

PRESIDENT'S MESSAGE.

To the Senate and House of Representatives: In addressing my third annual message to the law-making branch of the Government, it is gratifying to be able to state that during the past year success has generally attended the effort to execute all the laws found upon the statute books.

THE CALAMITIES OF THE YEAR.

The past year has, under a wise Providence, been one of general prosperity to the nation. It has, however, been attended with more than usual chastisements in loss of life and property by storm and fire.

OUR FOREIGN RELATIONS--THE ALABAMA CLAIMS.

The relations of the United States with foreign powers continue to be friendly. The year has been an eventful one, in witnessing two great nations speaking one language and having one lineage, settling, by peaceful arbitration, disputes of long standing, and liable at any time to bring these nations into hostile conflict.

THE BOUNDARY QUESTION WITH GREAT BRITAIN.

His Majesty, the Emperor of Germany, has been pleased to comply with the joint wish of the two Governments, and has consented to act as the arbitrator of the disputed water boundary between the United States and Great Britain.

RECOMMENDATION IN REGARD TO THE BOUNDARY LINE.

I renew the recommendation for an appropriation for determining the true position of the forty-ninth parallel of latitude, where it forms the boundary between the United States and the British North American possessions.

PROTECTION FOR GERMAN IN FRANCE.

The resumption of diplomatic relations between France and Germany has enabled me to give directions for the withdrawal of the protection extended to Germans in France, by the Diplomatic and Consular representatives of the United States in that country.

OUR RELATIONS WITH GERMANY.

The Government of the Emperor of Germany continues to manifest a friendly feeling toward the United States, and a desire to harmonize with the moderate and just policy which this Government maintains in its relations with Asiatic powers.

OUR RELATIONS WITH ITALY.

I have been officially informed of the annexation of the States of the Church to the Kingdom of Italy and the removal of the capital of that Kingdom to Rome.

CLAIMS AGAINST SPAIN.

The Forty-first Congress, at its third session, made an appropriation for the organization of a Mixed Commission, for adjudicating upon the claims of citizens of the United States against Spain, growing out of the insurrection in Cuba.

THE UNITED STATES AND RUSSIA.

The intimate friendly relations which have so long existed between the United States and Russia continue undisturbed. The visit of the third son of the Emperor is a proof that there is no desire on the part of his Government to diminish the cordiality of these relations.

OUR RELATIONS WITH JAPAN AND CHINA.

With Japan we continue to maintain intimate relations. The Cabinet of the Mikado has, since the close of the last session of Congress, selected citizens of the United States to serve in official positions in several Departments of the Government.

THE COREAN EXPEDITION.

The correspondence transmitted herewith shows that there is no disposition on the part of this Government to swerve from its established course. Prompted by a desire to put an end to the barbarous treatment of our shipwrecked sailors on the Korean coast, I instructed our Minister at Peking to endeavor to conclude a convention with Korea for securing the safety and humane treatment of such marines.

THE ONLY QUESTION WITH MEXICO.

The Republic of Mexico has not yet repealed the very objectionable laws establishing what is known as a free zone on the frontier of the United States.

CENTRAL AND SOUTH AMERICA.

Our relations with the various Republics of the continent and South America continue, with one exception, to be cordial and friendly. I recommend some action by Congress regarding the overdue installments, under the award of the Venezuela Claims Commission of 1866.

SLAVERY IN THE WEST INDIES AND ELSEWHERE.

It is a subject for regret that the reforms in this direction which were voluntarily promised by Spain have not been carried out in the West Indies. The laws and regulations for the apparent abolition of slavery in Cuba and Porto Rico leave most of the laborers in bondage.

CUBA AND SPAIN.

It is to be regretted that the disturbed condition of the Island of Cuba continues to be a source of annoyance and of anxiety. The existence of a protracted struggle in such close proximity to our own territory, without apparent prospect of an early termination, cannot be other than an object of concern to a people who, while abstaining from interference in the affairs of other powers, naturally desire to see every country in the undisturbed enjoyment of peace, liberty and the blessings of free institutions.

THE EDUCATION OF AMERICAN YOUTHS IN CHINA AND JAPAN.

To give importance and to add to the efficiency of our diplomatic relations with China and Japan, and to further in obtaining the good opinions of these people, and to secure to the United States its share of the commerce destined to flow between these nations and the balance of the commercial world, I earnestly recommend that an appropriation be made to support at least four American youths in each of those countries to serve as part of the official family of our Ministers there.

