose of revenue, In view curtailed our trade relations and im. not deemed permissible for the secrepeded our entrance to the markets of tary of the treasury to exercise discrethe world, has been superseded by a tion in terms conferred on him by retariff policy, which, in principle, is fusing to pay gold on those notes when based upon a denial of the right of the demanded, because by such discrimina-government to obstruct the avenues of tion in favor of the gold dollar the soour people's cheap living, or lessen called parity of the two metals would their comfort and contentment for the be destroyed and grave and dangerous sake of according especial advantages consequences would be precipitated by to favorites, and which, while encourto favorites, and which, while encouraging our intercourse and trade with ly widening disparity between their acother nations, recognizes the fact that tual values under the existing ratio. American self-reliance, thrift and in- It thus resulted that the treasury notes genuity can build up our country's in-dustries and develop its resources more under the law of 1890 were necessarily under the law of 1890 were necessarily surely than enervating paternalism. treated as gold obligations at the option of the holder.

The compulsory purchase and coin-The notes on November 1, 1893, age of silver by the government, unchecked and unregulated by business when the law compelling the monthly conditions and heedless of our cur-purchase of silver was repealed, rency needs, which for more than fifamounted to more than \$155,000,000. teen year + diluted our circulating med-ium, undermined confidence abroad in standing, added to the United States ium. undermined confidence abroad in our fluancial ability, and at last cul- notes still undiminished by redemption minated in distress and panic at home, or cancellation, constitute a volume of has been recently stopped by the re-peal of laws which forced this reckless \$500,000,000. These obligations are gold obligations amounting to nearly cheme apon the country. The things the instruments, which, ever since we thus accomplished, notwithstanding have had a gold reserve, have been their extreme importance and beneficent used to deplete it.

The reserve, as has been stated, had effects, fall far short of curing the monetary evils from which we suffer fallen in April, 1893, to \$97,011,830. as a result of long indulgence in ill-ad- It has from that time to the present, vised financial expedients.

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with very few and unimportant up-The currency denominated United ward movements, steadily decrease States notes, and commonly known as except it has been temporarily replenished by the sale of bonds. Among greeenbacks, was issued in large volame during the late civil war and was the causes for this constant and uniintended originally to meet the exi- form shrinkage in this fund may be gencies of that period. It will be mentioned the great falling off in ex-seen by a reference to the debates in ports under the operation of the tariff congress at the time the laws were law, until recently in force, which passed, authorizing the issue of these crippled our exchange of commodities notes, that their advocates declared with foreign nations, and necessitated they were intended for only tempor- to some extent the payment of our balary use and to meet the emergency of ance in gold. The unnatural influxion the war. In almost, if not all the of silver into our country and the in laws relating to them, some provision creasing agitation for its free and un-was made contemplating their volun- limited coinage, which have created tary or compulsory retirement. A apprehension as to our disposition or large quantity of them, however, were ability to continue gold payments, the kept on foot and mingled with the consequent hoarding of gold at home, ourrency of the country, so that at the and the stoppage of investments of for-

to \$381,999,073. Immediately after our securities already sold abroad, and that date, and in January, 1875, a law the high rate of foreign exchange, was passed providing for the resump- which induced the shipment of our tion of specie payments, by which the gold to be drawn against, is a matter secretary of the treasury was required, of speculation.

If a fixed and stable standard is In consequence of these conditions whenever additional circulation was maintained, such as the magnitude and issued to national banks, to retire the gold reserve, on February 1, 1894, safety of our commercial transactions United States notes equal in amount to was reduced to \$35,438,877, having and business require, the use of money 80 per cent of such additional bank cir-culation until such notes were reduced preceding nine months, or since April, Every dollar of fixed and stable value to \$300,000,000. This law further 1893. Its replenishment being neceshas, through the agency of confident

provided that, on and after the first sary, and no other manner of accomcredit, an astonishing capacity of mulday of January, 1879, the United plishing it being possible, resort was tiplying itself in financial work. States notes then outstading should be had to the issue and sale of bonds, Every unstable and fluctuating dollar States notes then outstading should be had to the issue and sale of bonds, redeemed in coin, and in order to provided by the resumption act of fails as a basis of credit and in its use of John L. Waller by the expedition- and distinctly set forth. The general additional and un- of John L. Waller by the expedition-

months, be restored by another issue olared in the act to be "the establish- and sale of bonds bearing a high rate the subjects of either belligerent within the territorial limits of the pose, but that a plan must be adopted other as our neutral position permitfor their disposition promising better ted, developed a domestic condition in results than those realized on previous the Chinese empire which has caused

