President Roosevelt's Message to Congress

To the Senate and House of Representatives:

The financial standing of the nation at the present time is excellent, and the financial management of the nation's interests by the government during the last seven years has shown the most satisfactory results. But our currency system is imperfect, and it is earnestly to be hoped that the currency commission will be able to propose a thoroughly good system which will do away with the existing defects.

During the period from July 1, 1901, to Sept. 30, 1908, there was an increase in the amount of money in circulation of $902,991,990. This increase in the per capita during this period was $7.06. Within this time there were several occasions when it was necessary for the Treasury Department to come to the relief of the money market by purchases or redemptions of United States bonds; by increasing deposits in national banks; by stimulating additional issues of national bank notes, and by facilitating importations from abroad of gold. Our imperfect currency system has made these proceedings necessary, and they were effective until the monetary disturbance in the fall of 1907 immensely increased the difficulty of ordinary methods of relief. By the middle of November the available working balance in the treasury had been reduced to approximately $5,000,000. Clearing house associations throughout the country had been obliged to resort to the expedient of issuing clearing house certificates, to be used as money. In this emergency it was determined to invite subscriptions for $50,000,000 Panama canal bonds, and $100,000,000 three per cent certificates of indebtedness authorized by the act of June 13, 1898. It was proposed to re-deposit in the national banks the proceeds of these issues, and to permit their use as a basis for additional circulating notes of national banks. The moral effect of this procedure was so great that it was necessary to issue only $24,631,980 of the Panama canal bonds and $15,436,500 of the certificates of indebtedness.

During the period from July 1, 1901, to Sept. 30, 1908, the balance between the net ordinary receipts and the net ordinary expenses of the government showed a surplus in the four years 1902, 1903, 1906 and 1907, and a deficit in the years 1904, 1905, 1908, and a fractional part of the fiscal year 1909. The net result was a surplus of $99,283,413.54. The financial operations of the government during this period, based upon these differences between receipts and expenditures, resulted in a net reduction of the interest-bearing debt of the United States from $987,141,040 to $897,253,960, notwithstanding that there had been two sales of Panama canal bonds amounting in the aggregate to $54,631,980, and an issue of three per cent certificates of indebtedness under the act of June 13, 1898, amounting to $15,436,500. Refunding operations of the Treasury Department under the act of March 14, 1900, resulted in the conversion into two per cent consols of 1930 of $200,309,400 bonds bearing higher rates of interest. A decrease of $8,687,956 in the annual interest charge resulted from these operations.

In short, during the seven years and three months there has been a net surplus of nearly one hundred millions of receipts over expenditures, a reduction of the interest-bearing debt by ninety millions, in spite of the extraordinary expense of the Panama canal, and a saving of nearly nine millions on the annual interest charge. This is an exceedingly satisfactory showing, especially in view of the fact that during this period the nation has never hesitated to undertake any expenditure that it regarded as necessary. There have been no new taxes and no increases of taxes; on the contrary, some taxes have been taken off; there has been a reduction of taxation.

Corporations.

As regards the great corporations engaged in interstate business, and especially the railroads, I can only repeat what I have already again and again said in my messages to the Congress. I believe that under the interstate clause of the Constitution the United States has complete and paramount right to control all agencies of interstate commerce, and I believe that the national government alone can exercise this right with wisdom and effectiveness so as both to secure justice from, and to do justice to, the great corporations which are the most important factors in modern business. I believe that it is worse than folly to attempt to prohibit all combinations as is done by the Sherman anti-trust law, because such a law can be enforced only imperfectly and unequally, and its enforcement works almost as much hardship as good. I strongly advocate that instead of an unwise effort to prohibit all combinations, there shall be substituted a law which shall expressly permit combinations which are in the interest of the public, but shall at the same time give to some agency of the national government full power of control and supervision over them. One of the chief features of this control should be securing entire publicity in all matters which the public has a right to know, and furthermore, the power, not by judicial but by executive action, to prevent or put a stop to every form of improper favoritism or other wrongdoing.

The railways of the country should be put completely under the interstate commerce commission and removed from the domain of the anti-trust law. The power of the commission should be made thoroughgoing, so that it could exercise complete supervision and control over the issue of securities as well as over the raising and lowering of rates. As regards rates, at least, this power should be summary. The power to investigate the financial operations and accounts of the railways has been one of the most valuable features in recent legislation. Power to make combinations and traffic agreements should be explicitly conferred upon the railroads, the permission of the commission being first gained and the combination or agreement being published in all its details. In the interest of the public, the representatives of the public should have complete power to see that the railroads do their duty by the public, and as a matter of course this power should also be exercised so as to see that no injustice is done to the railroads.

Telegraph and telephone companies engaged in interstate business should be put under the jurisdiction of the interstate commerce commission.

