Oregon Statesman
AND UNIONIST.
SALEM, FRIDAY, : : : : DEC. 10

To Our Weekly Subscribers.

We are now in the fifth month of the publication of the STATESMAN, as the change of proprietors was made on the 1st day of August. During that time we have made no request for payment of subscriptions, desirous that you should have full opportunity to test, and so fairly approve or disapprove our course.

Determined to do our best and let the people be the judges, we have been gratified by realizing a success, which, although moderate, has been entirely satisfactory. There are about three hundred new subscribers on our lists, and we constantly receive additions, as well as friendly assurances from all quarters.

Of course it takes money to run a newspaper, and more of it than most people suppose. So we would simply say that we shall always be prepared to send receipts to those who can pay up.

A great campaign is approaching and we are anxious to be on hand, and always be found in the front of battle. Great battles are seldom fought *on credit*, so if you help us out with cash, you will supply us with the real sinews of war. The proprietor is anxious to enlarge and improve the STATESMAN, and it depends entirely on the support he receives whether he can be able to do so.

We propose to give the people of Oregon *as good a paper as they will pay for*, and to make it a success by making it in all respects a people's paper. If you know any good man who wants the STATESMAN, send us his name, with the understanding that he pays for it in six months, and sooner, if he can. It is part of our faith that every sober working man in the land ought to have a State paper, and that every man who wants to read one, is good for the subscription price. We desire to call the attention of our readers and friends to the fact that we now publish about as much again of matter as the AMERICAN UNIONIST contained at the time of discontinuance. We shall increase the STATESMAN to the size of the largest paper now published in this State when five hundred more subscribers are added to our list, and anything our friends can do to help us to reach that number will be fully appreciated. We repeat again, that the STATESMAN shall be as good and as large a paper as the people will pay for. Please examine the direction of your paper and see if the date on the tag is the date to which you have paid up. Where their is no date named, the subscription commenced August 1st, 1869.

Quite a number have sent us the subscription price and paid up in advance, to whom we tender our best thanks.

Money can always be sent us through the mail at our risk, if sent with the knowledge of postmasters.

We have secured the following gentlemen as Agents:

Albany	L. Flinn
Aurora	Fred. Keil
Brownsville	W. R. Kirk
Bethel	J. H. Hawley
Butteville	B. Jennings
Belpassi	R. Hanna
Corvallis	F. A. Chenoweth
Cottage Grove	N. Martin
Dalles	S. Brooks
Dallas	J. Emmans
Empire City	J. W. Parker
Eugene City	J. F. Brown
Grande Ronde	Mr. Litchfield
Harrisburg	H. Smith
Independence	Vanduyn & Sommerville
Lancaster	S. M. Farley
Lincoln	Abrahams & Co
Lebanon	S. H. Clauson
Monmouth	P. M. Waterhouse
Newport	Samuel Case
Oakland	B Herman
Portland	Wm. T. B Nicholson
Scio	E. E. Wheeler
Sringfield	A. G. Hovey and Rev. J. H. Adams
Sublimity	Mr. Hobson
Silverton	John Davenport
St. Louis	J. D. Taylor
Zena	D. J. Cooper

Quieting Their Nerves.

Something should be done to settle the stomachs and quiet the nerves of the Democratic journals of our State. If they would only fret about their own affairs, and fight their own battles on their own ground, the probability is they would live quieter lives and last to a good old age; but the poor creatures have a peck of troubles on our account and are worrying themselves to death for fear the Republican party will be imposed upon by some of its own leading spirits.

We cordially agree with them in believthat some Republican will be elected to the U. S. Senate, and we don't wonder that they are annoyed at the prospect, but we object to naming the successful man in advance. A certain amount of Democratic opposition is very wholesome, but our Democratic neighbors should remember that when they try hardest to tear a man down, they succeed the best in building him up, for Democratic influence seems to be one of the most striking instances of a rule working by contraries.

The *Oregonian* pertinently says with reference to the Democratic clamor against Senator Williams, that while the Republicans of this State fully appreciate the value of the services of that distinguished gentleman, they make his claims to a reelection entirely secondary, or rather they are not urged at all, for no individual aspirations are allowed to take part in the coming campaign. We are a unit, harmonious and cordial, riven by no factions, cursed by no aspiring leaders, and as such our first and only aim must be to defeat the old stubborn enemy of the country in the coming campaign. And if ever defeat was written in the faces of a party, it is inscribed in hopeless misery on the visage of Oregon Democracy to-day. It is the grand success of Gen. Grant's Administration that knocks them out of time, and will make them eventually throw up the sponge. Our aim, then, should be to select good tried men to every office; to see that reliable and able Republicans sit in the the Legislature to represent the best interests of the country and the true principles of the party, not to elect some man to some office, but to choose the best men to office in every instance.

What worries our Democracy in the case of Senator Williams, is the great natural aptitude he has for the art of "Reconstruction." He has the credit, awarded him by leading journal of that party East, of having taken the lead in framing the Congressional plan of Reconstruction, and they fear he will turn his attention to reconstructing them. We consider, however, that they are case-hardened and beyond hope, if even his efforts should attempt the job. We have great hopes of the rising generation, but the old ones are beyond the reach of improvement. Try soothing syrup or paregoric; "if you can't be aisy, be as aisy as you can," oh, Democrats, "purge yourselves and live cleanly" if you can, and whatever happens, remember that Republican principles are a success, and that the people are governing the country in a very satisfactory manner.

Letter From Linn County.

BROWNSVILLE, Dec. 1, 1869

ED. STATESMAN:—Though times are called dull, there is considerable doing here. The bridge over the Calapooia has been covered. The merchants seem to be doing a good business and have good stocks of goods, new goods are constantly arriving. In North Brownsville, Morgan and Lewis have seven or eight thousand dollars worth of new goods and are evidently doing a good trade. A. Wheeler seemed to have a good stock, but he had just been below and purchased a large stock in addition. There are three stores in South Brownsville, well filled and doing a good business. We have four blacksmith shops that have been busy all the season. Three parties are here buying pork and packing it down, paying 5½ to 6 cents per pound for it. There are two schools on each side of the creek. Rev. W. R. Bishop is teaching in North Brownsville and has over fifty scholars in attendance. A new literary society is now organized to pass away the time these long winter evenings, and assist in improving the minds of the members. More anon. C.

