

PRESIDENT'S MESSAGE.

To the polite attention of our Senator, Hon. Wm. Hendricks, we are indebted for the President's Message, which we embrace the earliest opportunity of laying before the public.

Fellow-Citizens of the Senate and House of Representatives:

On your assembling to perform the high trusts which the people of the United States have confided to you, of legislating for their common welfare, it gives me pleasure to congratulate you upon the happy condition of our beloved country. By the favor of Divine Providence, health is again restored to us; peace reigns within our borders; abundance crowns the labors of the fields; commerce and domestic industry flourish and increase; and individual happiness rewards the private virtue and enterprise of our citizens.

Our condition abroad is no less honorable than it is prosperous at home. Seeking nothing that is wrong but desiring honest friendships and liberal intercourse with all nations, the United States have gained throughout the world the confidence and respect which are due to a policy so just and so congenial to the character of the American people, and to the spirit of their institutions.

In bringing to your notice the particular state of our foreign affairs, it affords me high gratification to inform you, that they are in a condition which promises the continuance of friendship with all nations.

With Great Britain, the interesting question of our northeastern boundary remains still undecided. A negotiation, however, upon that subject, has been renewed since the close of the last Congress; and a proposition has been submitted to the British Government with the view of establishing, in conformity with the resolution of the Senate, the line designated by the treaty of 1783. Though no definitive answer has been received, it may be daily looked for, and I entertain a hope that the overture may ultimately lead to a satisfactory adjustment of this important matter.

I have the satisfaction to inform you that a negotiation which, by desire of the House of Representatives, was opened, some years ago, with the British Government for the erection of a light-house on the Behrens, has been successful. Those works, when completed, together with those which the United States have constructed on the western side of the Gulf of Florida, will contribute essentially to the safety of navigation in that sea. This joint participation in establishments interesting to humanity and beneficial to commerce, is worthy of two enlightened nations, and indicates feelings which cannot fail to have a happy influence upon their political relations. It is gratifying to the friends of both, to perceive that the intercourse between the two people is becoming daily more extensive, and that sentiments of mutual good will and justifying the hope that by wise counsels on each side, not only unsettled questions may be satisfactorily terminated, but new causes of misunderstanding prevented.

Notwithstanding that I continue to receive the most amicable assurances from the Government of France, and that, in all other respects, the most friendly relations exist between the United States and that Government, it is to be regretted that the stipulations of the convention concluded on the 4th July, 1831, remain in some important parts unfulfilled.

By the second article of that convention, it was stipulated that the sum payable to the United States should be paid at Paris, in six annual instalments, into the hands of such person or persons as should be authorized by the Government of the United States to receive it; and by the same article, the first instalment was payable on the second day of February 1832. By the act of Congress of the 13th July, 1832, it was made the duty of the Secretary of the Treasury to cause the several instalments, with the interest thereon, to be received from the French Government, and transferred to the United States, in such manner as he may deem best; and by the same act of Congress, the stipulations on the part of the United States, would be promptly complied with by the other party, and desiring to avoid the risk and expense of intermediate agencies, the Secretary of the Treasury deemed it advisable to receive and transfer the first instalment by means of a draft upon the French Minister of Finance. A draft for this purpose was accordingly drawn in favor of the Cashier of the Bank of the United States, for the amount accruing to the United States, out of the first instalment, and the interest payable with it. This bill was not drawn at Washington until five days after the instalment was payable at Paris, and was accompanied by a special authority from the President, authorizing the Cashier or his assigns to receive the amount. The mode thus adopted of receiving the instalment was officially made known to the French Government by the American Charge d'Affaires at Paris pursuant to instructions from the Department of State. The bill, however, though not presented for payment until the twenty-third day of March, was not paid, and for the reason assigned by the French Minister of Finance, that no appropriation had been made by the French Chambers. It is not known to me that, up to that period, any appropriation was subsequently made to the Chambers, by direction of the King, recommending that the necessary provisions should be made for carrying the convention into effect, it was at an advanced period of the session, and the subject was finally postponed until the next meeting of the Chambers.

