

THE MESSAGE

President Cleveland's Annual Communication to Congress.

Our Foreign Relations in a Highly Satisfactory Condition.

A Reduction of the Surplus Revenue Earnestly Urged.

He Renews His Recommendation for a Suspension of Silver Coinage.

The Fishery Troubles—The Cutting Case—Civil-Service Reform.

Citizenship and Naturalization—Interstate Traffic—Capital and Labor.

The United States and China Negotiating Regarding Chinese Immigration.

The Necessity for Coast Defenses Explained and Urged Upon Congress.

A Proposition to Establish National Prisons for Federal Convicts.

To the Congress of the United States:

In the discharge of a constitutional duty, and following a well-established precedent in the Executive office, I herewith transmit to the Congress, at its earliest convenience, an information concerning the state of the Union, together with such recommendations for legislative consideration as appear necessary and expedient.

FOREIGN RELATIONS

The Government has consistently maintained its relations of friendship toward all other powers, and of neighborly interest toward those whose possessions are contiguous to our own. Few questions have arisen during the past year with other Governments, and none of those are beyond the reach of settlement in a friendly manner.

CLAIMS AGAINST CHILI

We are as yet without provision for the settlement of claims of citizens of the United States against Chili for injuries during the late war with Peru and Bolivia. The allied Commissions, organized under claims conventions concluded by the Chili Government with certain European states, have developed an amount of friction which we trust can be avoided in the convention which our representative at Santiago is authorized to negotiate.

THE CHINESE QUESTION

The cruel treatment of insidious Chinese has, I regret to say, been repeated in some of the far Western States and Territories, and acts of violence against these people beyond the power of the Government to avert, and reported even in distant Alaska. Much of this violence can be traced to race prejudice and competition of labor, which cannot, however, justify the oppression of strangers whose safety is guaranteed by our treaty with China equally with the most favored nations. In opening our vast domain to alien settlement, the purpose of our lawgivers was to invite assimilation and not to provide an arena for endless antagonisms. The paramount duty of maintaining public order and defending the interests of our people may require the adoption of measures of restriction, but it should not tolerate the oppression of individuals of a special race. I am not without assurance that the Government of China, whose friendly disposition toward us I am most happy to recognize, will meet us half way in devising a comprehensive remedy, by which an effective limitation of Chinese emigration, joined to protection of those Chinese subjects who remain in this country, may be secured. Legislation is needed to execute the provisions of our Chinese convention of 1880 touching the opium traffic.

TEROCEANIA, TURKISH

While the good-will of the Colombian Government toward our country is manifested in the situation of American interests on the Isthmus of Panama, has at times elicited concern, and invited friendly action looking to the performance of the engagements of the two nations concerning the territory embraced in the interoceanic transit. With the subsidence of the Isthmian disturbances and the erection of the State of Panama into a Federal district under the direct government of the constitutional administration at Bogota, a new order of things has been inaugurated which, although not yet experimental and affording scope for arbitrary exercise of power by the delegates of the national authority, promises much improvement.

THE "LIBERTY" STATUE

The sympathy between the people of the United States and France, born during our colonial struggle for independence, and continuing to day, has received a fresh impulse in the successful completion and dedication of the colossal statue of "Liberty Enlightening the World," in New York harbor, the gift of Frenchmen to Americans.

TELEGRAPH CABLES

A convention between the United States and certain other powers for the protection of submarine cables was signed at Paris on March 14, 1884, and has been duly ratified and proclaimed by this Government. By agreement between the high contracting parties, this convention is to go into effect the 1st of January next, but the legislation required for its execution in the United States has not yet been adopted. I earnestly recommend its enactment.

NATURALIZED GERMANS ABROAD

Cases have continued to occur in Germany giving rise to much correspondence in relation to the privilege of sojourn of our naturalized citizens of German origin revisiting the land of their birth, yet I am happy to state that our relations with that country have lost none of their accustomed cordiality.

TONNAGE DUES

The claims for interest upon the amount of tonnage dues illegally exacted from certain German steamship lines were favorably reported in both houses of Congress at the last session, and, I trust, will receive final and favorable attention at an early day.

THE FISHERY TROUBLES

The recommendation contained in my last an-

nual message in relation to a mode of settlement of the fishery rights in the waters of British North America, so long a subject of anxious difference between the United States and Great Britain, was met by an adverse vote of the Senate April 13th last, and thereupon negotiations were instituted to obtain an agreement with Her Britannic Majesty's Government for the regulation of such joint interpretation and definition of the article of the convention of 1814, relating to the Territorial waters and inshore fisheries of the British provinces, as should secure the Canadian rights from encroachment by United States fishermen, and, at the same time, insure the enjoyment by the latter of the privileges guaranteed to them by such convention.