SUBSIDIES FOR STEAMSHIP LINES.

I would also recommend liberal measures for the purpose of supporting the American lines of steamers now operating between San Francisco, Japan and China, and the Australian line, almost our only remaining lines of ocean steamers, and of increasing their service.

THE NATIONAL DEBT.

The National debt has been reduced to the extent of \$86,057,126 80 during the year, and by the negotiation of National bonds at a lower rate of interest, the interest on the public debt has been so diminished that now the sum to be raised for interest account is nearly seventeen million of dollars less than on the 1st of March, 1869.

MODIFICATIONS OF THE TARIFF AND INTERNAL TAX.

I therefore recommend a modification of both the Tariff and Internal Tax laws. I recommend that all taxes from internal sources be abolished, except those on spirits, vinous and malt liquors, tobacco in its various forms, and from stamps.

SALARIES OF COLLECTORS OF CUSTOMS.

The present laws for collecting revenues pay the collectors of customs small salaries, but provide for shares in all seizures which, at the principal ports of entry, particularly, raise the compensation of those officials to a large sum.

SPECULATIONS IN GOLD.

The continued fluctuations in the value of gold, compared with the national currency, has a most damaging effect upon the increase and development of the country, in keeping up prices of all articles necessary to the support of life.

THE ARMY--STAFF PROMOTIONS.

For the operations of the army in the past year, the expense of maintaining it, and the cost of the military stores and other improvements, under the supervision of the War Department, I refer you to the accompanying report of the Secretary of War.

NAVAL AFFAIRS--INCREASE WITHOUT EXPENSE.

The report of the Secretary of the Navy shows an improvement in the number and efficiency of the naval force without material increase in the expense of supporting it. This is due to the policy which has been adopted and is being extended as far as our material will admit, of using smaller vessels as cruisers on the several stations.

THE COAST SURVEY.

During the past year the Navy has, in addition to its regular service, supplied the men and officers for the vessels of the Coast Survey, and has completed the surveys authorized by Congress of the Isthmus of Darien and Tehantepec, and under like authority has sent out an expedition, completely furnished and equipped, to explore the unknown coast of the North.

RANK IN THE NAVY.

I also recommend that all promotions in the navy above the rank of Captain be

made by selection instead of seniority. This course will secure in the higher grades greater efficiency, and hold out an incentive to young officers to improve themselves in the knowledge of their profession.

THE ENLARGED RECEIPTS OF THE POST OFFICE DEPARTMENT.

As shown by the accompanying report of the Postmaster General, exhibits a gratifying increase in that branch of the public service. It is the index of the growth of education and of the prosperity of the people, two elements highly conducive to the vigor and stability of republics, with a vast territory like ours, much of it sparsely populated, but all requiring the services of the mail.

UNITING THE TELEGRAPH SYSTEM.

Of the United States with the postal system. It is believed that by such a course the cost of telegraphing could be much reduced, and the service as well if not better rendered. It would secure further advantage by extending the telegraph through portions of the country where private enterprise will not construct it.

THE KU KLUX LAW.

There has been imposed upon the Executive branch of the Government, the execution of the Act of Congress approved April 20th, 1871, and commonly known as the Ku Klux Law, in a portion of the State of South Carolina.

SALARY OF THE PATENT OFFICE.

After the passage of this law, information was received from time to time that a combination of characters referred to in this law existed, and were powerful in many parts of the Southern States, particularly in certain counties of South Carolina.

DISABILITIES IMPOSED BY THE FOURTEENTH AMENDMENT SHOULD BE REMOVED.

That instrument does not exclude the ballot, but only requires the disability to hold office of certain classes; when the purity of the ballot-box is secure, a majority of one is sure to elect officers reflecting the views of the majority.

LEGISLATION SUGGESTED--THE STATUS OF PLURAL WIVES.

It may be advisable for Congress to consider what in the execution of laws against polygamy is to be the status of plural wives and their offspring; the propriety of Congress passing an Enabling Act authorizing the Territorial Legislature of Utah to legitimize all born prior to a time fixed in the Act might be justified by its humanity to these innocent children.

REPUGNANT TO CIVILIZATION, DECENCY, AND TO THE LAWS OF THE UNITED STATES.

Repugnant to civilization, decency, and to the laws of the United States. Territorial officers, however, have been found who are willing to perform their duty in a spirit of equity and with a due sense of sustaining the majesty of the law.

