THE MESSAGE.

4

Recommendations to Congress by the National Executive.

# THE VIRGINIUS OUTRAGE

Restoration, Reparation, Indemnity and the Punishment of "the Butchers" Demanded.

A HINT ON SPANISH SLAVERY.

# The Navy To Be Restored While the Money Lasts.

Review of the Financial, Commercial, Marine, Postal, Agricultural, Judicial and Legislative Affairs of the Nation.

TO THE SENATE AND HOUSE OF REPRESENTA-TIVES :--

The year that has passed since the submission of my last Measage to Congress has, especially during the latter part of it, been an eventful one to the country. In the midst of great national prosperity duancial crisis has occurred that has brought low fortunes of gigantic proportions; political partisanship has almost ceased to exist, especially in the agricultural regions, and finally the capture upon the high seas of a vessel bearing our flag has for a time threatened the most serious conseonences and has agitated the public mind from one end of the country to the other; but this, happliy, ow is in the course of satisfactory adjustment honorable to both nations concerned.

The relations of the United States, however, with most of the other Powers continue to be friendly and cordini. With France, Germany,

tional legislation be not needed on this subject.

THE ALARAMA CLAIMS PUNDS.

learning and impartiality, he discharged duties requiring great abor and constant patience to the satisfaction, I believe, of both governments. MORE CLAIMS COMING.

I recommend legislation to create a special court, to consist of three judges, who shall be empowered to hear and determine all claims of allens upon the United States arising from acts committed against their persons or property during the insurrection. The recent reference under the Treaty of Washing-ton was confined to claims of British subjects arising during the period named in the treaty, but It is understood that there are other British claims of a similar nature arising after the 9th of April, 1865, and it is known that other claims of a like nature are advanced by citizens or subjects of other Powers. It is desirable to have these claims also examined and disposed of.

also examined and disposed of. Official information being received from the Dutch government of a state of war between the King of the Netherlands and the Sultan of Acheen, the

the Netherlands and the Suitan of Acheen, the officers of the United States who were near the seat of the war were instructed to observe an impar-tial neutrality. It is believed that they have done so. <u>NEXIGAN AFFAIRS</u>. The Joint Commission under the convention with Mexico of 1858 having again been legally prolonged, has resumed its business, which it is hoped may be brought to an early continsion. The distinguished representative of hier Britannic Majesty at Washington has kindiy consented, with the approval of his government, to assume the ar-duous and responsible dathes of unprire in this commission, and to lend the weight of his charso-ter and neaponsible dathes of unprire in this commission, and to lend the weight of his charso-ter and neaponess to both the arbitrators'ap pointed by the respective governments. The Commissioners appointed, parsuant to the anthority of Congress, to examine into the nature and extent of the torays by trespassers from that country upon the hords of Texas, have made a report which will be submitted for your considera-tion. The Venezuelean government has been apprised

country upon the horts of Texis, have made a report which will be submitted for your considera-tion. The Venezuelean government has been apprised of the sense of concress in regard to the award of the Joint Commission, under the Convention of the 56th April, 1563, as expressed in the act of the 26th of February hast. It is apprehended that that gov-ernment does not realize the character of its obli-gations under that Convention. As there is rea-son to believe, however, that its hesitancy in re-containing them sprinzs, in part at least, from real difficulty in discarging them in connection with its obligations to other governments, the expediences of further forbearance on our part is believed to be worthy of your consideration. TURKISH APPAIRS. The Ottoman government and that of Egypt have hitterly shown a disposition to relieve foreign consuls of the indicial powers which heretofore how have exercised in the Turkish com-nions by organizing other tribunals. As Congress, however, has by law provided for the discharge of judicial functions by consuls of the United States in that guarter, under the treaty of isso, I have not tert at iberty formally to accept the preposed change without the assent of Congress, whose decision upon the subject at as early a period as may be convenient is carnessity requested. THE SEANSH-AMERICAN EXPUENCE. I transmit herewith for the consideration and determination of dongress an application of the Republic of St. Domingo to this govern-ment to exercise a protectorate over that republic, Since the advournment of Congress