It is very earnestly to be wished that our people, through their representatives, should act in this matter. It is hard to say whether most damage to the country at large would come from entire failure on the part of the public to supervise and control the actions of the great corporations, or from the exercise of the necessary governmental power in a way which would do injustice and wrong to the corporations. Both the preachers of an unrestricted individualism, and the preachers of an oppression which would deny to able men of business the just reward of their initiative and business sagacity, are advocating policies that would be fraught with the gravest harm to the whole country. To permit every lawless capitalist, every law-defying corporation, to take any action, no matter how iniquitous, in the effort to secure an improper profit and to build up privilege, would be ruinous to the republic and would mark the abandonment of the effort to secure in the industrial world the spirit of democratic fair-dealing. On the other hand, to attack these wrongs in that spirit of demagogy which can see wrong only when committed by the man of wealth, and is dumb and blind in the presence of wrong committed against men of property or by men of no property, is exactly as evil as corruptly to defend the wrongdoing of men of wealth. The war we wage must be waged against misconduct, against wrongdoing wherever it is found; and we must stand heartily for the rights of every decent man, whether he be a man of great wealth or a man who earns his livelihood as a wageworker or a tiller of the soil.

It is well to keep in mind that exactly as the anarchist is the worst enemy of liberty and the reactionary the worst enemy of order, so the men who defend the rights of property have most to fear from the wrongdoers of great wealth, and the men who are championing popular rights have most to fear from the demagogues who in the name of popular rights would do wrong to and oppress honest business men, honest men of wealth; for the success of either type of wrongdoer necessarily invites a violent reaction against the cause the wrongdoer nominally upholds. In point of danger to the nation there is nothing to choose between on the one hand the corruptionist, the bribe-giver, the bribe-taker, the man who employs his great talent to swindle his fellow-citizens on a large scale, and, on the other hand, the preacher of class hatred, the man who, whether from ignorance or from willingness to sacrifice his country to his ambition, persuades well-meaning but wrong-headed men to try to destroy the instruments upon which our prosperity mainly rests. Let each group of men beware of and guard against the shortcomings to which that group is itself most liable. Too often we see the business community in a spirit of unhealthy class consciousness deplore the effort to hold to account under the law the wealthy men who in their management of great corporations, whether railroads, street railways, or other industrial enterprises, have behaved in a way that revolts the conscience of the plain, decent people. Such an attitude cannot be condemned too severely, for men of property should recognize that they jeopardize the rights of property when they fail heartily to join in the effort to do away with the abuses of wealth. On the other hand, those who advocate proper control on behalf of the public, through the State, of these great corporations, and of the wealth engaged on a giant scale in business operations, must ever keep in mind that unless they do scrupulous justice to the corporation, unless they permit ample profit, and cordially encourage capable men of business so long as they act with honesty, they are striking at the root of our national well-being; for in the long run, under the mere pressure of material distress, the people as a whole would probably go back to the reign of an unrestricted individualism rather than submit to a control by the State so drastic and so foolish, conceived in a spirit of such unreasonable and narrow hostility to wealth, as to prevent business operations from being profitable, and therefore to bring ruin upon the entire business community, and ultimately upon the entire body of citizens. We do not for a moment believe that the problem will be solved by any short and easy method. The solution will come only by pressing various concurrent remedies, which the federal government alone can enact and which is absolutely vital in order to secure the attainment of our purpose. Many laws are needed. There should be regulation by the national government of the great interstate corporations, including a simple method of account keeping, publicity, supervision of the issue of securities, abolition of rebates and of special privileges. There should be short time franchises for all corporations engaged in public business; including the corporations which get power from water rights. There should be national as well as State guardianship of mines and forests. The labor legislation hereinafter referred to should concurrently be enacted into law.

To accomplish this, means of course a certain increase in the use of—not the creation of—power by the general government. The power already exists; it does not have to be created; the only question is whether it shall be used or left idle—and meanwhile the corporations over which the power ought to be exercised will not remain idle. Let those who object to this increase in the use of the only power available, the national power, be frank, and admit openly that they propose to abandon any effort to control the great business corporations and to exercise supervision over the accumulation and distribution of wealth; for such supervision and control can only come through this particular kind of increase of power. We no more believe in that empiricism which demands absolutely unrestrained individualism than we do in that empiricism which clamors for a deadening socialism which would destroy all individual initiative and would ruin the country with a completeness that not even an unrestrained individualism itself could achieve. The danger to American democracy lies not in the least in the concentration of administrative power in responsible and accountable hands. It lies in having the power insufficiently concentrated, so that no one can be held responsible to the people for its use. Concentrated power is palpable, visible, responsible, easily reached, quickly held to account. Power scattered through many administrators, many legislators, many men who work behind and through legislators and administrators, is impalpable, is unseen, is irresponsible, cannot be reached, cannot be held to account. Democracy is in peril wherever the administration of political power is scattered among a variety of men who work in secret, whose very names are unknown to the common people. It is not in itself right from any man who derives authority from the people, who exercises it in sight of the people, and who is from time to time compelled to give an account of its exercise to the people.

Labor.