INCONSISTENT.—The *Oregonian* has occasinally intimated that we are wasting powder, shot and ink, in noticing some of the pestilent sayings of small bored cotemporaries, and yet in the last issue it wades into "an obscure and unscrupulous sheet," edited, as it says for purposes of "black mail" by one of the discharged employees of the Indian service. Now, if all this is so, brother—and we are not disposed to doubt or deny it—why don't you stick to your philospby and pass these "obscure" fellows by with pity and contempt? You tell us not to pitch into them and then you go to telling the truth about them at a terrific rate all by yourself. We agree with your advice to let this eunuch of the Oregon Press, rest in his own obscurity. Your genuine neuter-als are proverbially ill natured, and should be let alone as much as possible.

A heavy inundation has visited Yucatan and caused terrible damage to property and loss of life. On the 26th of October, after several days' hard rain, a "norther" set in, but as it cleared up about dark, people went to bed as usual. The storm came on about half past nine, and before many were aware of the danger, the streets were flooded so as to prevent escape. In the houses people climbed on tables and other furniture, and as soon as boats could be manned the more fortunate set about rescuing their fellow citizens. But despite all their efforts there were many lives lost; the suburbs of the city were entirely destroyed, most of the residents losing all they had. The cemeteries were torn up by the torrents, and bodies floated through the streets. Eleven persons are known to be drowned, how many more it is impossible to ascertain, and the survivors are suffering from hunger and exposure.

RETURNED TO HIS VOMIT.—Beriah Brown earned the compliment lately, from some source or other, that he had not abused the memory of President Lincoln in several issues. So he has returned to the familiar themes, and he avenges himself, and perverts history, and outrages decency, and insults the American people, by saying his say in the last issue. He don't do all this very much, because he does so little of it, but he snarls and shows the places where his teeth ought to be, and makes the most of his four quires weekly issue—he does indeed. It wasn't Lincoln who said you came away from Portland without paying your pew rent; it was the *Herald* served you that mean trick. Why don't you vent your spleen where it belongs.

DOCUMENTS.—We are under obligations to Mr. J. V. Mossman formerly of this place, for sending documents of interest from the Legislative Assembly of Washington Territory. Among them are Veto messages from the Governor, in which he mentions the return without approval of no less than twenty-seven bills which had been passed by the Assembly. The Governor sends in some other bills separately with the reasons for his vetoing them, but this batch seems to have come too thick and fast to allow of much deliberate consideration.

Robert Bonner, of the New York *Ledger*, has been buying up some noted horses, and makes the *Herald* pretend—for it is only pretense—that it has discovered a mare's nest. Grant wrote a letter to Bonner; Bonner likes horse flesh and buys fast horses; Grant likes horse flesh, but can't spend as much money as Bonner, and, therefore, the *Herald* thinks its readers are all as green as grass. Well, suppose they are, what are you going to do about it?

Uncle Sam's revenue officers have, for the first time in history, gone after Brigham Young with a prospect of forcing the old Mormon to pay to the United States the taxes he has evaded for years past. Grant's officials are not only determined to make people pay their present dues, but to make them settle all arrearages.

Railroad Commissioner.

People of course are enquiring as to who J. H. Fisk is, who is appointed in place of Jesse Applegate to examine the Railroad, and act as Railroad Commissioner for this State. We take pleasure in stating that it is not Jim Fisk, Jr., of great railroad fame at the East, who is also a great steamboater and gold gambler, but a very clever gentleman who is one of the proprietors of the Standard flouring mills at Milwaukie.

Captain Fisk has been a resident of Umatilla. He was here during the recent term of the Supreme Court, where a suit for a valuable estate, coming to his wife as heir of Lot Whitcomb, was decided in his favor. The appointment is said to be a firstrate one.

On the 17th of November St. Josephs Convent at Toronto was totally destroyed by fire. At the time the building was occupied partly as an asylum for indigent old men and partly as a school for young ladies under Father Conway. The fire was discovered about midnight and much excitement existed owing to the danger that some of the decrepit occupants of whom there were ten asleep in the upper story. However these were all carried, or assisted out of danger by the heroic efforts of the firemen and volunteers. As the fire spread rapidly all that could be done was to save the surrounding buildings, in which attempt the department was successful. The scholars did not sleep in the building and thus much of danger and possible horror was avoided. Loss $5,000, not insured.

GENERAL NEWS.

PORTLAND.—The *Oregonian* of Dec. 7th has these items: The dedication of the new Synagogue on Sunday was well attended. The ceremonies are described as very impressive......The much vexed case of Elfelt, Neil & Co. vs. H. H. Snow & D. M. Jesse has been stipulated to be tried before Judge Boise of this District, without intervention of a jury......St. Helen's Hall has an average attendance of ninety...... Iron columns are to be substituted for brick in Hartlieb's drug store......The Heaton brought up several tons of clay tiles, for underdraining. They are cheaper than iron or lead and as durable......The election in the Fire Department resulted in choice of Robert Holman, Chief Engineer, C. W. Reynard 1st Assistant and B. Meyer 2d Assistant......The Young Men's Christian Association has maintained a Sunday evening school for the instruction of Chinese. The average attendance is forty, men and boys. These are divided into small classes each under the charge of a teacher for the evening. The progress made by the pupils is surprising. In one case a young man learned all the letters of the alphabet so as to remember them in twenty minutes; while it is rare that any beginner does not learn them all in one evening. Several of them who took their first lesson n the English language with the members of the Association, can now read with ease and some fluency, and can write as well as American boys usually do at ten or twelve years of age. Their aptitude in imitating gives them great advantage in acquiring penmanship......The jury in the case of the Oregon Cascade Railroad Company vs. O. S. N. Co. have been sent to the Cascades, per steamer, to make an examination on the spot......East Portland is to have a steam saw mill.