The activity of the other Powers continue to be friendly and cordina. With France, Germany, Russia, lay and the minor European Powers, with firszi and nosi of the South American re-publics, and with Japan, nothing has occurred during the year to demand special nottee. The orcespondence between the beparturent of State and various diplomatic representatives in orrent inose countries is transmitted herewith. In executing the will of Congress as expressed in tission resolution of the istin of Pebruary last, and m accordance will the provisors of the resolution, a number of "practical artisans," of "scientific men" and of "ilonoary Countision" era" were authorized to attend the Exposi-tion at the the object which Congress had on active the Bodyna and the object which Congress had on the advantages of the international Exploration and the Bodyna and the object which Congress had on medals. During the Expection is of the Taited States, but the rights of the sate approved Pebrary 16, side, the endirer was height Yienna for the purpose of consultion to be heid at Yienna is a represent of the sate of the sate spreader to the funct distates and the fulled States. It had while men and the bodyne was to the propertion in a other to enable the people of the funct States to and the states are been enabled to be heid at Yienna is reported to be then at Yienna is the pleasure in adding that the American exhibitor have recursed to the tait of a states to any the states are been enabled to be the take place, in order to all stars as the utifies to difference of the protection of the related States, but the rights of the particular any possible additional protection to the state place, in order to all stars as the utifiers the states as and the information of the states as a state there when the sconting the take will be additional protection to the state protection to the prosent at the take place, in creation the states to any the states as a state there when the source of the taited states a transing to rest take place, in c legislation has become necessary. I therefore rec-ommend tha subject to the careful consideration of Congress, and I transmit herewith copies of the several opinions of the principal officers of the Desiration has become necessary. I therefore recomment the subject to the careful consideration of the principal officers of the everative departments, together with other correspondence and prominent information on the same subject. The United States, which led the present all everative departments, together with other correspondence and prominent information on the same subject. The United States, which led the present all everative departments, together with other correspondence and prominent information on the same subject. The United States, which led the present all everative departments of the fundal doctrine of perpetual allegance, are annog the last to individually. The paper subject is on a par with other reaction assented to the principles which would be reacted to be embodied in awa intended to accomplish the frequent subject. We have already in our treates assented to the principles which would pleak use to be embodied in awa intended to accomplish on the end to be embodied in awa intended to accomplish on the end to be embodied in awa intended to accomplish on the same react of the United States may cease to be entitled to the principle which would be experimented to the principle which would be experimented to the principle which would be accomplished, to regulate by a foreign country of American parents is resoluted to the principle which would be availed to the American Minister of the Spanish government, the joint fractions when a principle which would be principle of principles of universal floring in a specific country of the efforts to consolidate in principles of the principle as sheared the color with the fracted is the principle as the other forms to consolidate to the principles of universal floring is the other forms to consolidate to principles of the principle as sheared to be enserted to be the former as a floring to the principle as the principl

their national independence, recognized by Great Britain and other distribute Powers, and stated by the Senate in a res-clution passed unsnimously on the 16th of June, 1855, that American

an' state: by the Sonate in a res-obtion passed unminously on the 16th of June, 1555, that American Wessels ON THE HIGH SPAS. In time of peace, bearing the American dag, remain nuder the jurisdiction of the country to which they belong, and, therefore, any visitation, moles-tation or detention of suce vessel by force, or by the exhibition of force, on the part of a foreign power is in derogation of the sourceignty of the United States. In accordance with time principle the restoration of the Virgin as and the surrender of the survivors of her passengers and crew, and a due reparation to the flag and the punishment of the anthorities who had been guilty of the lifeguil government has recognized the instite of the de-mand and has arranged for the surrender of the survivors of the proceedings looking to her power is the decount of the surrender of the survivors of the proceedings looking to her and and has arranged for the immediate de-here of the sassengers and crew, and for a satus to the dag, and for proceedings looking to here been guilty of the gal acts of violence towards inted to indemnity. A copy of a protocol of a con-brence between the Socretary of State and the panish Minister, in which the terms of this ar-aragenetit were agreed to, is transmitted here-with. The correspondence on this subject with the legation of the Chited States is in cipher and by actual text of the correspondence. If has seened to me to be due to the importance of the actual text of the correspondence in the the actual text of the correspondence in the the actual text of the correspondence in the subject when re-cords.