There are many matters affecting labor and the status of the wageworker to which I should like to draw your attention, but an exhaustive discussion of the problem in all its aspects is not now necessary. This administration is nearing its end; and, moreover, under our form of government the solution of the problem depends upon the action of the States, as much as upon the action of the nation. I believe in a steady effort, or perhaps it would be more accurate to stay in steady efforts in many different directions, to bring about a condition of affairs under which the men who work for others for a living shall be the property of absentee landlords who farm them by tenants, nor yet so small that the farmer becomes like a European peasant. Again, the depositors in our savings banks now number over one-tenth of our entire population. These are all capitalists, who through the savings banks loan their money to the workers—that is, in many cases to themselves—to carry on their various industries. The more we increase their number, the more we introduce the principles of co-operation into our industry. Every increase in the number of small stockholders in corporations is a good thing, for the same reasons; and where the employes are the stockholders the result is particularly good. Very much of this movement must be outside of anything that can be accomplished by legislation; but legislation can do a good deal. Postal savings banks will make it easy for the poorest to keep their savings in absolute safety. The regulation of the national highways must be such that they shall serve all the people with equal justice. Corporate finances must be supervised so as to make it far safer than at present for the man of small means to invest his money in stocks. There must be prohibition of child labor, diminution of woman labor, shortening of hours of all mechanical labor; stock watering should be prohibited, and stock gambling so far as is possible discouraged. There should be a progressive inheritance tax on large fortunes. Industrial education should be encouraged. As far as possible we should lighten the burden of taxation on the small man. We should put a premium upon thrift, hard work and business energy; but these qualities cease to be the main factors in accumulating a fortune long before that fortune reaches a point where it would be seriously affected by any inheritance tax such as I propose. It is eminently right that the nation should fix the terms upon which the great fortunes are inherited. They rarely do any good and they often do harm to those who inherit them in their entirety.

Protection for Wage Workers.

There should no longer be any paltering with the question of taking care of the wageworkers who, under our present national system, become killed, crippled or worn out as part of the regular incidents of a given business. The majority of wageworkers must have their rights secured for them by State action; but the national government should legislate in thoroughgoing and far-reaching fashion not only for all employes of the national government, but for all persons engaged in interstate commerce.

Pending a thorough-going investigation and action there is certain legislation which should be enacted at once. The law, passed at the last session of the Congress, granting compensation to certain classes of employes of the government, should be extended to include all employes of the government and should be made more liberal in its terms.

I renew my recommendation that the principle of the eight-hour day should as rapidly and as far as practicable be extended to the entire work being carried on by the government; the present law should be amended to embrace contracts on those public works which the present wording of the act seems to exclude.

The Courts.

I most earnestly urge upon the Congress the duty of increasing the totally inadequate salaries now given to our judges. On the whole there is no body of public servants who do as valuable work, nor whose moneyed reward is so inadequate compared to their work. Beginning with the Supreme Court the judges should have their salaries doubled. It is not befitting the dignity of the nation that its most honored public servants should be paid sums so small compared to what they would earn in private life that the performance of public service by them implies an exceedingly heavy pecuniary sacrifice.

It is earnestly to be desired that some method should be devised for doing away with the long delays which now obtain in the administration of justice, and which operate with peculiar severity against persons of small means, and favor only the very criminals whom it is most desirable to punish.

At the last election certain leaders of organized labor made a violent and sweeping attack upon the entire judiciary of the country, an attack couched in such terms as to include the most upright, honest and broad-minded judges, no less than those of narrower mind and more restricted outlook. It was the kind of attack admirably fitted to prevent any successful attempt to reform abuses of the judiciary, because it gave the champions of the unjust judge their eagerly desired opportunity to shift their ground into a championship of just judges who were unjustly assailed. Last year, before the House Committee on the Judiciary these same leaders formulated their demands, specifying the bill that contained them, refusing all compromise, stating they wished the principle of that bill or nothing. They insisted on a provision that in a labor dispute no injunction should issue except to protect a property right, and specifically provided that the right to carry on business should not be construed as a property right; and in a second provision their bill made legal in a labor dispute any act or agreement by or between two or more persons that would not have been unlawful if done by a single person. In other words, this bill legalized blacklisting and boycotting in every form, legalizing for instance, those forms of the secondary boycott which the anthracite coal strike commission so unreservedly condemned; while the right to carry on a business was explicitly taken out from under that protection which the law throws over property. The demand was made that there should be trial by jury in contempt cases, thereby most seriously impairing the authority of the courts. All this represented a course of policy which, if carried out, would mean the enthronement of class privilege in its crudest and most brutal form, and the destruction of one of the most essential functions of the judiciary in all civilized lands.

The violence of the crusade for this legislation, and its complete failure, illustrate two truths which it is essential our people should learn. In the first place, they ought to teach the workingman, the laborer, the wageworker, that by demanding what is improper and impossible he plays into the hands of his foes. Such a crude and vicious attack upon the courts, even if it were temporarily successful, would inevitably in the end cause a violent reaction and would bind the great mass of citizens together, forcing them to stand by all the judges, competent and incompetent alike, rather than to see the wheels of justice stopped. A movement of this kind can ultimately result in nothing but damage to those in whose behalf it is nominally undertaken.