MURDER AT HILLSBORO.—The *Commercial* of the 7th has the following account of a tragedy in Washington county: It appears that Courtney Meeks, the son of the old pioneer, Soe Meeks, a half-breed, got intoxicated and swore that he would kill somebody before morning. Presently Jacob Smith, an old citizen of the place and well known here by the appellation of "Big Jake Smith," came into the saloon. Between Meeks and Smith there seemed to exist an old feud. As soon as Smith appeared, without saying a word, Meeks jumped up, ran to Smith, threw his arms about his neck and stabbed him in the region of the heart, producing death almost instantaneously. Before steps could be taken to procure his arrest, Meeks effected his escape. This is a most aggravated and unprovoked murder. Mr Smith was known to be a quiet, orderly, peaceable and industrious citizen, and his sudden death calls down a just public indignation. A reward of $700 has been offered for the arrest of the murderer. It is supposed that Meek has taken to the mountains, thinking to escape either at Tillamook or Yaquina Bay—possibly at Astoria or into Washington Territory. He is a skillful woodsman and hunter, and his capture will no doubt be difficult.

PORTLAND.—The *Herald* of the 8th has the following: Commodore Watson will remove his residence and headquarters from Astoria to Portland......The ladies of the M. E. Church held their annual fair last evening, at the armory of the Washington Guards. Several thousand dollars has been subscribed towards building a new Church, to be completed next August...... She body of a man was found in the Columbia, near the residence of J. M. Scott. The coroner's jury returned a verdict of accidental drowning. The body was too much decomposed to be identified...... The Catholics observed "the Feast of the Immaculate Conception," which is the opening of the Ecumenical Council, by celebrating three masses, the last one High mass.

DOUGLAS COUNTY.—The following is from the *Ensign* of the 4th: Douglas county was the first in the State to pay this year's tax. The amount paid over was, for polls, $887; property tax, $8.996......W. B. Clarke & Co. have purchased and will erect the first set of planers and matchers in the county. The amount of lumber consumed during the past year has been more than three times that of any previous year. Over two million feet have been used for building purposes......A young man at work in the Myrtle Creek saw mill, lost two fingers by the circular saw one day last week.

WASCO COUNTY.—The *Mountaineer* says a mail route is badly needed from the Dalles to Ochoco. Settlers recently from that point say that their only winter outlet is by way of the Dalles, as the mountains are blockaded with snow......Rev. Mr. Condon's next lecture on geology will be "How Oregon was made." His friends made up a donation of $200 at a party for that purpose......A religious revival going on at the Dalles, fifteen persons have joined the Congregational Church and eighty the M. E. Church.

WALLA WALLA.—The *Statesman* of Dec 4 says that snow is deep enough in Grande Ronde Valley to afford good sleighing.... Parties from the East have invested in real estate quite extensively at Walla Walla.... One firm have sent off nineteen wagons and a pack train loaded with merchandize during the past weeks. Also, over fifty tons of produce in the same time.

JACKSON COUNTY.—From the *Sentinel* of Dec. 4th, we learn that B. F. Dowell has again gone to Wa hington. His business is to present before Congress the Indian war claims of 1854......A young man, by the naine of Wetzel, who has been working at the tin trade for some t me past, at that place, was seized with a strange fit of hallucination, last Thursday night. He fancied that he was wedded to the handsome and accomplished daughter of a respected citizen of this place, and insisted on sending the old gentleman out on the ranch and "keeping hotel" himself for a while. The old gentleman could not see it in that liget, and as the infatuated young man insisted on taking possession of the premises by force if necessary, the City Marshal was called in and the young man was taken to the calaboose......The citizens of Jacksonville have organized a Literary Club. ......Rev. C. Alderson and wife return thanks for donations to the amount of fifty dollars......H. York' of Applegate, fell from his horse in a fit of epilepsy and broke his leg......The mail carrier reports 12 inches of snow between there and Fort Klamath......The Deputy Sheriff is engaged in summoning a jury to try himself on a charge of felony. [Of course he will do the fair thing]

The *Democrat* of the same date, wants to know if "Villamontis" is crazy. [Ask the three laboring lawyers.]......It says that the rains has rendered the county roads almost impassible......Great activity is manifested among the farmers of that section in preparing for next years' harvest...... Scarlet fever is prevalent; one case has proved fatal.

A young lady's opinion of the bonnet of the season: 'Oh, the bonnets of my girlhood—the kind I wore to school! I really thought them pretty. I must have been a fool. And yet I used to think myself on hats a jaunty miss. Perhaps I was, as fashion went; but what was that to this! Oh, the lovely little pancake—the charming little mat! It makes my head so level, and so very, very flat!'

'A prudent man,' says a witty Frenchman, 'is like a pin. His head prevents him from going to far.'

PRESIDENT'S MESSAGE.

To the Senate and House of Representatives.

In coming before you for the first time as Chief Magistrate of this nation, it is with gratitude to the Giver of all good for the many benefits we enjoy. We are blessed with peace at home, and are without entangling alliances abroad, or trouble to forebode. With a territory unsurpassed in fertility, of an area equal to the abundant support of five hundred millions of people, and abounding in every variety of useful mineral, in quantity sufficient to support the world for generations, with exuberant crops; with variety of climate adapted to the production of every species of the earth's produce, rich and suited to the habits, tastes and requirements of every living thing; with a population of forty millions of free people, all speaking one language, with facilities for every mortal to acquire an education; with institutions closing to none the avenue to fame or any blessing of fortune that may be coveted; with freedom of the pulpit, press and schools; with a revenue flowing into the national treasury beyond the requirements of the Government demand. Harmony is being rapidly restored within our borders; manufactures, hitherto unknown in our country, are springing up in all directions, producing a degree of national independence unequaled by that of any other power. These blessings, and countless others, are entrusted to your care and mine, for safe keeping for the brief period of our tenure of office. In a short time we must each of us return to the ranks of the people who have conferred upon us our powers, and account to them for the stewardship. I earnestly desire that neither you or I may be condemned by a free and enlightened constituency, nor by our own consciences.

Emerging from a rebellion of gigantic magnitude, aided as it were by the sympathy and assistance of the nation with which we were at peace, eleven States of the Union were four years ago left without legal State Governments. A debt has been contracted; American commerce was almost driven from the seas; the industry of one-half the country had been taken from the control of the capitalists and placed where all labor rightfully belongs, in the keeping of laborers.

THE CONDITION OF THE COUNTRY.