Notwithstanding it has been supposed by the French ministry that the financial stipulations of the treaty cannot be carried into effect without an appropriation by the Chambers, it appears to me to be not only consistent with the charter of France, but due to the character of both Governments, as well as to the rights of our citizens, to treat the convention made and ratified, in proper form as pledging the good faith of the French Government for its execution and as imposing upon each department an obligation to fulfil it; and I have received assurances through our Charge d'Affaires at Paris, and the French Minister Plenipotentiary at Washington, and more recently through the Minister of the United States at Paris, that the delay has not proceeded from any indisposition on the part of the King and his ministers to fulfil the treaty, and that measures will be presented at the next meeting of the Chambers, and with a reasonable hope of success, to obtain the necessary appropriation.

It is necessary to state, however, that the documents, except certain lists of vessels captured, con-

demned, or burnt at sea, proper to facilitate the examination and liquidation of the reclamations comprised in the stipulations of the convention, and which, by the 6th article, France engaged to communicate to the United States by the intermediary of the legation, though repeatedly applied for by the American Charge d'Affaires, under instructions from this Government, have not yet been communicated; and this delay it is apprehended, will necessarily prevent the completion of the duties assigned to the commissioners within the time at present prescribed by law.

The reasons for delaying to communicate these documents have not been explicitly stated; and this is the more to be regretted, as it is not understood that the interposition of the Chambers is in any manner required for the delivery of those papers.

Under these circumstances, in a case so important to the interests of our citizens and to the character of our country, and under disappointments so unexpected, I deemed it my duty, however I might respect the general assurances to which I have adverted, no longer to delay the appointment of a Minister Plenipotentiary to Paris, but to despatch him in season to communicate the result of his application to the French Government at an early period of your session. I accordingly appointed a distinguished citizen for this purpose, who proceeded on his mission in August last, and was presented to the King early in the month of October. He is particularly instructed as to all matters connected with the present posture of affairs, and I indulge the hope that, with the representations he is instructed to make, and from the dispositions manifested by the King and his ministers, in their recent assurances to our minister at Paris, the subject will be early considered, and satisfactorily disposed of, at the next meeting of the Chambers.

As this subject involves important interests, and has attracted a considerable share of the public attention, I have deemed it proper to make this explicit statement of its actual condition; and should I be disappointed in the hope now entertained, the subject will be again brought to the notice of Congress in such manner as the occasion may require.

The friendly relations which have always been maintained between the United States and Russia have been further extended and strengthened by the treaty of navigation and commerce concluded on the 6th of December last and sanctioned by the Senate before the close of its last session. The ratifications having been since exchanged, the liberal provisions of the treaty are now in full force; and, under the encouragement which they have received, a flourishing and increasing commerce, yielding its benefits to the enterprise of both nations, affords to each the just recompense of wise measures, and adds new motives for that mutual friendship which the two countries have hitherto cherished towards each other.

It affords me peculiar satisfaction to state that the Government of Spain has at length yielded to the justice of the claims which have been so long urged in behalf of our citizens, and has expressed a willingness to provide an indemnification as soon as the proper amount can be agreed upon. Upon this latter point, it is probable an understanding had taken place between the minister of the United States and the Spanish Government, before the decease of the late King of Spain; and unless that event may have delayed its completion, there is reason to hope that it may be in my power to announce to you, early in your present session, the conclusion of a convention upon terms not less favorable than those entered into for similar objects with other nations. That act of justice would well accord with the character of Spain, and is due to the United States from their ancient friend. It could not fail to strengthen the sentiments of amity and good will between the two nations which it is so much the wish of the United States to cherish, and so truly the interest of both to maintain.