The wageworkers, the workingmen, the laboring men of the country by the way in which they repudiated the effort to get them to cast their votes in response to an appeal to class hatred, have conclusively their sound patriotism and Americanism. The whole country has cause to feel pride in this attitude of sturdy independence, in this uncompromising insistence upon acting simply as good citizens, as good Americans, without regard to fancied—and improper—class interests. Such an attitude is an object lesson in good citizenship to the entire nation.

But the extreme reactionaries, the persons who bind themselves to the wrongs now and then committed by the courts on laboring men, should also think seriously as to what such a movement as this portends. The judges who have shown themselves able and willing effectively to check the dishonest activity of the very rich man who works iniquity by the mismanagement of corporations, who have shown themselves alert to do justice to the wageworker, and sympathetic with the needs of the mass of our people, so that the dweller in the tenement houses, the man who practices a dangerous trade, the man who is crushed by excessive hours of labor, feel that their needs are understood by the courts—these judges are the real bulwark of the courts; these judges, the judges of the stamp of the President-elect, who have been fearless in opposing labor when it has gone wrong, but fearless also in holding to strict account corporations that work iniquity, and far-sighted in seeing that the workingman gets his rights, are the men of all others to whom we owe it that the appeal for such violent and mistaken legislation has fallen on deaf ears, that the agitation for its passage proves to be without substantial basis. The courts are jeoparded primarily by the action of these Federal and State judges who show inability or unwillingness to put a stop to the grievous wrongs from which, under modern industrial conditions, and inability or unwillingness to give relief to men of small means or wageworkers who are crushed down by these modern industrial conditions; and, in other cases, fail to understand and apply the needed remedies for the new wrongs produced by the new and highly complex social and industrial civilization which has grown up in the last half century.

There are certain decisions by various courts which have been exceedingly detrimental to the rights of wageworkers. This is true of all the decisions that decide that men and women are, by the constitution, "guaranteed their liberty" to contract to enter a dangerous occupation, or to work an undesirable or improper number of hours, or to work in unhealthy surroundings; and therefore cannot recover damages when maimed in that occupation, and cannot be forbidden to work what the Legislature decides is an unreasonable number of hours, or to carry on the work under conditions which the Legislature decides to be unhealthy. Decisions such as these alluded to above nullify the legislative effort to protect the wageworkers who most need protection from the loose employers who take advantage of their grinding need.

There is also, I think, ground for the belief that substantial injustice is often suffered by employes in connection with the custom of courts issuing temporary injunctions without notice to them, and punishing them for contempt of court in instances where, as a matter of fact, they have no knowledge of any proceedings. Outside of organized labor there is a widespread feeling that this system often works great injustice to wageworkers when their efforts to better their working conditions result in industrial disputes. A temporary injunction procured ex parte may in a matter of fact have all the effect of a permanent injunction in causing disaster to the wageworkers' side in such a dispute. Organized labor is chafing under the unjust restraint which comes from repeated resort to this plan of procedure. Its discontent has been unwisely expressed, and often improperly expressed, but there is a sound basis for it, and the orderly and law-abiding people of a community would be in a far stronger position for upholding the courts if the undoubtedly existing abuses could be provided against.

Such proposals as those mentioned above as advocated by the extreme labor leaders, contain the vital error of being class legislation of the most offensive kind, and even if enacted into law I believe that the law would rightly be held unconstitutional. Moreover, the labor people are themselves now beginning to invoke the use of the power of injunction. During the last ten years, and within my own knowledge, at least fifty injunctions have been obtained by labor unions in New York City alone, most of them being to protect the union label (a "property right"), but some being obtained for other reasons against employers. The power of injunction is a great equitable remedy which should on no account be destroyed. But safeguards should be erected against its abuse. I believe that some such provisions as those advocated a year ago for checking the abuse of the issuance of temporary injunctions should be adopted.

The chief lawmakers in our country may be, and often are, the judges, because they are the final seat of authority. Every time they interpret contract, property, vested rights, due process of law, liberty, they necessarily enact into law parts of a system of social philosophy; and as such interpretation is fundamental, they give direction to all law-making. The decisions of the courts on economic and social questions depend upon their economic and social philosophy; and for the peaceful progress of our people during the twentieth century we shall owe most to those judges who hold to a twentieth century economic and social philosophy and not to a long outgrown philosophy, which was itself the product of primitive economic conditions.

The legislators and executives are chosen to represent the people in enacting and administering the laws. The judges are not chosen to represent the people in this sense. Their function is to interpret the laws. The legislators are responsible for the laws; the judges for the spirit in which they interpret and enforce the laws. We stand aloof from the reckless agitators who would make the judges mere pliant tools of popular prejudice and passion; and we stand aloof from those equally unwise partisans of reaction and privilege, who deny the proposition that, inasmuch as judges are chosen to serve the interests of the whole people, they should strive to find out what those interests are, and, so far as they conscientiously can, should strive to give effect to popular conviction when deliberately and duly expressed by the lawmaking body. The courts are to be highly commended and staunchly upheld when they set their faces against wrongdoing or tyrannyby a majority; but they are to be blamed when they fail to recognize under a government like ours the deliberate judgment of the majority as to a matter of legitimate policy, when duly expressed by the Legislature. Such lawfully expressed and deliberate judgments should be given effect by the courts, save in the extreme and exceptional cases where there has been a clear violation of a constitutional provision. Anything like frivolity or wantonness in upsetting such clearly taken governmental action is a grave offense against the republic.