The work of restoring State Governments loyal to the Union, of the protecting and fostering of labor and providing means for paying the interest on the public debt has received ample attention from Congress. Although your efforts have not met with the success in all particulars that might have been desired, yet on the whole they have been more successful than could have been reasonably anticipated. Seven of the States which passed ordinances of secession have been fully restored to their places in the Union. The eighth (Georgia) has held an election at which she ratified a Constitution, Republican in form, elected a Governor, members of Congress and a State Legislature, with all other officers required. The Governor was duly installed, and the Legislature met and performed all the acts then required of them by the reconstruction acts of Congress. Subsequently, however, in violation of the Constitution that had just been ratified, as since decided by the Supreme Court of the State, they unseated the colored members of the Legislature and admitted to seats members who are disqualified by the third clause of the Fourteenth Amendment in the Constitution, an article which they themselves had contributed to ratify. Under these circumstances I would submit to you whethe it would not be wise, without delay, to pass a law authorizing the Governor of Georgia to convene the members originally elected to the Legislature, and requiring each member to take the oath prescribed by the reconstruction act. This done, those to be admitted who are ineligible under the third clause of the Fourteenth Amendment.

The freedmen, under the protection which they have received, are making rapid progress in le rning, and no complaints are heard of a lack of industry on their part when they receive fair remuneration for their labor.

The means provided for paying the interest on the public debt, with all other expenses of government, are more than ample. The loss of our commerce is the only result of the rebellion which has not received sufficient attention from you. To this subject I call your earnest attention. I will not now suggest the means by which this object may be effected, but will, if necessary, make it the subject of a special message during the session of Congress. At the March term Congress, by a joint resolution, authorized the Executive to order an election in the States of Virginia, Mississippi and Texas, at which was to be submitted the constitution which each had previously in convention framed, and these were to be submitted either entire or in separate parts to be voted on, at the discretion of the Executive. Under this authority elections were called in Virginia. The election took place on the 6th of July 1869. The Governor elected has been installed; the Legislature met and did all required by this resolution and by the reconstruction acts of Congress, and refrained from all doubtful authority. I recommend to our Senators and Representatives that the State be fully restored to its place in the family of States. Elections were called in Mississippi and Texas, to commence on the 30th of November, and to last two days in Mississippi and four days in Texas. The elections have taken place, but the result is not known. It is to be hoped that the acts of the Legislature of these States, when they meet, will be such as to receive your approbation, and then close the work of reconstruction.

Among the evils growing out of the rebellion, and not yet referred to, is that of an irredeemable currency. It is an evil which I hope will receive your most earnest attention. It is the duty—one of the highest of the duties of the Government to secure to the citizens a medium of exchange of unvarying value. This implies a return to a specie basis, and no substitute for it can be devised. It should be commenced now and reached at the the earliest practicable moment, consistent with a fair regard to the interests of the debtor class. Immediate resumption if practicable, would not be desirable. It would compel the debtor class to pay beyond their contracts the premium on gold at the date of their purchase, and would bring bankruptcy and ruin to thousands. Fluctuation, however, in the paper value of the measures of all value (of gold) is detrimental to trade. It makes the man of business an involuntary gambler, for in all sales, when future payment is to be made, both parties speculate as to what will be the value of the currency when paid and received. I earnestly recommend to you then such legislation as will insure a gradual return to specie payments, and put an immediate stop to fluctuations in the value of the currency. The methods to secure these results are as numerous as are the speculations on political economy. To secure the latter I see but one way, and that is to authorize the Treasury to redeem its own paper at fixed prices whenever presented; to withhold from circulation all such currency redeemed until sold again for gold. The vast resources of the nation, both developed and undeveloped, ought to make our credit the best on the earth. With a less burden of taxation than the citizens has endured for six years past, the entire public debt could be paid in ten years; but it is desirable that the people should not be taxed to pay in that time. Year by year the ability to pay increases in rapid ratio, but the burden of interest ought to be reduced as rapidly as can be done without the violation of the contracts. The public debt is represented in greater part by bonds, having from five to twenty and from twenty to forty years to run, bearing interest at the rate of six per cent and five per cent., respectively. It is optional with the Government to pay their bonds at any period after the expiration of the last time mentioned upon their face. The time has already expired when a great part of them may be taken up, and the time is rapidly approaching when all may be. It is believed that all which are now due may be replaced by bonds bearing a rate of interest not exceeding four and a half per cent., and as rapidly as the remainder becomes due, that they may be replaced in the same way. To acclomplish this it may be necessary to authorize interest to be paid at either of three or four money centers of Europe, or by any Assistant Treasurer, at the option of the holders of the bonds. I recommend this subject for the consideration of Congress. Also simultaneously with this, the propriety of redeeming our currency as before suggested, at its market value at the time the law goes into effect; increasing the rate at which currency will be bought or sold from day to day, or week to week, at the same rate of interest as the Government pays upon its bonds.

The subject of tariff and internal taxation will necessarily receive your attention. The revenues of the country are greater than the requirements and may with safety be reduced; but as the funding of the debt in four or four and a half per cent. bonds would reduce the annual current expense largely, and then, after funding, justify a greater reduction of taxation than would be now expected. I suggest the postponement of this question until the next meeting of Congress, when it may be advisable to modify taxation and the tariff in instances where unjust or burdensome discriminations are made by the present laws. But a general revision of the laws regulating this subject. I recommend the postponement for the present. I also suggest the renewal of the tax on incomes, but at a reduced rate, say of three per cent, this tax to expire in three years. With the funding of the national debt, I feel safe in saying that the taxes and revenue from imports may be reduced safely from sixty to seventy millions per annum at once, and still further reduction from year to year, as the resources of the country are developed.

FINANCES.