By the first section of an act of Congress passed on the 13th of July, 1832, the tonnage duty on Spanish ships arriving from the ports of Spain was limited to the duty payable on American vessels in the ports of Spain previous to the 20th October, 1817, being five cents per ton. That act was intended to give effect, on our side, to an arrangement made with the Spanish Government, by which discriminating duties of tonnage were to be abolished in the ports of the United States and Spain, on the vessels of the two nations. Pursuant to that arrangement, which was carried into effect on the part of Spain, on the 20th of May, 1832, by a royal order dated the 20th April, 1832; American vessels in the ports of Spain have paid five cents per ton, which rate of duty is also paid in those ports by Spanish ships; but, as American vessels, pay no tonnage duty in the ports of the United States, the duty of five cents payable in our ports by Spanish vessels, under the act above mentioned, is really a discriminating duty, operating to the disadvantage of Spain. Though no complaint has yet been made on the part of Spain, we are not less bound by the obligations of good faith to remove the discrimination; and I recommend that the act be amended accordingly. As the royal order above alluded to, includes the ports of the Balearic and Canary islands, as well as those of Spain, it would seem that the provisions of the act of Congress should be equally extensive; and that, for the repayment of such duties as may have been improperly received, an addition should be made to the sum appropriated at the last session of Congress for refunding discriminating duties.

As the arrangement referred to, however, did not embrace the islands of Cuba and Puerto Rico, discriminating duties, to the prejudice of American shipping, continue to be levied there. From the extent of the commerce carried on between the United States and those islands particularly the former, this discrimination causes serious injury to one of those great national interests which it has considered an essential part of our policy to cherish, and has given rise to complaints on the part of our merchants. Under instructions given to our minister at Madrid, earnest representations have been made by him to the Spanish Government upon this subject, and there is reason to expect, from the friendly disposition which is entertained towards this country, that a beneficial change will be produced. The disadvantage, however, to which our shipping is subjected by the operation of these discriminating duties, requires that they be met by suitable countervailing duties during your present session—power being at the same time vested in the President to modify or discontinue them as the discriminating duties on American vessels or their cargoes may be modified or discontinued at

those islands. Intimations have been given to the Spanish Government, that the United States may be obliged to resort to such measures as are of necessity self-defence, and there is no reason to apprehend that it would be unfavorably received. The proposed proceeding, if adopted, would not be permitted, however, in any degree to induce a relaxation in the efforts of our minister to effect a repeal of this irregularity, by friendly negotiation; and it might serve to give force to his representations, by showing the dangers to which that valuable trade is exposed by the obstructions and burdens which a system of discriminating and countervailing duties necessarily produces.

The selection and preparation of the Florida archives, for the purpose of being delivered over to the United States in conformity with the royal order, as mentioned in my last annual message, though in progress, has not yet been completed. This delay has been produced, partly by causes which were unavoidable, particularly the prevalence of the cholera at Havana; but measures have been taken which it is believed will expedite the delivery of those important records.

Congress were informed at the opening of the last session that, owing, as was alleged, to embarrassments in the finances of Portugal, consequent upon the civil war in which that nation was engaged, payment had been made of only one instalment of the amount which the Portuguese Government had stipulated to pay for indemnifying our citizens for property illegally captured in the blockade of Terceira. Since that time, a postponement for two years, with interest, of the two remaining instalments, was requested by the Portuguese Government; and, as a consideration, it offered to stipulate that rice of the United States should be admitted into Portugal at the same duties as Brazilian rice. Being satisfied that no better arrangement could be made, my consent was given, and a royal order of the King of Portugal was accordingly issued, on the 4th of February last, for the reduction of the duty on rice of the United States. It would give me great pleasure if, in speaking of that country, in whose prosperity the United States are so interested, and with whom a long subsisting, extensive, and mutually advantageous commercial intercourse has strengthened the relations of friendship, I could announce to you the restoration of its internal tranquillity.

Subsequently to the commencement of the last session of Congress the first instalment payable by Denmark, under the convention of the 25th day of March, 1830, was received. The commission for examining the claims have since terminated their labors, and their awards have been paid at the Treasury as they have been called for. The justice rendered to our citizens by that Government is thus completed, and a pledge is thereby afforded for the maintenance of that friendly intercourse becoming the relations that the two nations mutually bear to each other.

It is satisfactory to inform you that the Danish Government has recently issued an ordinance by which the commerce with the islands of St. Croix is placed on a more liberal footing than heretofore. This change cannot fail to prove beneficial to the trade between the United States and that colony; and the advantages likely to flow from it may lead to greater relaxations in the colonial system of other nations.