The questions involved are of long standing, of grave consequence, and from time to time for nearly three-quarters of a century have given rise to earnest international discussion, accompanied by irritation. Temporary arrangements by treaties have served to allay friction which, however, has revived as each treaty has terminated.

The last arrangement, under the treaty of 1871, was abrogated, after due notice by the United States, on June 30, 1883, but I was enabled to obtain for our fisherman for the remainder of that season enjoyment of the full privileges accorded by the terminating treaty. The Joint Commission by whom the treaty had been negotiated, although invested with plenary power to make a permanent settlement, were content with a temporary arrangement, after the termination of which the question was referred to the International Commission of arbitration of the treaty of 1814, as to the first article of the same, which gave jurisdiction. Nature had made us irreconcilably neighbors and wroth and kind feeling should make us friends. The overflow of capital and enterprise from the United States is a potent factor in assisting the development of the resources of Mexico, and in building up the property of both countries. To assist this good work, all grounds of apprehension for the security of person and property should be removed, and trust that, in the interests of good neighborhood, the statute referred to will be modified so as to eliminate the present possibilities of danger to the peace of the two countries.

THE NETHERLANDS

The Government of the Netherlands has exhibited concern in relation to certain features of our tariff laws, which are supposed by them to be aimed at a class of tobacco produced in the Dutch East Indies. Comment would seem unnecessary upon the unwise of legislation appearing to have a special national discrimination for its object which, although unintentional, may give rise to injurious retaliation.

PERU

The establishment, less than four years ago, of a legation at Teheran is bearing fruit in the interest exhibited by the Shah's government in the industrial activity of the United States and the opportunities of commercial interchange.

Stable government is now happily restored in Peru by the election of a constitutional President, and a period of rehabilitation is entered upon; but recovery is necessarily slow from the exhaustion caused by the late war and civil disturbances. A convention to adjust by arbitration the claims of our citizens has been made and an acceptable conclusion has been reached.

At an early day there may be laid before Congress the correspondence of the Department of State in relation to this important subject, so that the history of the past fishing season may be fully disclosed and the action and the attitude of the administration clearly comprehended. My executive action is not deemed necessary in this communication.

THE ALASKA BOUNDARY

The recommendation submitted last year that provision be made for a preliminary reconnaissance of the conventional boundary line between Alaska and British Columbia, is renewed.

THE HAWAIIAN ISLANDS

Expressed my unhesitating conviction that the intimacy of our relations with Hawaii should be emphasized. As a result of the reciprocity treaty of 1875, those islands, on the highway of oriental and Australian traffic, are virtually an outpost of American commerce and a stepping-stone to the growing trade of the Pacific. The Polynesian island groups have been so absorbed by other and more powerful governments, that the Hawaiian Islands are left almost alone in the enjoyment of their autonomy which it is important for us should be preserved. Our treaty is now terminable on one year's notice, but propositions to abrogate it would be in my judgment most ill-advised. The paramount influence we have there acquired, once relinquished, could only with difficulty be regained, and a valuable coin of vantage for ourselves might be converted into a stronghold for our commercial competitors. I earnestly recommend that the existing treaty stipulations be extended for a further term of seven years. A recently signed treaty to this end is now before the Senate.

RELATIONS WITH JAPAN

The recommendation submitted last year that provision be made for a preliminary reconnaissance of the conventional boundary line between Alaska and British Columbia, is renewed.

THE SAMOAN ISLANDS

Great perturbations in the Samoan Islands have during the past few years been a source of considerable embarrassment to the three governments, Germany, Great Britain and the United States—whose relations are extra-territorial rights in that important group are guaranteed by treaties. The weakness of the native administration and the conflict of opposing interests in the islands have led King Malietoa to seek alliance or protection in some one quarter, and a series of diplomatic engagements whereby no one of the three treaty powers may occupy any paramount or exclusive interest. In May last Malietoa offered to Samoa under the protection of the United States, and the late Consul, without authority, assumed to grant it. The proceeding was promptly disavowed, and the over-zealous official recalled. Special agents of the three governments have been deputed to examine the situation in the islands with a change in the representation of all three powers, and a harmonious understanding between them. The peace, prosperity, autonomy, administration, and neutrality of Samoa can only be secured.