For many of the shortcomings of justice in our country our people as a whole are themselves to blame, and the judges and juries merely bear their share together with the public as a whole. It is discreditable to us as a people that there should be difficulty in convicting murderers, or in bringing to justice men who as public servants have profited by the corruption of public servants. The result is equally unfortunate, whether due to hairsplitting technicalities in the interpretation of laws by judges, to sentimentality and class consciousness on the part of juries, or to hysteria and sensationalism in the daily press. For much of this failure of justice no responsibility whatever lies on rich men as such. We who make up the mass of the people cannot shift the responsibility from our own shoulders. But there is an important part of the failure which has specially to do with inability to hold to proper account men of wealth who behave badly.

The chief breakdown is in dealing with the new relations that arose from the industrialism, the interdependence of our time. Every new social relation begets a new type of wrongdoing—of sin, to use an old-fashioned word—and many years always elapse before society is able to turn this sin into crime which can be effectively punished at law. During the lifetime of the older men now alive the social relations have changed far more rapidly than in the preceding two centuries. The immense growth of corporations, of business done by associations, and the extreme strain and pressure of modern life, have produced conditions which render the public confused as to who its really dangerous foes are; and among the public servants who have not only shared this confusion, but by some of their acts have increased it, are certain judges. Marked inefficiency has been shown in dealing with corporations and in resetting the proper attitude to be taken by the public not only towards corporations, but towards labor, and towards the social questions arising out of the factory system, and the enormous growth of our great cities.

The huge wealth that has been accumulated by a few individuals of recent years, in what has amounted to a social and industrial revolution, has been as regards some of these individuals made possible only by the improper use of the modern corporation. A certain type of modern corporation, with its officers and agents, its many issues of securities, and its constant consolidation with allied underjakings, finally becomes an instrument so complex as to contain a greater number of elements than under various judicial decisions, lend themselves to fraud and oppression than any device yet evolved in the human brain. Corporations are necessary instruments of modern business. They have been permitted to become a menace largely because the governmental representatives of the people have worked slowly in providing for adequate control over them.

The courts hold a place of peculiar and developed sacredness under our form of government. Respect for the law is essential to the permanence of our institutions; and respect for the law is largely conditioned upon respect for the courts. It is an offense against the republic to say anything which can weaken this respect, save for the gravest reason and in the most carefully guarded manner. Our judges should be held in peculiar honor. On on average they stand above any other servants of the community, and the greatest judges have reached the highest level held by those few greatest patriots whom the whole country delights to honor. But we must face the fact that there are wise and unwise judges, just as there are wise and unwise executives and legislators. When a President or a governor behaves improperly or unwisely, the remedy is easy, for his term is short; the same is true with the legislator, although not to the same degree, for he is one of many who belong to some given legislative body, and it is therefore less easy to fix his personal responsibility and hold him accountable therefor. With a judge, who, being human, is also likely to err, but whose tenure is for life, there is no similar way of holding him to responsibility. Under ordinary conditions the only forms of pressure to which he is in any way amenable are public opinion, and the action of his fellow judges. It is the last which is most immediately effective, and to which we should look for the reform of abuses. Any remedy applied from without is fraught with risk. It is far better, from every standpoint, that the remedy should come from within. In no other nation in the world do the courts wield such vast and far-reaching power as in the United States. All that is necessary is that the courts as a whole should exercise this power with the farsighted wisdom already shown by those judges who scan the future while they act in the present.

Forests.

If there is any one duty which more than another we owe it to our children and our children's children to perform at once, it is to save the forests of this country, for they constitute the first and most important element in the conservation of the natural resources of the country. It matters not whether this deforestation is due to the actual reckless cutting of timber, to the fires that inevitably follow such reckless and uncontrolled grazing, especially by the great migratory bands of sheep, the unchecked wandering of which over the country means destruction to forests and disaster to the small home makers, the settlers of limited means.

Shortsighted persons, or persons blinded to the future by desire to make money in every way out of the present, sometimes speak as if no great damage would be done by the reckless destruction of our forests. It is difficult to have patience with the arguments of these persons. Thanks to our own recklessness in the use of our splendid forests, we have already crossed the verge of a timber famine in this country, and no measure that we now take can, at least for many years, undo the mischief that has already been done. But we can prevent further mischief being done; and it would be in the highest degree reprehensible to let any consideration of temporary convenience or temporary cost interfere with such action, especially as regards the national forests which the nation can now, at this very moment, control.

Inland Waterways.