cerved. A BINT ON SPANISH SLAVERY. In taking leave of this subject for the present i wish to renew the expression of my conviction that the existence of African slavery in Cuba is a principal cause of the lamentable condi-tion of the island. I do not doubt that Congress sharcs with me the hope that it will soon be made to disappear, and that peace and prosperity may follow its abolition. The embargoing of American estates in Cuba, crucity to American citizens de-tected in no act of hostility to the Spanish govern-ment, the murdering of prisoners taken with arms tected in no act of hostility to the Spanish govern-ment, the murdering of prisoners taken with arms in their hands, and finally the capture upon the high seas of a vessel sailing under the United States fag and bearing a United States registry, has culminated in an outburst of indignation that has seemed for a time to threaten war. Pending negotiations between the United States and the government of Spain on the subject of the capture, i have authorized the Secretary of the Navy to put our navy on war footing, to the extent, at least, of the entire annual appropriation for that branch of the service, trusting to Congress and the public optinon of the American people to justify my ac-tion.

I have authorized the Sacretary of the Narvy to prime interesting and the Sacretary of the Narview interesting to Congress and the public of a structure interesting to Congress and the public of a structure interesting to Congress and the public of a structure interesting to Congress and the public of a structure interesting to Congress and the public of a structure interesting to Congress and the public of a structure interesting to Congress and the public of a structure interesting to Congress and the public of a structure interesting to Congress and the public of the Sacretary of Sac

provide auggest the establishment of clearing houses for your consideration to secure the former. Many plans have been suggested, most, if not all of which took to me more like inflation on the other, to pay interest without corresponding benefits upon the surplus funds of the country during the secons when other use employed. MORENATIONAL BANK NOTES. Twould submit for your consideration whether ing the secretary of the Treasury to issue at any interest without cover one by atthoriz-ing the secretary of the Treasury to issue at any interest thirdely might not be overcome by atthoriz-ing the secretary of the Treasury to issue at any interest bounds and the banks depositing with the treasurer of the United States an amount of their may four per cent of the interest accru-ing on the bonds so pledged during the tume they remain with the Treasurer as security for the increased circulation, the bonds so pledged to be redeemable by the banks at their pleasure, either in whole or is part, by returning in the face of the bonds withdrawn. I would inther suggest for your consideration the pro-many four per cent and the great actual so pledged to be treade and is not at heir pleasure, either in whole or is part, by returning in returned. In the bonds withdrawn. I would in the the face of the bonds is to diminish equal to the face of the bonds withdrawn. I would inther suggest for your consideration the pro-many United States an any indicating at the great actual in the there is the indication is and withdrawn is pre-many United States bonds as are pledged for the bills returned. In view of the great actual in the the indicative and all the industries, do not the comparative contraction continuously point on, due to the increase of population, heir ontened of the year. Indeed, if clearing most should be established, thus forcing redem-ponset should be established, the forcing redem-ponset should be established, the present and shares. The XATONAL BANK LANK

banking should not be made free, retaining all safe-guards now required to secure billholders. THE NATIONAL BANK LAWS. In any modification of the present laws regulating national banks, as a further step toward preparing for the resumption of specie payments, I invite your attention to a consideration of the propriety of exacting from them the retention, as a part of their reserve, either the whole or a part of the gold interest accruing upon the bonks pledged as security for their issue. I have not reflected enough on the bearing this might have in pro-ducing a scarcity of coin with which to pay duties on imports to give it my positive re-commendation, but your attention is invited to the subject.

commendation, but your attention is invited to the subject. During the last four years the currency has been contracted directly by the withdrawal of three per cent certificates, compound interest notes and seven-thirty bonds outstanding on the 4th of March, 1869, all of which took the place of legal ienders in the bank reserves to the extent of \$63,000,000. During the same period there has been a much larger comparative contraction of the correley.

exigency finds us in a much better condition for work than we could possibly have been without

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for reaching our unoccupied public domain and for transportation of surplus products eminage the available field for desirable homestead locations, thus sumulating settlement and extending year by explained and cultivation. The expressed desire of the representatives of a large colony of the country, as it is understood with the consent of their government, if certain concessions of great interfest, as going to show the or of great interfest, as going to show the industrious and wealthy people, desirous of enjoy of large an uningration of citizens of a superior of the country. I invite attention to the sup-station of the Secretary of the Interior in the based. ENSIONE AND PENSIONERS.