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THE TESTIMONIALS SENT TO SIBERIA

The naval officer who bore to Siberia the testimonial bestowed by Congress in recognition of the aid given to the Jeannette survivors, has successfully accomplished his mission. His instructions will be submitted. It is pleasant to know that his lack of appreciation of the services of our government may give rise to injurious retaliation.

THE CONSULAR SERVICE

Pursuant to a provision of the Diplomatic and Consular Appropriation act, approved July 1, 1883, the estimates submitted by the Secretary of State for the maintenance of the consular service have been recast on the basis of salaries for all officers to whom such allowance is deemed advisable. Advantage has been taken of this to redistribute the salaries of the officers not so appropriated as to increase the importance of the representative datum of the incumbent, and the cost of living at each post. The last consideration has been too often lost sight of in the allowances heretofore made. The compensation which may suffice for the decent maintenance of a worthy and capable officer in a position of onerous and responsible trust at a post easily accessible, and where the necessities of life are abundant and cheap, may prove an inadequate pittance in distant lands, where the better part of a year's pay is consumed in reaching the post of duty, and where the comforts of ordinary civilized existence can only be obtained with difficulty and at exorbitant cost. I trust that, in considering the submitted schedule, the taken theory of economy will perpetuate a system which in the past has virtually closed to deserving talent many offices where capacity and attainments of a high order are indispensable, and in not a few instances has brought discredit on our national character and entailed embarrassment and even suffering on those dependent upon him.

ART DUTIES

Representations continue to be made to me of the injurious effect upon American artists studying abroad, and having free access to the art collections of foreign countries, of maintaining a discriminating duty against the introduction of the works of their brother artists of other countries, and inventors the exclusive right of whose respective writings and discoveries, this Government did not feel warranted in ceding where the President is of the opinion that such a cession would be made.

THE INTERNATIONAL COPYRIGHT

The drift of sentiment in civilized communities toward full recognition of the rights of property in the creations of the human intellect has brought about the adoption, by many important nations, of an international copyright convention, which was signed at Berne on the 18th of September, 1884. Inasmuch as the Constitution gives to Congress the power "to promote the progress of science and useful arts by securing, for limited times, to authors and inventors the exclusive right of their respective writings and discoveries," this Government did not feel warranted in ceding where the President is of the opinion that such a cession would be made.

THE PUBLIC DEBT

It is not the mere existence of this and its attendant evils which furnish the strongest argument against our present scale of federal taxation. Its worst phase is the exaction of such a surplus through a perversion of the relations between the people and their Government—a dangerous departure from the rules which limit the right of federal taxation. Good government, of which every American citizen boasts, has for its objects the protection of every person within its borders, with the greatest liberty consistent with the good of the country, and his perfect security in the enjoyment of his earnings, with the least possible diminution for public needs. When more of the people's sustenance is extracted through the form of taxation than is necessary to meet the just obligations of the Government and the expense of its economical administration, such action becomes ruthless extortion and a violation of the fundamental principles of a free Government. The indirect manner in which these exactions are made has a tendency to conceal their true character and their extent. But we have arrived at a stage of superfluous revenue which has aroused the people to a realization of the fact that the amount paid professedly for the debt of the Government is paid by them as absolutely, if not to the price of the things which supply their daily wants, as it was paid at fixed periods into the hands of the tax-gatherer. Those who toil daily wage are beginning to understand that capital, though sometimes vanishing its importance and clamoring for the protection and favor of the Government, is dull and sluggish till, touched by the magical hand of labor, it springs into activity, furnishing an occasion for federal taxation, and gaining the value which enables it to bear the burden, and the laboring man is thought fully initiating whether, in these circumstances, and considering the tribute he constantly pays to the public treasury as he supplies his daily wants, he receives his fair share of advantages.

There is also a suspicion abroad that the surplus of our revenue indicates abnormal and exceptional business profits, which, under the system which produces such surplus, increase without corresponding benefit to the people at large, the vast accumulations of a few among our citizens whose fortunes, rivaling the wealth of the most favored in anti-Democratic nations, are not the natural growth of a plain and undivided republic. Our farmers too, and the engaged, directly and indirectly in supplying the products of agriculture, see that, day by day, and as often as the daily wants of their households recur, they are forced to pay excessive and needless taxation, while their products struggle in foreign markets with the competition of nations which, by allowing a free exchange of production than we permit, enable their people to sell for prices which distress the American farmer. As every patriotic citizen rejoices in the constantly increasing pride of our people in American citizenship, and in the glory of our national achievements and progress, a suspicion proves that the leading strings used to a nation in its infancy may well, to a great extent, be discarded in the interests of American ingenuity, courage and fearless self-reliance. And for the privilege of indulging this sentiment with true American enthusiasm, our citizens are quite willing to forego an idle surplus in the public treasury. And all the people know that the average rate of Federal taxation upon imports to-day, in time of peace, is but little less, while upon some articles of necessary consumption it is actually more than was imposed by the grievous burden willingly borne at a time when the Government needed willing and patriotic taxation for the safety and integrity of the United States.