The report of the Secretary of the Treasury shows the receipts of Government for the fiscal year ending June 30, 1869, to be $370,943 647, and the expenditures, including interest, etc., to be $321,490,597. The estimates for the ensuing year are more favorable to the Government and will, no doubt, show a large decrease of the public debt. The receipts in the treasury beyond expenditures have exceeded the amount necessary to place to the credit of the sinking fund, as provided by law. To lock up the surplus in the treasury and withhold it from circulation would lead to such a contraction of the currency as to cripple trade and seriously affect the prospects of the country. Under these circumstances, the Secretary of the Treasury and myself heartily concurred in properly using all this surplus currency in the treasury for the purchase of Government bonds, thus reducing the interest bearing debt of the country, and of submitting to Congress the question of the disposition to be made of the bonds as purchased. The bonds now held by the treasury amount to about $75,000,000, including those belonging to the sinking fund. I recommend that the whole be placed to the credit of the sinking fund.

Your attention is respectfully invited to the recommendations of the Secretary of the Treasury for the creating of the office of Commissioner of the Custom Revenue, for the increase of salary to a certain class of officials, and the substitution of increased national funds and circulation to replace the outstanding 3 per cent. certificates, and most especially to his recommendation for the repeal of the laws allowing shares of fines, penalties, forfeitures, etc., to the officers of the Government or to informers. The office of Commissioner of Internal Revenue is one of the most onerous and important under the Government. It falls but little if any short of a Cabinet position in its importance and responsibilities. It is therefore recommended to such legislation as in your judgment will place this office on a footing of dignity commensurate with its importance and character, and ability and qualification with the class of men required to fill it properly.

As the United States is the freest of all nations, so its people sympathize with all people struggling for liberty and self-government. But while so sympathizing, it is due to our honor that we should abstain from enforcing our views upon unwilling nations, from taking an interested part in initiatory quarles between different nations or between governmentt and their subjects. Our course should always be in conformity with strict justice and international law to all. Such has been the policy of the Administration dealing with these questions. For more than a year a valuable province of Spain, a near neighbor of ours, in whom all our people cannot but feel a deep interest, has been struggling for its independence and freedom. The people and Government of the United States entertains the same warm feeling and sympathies for the people of Cuba in their pending struggle that they manifested throughout the previous struggles between Spain and her colonies in behalf of the latter. But the countries, at no time, have assumed the conditions which amount to the war in the sense of international law or which would show the existence of a political organization of insurgents sufficient to justify a recognition of their belligerency. The principle is maintained, however, that this nation will be its own judge as to the rights of belligerency, either to a people struggling to force themselves from a government they believe to be oppressive, or to independent nations at war with each other. The United States have no disposition to interfere with existing relations of Spain to her colonial possessions on this continent. They believe in due time Spain and other European powers will find their interest terminating these relations and establishing their present dependencies as independent powers, as members of the families of nations. These dependencies are no longer regarded as subject to transfer from one European power to another. When the present relations of the colonies cease they are to become independent powers; exercising the right of choice and of self-control in the determination of their future condition and relations with other powers. The United States, in order to put a stop to bloodshed in Cuba, and in the interest of neighboring people, proffered their good offices to bring the existing contest to a termination. The offer not being accepted by Spain on a basis which was believed could be received by Cuba, it was withdrawn. It is hoped that the good offices of the United State may yet prove advantageous for the settlement of this unhappy struggle. Meanwhile a number of illegal expeditions against Cuba have been broken up. It has been the endeavor of the Administration to execute the neutrality laws in good faith, no matter how unpleasant the task may be, so that they may avoid the suffering we have endured from a lack of good faith towards the United States by other nations in regard to us.

The schooner Lizzie Major was arrested on the high seas by a Spanish frigate and two passengers taken from it and carried as prisoners to Cuba. Representations of these facts were made to the Spanish Government as soon as official information of them reached Washington. The two passengers were set at liberty and the Spanish Government assured the United States that the captain of the frigate, in making the capture, had acted without law, and that he had been reprimanded for the irregularity of his conduct, and that the Spanish authorities in Cuba would not sanction any act that could violate the rights or treat with disrespect the sovereignty of the nation. The question of the seizure of the brig Mary Lowell at one of the Bahama Islands by the Spanish authorities is now the subject of a correspondence between this Government and that of Spain and Great Britain. The Captain General of Cuba, about May last, issued a proclamation authorizing a search to be made of vessels on the high seas. Immediate remonstrance against this was made whereupon the Captain General issued a new proclamation, limiting the right of search of vessels of the United States so far as authorized under the treaty of 1795.—This proclamation, however, was immediately withdrawn. I have always felt that the most intimate relations should be cultivated between the Republic of the United States and all independent nations on this continent. It may be well worth considering whether treaties between the United States and them may not be profitably entered into to secure more intimate relations, friendly and otherwise.

THE DARIEN CANAL.

The subject of an interoceanic canal to connect the Atlantic and Pacific oceans, through the isthmus of Darien, is one in which the United States is greatly interested. Instructions have been given our minister at the Republic of the United States of Colombia to endeavor to obtain authority for a survey by this Government, in order to determine the practicability of such an undertaking, and a charter for the right of way, to be built by private enterprise, if the survey proves it to be practicable.

PERU.

In order to comply with the agreement of the United States as to mixed commissions at Lima for the adjustment of claims, it became necessary to send a Commissioner and Secretary to Lima in August last. No appropriations having been made for this purpose, it is now asked that one be made, covering the past and future expenses of the Commission.

PARAGUAY.

Has made the intercourse with that country so difficult that it has been deemed advisable to withdraw our representatives from there.

OTHER FOREIGN AFFAIRS.

The good offices of the United States to bring about peace between Spain and the South American Republics with which she is at war having been accepted by Spain, Peru and Chile, a Congress has been invited to be held at Washington during the present winter.

A grant has been given to Europeans of an exclusive right of transit over the territory of Nicaragua, to which Costa Rica has given its assent, but which, it is alleged, conflicts with vested rights of citizens of the United States. The Department of State has now this subject under consideration.

The Minister of Peru having made representations that there was a state (?) between Peru and Spain, and that Spain was constructing in and near New York, Government gunboats which might be used by Spain in such a way as to relieve the naval force at Cuba so as to operate against Peru, orders were given to prevent their departure. Whether steps have been taken by representatives of the Peruvian Government to prevent the departure of these vessels, I do not feel authorized t detain the property of the nation with whom we are at peace, on a mere executive order. The matter has been referred to the Courts to decide.