Action should be begun forthwith, during the present session of the Congress, for the improvement of our inland waterways—action which will result in giving us not only navigable but navigated rivers. We have spent hundreds of millions of dollars upon these waterways, yet the traffic on nearly all of them is steadily declining. This condition is the direct result of the absence of any comprehensive and far-seeing plan of waterway improvement. Obviously we can not continue thus to expend the revenues of the government without return. It is poor business to spend money for inland navigation unless we get it. Such shortsighted, vacillating, and futile methods are accompanied by decreasing water-borne commerce and increasing traffic congestion on land, by increasing floods, and by the waste of public money. The remedy lies in abandoning the methods which have so signally failed and adopting new ones in keeping with the needs and demands of our people. The time for playing with our waterways is past. The country demands results.

National Parks.

I urge that all our national parks adjacent to national forests be placed completely under the control of the forest service of the agricultural department, instead of leaving them as they now are, under the interior department and policed by the army.

Pure Food.

The pure food legislation has already worked a benefit difficult to overestimate.

Indian Service.

It has been my purpose from the beginning of my administration to take the Indian service completely out of the atmosphere of political activity, and there has been steady progress toward that end.

Secret Service.

Last year an amendment was incorporated in the measure providing for the secret service, which provided that there should be no detail from the secret service and no transfer therefrom. It is not too much to say that in its present form the restriction operates only to the advantage of the criminal or the wrongdoer.

Postal Savings Banks.

I again renew my recommendation for postal savings banks, for depositing savings with the security of the Government behind them. The object is to encourage thrift and economy in the wage-earner and person of moderate means. There are many localities in the United States where sufficient opportunity is not given to the people to deposit their savings. The result is that money is kept in hiding and unemployed. It is believed that in the aggregate vast sums of money would be brought into circulation through the instrumentality of the postal savings bank.

Parcels Post.

In my last annual message I commended the postmaster general's recommendation for an extension of the parcel post on the rural routes. The establishment of a local parcel post on rural routes would be to the mutual benefit of the farmer and the country storekeeper, and it is desirable that the routes, serving more than 15,000,000 people, should be utilized to the fullest practicable extent. It would seem only proper that an experiment should be tried in order to demonstrate the practicability of the proposition.

Education.

The share that the national government should take in the broad work of education has not received the attention and the care it rightly deserves. The immediate responsibility for the support and improvement of our educational systems and institutions rests and should always rest with the people of the several states acting through their state and local governments, but the nation has an opportunity in educational work which must not be lost and a duty which should no longer be neglected.

With the limited means hitherto provided, the bureau of education has rendered efficient service, but the Congress has neglected to adequately supply the bureau with means to meet the educational growth of the country. I earnestly recommend that this unfortunate state of affairs as regards the national educational office be remedied by adequate appropriations.

Census.

I commend to the Congress the careful consideration of the admirable report of the director of the census, and I trust that his recommendations will be adopted and immediate action thereon taken.

Public Health.

It is highly advisable that there should be intelligent action on the part of the nation on the question of preserving the health of the country. The first legislative step to be taken is that for the concentration of the proper bureaus into one of the existing departments. I therefore urgently recommend the passage of a bill which shall authorize a redistribution of the bureaus which shall best accomplish this end.

Government Printing Office.

I recommend that legislation be enacted placing under the jurisdiction of the department of commerce and labor the government printing office.

Soldiers' Homes.

All Soldiers' Homes should be placed under the complete jurisdiction and control of the war department.

Independent Bureaus and Commissions.

Economy and sound business policy require that all existing independent bureaus and commissions should be placed under the jurisdiction of appropriate executive departments.

Statehood.

I advocate the immediate admission of New Mexico and Arizona as states. This should be done at the present session of the Congress.

Interstate Fisheries.

I call the attention of the Congress to the importance of the problem of the fisheries in the interstate waters. In this as in similar problems the obvious and simple rule should be followed of having those matters which no particular state can manage taken in hand by the United States.

Fisheries and Fur Seals.

The federal statute regulating interstate traffic in game should be extended to include fish. New federal fish hatcheries should be established. The administration of the Alaskan fur-seal service should be vested in the bureau of fisheries.

Foreign Affairs.

This nation's foreign policy is based on the theory that right must be done between nations precisely as between individuals, and in our actions for the last ten years we have in this matter proven our faith by our deeds. We have behaved, and are behaving, towards other nations, as in private life an honorable man would behave towards his fellows.

Latin-American Republics.

The commercial and material progress of the twenty Latin-American republics is worthy of the careful attention of the Congress. No other section of the world has shown a greater proportionate development of its foreign trade during the last ten years and none other has more special claims on the interests of the United States.

Panama Canal.

The work on the Panama Canal is being done with a speed, efficiency and entire devotion to duty, which make it a model for all work of the kind. No task of such magnitude has ever before been undertaken by any nation; and no task of the kind has ever been better performed.

Ocean Mail Lines.

I again recommend the extension of the ocean mail act of 1891 so that satisfactory American ocean mail lines to South America, Asia, the Philippines, and Australasia may be established.