restion of the Secretary of the Interior in this benalt. FUNTIONS AND PENSIONERS. There was paid during the inst fiscal year for the secretary of the Interior in this There was paid during the inst fiscal year for the secretary of the Interior in the table of the secretary of the Interior in the table of the secretary of the Interior in the table of the secretary of the Interior in the table of the secretary of the Interior in the table of the secretary of the Interior in the table of the secretary of the Interior in the table of the secretary of the Interior in the table of the secretary of the Interior in the the last second of Congress will absorb that amount the current year. At the close of the last fiscal part there were on the pension rolls tog, so in the second in the current year. At the close of the last fiscal part there were on the pension rolls tog, so in the second in the current year. At the close of the last fiscal part there were on the pension rolls tog, so in the second in the current year. At the close of the last fiscal in the current year. At the close of the last fiscal is a total of that class of 211, 802 and 18, 206 and widows of soliters of that way pensioners, and dependent widows, orphans and dependent relatives of deceased officers, sail of that class of 25,510--1,520 invalid navy pensioners of 3,200, and a grand total of navy pensioners of 3,200, and a grand total of pensioners of all classes of sheat year of alls?. During the last year the maner of 16,405 pensioners were added to the roll and bases in the second to pensioner of various and a grainst the government in the matter of pensions has been productive of satistactory re-suite, but legislation is needed to provide, if pos-tal class the perpetration of such frauds in the vidently increasing interest in the cause of the solution. **ENCENDE** 

The evidently increasing interest in the cause of education is a most encouraging leature in the general progress and prosperity of the country, and the Bureau of Education is earnest in its efforts to give proper direction to the new appli-ances and the increased facilities which are being offered to aid the educators of the country in their great work.

### THE CENSUS.

THE CENSUS. The ninth census has been completed and the re-port thereof published and distributed and the working lorce of the bureau disbanded. The Sec-retary of the Interior renews his recommenda-tion for a census, to be taken in 1876, to which sub-ject the attention of Congress is invited. The orig-ing suggestion in that behalf has met with the general approval of the contry; and, even if it be not deemed advisable at present to provide for a regular quinquinnal census, a census taken in 1876, the report of which could be completed and published before the one hundredth anniversary of our independence, would be especially inter-ecting and valuable as showing the progress of the constry during the first century of our national existence. It is believed, however, that a regular census every fire years would be to substantial buildent has been so rapid that the results of the decennial census are necessarily unreliable as a usis of estimates for the latter years of a decimal burger. There the year would be the down.

## DISTRICT OF COLUMBIA.

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The money awarded the United States by the Tribunal of Arbitration at Geneva was paid by Her Majesty's government a few days in advance of the time when it would have become payable according to the terms of the treaty. In compliance with the provisions of the act of March 3, 1873, it was at once paid into the Treasury and used to redeem, so far as it might, the public dent of the United States, and the amount so redeemed was invested in a five per cent, registered bond of the United States for \$15,500,000, which is now held by the Secretary of State, subject to the future disposition of Congress. I renew my recommendation made at the opening of the last session of Congress that a commission be created for the purpose of auditing and determining the amounts of the several direct losses growing out of the da-struction of vessels and their cargoes by the Ala-banna, the Florida or the Shenandoah, after leavdog Melbourne, from which the sufferers have re-ceived no equivalent or compensation, and of ascertaining the names of the persons entitled to receive compensation for the same, making the computations upon the basis indicated by the Tribunal of Arbitration at Geneva, and that payment of such losses be authorized to an extent not to exceed the awards of the Tribunal at Geneva.

## ANGLO-AMERICAN BOUNDARIES.

By an act approved on the 14th day of February Jast, Congress made provision for completing, jointly with an officer or commission to be named by Rer Britannic Majesty, the determination of so much of the boundary line between the territory of the United States and the possessions of Great Britam as was left uncompleted by the Commis-Pioners appointed under the act of Congress of August 11, 1856. Under the provisions of this act the northwest water boundary of the United States has been determined and nurked in accordance with the award of the Emperor of Germany. A protocol and a copy of the map upon which the line was thus marked are contained in the papers submitted herewith.