Towards the close of the last administration a convention was signed at London for the settlement of all outstanding claims between Great Britain and the United States, which failed to receive the advice and consent of the Senators to its ratification. Time and circumstances attending the negotiation of the treaty were favorable to its acceptance by the people of the United States; but its provisions were wholly inadequate for the settlement of the grave wrongs that had been sustained by this Government as well as its citizens. The injuries resulting to the United States by reason of the course adopted by Great Britain during our late civil war in the increased rates of insurance, in the diminution of exports and imports, and other respects to domestic industry and production; its effects upon the foreign commerce of the countryf in the decrease and transfer to Great Britain of our commercial marine; in prolongation of war and the increased cost, both in treasure and lives, of its suppression, could not be adjusted and satisfied as ordinary commercial claims, which continually arise between commercial nations, and yet the convention treated them as such ordinary claims, from which they differ more widely in the gravity of their character than in the magnitude of their amount, great even as that is. There was found a wide difference of opinion as to the reciprocity treaty between the United States and the British Provinces on this continent, which has not been favorably considered by the Administration. The advantages of such a treaty would be totally in favor of the British producer, except, possibly, as to a few engaged in the trade between the two sections. No citizen of the United States would be benefitted such reciprocity. Our internal taxation would prove a protection to the British producer almost equal to the protection which our manufacturers now receive from that tax. Some arrangement, however, for the regulation of commercial intercourse between the United States and the Dominion, for adjusting the claims of the Hudson Bay and Puget Sound Agricultural Companies, on the part of the United States, has terminated its labors; the allowance of $650,000 has been made, and all the rights and titles of the Company on the territory of the United States have been made over, and all rights and titles of that Company on the territory of the United States have been extinguished, and deeds for the property of the Company have been received. An appropriation by Congress to meet this sum is asked. The Commission for determining the Northwestern land boundary between the United States and the British Possessions, under the treaty of 1856, have completed its labors and the Commission has been discharged.

In conformity with the recommendation of Congress, proposition was early made to the British Government to abolish the mixed courts created under the treaty of April 18th, 1862, for the suppression of the slave trade.

THE FRENCH CABLE.

It having come to my knowledge that a corporate company, organized under British laws, proposed to land upon the shores of the United States, and to operate their submarine cable under concession from His Majesty the Emperor of the French, with an exclusive right for twenty years, of telegraphic communication between the shores of France and the United States, with the very objectionable feature of subjecting all messages confided to them to his sovereignty, and to the control of the French Government, I caused the French and British Legations at Washington to be made acquainted with the probable policy of Congress of the subject, as foreshadowed by the bill which passed the Senate in March last. This drew from the representatives of the company an agreement to accept as a basis of their operations the provisions of the bill, or of such other enactments on the subjects as might be passed by the approaching session of Congress; also, to use their influence with the French Government to secure a modification of their concession, so as to permit the landing upon French soil of a cable belonging to any company incorporated by authority of the United States or any State in the United States, and on their part not to oppose the establishment of any such cable. In consideration of this agreement, I directed the withdrawal of all opposition by the United States authorities to the landing of the cable and the working of it untill the meeting of Congress. I regret to say there has been no modification made in the Company's concession, nor, so far as I can learn, have they attempted to secure one. Their concession excludes the capital and the citizens of the United States from competition upon the shores of France. I recommend legislation to protect the rights of citizens of the United States as well as the dignity and sovereignty of the nation against such an assumption. I shall also endeavor to secure by negotiations an abandonment of the principle of monopolies on ocean telegraphing cables. Copies of this correspondence are herewith furnished.

FICTITIOUS CITIZENSHIP.

The unsettled political condition of these countries less fortunate than our own sometimes induces their citizens to come to the United States for the sole purpose of becoming naturalized. Having secured this they return to their native country and reside there, and without disclosing their change of allegiance they accept official positions of trust and honor which can only be held by citizens of their native land. They journey under passports describing them as such citizens, and it is only when civil discord, after perhaps years of quiet, threatens them or threatens their person or property, or when their native State draws them into its military service, that fact of this change of allegiance is made known. They reside permanently from the United States, they contribute nothing to their revenues; they avoid the claims of its citizenship, and they only make themselves known by asking for our protection. I have directed the diplomatic and consular officers of the United States, to scrutinize carefully all such claims of protection. The citizen of the United States, whether native or adopted, who discharges his duty to his country, is entitled to complete protection and should have a voice in the direction of its affairs. But I shall not consent to impair a sacred right by confering it upon fictitious or fraudulent claimants.

EMIGRANT PROTECTION.

On the accession of the present Administration, it was found that the Minister for North Germany had made a proposition for negotiations of a convention for the protection of emigrant passengers, to which no re ponse had been given. It was concluded that to be effectual, all the maritime powers engaged in trade, should join in such a measure. Invitations have been extended to the Cabinets of London, Paris, Berlin, Brussels, the Hague, Copenhagen Florence and Stockholm, to empower their representatives at Washington to simultaneously enter into negotiations or conclude with the United States, conventions identical in form, as to the construction of the parts of vessels to be devoted to the use of emigrant passengers; as to the quality and quantity of food; as to medical treatment of the sick during the voyage; in order to secure ventilation; to promote health; to prevent interruption and to protect families and providing for the establishment of tribunals in the several countries for enforcing such regulations by summary process.

MANUFACTURES.

Your attention is respectfully called to the law regarding tariff on Prussian hemp, and to the question whether to fix the charges on Prussian hemp higher than they are fixed upon Manilla, is not a violation of our treaty with Prussia, placing her products upon the same footing with those of the most favored nations. Our manufactures are increasing with wonderful rapidity under the encouragement which it now receives, and with the improvements in machinery already effected, and they are still increasing, thus causing machinery to take the place of skilled labor to a large extent. Our imports of many articles must fall off largely within a few years. Fortunately too many manufactures are not confided to a few localities, as formerly, and it is to be hoped that they will become more and more diffused, making the interest in them equal in all sections. They give employment to hundreds and thousands of people at home, and retain with us means which otherwise would be shipped abroad. The extension of railroads in Europe and the East is bringing into competition with our agricultural produce those of other countries. Self-interest, if not self-preservation, therefore, declares in favor of caution against disturbing any industrial interests of the country. It teaches us also the necessity of looking to other markets for the sale of our surplus.