THE REVISOR OF THE REVENUE LAW

It has been the policy of the Government to collect the principal part of its revenues by a tax upon imports, and no change in this policy is desirable. But the present condition of affairs constrains our people to demand that by a revision of our revenue laws the receipts of the Government shall be reduced to the necessary expense of its economical administration, and this demand should be recognized and obeyed by the people's representatives in the legislative body of the Government. In reducing the burdens of federal taxation a sound principle policy requires that such of our citizens as have built up large and important industries under present conditions should not be suddenly, and to their injury, deprived of advantages to which they have adapted their business; but if the public good requires it, they should be content with such consideration as shall fairly and cautiously with their interests, while the just demands of the people for relief from needless taxation is honestly answered. A reasonable and timely submission to such a demand should certainly be possible without disastrous shock to any interest, and a cheerful concession sometimes averts abrupt and heedless action, often the outgrowth of impatience and delayed justice.

THE AMERICAN LABORER

Due regard should be also accorded in any proposed readjustment to the interests of American labor so far as they are involved. We congratulate ourselves that there is among us no laboring man, fixed within unyielding bonds and doomed under all conditions to the inexorable fate of daily toil. We recognize in labor a chief factor in the wealth of the republic, and we treat those who have it in their keeping as citizens entitled to the most careful regard and thoughtful attention. This regard and attention should be awarded them, not only because labor is the capital of our workingman, justly entitled to its share of Government favor, but for the further and not less important reason that the laboring man, surrounded by his family in his humble home, is virtually interred in it, that cheapens the cost of living and enables him to live within his domestic circle additional comforts and advantages. This relation of the workingman to the revenue laws of the country, and the manner in which it palpably influences the question of wages, should not be forgotten in the justifiable prominence given to the proper maintenance of the supply and protection of well-paid labor. And these considerations suggest such an arrangement of Government revenues as shall reduce the expense of living, while it does not curtail the opportunity for work nor reduce the compensation of American labor, and in injuriously affect its condition and the dignified place it holds in the estimation of our people.

But our farmers and agriculturists, those who from the soil produce the things consumed by all are perhaps more directly and plainly concerned than any other of our citizens in a just and careful system of Federal taxation. Those actually engaged in, and more remotely connected with, this kind of work number nearly one-half of our population; none labor harder or more continuously than they. No enactments limit their hours of toil, and no interposition of the Government enhances to any great extent the value of the products of their labor for the sake of the necessities arising and comforts of life, which the most scrupulous economy enables them to bring into their homes, and for their implementation largely increased by an unnatural profit, which, by the action of the Government, is given to the more favored manufacturer. I recommend that, keeping in view all these considerations, the increasing and unnecessary surplus of national income annually accumulating be reduced to the people, by an amendment to our revenue laws, which shall charge the price of the necessities of life, and upon them, as far as possible, to such imported materials as by American labor, may be manufactured into marketable commodities. Nothing can be accomplished, however, in the direction of this much-needed reform unless the subject is approached in a patriotic spirit of devotion to the interests of the entire country, and with a willingness to yield something for the whole good.

THE PUBLIC DEBT

The sum paid upon the public debt during the fiscal year ended June 30, 1883, was \$44,511,043.36. During the twelve months ended October 31, 1883, three per cent bonds were called for redemption, amounting to \$12,283.10, of which \$80,432.00 was so called to answer the requirements of the law relating to the sinking fund, and \$4,393.00 for the purpose of reducing the debt to the Treasury to the object. Of the bonds thus called \$102,280.40 became subject under such calls, to redemption prior to November 1, 1883. The remainder, amounting to

before whom the proceeding is pending, showing that a requisition for the surrender of the person charged has been duly made. Such a certificate, if required to be received before the prisoner's examination, would prevent a long and expensive judicial inquiry into a charge which the foreign government might not desire to press. I also recommend that express provision be made for the immediate discharge from custody of persons committed for extradition where the President is of the opinion that such a course should be made.

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