The ratification of the convention with the King of the Two Sicilies have been duly exchanged, and the commissioners appointed for examining the claims under it, have entered upon the duties assigned to them by law. The friendship that the interests of two nations require of them, being now established, it may be hoped that each will enjoy the benefits which a liberal commerce should yield to both.

A treaty of amity and commerce between the United States and Belgium, was concluded during the last winter, and received the sanction of the Senate; but the exchange of the ratifications has been hitherto delayed, in consequence, in the first instance, of some delay in the reception of the treaty at Brussels, and, subsequently, of the absence of the Belgian Minister of Foreign Affairs at the important conference in which his Government is engaged at London.

That treaty does not embody those enlarged principles of friendly policy which, it is sincerely hoped, will always regulate the conduct of the two nations having such strong motives to maintain amicable relations towards each other, and so sincerely desirous to cherish them.

With all the other European powers with whom the United States have formed diplomatic relations, and with the Sublime Porte, the best understanding prevails. From all, I continue to receive assurance of good will towards the United States—assurance which it gives me no less pleasure to reciprocate than to receive. With all, the engagements which have been entered into are fulfilled with good faith on both sides. Measures have also been taken to enlarge our friendly relations, and extend our commercial intercourse with other States. The system we have pursued of aiming at no exclusive advantages, of dealing with all on terms of fair and equal reciprocity, and of adhering scrupulously to all our engagements, is well calculated to give success to efforts intended to be mutually beneficial.

The wars of which the southern part of this continent was, so long the theatre, and which were carried on, either by the mother country against the States which had formerly been her colonies, or by the States against each other, having terminated, and their civil dissensions having so far subsided as, with few exceptions, no longer to disturb the public tranquillity, it is earnestly hoped those States will be able to employ themselves without interruption in perfecting their institutions, cultivating the arts of peace, and promoting, by wise councils and able exertions, the public and private prosperity which their patriotic struggles so well entitled them to enjoy.

With those States our relations have undergone but little change during the present year. No reunion having yet taken place between the States which composed the Republic of Colombia, our Charge d'Affaires at Bogota has been accredited to the Government of New Granada, and we have therefore no diplomatic relations with Venezuela and Equator, except as they may be included in those heretofore formed with the Colombian Republic. It is understood that representatives from the three States were about to assemble at Bogota to confer on the subject of their mutual interests, particularly that of their union; and if the result should render it necessary, measures will be taken on our part to preserve with each that friendship, and those liberal commercial connexions, which

it has been the constant desire of the United States to cultivate with their sister republics of this hemisphere. Until the important question of re-union shall be settled, however, the different matters which have been under discussion between the United States and the Republic of Colombia, or either of the States which composed it, are not likely to be brought to a satisfactory issue.

In consequence of the illness of the Charge d'Affaires appointed to Central America at the last session of Congress, he was prevented from proceeding on his mission until the month of October. It is hoped, however, that he is by this time at his post, and that the official intercourse, unfortunately so long interrupted, has been thus renewed on the part of the two nations so amicably and advantageously connected by engagements founded on the most enlarged principles of commercial reciprocity.

It is gratifying to state that, since my last annual message, some of the most important claims of our fellow-citizens upon the Government of Brazil have been satisfactorily adjusted, and a reliance is placed on the friendly disposition manifested by it that justice will also be done in others. No new cause of complaint have arisen; and the trade between the two countries flourishes under the encouragement secured to it by the liberal provisions of the treaty.

It is cause of regret, that, owing probably to the civil dissensions which have occupied the attention of the Mexican Government, the time fixed by the treaty of limits with the United States for the meeting of the commissioners to define the boundaries between the two nations, has been suffered to expire without the appointment of any commissioners on the part of that Government. While the true boundary remains in doubt by either party, it is difficult to give effect to those measures which are necessary to the protection and quiet of our numerous citizens residing near that frontier. The subject is one of great solicitude to the United States, and will not fail to receive my earnest attention.

The treaty concluded with Chili, and approved by the Senate at its last session, was also ratified by the Chili Government, but with certain additional and explanatory articles of a nature to have required it to be again submitted to the Senate. The time limited for the exchange of the ratifications, however, having since expired, the action of both Governments on the treaty will again become necessary.