Hawaii.

I call particular attention to the Territory of Hawaii. The importance of those islands is apparent, and the need of improving their condition and developing their resources is urgent.

The Philippines.

Real progress toward self-government is being made in the Philippine islands. The gathering of a Philippine legislative body and Philippine assembly marks a process absolutely new in Asia, not only as regards Asiatic colonies of European powers, but as regards Asiatic possessions of other Asiatic powers, and, indeed, always excepting the striking and wonderful example afforded by the great Empire of Japan, it opens an entirely new departure when compared with anything which has happened among Asiatic powers which are their own masters. I hope and believe that these steps mark the beginning of a course which will continue till the Filipinos become fit to decide for themselves whether they desire to be an independent nation. All we can do is to give them the opportunity to develop the capacity for self-government. I trust that within a generation the time will arrive when the Philippines can decide for themselves whether it is well for them to become independent, or to continue under the protection of a strong and disinterested power, able to guarantee to the islands order at home and protection from foreign invasion.

Porto Rico.

I again recommend that American citizenship be conferred upon the people of Porto Rico.

Cuba.

In Cuba our occupancy will cease in about two more months; the Cubans have in orderly manner elected their own governmental authorities, and the island will be turned over to them. Our occupation on this occasion has lasted a little over two years, and Cuba has thriven and prospered under it.

The Army.

As regards the army, I call attention to the fact that while our junior officers and enlisted men stand very high, the present system of promotion by seniority results in bringing into the higher grades many men of mediocre capacity who have risen in short time to serve. No man should regard it as his vested right to rise to the highest rank in the Army any more than in any other profession. It is a curious and by no means creditable fact that there should be so often a failure on the part of the public and its representatives to understand the great need, from the standpoint of the service and the nation, of refusing to promote respectable, elderly incompetents. The higher places should be given to the most deserving men without regard to seniority; at least seniority should be treated as only one consideration. In the stress of modern industrial competition no business firm could succeed if those responsible for its management were chosen simply on the ground that they were the oldest people in its employment; yet this is the course advocated as regards the army, and required by law for all grades except those of general officer. The cavalry arm should be reorganized upon modern lines. This is an arm in which it is peculiarly necessary that the field officers should not be old.

Now that the organized militia, the National Guard, has been incorporated with the army as a part of the national forces, it behooves the government to do every reasonable thing in its power to perfect its efficiency. There should be legislation to provide a complete plan for organizing the great body of volunteers behind the regular army and national guard when war has come.

The Navy.

I approve the recommendations of the general board for the increase of the navy, calling especial attention to the need of additional destroyers and colliers, and above all of the four battleships. It is desirable to complete as soon as possible a squadron of eight battleships of the best existing type. Nothing better for the navy from every standpoint has ever occurred than the cruise of the battle fleet around the world. The improvement of the ships in every way has been extraordinary, and they have gained far more experience in battle tactics than they would have gained if they had stayed in the Atlantic waters. The American people have cause for profound gratification, both in view of the excellent condition of the fleet as shown by this cruise, and in view of the improvement the cruise has worked in this already high condition.

Theodore Roosevelt

Big Electrical Contract.

The directors of the Pennsylvania railroad has announced the signing of a $5,000,000 contract with the Westinghouse Electric and Manufacturing Company for the complete electrification of the new terminal station and tunnels under the Hudson at New York. The system is to be that of the overhead trolley and not that of the third rail. The engines will be of entirely new type and the most powerful in existence. They will be built to pull any train on the grades of the Pennsylvania from under the river to the street surface level at a high speed. An engine now being tested in Long Island City has already done more than 90 miles an hour and is capable of doing 120 miles. To run the system, 250,000 horse-power will be required. The contract is to be completed in twenty months. The plans are made for the handling of 1,000 trains daily, twice as many as will be on the schedule of the New York Central system.

Premier Asquith announced in the House of Commons that because of the opposition of the Anglican church to the education bill the government had withdrawn the measure.

REVIEW OF INDIANA

Harley Dew, aged 24 years, was fatally stabbed by Emmet Taylor in trouble over a card game at Linton. Taylor escaped. Dew is paralyzed in both legs.

The large warehouse and elevator belonging to Jeff Ray & Sons, at Rockhill, Spencer County, were destroyed by fire, the loss being $10,000 with $7,500 of insurance.

Henry and George Lash, 20 and 17 years of age, respectively, two Avilla lads, won a wager of $25 by sawing, splitting and piling ten cords of wood in a single day of ten hours.

Attacked by an infuriated boar, Peter Gresinger, of Wabash, was being fearfully lacerated when his brother Will rushed to his rescue. He will live, but his body will bear the marks of the boar.

Fairmount probably holds the health record for November, not only in the State, but in the whole country. With a population of 4,000, there was not one death within the corporate limits during the month and only one, that of an aged woman, in the township.