ASIAN AND SOUTH AMERICAN RELATIONS.

Our neighbors south of the United States and China and Japan, should receive special attention. It will be the endeavor of the Administration to cultivate such relations with all the nations as to be entitled to their confidence and them interested; as will establish better commercial relations through the agency of a more enlightened policy than that heretofore pursued.

Toward China—it due to the capacity and efforts of one of our own distinguished citizens—that the world is about to commence largely increased relations with the populous and hitherto exclusive nation. As the United States have been the initiators of the policy, they should be the most earnest in showing their good faith and making it a success. In this connection, I advise such legislation as will forever preclude the enslavement of the Chinese upon our soil under the name of coolies, and to prevent American vessels from engaging in the transportation of coolies to any country, or tolerating the system. I also recommend that the Mission to China be raised to one of the first-class.

THE OBJECTS OF THE ADMINISTRATION.

On my assuming the responsibilities of Chief Magistrate of the United States, it was with the conviction that three things were essential to its peace and prosperity and to the fullest development. First among these is strict integrity in fulfilling our obligations; second, to secure protection to the person and property of the citizen of our common country, wherever he may chance to move, without reference to original nationality, religion, color or politics, demanding of him obedience to the laws and the proper respect for the rights of others; third, the union of all the States, with rights indisputable by any but constitutional means. To secure the first of these Congress has taken two essential steps in declaring by joint resolution that the public debt should be paid, principal and interest, in coin. Second, by providing the means for paying the principal. However, we could not secure the object desired without the proper administration of laws for the collection of revenues, and the economical disbursement of them. To this subject the Administration has most earnestly addressed itself, with results, I believe, satisfactoro to the country. There has been no hesitation in changing officials in order to secure the efficient execution of the laws; sometimes, too, where in a mere party view the political results that were to-day, follow from any hesitation in sustaining efficient officers against remonstrances wholly political.

It may be well to mention here that embarrassment may possibly arise from leaving on the statute book the so-called Tenure of office acts, and to earnestly recommend their total repeal. It could not have been the intention of the framers of the Constitution, when providing that appointments made by the President should receive the consent of the Senate, that the latter should have the power to retain in offices persons displaced by federal appointments against the will of the President. The law is inconsistent with a faithful and effective administration of the Government. What faith can the Executive put in officials forced upon him?—those, too, whom he has suspended for reason? How would such officials be likely to serve the Administration which they know does not trust them. For the second requisite to our growth and prosperity, time and a firm but humane administration of existing laws, amended from time to time as they may prove ineffectual or harsh or unnecessary, are probably all that is required. The third cannot be obtained by special legislation, but must be regarded as fixed by the Constitution itself, and gradually acquiesced in by the force of public opinion.

INDIAN AFFAIRS.

From the foundation of the Government to the present, the management of the original inhabitants of this continent (the Indians) has been attended with continuous robberies, murders and wars. From my own experience when on the frontiers and in Indian countries, I do not hold either the legislation or the conduct of the whites who come nearest in contact with the Indians blameless. The deeds of the past, however, cannot be undone, and the question must be met as we now find it. I have adopted a new policy towards these wards of the nation. They cannot be regarded in any other light than as wards. It has been attended with fair results so far as tried, and which, I hope, will be attended ultimately with great success. The Society of Friends is well known as having succeeded in peace with the Indians in the early settlement of Pennsylvania, when their white neighbors of other sections were constantly embroiled. They are also known for their opposition to all strife, violence and war, and are generally noted for their strict integrity and fair dealing. These considerations induced me to give the management of a few reservations of Indians to them, and to throw the burden of the selection of agents upon the Society itself. The result has proved most satisfactory. It will be found more fully set forth in the report of the Commissioner of Indian Affairs and of the Superintendents. For Indian Agents not on reservations, officers of the army were selected. The reasons for this are numerone. The Indian Agents are sent here or there; troops must be sent also. The agent and commander of the troops are independent of each other, and are subject to orders from different departments of the Government. The army officer holds a position for life—the agent one at the will of the President. The former is personally interested in living in harmony with the Indians and the establishment of permanent peace, to the end that some portion of his life may be spent within the limits of the civilized section. The latter has no such personal interest. Another reason is an economic one; and still another is the hold which the Government has upon the life of the officer, to secure a faithful discharge of his duties in carrying out a given policy. The building of the railroad, and the access thereby given to all the agricultural and mineral region of this country, is rapidly bringing civilized settlements in contact with all the tribes of Indians, and no matter what ought to be the relations between such settlements and the aborigines, the fact is they do not harmonize well, and one or the other has to give way in the end. A system which looks to the extermination of a race is too horrible for any nation to adopt without entailing upon itself the wrath of all Christendom, and engendering in the citizen a disregard for human life and the rights of others, dangerous to society. I see no substitute for such a system except in placing all the Indians on large reservations as rapidly as it can be done, and giving them absolute protection there as soon as they are fitted for it. They should be induced to take their lands in severalty, and to set up territorial government for their own protection. For the full details on this subject, I call your special attention to the reports of the Secretary of the Interior and the Commissioners of Indian Affairs.

WAR DEPARTMENT.

The report of the Secretary of War shows the expenditures of the War Department for the year ending 30th of June, 1869, to be $80,644,042, of which $23 882,310 was disbursed in the payment of debts contructed during the war, and is not chargeable to current army expenses. The estimate of the army for the next fiscal year is as low as it is believed it can be. The estimates of the bureau of officers have been carefully scrutinized, and reduced wherever it has been deemed practicable. If, however the condition of the country should be such by the beginning of the next fiscal year as to admit of a greater contraction of troops, the appropriation asked for will not be expended. The appropriation estimotes for river and harbor improvements, and fortifications are submitted separately. Whatever amount Congress may deem proper to appropriate for these purposes will be expended.

The recommendation of the General of the army that appropriations be made for the forts at Boston, Portland, New York, Philadelphia, New Orleans and San Francisco, if for no others, is concurred in. I also ask your special attention to the recommendation of the General commanding the military Division of the Pacific for the sale of the seal of islands of St. Paul and St. George, Alaska Territory, and suggest that either it be complied with or that legislation be had for the protection of the seal fisheries, from which a revenue should be derived.