The negotiations commenced with the Argentine Republic, relative to the outrages committed on our vessels engaged in the fisheries at the Falkland Island by persons acting under the color of its authority, as well as the other matters in controversy between the two Governments, have been suspended by the departure of the Charge d'Affaires of the United States from Buenos Ayres. It is understood, however, that a minister was subsequently appointed by that Government to renew the negotiation in the United States, but, though daily expected, he has not yet arrived in this country.

With Peru no treaty has yet been formed; and with Bolivia no diplomatic intercourse has yet been established. It will be my endeavor to encourage these sentiments of amity, and that liberal commerce, which belong to the relations in which all the independent States of this continent stand towards each other.

I deem it proper to recommend to your notice the revision of our consular system. This has become an important branch of the public service, inasmuch as it is intimately connected with the preservation of our national character abroad, with the interest of our citizens in foreign countries, with the regulation and care of our commerce, and with the protection of our seamen. At the close of the last session of Congress, I communicated a report from the Secretary of State upon the subject, to which I now refer, as containing information which may be useful in any inquiries that Congress may see fit to institute with a view to a salutary reform of the system.

It gives me great pleasure to congratulate you upon the prosperous condition of the finances of the country, as will appear from the report which the Secretary of the Treasury will, in due time, lay before you. The receipts into the Treasury during the present year, will amount to more than thirty-two millions of dollars. The revenue derived from customs will, it is believed, be more than twenty-eight millions, and the public lands will yield about three millions. The expenditures within the year for all objects, including \$3,572,246 06 on account of the public debt, will not amount to twenty-five millions; and a large balance will remain in the Treasury after satisfying all the appropriations chargeable on the revenue for the present year.

The measures taken by the Secretary of the Treasury will probably enable him to pay off, in the course of the present year, the residue of the exchanged four and a half per cent. stock redeemable on the first of January next. It has, therefore, been included in the estimated expenditures of this year, and forms a part of the sum above stated to have been paid on account of the public debt. The payment of this stock will reduce the whole debt of the United States, funded and unfunded, to the sum of \$1,760,082 08. And, as provision has already been made for the four and a half per cent. above mentioned, and charged in the expenses of the present year, the sum last stated is all that now remains of the national debt; and the revenue of the coming year, together with the balance now in the Treasury, will be sufficient to discharge it, after meeting the current expenses of the Government. Under the power given to the Commissioners of the Sinking Fund, it will, I have no doubt, be purchased on favorable terms within the year.

From this view of the state of the finances, and the public engagements yet to be fulfilled, you will perceive that, if Providence permits me to meet you at another session, I shall have the high gratification of announcing to you that the national debt is extinguished. I cannot refrain from expressing the pleasure I feel at the near approach of that desirable event. The short period of time within which the public debt will have been discharged, is strong evidence of the abundant resources of the country, and of the prudence and economy with which the Government has heretofore been administered. We have waged two wars since we became a nation, with one of the most powerful kingdoms in the world—both of them undertaken in defence of our dearest rights—both successfully prosecuted and honorably terminated—and many of those who partook in the first struggle as well as

the second, will have lived to see the last item of the debt incurred in these necessary, but expensive conflicts, faithfully and honestly discharged; and we shall have the proud satisfaction of bequeathing to the public servants who follow us in the administration of the Government, the rare blessing of a revenue sufficiently abundant to defray without injustice or oppression to our citizens—and unincumbered with any burdens but what they themselves shall think proper to impose upon it.