I also transmit a copy of the report of the commission for marking the northern boundary between the United States and the British possessions west of the Lake of the Woods. Of the operations of the of the take of the woods. Of the operations of the dominision during the past season, surveys have been made to a point 407 miles west of the Lake of the Woods, leaving about 250 miles to be surveyed, the deld work of which can be completed during the next scasion.

### THE BRITISH CLAIME

The Mixed commission, organized under the provisions of the Treaty of Washington for setting and determining the chaims of citizens of either Power against the other, arising out of acts committed gainst their persons or property during the period between April 13, 1861, and April 9, 1865, made its final award on the 25th day of September last. It was awarded that the government of the United States should pay to the government of Her Brittanie Majesty within 12 months from the date of the award the sum of \$1,929,819 in gold. The commission disatlowed or dismissed all other claims of British subjects against the United States. The amount of the claims presented by the British government, but disablowed or dismissed, is understood to be about \$93,000,000. It also disallowed all the claims of citizens of the United States against Great Britain which were referred to it.

I recommend the early passage of an act appropriating the amount necessary to pay this award against the United States. I have caused to be communicated to the

overnment of the King of Italy the thanks of this government for the emineut ser. iered by Count Costi as the third missioner on this commission. With dignity,

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country, and hope the day is not is distant when it will not only possess them, but will erect in the capital suitable residences for all persons who now receive commutation for quarters or rent at the government's expense and for the Gabinet, thus setting an example to the States which may induce them to erect buildings for their Senators; but I would have this work done at a time when the revenues of the country abundantly justified is. <u>THE REVENUE</u> have materially ialten off for the first five months of the present fiscal year from what they were expected to produce, owing to the general panic now prevailing, which commenced about the middle of September last. The full effect of this disaster, if it should not prove a "blessing in disguise," is yet to be demonstrated. In either event it is your duty to heed the lesson and provide by wise and well con-sidered legislation, as far as it lies in your power, against its recurrence, and to take advantage of all benefits that may have accrued. My own indgment is that, however much midviduals may have suffered, one long step has been taken to arise specifies payments; that we can never have permanent prosperity until a specifie basis is recurrence, and that a specie basis cannot be reached, and that a specie basis and so nearly so is to leave an appreciable accumu-hier of due precious metals in the country from the products of our mines. The development of the mines of precious metals during the past due abroad and other specie obligations, and so nearly so is to leave an appreciable accumu-hier of dues of our mines. The development of the mines of precious metals during the past year, and the prophetive develop-ment for years to come are gratifying in the gold extracted from the mines be rements would be replied. To increase our exports undicient currency is required to keep all the in-mustion all as well as individual bankrupper must conducts of the country employed. Without this intoned as well as individual bankrupper must

## MORE "MEDIUM" WANTED.

matters of the country employed. Without this ensue.
MORE "MEDILN" VANED.
Undue inflation on the other hand, while it might give temporary relief, would only lead to inflation of prices. The imposibility of competing in our own markets for the products of home skill and labor and the repeated renewals give elasticity to our circulating medium there, or just enough of it to transact the legitimate business of the country and to keep all industries employed which is most to be desired. The exact medium is specie, the recognized medium of exchange the world over. That othained we shall have a currency of an exact degree of elasticity. If there be too much of it for the legitimate purposes of trade and commerce it will fow out of the country; it too little the reverse will result. To hold what we have all to appreciate our currency to the the start days of the country, is the best that has ever been devised. Usually in times of such these of all the currency of an any of the shall have the country, hased as it is, upout the currency of the country, is such that as of the shall have as to inflate the values of all the necessaries of life. As compared with the currency every one holding it has been anyous to dispose of it on any terms. Now we withes the recurrency or noney is required to transact the legitimate irade of the country, is such these of the abarce. It is patent to the most equal observer that unden index currency every one holding it has been anyous to dispose of it on any terms. Now we withes the recurse, holders of the country, is now the shall have the recurrency or noney is required to transact the legitimate irade of the country remains the same through of the country for any case of all the abarce. It is patent to the most equal observer that unden index currency or noney is required to transact the legitimate irade of the country for any case of the country is the balance of the country of the country of the country is the legitimate irade of the country form

the use of other people's money and stock and her species of speculation. To prevent the inter seems to me that one great step would be taken other species of speci

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out sufficient officers to conduct the business of the different arsonais on a larger scale, if ever general scales is the set of th