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RECOMMEND LIBERAL APPROPRIATIONS.

On the part of Congress, in order that the Government may bear its just share of the expenses of carrying out various systems of improvement.

THE POLICY PURSUED TOWARD THE INDIANS.

Has resulted favorably, so far as can be judged from the limited time during which it has been in operation. Through the efforts of the various societies of Christians to whom has been intrusted the execution of the policy, and the Board of Commissioners authorized by the law of April 10th, 1850, many tribes of Indians have been induced to settle upon reservations, to cultivate the soil, and perform productive labor of various kinds, and to partially accustom them to civilization.

THE PUBLIC LANDS.

I renew my recommendation that the public lands be regarded as a heritage to our children, to be disposed of only as required for occupation and to actual settlers. Those already granted have been, in great part, disposed of in such a way as to secure access to the balance by the hardy settler who may wish to avail himself of them, but caution should be exercised.

THE REPORT OF THE SECRETARY OF THE INTERIOR.

Submitted with this, will give you information collected and prepared for publication in regard to the census taken during the year 1870, the operations of the Bureau of Education for the year, the Patent Office, the Pension Office, the Land Office and the Indian Bureau.

THE REPORT OF THE COMMISSIONER OF AGRICULTURE.

Gives the operations of his Department for the year. As agriculture is the groundwork of our prosperity, too much importance cannot be attached to the labors of this Department. It is in the hands of an able head, with able assistants, all zealously devoted to introducing into the agricultural productions of the nation all useful products adapted to any of the various climates and soils of our vast territory, and to giving all useful information as to the method of cultivation of the plants, cereals and other products adapted to it particularly. Quietly but surely

THE AGRICULTURAL BUREAU IS WORKING FOR GREAT NATIONAL GOOD.

And if liberally supported, the more widely its influence will be extended, and the less dependent we shall be upon the products of foreign countries.

The subject of compensation to the heads of Bureaus and officials holding positions of responsibility and requiring ability and character to fill such properly, is one to which attention is invited. The few officials receive a compensation equal to the respectable support of a family, while their duties are such as to involve millions of interest. In private life services demand compensation equal to the services rendered; a wise economy would dictate the same rule in the Government service. I have not given the

ESTIMATES FOR THE SUPPORT OF THE GOVERNMENT.

For the ensuing year, nor the comparative statement between the expenditures of the year just passed and the one just preceding, because all these figures are contained in the accompanying reports, or in those presented directly to Congress. These estimates have my approval.

THE REBELLION--CONDITION OF THE SOUTH.

More than six years having elapsed since the last hostile gun was fired between the armies then arrayed against each other, one for the perpetration, the other for the destruction of the Union. It may well be considered whether it is not now time that the

DISABILITIES IMPOSED BY THE FOURTEENTH AMENDMENT SHOULD BE REMOVED.

That instrument does not exclude the ballot, but only requires the disability to hold office of certain classes; when the purity of the ballot-box is secure, a majority of one is sure to elect officers reflecting the views of the majority. I do not see the advantage or propriety of excluding men from office merely because they were, before the Rebellion, of standing and character sufficient to be elected to positions requiring them to take oath to support the Constitution, and admitting to eligibility those entertaining precisely the same views, but of less standing in their communities. It may be said the former violated an oath, while the latter did not. The latter did not have it in their power to do so; if they had taken this oath, it cannot be doubted that they would have broken it as did the former class.

LEGISLATION SUGGESTED--THE STATUS OF PLURAL WIVES.

As soon as it appeared that the authorities of the United States were about to take vigorous measures to enforce the law, many persons absconded, and there is good ground for supposing that all of such persons have been violators of the law. A full report of what has been done under this law will be submitted to Congress by the Attorney-General.

REPUGNANT TO CIVILIZATION, DECENCY, AND TO THE LAWS OF THE UNITED STATES.

Repugnant to civilization, decency, and to the laws of the United States. Territorial officers, however, have been found who are willing to perform their duty in a spirit of equity and with a due sense of sustaining the majesty of the law. Neither polygamy nor any other violation of existing statutes will be permitted within the territory of the United States. It is not with the religion of the self-styled saints that we are now dealing, but their practices. They will be protected in the worship of God according to the dictates of their consciences, but they will not be permitted to violate the laws under the cloak of religion.

RECOMMEND LIBERAL APPROPRIATIONS.

On the part of Congress, in order that the Government may bear its just share of the expenses of carrying out various systems of improvement.