David Clancy, aged 58 years, while digging a grave at Paoli, in Orange County, was stricken with paralysis and fell into the open grave, where he died in a short time. Mr. Clancy was digging the grave intended for the body of the Rev. Cyrus Jones, a well-known minister of that place.

Mt. Ayr has been added to the list of "dry" towns in Newton County, the one saloon in that place going out of business last week. J. J. Garrity, who owned the saloon, was put out of business by a remonstrance signed by a majority of three. He has decided not to contest the matter, and will quit the saloon business permanently.

With the wedding guests assembled, the preacher present, and after the mother of the prospective bride had received permission of the court to let her marry, Miss Carmel Harger, aged 15, disappeared from her home in Evansville and went to the home of a neighbor, where she enjoyed a dance. The prospective groom, Charles Cox, later prevailed upon Miss Harger to marry him.

Chester Ferguson, a Booneville dentist, found a meteor while hunting on the Hoover farm, near Gentryville. From examinations and tests made it has a peculiar composition. It was the size of a large goose egg, about the same shape and was hollow. When broken it was found to contain a yellowish substance, which tests by acids proved to contain iron ore. The interior of the shell is as smooth as the outside and from appearance has been exposed to extreme heat.

A woman living near Martinton has all her life been afflicted with strange names. She has been married three times. Her maiden name was Partridge; her first husband's name was Robin, her second Sparrow, and her present husband's name is Quayle. There are now two Robins, one Sparrow and three little Quayles in the family. One of her grandfathers was named Swaan, a fact which is not mentioned as having any bearing on her peculiar run of luck in the matter of names.

George Coppy, a 14-year-old boy of New Richmond, is suffering from a strange disease, which is exceedingly puzzling to the physicians who have attended him at the hospital in Crawfordsville. He is suffering from "lumpy jaw," a disease common among cattle. This is the first case of this kind ever reported to the medical profession of Crawfordsville. The lumps are in the abdomen near the appendix. It is thought the lad became afflicted with the disease by eating diseased meat. Physicians have pronounced the case as hopeless.

There is at least one woman in Indiana who does not believe in the rural free delivery of mail. Miss Mandane Miller, aged 60, of near Pierceton, Kosciusko County, refuses to allow the postman to bring letters, parcels or papers to her home, preferring to have a box in the general delivery of the postoffice at Pierceton. But more strange is the fact that Miss Miller calls for her mail only twice each year. On her last semi-yearly visit she obtained twenty-eight copies of a weekly newspaper, several packages and third and fourth-class matter.

Peculiar interest attaches to the announcement just made of the forthcoming marriage of Miss Clara Lillian Thias, daughter of Mr. and Mrs. Alfred M. Thias, of Jeffersonville, to Harry Worrall, the wedding to take place in January. Miss Thias has been totally deaf almost from infancy, and it is only in recent years that she learned to talk so that she could be understood by those who know her well. She did not, however, permit her affliction unduly to hinder her in her studies. She is a graduate of Indiana University, passing through the regular classes of that institution in spite of her physical disability.

Dr. A. J. Willing, the oldest practicing physician in Porter County, died suddenly last week. He was 78 years old and leaves three sons and one daughter. He had been a resident of the county for fifty-three years.

James Bennett, for forty years tyler of the Shelbyville Masonic order, declined re-election at the election held last week on account of his age. He holds the record of the State for the number of years he served in this office.

Farmers southwest of Hartford City are in communication with Z. T. Sweeney, State Game Commissioner, relative to a game preserve of 4,000 acres. It is proposed to have the State furnish the game and the land owners to serve as its protectors.

Clay County is thoroughly aroused over the mad dog scare, and every incorporated town in the county has within the last ten days enacted ordinances requiring all dogs either to be muzzled or killed. The last town to take action was Bowling Green, where a mad dog appeared recently.

Charging that he had tampered with his electric light meter so that he could get much of his current free, the Fort Wayne & Wabash Valley Traction Company has caused the arrest of Joseph Treuche, a saloonkeeper of Fort Wayne.

Clarence Creed, a schoolboy at the McCalla building in Bloomington, was run over by a wagon loaded with wood when he attempted to steal a ride. He fell face downward under the wheel, and the whole weight of the load passed over his body diagonally. The lad is not seriously injured.

There were six deaths and but one birth in Kendallville in November.

Lieut. C. C. Marsh, who was in command of the cruiser Yankee, which sank near New Bedford, Mass., last week, is a Muncie man.

Authorities at Warsaw are after an anonymous letter writer, who has been sending threatening letters to John W. Sellers, a leader in the temperance movement there.

The 9-year-old daughter of Harvey Sternberg, near Goshen, was kicked in the face by a horse. A gash two inches long was cut in her forehead, the upper eyelid was entirely severed and the lower eyelid badly cut.

John H. Brubaker, a prominent Warsaw attorney, has just wedded Miss Emma Hollowell, of Goshen. Brubaker is 60 years of age and has four sons, the youngest of whom is older than his bride, who is 16.

The revival services which have been in progress for the last three weeks at the New Salem Methodist church, closed last week. The pastor, the Rev. D.