sales. An agreement was therefore much anxiety and called for prompt In view of this declaration it was made with a number of financiers and bankers wherby it was stipulated that the bonds described in the resumption act of 1875, payable in coin thirty years after their date, bearing interest at the rate of 4 per cent per annum. and amounting to \$62,000,000, should would complete its delivery within about six months from the date of the contract, and at least one-half of this amount was to be furnished from abroad. It was also agreed by those supplying this gold that during the continuance of the contract they would

by every means in their power protect the government against gold withdrawals. The contract also provided that if congress would authorize the issue of bonds payable by their terms in gold and bearing interest at the rate of 3 per cent per annum they might within ten days be substituted at par for the 4 per cent bonds described in the agreement. On the day the contract was made the terms were communicated to congress by special executive message, in which it was stated that more than \$16,000,000 would be saved to the gov-

ernment if gold bonds bearing 3 per cent interest were authorized to be subtraot.

the necessary authority to secure this adoption of stern measures by the emsaving, the contract, unmodified, was peror's government for the protection carried out, resulting in a gold reserve amounting to \$17,671,330 July 8, 1895. were followed by the disgrace and dis-The performance of this contract not missal of certain provincial officials only restored the reserve, but checked found derelict in duty, and the punish for a time the withdrawal of gold and ment by death of a number of those brought on a period of restored confi- adjudged guilty of participating in the dence and such peace and quiet in bus- outrages. iness circles as were of the greatest possible benefit in every interest which kindly service to her citizens during affects our people.

priety of this arrangement, and am quite willing to answer for my full pan, we sought no advantages, and share of the responsibility for its proclose of the year 1874 they amounted eign capital, as well as the return of motion. I believe it averted disaster, ments of both China and Japan have the imminence of which was fortunately not at the time generally understood through their respective diplomatic by our people.

and careful attention. Either as a result of a weak control by the central government over the provincial admin-

istrations, following a diminution of the traditional governmental authority under the stress of an overwhelming tion, upon good opportunity, of the weight amounting to a little more than \$65,000,000. This gold was to all foreign ways and undertakings, national disaster, or as a manifestabe delivered in such installments as there have occurred, in widely separated provinces of China, serious outbreaks of the old fanatical spirit tries. against foreigners, which, unchecked by the local authorities, if not actually connived at by them, have culminated in mob attacks on foreign missionary stations, causing much destruction of hundreds of Americans in that country. The demands of the United States and other powers for the degredation

provinces who, by neglect or otherwise, Congress having declined to grant had permitted uprisings, and for the

China will not forget either our her late war, nor the further fact that, I have never had the slighetest mis-giving concerning the wisdom or pro-our command to further the negotia-at once checked, their extinction, became jointly bound with England within a few years seems to be a mattions of a peace between her and Jater of absolute certainty.

interposed no counsel. The governin special dispatches, transmitted representatives, expressed in a most pleasing manner their grateful appreciation of our assistance to their citizens during the unhappy struggle and of the value of our aid in paving the way to their resumption of peaceful relations.

The Waller Incident in France. The customary cordial relations between this country and France have

of a nation is promoted and its wealth 1860.

necessarily obstructs this class in for- sul, Hatch, and of several countrymen. eign markets, and prevents free access who had been summarily expelled gardless of the inexorable laws of new by Great Britain upon Nicaragua for needs and changed conditions of de- pecuniary indemnity, which, upon mand and supply, and our own halting Nicaragua's refusal to admit liability, by every means within our power. tardiness in inviting a free exchange was enforced by Great Britain. While of commodities, and by this means im- the sovereignty and jurisdiction of periling our footing in the external Nicaragua was in no way questioned markets naturally open to us, have by Great Britain, the former's arbi- affairs in the disturbed quarters of the created a situation somewhat injurious to American export interests not only in Germany, where they are perhaps most noticeable, but in adjacent counproceeding.