The flourishing state of the finances ought not, however, to encourage us to indulge in a lavish expenditure of the public treasure. The receipts of the present year do not furnish the test by which we are to estimate the income of the next. The changes made in our revenue system by the acts of Congress of 1832 and 1833, and more especially by the former, have swelled the receipts of the present year far beyond the amount to be expected in future years upon the reduced tariff of duties. The shortened credits on revenue bonds, and the cash duties on woollens which were introduced by the act of 1832, and took effect on the 1st of March last, have brought large sums into the Treasury in 1833, which according to the credits formerly given, would not have been payable until 1834, and would have formed a part of the income of that year. These causes would of themselves produce a great diminution of the receipts in the year 1834, as compared with the present one; and they will be still more diminished by the reduced rates of duties which take place on the first of January next, on some of the most important and productive articles. Upon the best estimates that can be made, the receipts of the next year, with the aid of the unappropriated amount now in the Treasury, will not be much more than sufficient to meet the expenses of the year, and pay the small remnant of the national debt which yet remains unsatisfied. I cannot therefore recommend to you any alteration in the present tariff of duties. The rate as now fixed by the law on the various articles was adopted at the last session of Congress as a matter of compromise with unusual unanimity, and unless it is found to produce more than the necessities of the Government call for, there would seem to be no reason at this time to justify a change.

But while I forbear to recommend any further reduction of the duties beyond that already provided for by the existing laws, I must earnestly and respectfully press upon Congress the importance of abstaining from all appropriations which are not to be absolutely required for the public interest and authorized by the powers clearly delegated to the United States. We are beginning a new era in our Government. The national debt, which has so long been a burden on the Treasury, will be finally discharged in the course of the ensuing year. No more money will afterwards be needed than what may be necessary to meet the ordinary expenses of the Government. Now then is the proper moment to fix our system of expenditure on firm and durable principles; and I cannot too strongly urge the necessity of a rigid economy, and an inflexible determination not to enlarge the income beyond the real necessities of the Government, and not to increase the wants of the Government by unnecessary and profuse expenditures. If a contrary course should be pursued, it may happen that the revenue of 1834 will fall short of the demands upon it; and after reducing the tariff in order to lighten the burdens of the people, and providing for a still further reduction to take effect hereafter, it would be much to be deplored if, at the end of another year, we should find ourselves obliged to retrace our steps, and impose additional taxes to meet unnecessary expenditures.

It is my duty, on this occasion, to call your attention to the destruction of the public building occupied by the Treasury Department, which happened since the last adjournment of Congress.

A thorough inquiry into the cause of its loss was directed and made at the time, the result of which will be duly communicated to you. I take pleasure, however, in stating here, that by the laudable exertions of the officers of the Department and many of the citizens of the District, but few papers were lost and none that will materially affect the public interest.

The public convenience requires that another building should be erected as soon as practicable, and in providing for it, it will be advisable to enlarge in some manner the accommodations for the public officers of the several Departments, and to authorize the erection of suitable depositories for the safe keeping of the public documents and records.

Since the last adjournment of Congress, the Secretary of the Treasury has directed the money of the United States to be deposited in certain State Banks designated by him, and he will immediately lay before you his reasons for this direction. I concur with him entirely in the view he has taken of the subject; and some months before the removal, I urged upon the department the propriety of taking that step. The near approach of the day on which the charter will expire, as well as the conduct of the bank, appeared to me to call for this measure, upon the high considerations of public interest and public duty. The extent of its misconduct, however, although known to be great, was not at that time fully developed by proof. It was not until late in the month of August, that I received from the Government directors an official report, establishing beyond question that this great and powerful institution had been actively engaged in attempting to influence the elections of the public officers by means of its money; and that, in violation of the express provisions of its charter, it had, by a formal resolution, placed its funds at the disposition of its President, to be employed in sustaining the political power of the bank. A copy of this resolution is contained in the report of the Government directors, before referred to; and however the object may be disguised, by cautious language, no one can doubt that this money was in truth intended for electioneering purposes, and the particular uses to which it was proved to have been applied, abundantly show that it was so understood. Not only was the evidence complete as to the past application of the money and power of the bank to electioneering purposes, but that the resolution of the Board of Directors authorized the same course to be pursued in future.

It being thus established by unquestionable proof that the Bank of the United States was converted into a permanent electioneering engine, it appeared to me that the path of duty which the Executive department of the Government ought to pursue, was not doubtful. As by the terms of the Bank charter, no officer but the Secretary of the Treasury could remove the deposits, it seemed to me that this authority ought to be at once exerted to deprive that great corporation of the support and countenance of the Government in such an use of its funds, and such an exertion of its power. In this point of the case, the question is distinctly presented, whether