The report of the Secretary of War contains a synopsis of the heads of bureaus of the commanders of the military divisions of the Districts of Virginia, Mississippi and Texas, and the report of the General of the army in full. The recommendations therein contained eave been considered, and are submitted for your action. I, however, call special attention to the recommendation of the Chief of Ordnance for the sale of arsenals and lands no longer of use to the Government. I also recommend the suggestion of the Secretary of War that the act of the 3d of March, 1869, prohibiting promotions and appointments in the staff corps of the army be repealed. The extent cf country to be garrisoned, and the number of military posts to be occupied, as the rule, is the same with a reduced as with a large one. The number of staff officers required is more dependant upon the latter than the former coddition.

THE NAVY.

The report of the Secretary of the Navy accompanying thss shows the condition of the navy when this Administration came into office, and the changes that have been made since. Strenuous efforts have been made to place as many vessels in commission, or render them fit for service if required, as soon as possible, and substitute the sail for steam while cruising, thus materially reducing the expenses of the navy, and adding materially to its efficiency. Looking to our future, a liberal though not extravagant policy toward this branch of the public service is commended.

THE POSTAL SERVICE.

The report of the Postmaster General furnishes a clear and comprehensive exhibit of the operations of the Postal service and of the financial condition. Of this part of the Postoffic Department the ordinary postal revenues for the year ending June 30th, 1869, amount to $18,344,001, and the expenditures to $23,689,191, showing an excess of expenditures over the receipts $5,353,620, the excess of expenditures over receipts for the previous year amounted to $7,437,992, the increase of this department's revenues for 1869 over those of 1868, was $2,051,909, and the increase of expenditures was $9,675,938. The increased revenue of 1869 exceeded the increased revenue of 1868 by $996,336. The increased expenditures in 1869 were $2,527,570 less than the increased expenditures in 1867, showing by comparison this gratifying feature of improvement, that while the increase of expenditures over the increase of receipts in 1868 was $2,439,535, the increase of receipts over the increase of expenditures of 1869 was $1,084,371. Your attention is respectfully called to the recommendation made by the Postmaster General for authority to change rates of compensation to the Main Trunk Railroad lines for services in coin for carrying the mails; for having post routes now executed; for re organizing and incresing the efficiency of special agents; for increase of mail service on the Pacific, and for establishing mail serivices under the flag of the Union on the Atlantic. And especially do I call your attention to his recommendation for the total abolition of the franking privilege. This is an abuse from which no one receives a commensurate advantage. It reduces the receipts for the postal service from 25 to 30 per cent, and largely increases the services to be performed. The method by which postage should be paid upon public matter, is set forth fully in the report of the Postmaster General.

THE PUBLIC LANDS.

The report of the Secretary of the Interior shows that the quantity of public lands disposed of during the year ending June 30, 1869, was 7,666,152 acres, exceeding that of the preceeding year by 1,010,152 acres, exceeding that of the preceeding year by 1,010,400 acres. Of this amount 2,737,165 acres were sold for cash, and 2,737,165 acres secured by the homestead laws; the remainder was granted to aid the construction of works of internal improvements, approved to the States as swamps, and land warrants and scrip. The cash receipts from all sources were $4,472,987, exceeding those of the preceeding year $2,840,140.

PENSIONS.

During the last fiscal year 23,196 names were added to the pension rolls, and 4,896 dropped therefrom, leaving at the close 187,863. The amount paid to pensioners, including the compensation of disbursing agents, was $28,428, an increase of $441,152 on that of the previous year. The munificence of Congress has been conspicuously manifested in its legislation for the soldiers and orphans who suffered in the struggle to maintain that unity of Government which makes us one people. The additions to the pension rolls of each successive year since the conclusion of hostilities result in a great degree from the reapeated amendments of the act of the act of the 14th of July, 1867, which extended its provisions to cases not falling within the original scope. The large outlay which is thus occasioned is further increased by tee more liberal allowance bestowed since that date upon those who in the line of duty were permanently or wholly disabled. Public opinion has given an emphatic sanction to these measures of Congress, and it will be conceded that no part of our public burden is more cheerfully borne than that which is imposed by this branch of the service. It necessitates for the next fiscal year an addition to the amount justly chargeable to the Naval Pension Fund of an appropriat on of $20,000,000 during the pear ending Sep. 30, 1869.

THE PATENT OFFICE.

The patent Office issued 13,862 patents, and the receipts were $636,389, being $213,035 more than the expenditures. I would respectfully call your attention to the recommendation of the Secretary of the Interior for uniting the duties of supervision of the education of freedmen with the other duties devolving upon the Commissioner of Education, if it is the desire of Congress to make the census, which must be taken during the year 1879, more complete and perfect than heretofore. I would suggest early action upon any plan that may be agreed upon, as Congress at the last session appointed a committee to take into consideration such measures as might be deemed proper in reference to the census, and to report a plan. I desist from saying more.

I recommend to your favorable consideration the claims of the Agricultural Bureau for liberal appropriation. In a country so diversified in climate and soil as ours, and with a population so largely dependant upon agriculture, the benefits to be conferred bp properly fostering its Bureau are incalculable.

I desire respectfully to call the attention of Congress to the inadequate salaries of a number sf the most important officers of the Government. In this message I will not enumerate, but I will specify only the Justices of the Supreme Court. No change has been made in their salaries in 15 years. Within that time the labors of the Court have largely increased, and the expenses of living have at least doubled. During the same time Con ress has twice found it necessary to increase largely the compensation of its own members, and the duty it owes to another department of the Government deserves to, and undoubtedly will, receive its due consideration.

There are many subjects not alluded to in this message, which might with propriety be introduced, but I adstain, believing your patriotism and statesmanship will suggest the topics for legislation most conducive to the interests of the whole people.

On my part I promise rigid advocacy of the laws and their strict enforcement.

U. S. GRANT.

Washington, D. C., Dec. 6, 1869.

A Northwestern paper tells this mournful yet romantic story: 'An Iowa soldier, supposed to have been killed long ago, returned to his family, and found to his sorrow, that his wife, supposing him to be dead, had remained single. He had got his eye on another woman, and hoped she had spliced.'