The Protection of the Scaling Herds. at Moscow, in May next, invites the Our relations with Great Britain, peremonial participation of the United always intimate and important, have States, and in accordance with usage demanded, during the past year, a and diplomatic propriety, our minister greater share of consideration than is to the imperial court has been directed property, and attended with personal usual. Several vexatious questions to represent our government on this ocinjuries as well as loss of life. Al- were left undetermined by the decision casion. though but one American citizen was of the Behring sea arbitration tribunal. reported to have been actually wound- The application of the principles laid the practice of Russian consuls within ed, and although the destruction of down by that august body has not been the jurisdiction of the United States to property may have fallen more heavily followed by the results they were ininterrogate citizens as to their race upon the missionaries of other nation- tended to accomplish, either because and religious faith, and upon asceralities than our own, it plainly be- the principles themselves lacked in tainment thereof to deny to Jews anhooves this government to take the breadth and definitness, or because their most prompt and decided action to execution has been more or less imperthentication of passports or legal documents for use in Russia. Inasmuch as guard against similar, or, perhaps, more dreadful calamities befalling the exchanged between the two governments such a proceeding imposes a disability, which, in the case of a succession to on the subject of preventing the exproperty in Russia, may be found to terminating slaughter of seals.

The insufficiency of the British pa and punishment of the responsible trol of Behring sea, under the regulastituted for those mentioned in the con- officials of the respective cities and tions agreed on by the two governments, has been pointed out, and yet only two British ships have been on police duty during this season in these waters. The need of a more effective enforcement of existing regulations, as well as the adoption of such additional regulations as experience has shown to be absolutely necessary to carry out the intent of the awards, have been earnestly urged upon the British government, but thus far without effective

results. In the meantime, the deple-In my last two annual messages tion of the seal herds by means of pelcalled the attention of congress to the agic hunting has so harmfully prog- position occupied as one of the parties

Venezuelan Boundary Dispute. effect to assume the management of its It being apparent that the boundary affairs. May 9, 1894, I transmitted to dispute between Great Britain and the republic of Venezuela concerning the limits of British Guiana, was spproaching an acute stage, a definite statement the opinion I have at all times enterof the interest and policy of the United tained that our situation in this mat-

safety of the devoted men and women

Mosquito nation, the territory reserved

Relations With Russia

The coronation of the czar of Russia,

Correspondence is on foot touching

vasion of our territorial jurisdiction, it

result of which, it is hoped, will re-

cent convention with Russia establish

ed further difficulty of this nature.

Control of Samoa

and Germany to so interfere with the

government and control Samoa as in

move the cause of complaint.

increased by a policy, which in under-taking to reserve its home markets for raguan administration to the Mosquito sionary societies in the United States, the exclusive use of its own producers, strip, the case of the British vice-con- reside in Turkey under the guarantee of law and usage, and in the legitimate performance of their educational to the products of the world; the desire to retain trade in time-worn ruts, re-siderable indignity, provoked a claim been spared in their behalf and their protetcion in person and property has been earnestly and vigorously enforced

I regret, however, that an attempt on our part to obtain better information concerning the true condition of trary conduct, in regard to British sub-jects, furnished the ground for this the United States consul at Sivas, to make an investigation and report, was thwarted by the objections of the Turk-ish government. This movement on our part was in no sense meant as a gratuitous entanglement of the United States in the so-called Eastern question, nor as an officious interfer with the right and duty which belong, by treaty, to certain great European powers, and which called for their in-

tervention in political matters affecting the good government and religious freedom of the non-Mussulman subects of the sultan, but it arose solely from or desire to have an accurate knowledge of the conditions, and our efforts to care for those entitled to on protection.

The presence of our naval vessels which are now in the vicinity of the disturbed localities, affords opportunities in a measure of familiarity with zens, and which is an obnoxious in- the condition of affairs, and will enable us to take suitable steps for the protec-tion of any interests of our countrymen has elicited fitting remonstrance, the within reach of our ships, which might be found imperiled.

The Ottoman government has lately The pending claims of sealing vessels issued an imperial irade, exempting of the United States, seized in Russian forever from taxation any American waters remain unadjusted. Our recollege for girls at Scutari. Repeated assurances have also been obtained, by ing a modus vivendi as to imperial our envoy at Constantinople, that simi-lar instituions maintained and adminjurisdiction in such cases has preventistered by our countrymen shall be secured in the enjoyment of all rights, and that our citizens throughout the empire shall be protected. The government, however, in view of existing circumstances, is far from relying upon such assurances as the limit of its duty

In conclusion, I specially entreat the people's representatives in congress, who are charged with the responsibility of inaugurating measures for the safety and prosperity of our common country, to promptly and effectively consider the ills of our critical plight. I have suggested a remedy which my I have suggested a remedy which my judgment approves. I desire, however, of the interest and policy of the United States, as regards the controversy, seemed to be required, both on its own account and in view of its relations with the friendly powers directly con-cerned. In July last, therefore, a dis-patch was addressed to our ambassa-tor such legislative action, or expres-the Buttich government, in which the sion, as will lead the way to our relief