schools in the Indian Territory. Prompt heed should be paid to the need of education for the children in this Territory.

SAFETY APPLIANCES.

In my last annual Message the attention of the Congress was called to the necessity of enlarging the safety appliance law, and it is gratifying to note that this law was amended in important respects. With the increasing railway mileage of the country, the greater number of men employed, and the use of larger and heavier equipment, the urgency for renewed effort to prevent the loss of life and limb upon the railroads of the country, particularly to employes, is apparent. For the inspection of water craft and the life saving service upon the water the Congress has built up an elaborate body of protective legislation and a thorough method of inspection and is annually spending large sums of money. It is encouraging to observe that the Congress is alive to the interests of those who are employed upon our wonderful arteries of commerce—the railroads—who so safely transport millions of passengers and billions of tons of freight. The federal inspection of safety appliances, for which the Congress is now making appropriations, is a service analogous to that which the government has upheld for generations in regard to vessels, and it is believed will prove of great practical benefit, both to railroad employes and the travelling public. As the greater part of commerce is interstate and exclusively under the control of the Congress, the needed safety and uniformity must be secured by national legislation.

CIVIL WAR VETERANS.

No other class of our citizens deserves so well of the nation as those to whom the nation owes its very being, the veterans of the Civil War. Special attention is asked to the excellent work of the Pension Bureau in expediting and disposing of pension claims. During the fiscal year ending July 1, 1903, the bureau settled 251,982 claims, an average of 825 claims for each working day of the year. The number of settlements since July 1, 1903, has been in excess of last year's average, approaching one thousand claims for each working day, and it is believed that the work of the bureau will be current at the close of the present fiscal year.

EXTENSION OF MERIT SYSTEM.

During the year ended June 30 last 25,566 persons were appointed through competitive examinations under Civil Service rules. This was 12,672 more than during the preceding year, and 40 per cent of those who passed the examinations. This abnormal growth was largely occasioned by the extension of classification to the rural free delivery service and the appointment last year of over nine thousand rural carriers. A revision of the Civil Service rules took effect on April 15 last, which has greatly improved their operation. The completion of the reform of the Civil Service is recognized by good citizens everywhere as a matter of the highest public importance, and the success of the merit system largely depends upon the effectiveness of the rules and the machinery provided for their enforcement. A very gratifying spirit of friendly co-operation exists in all the departments of the government in the enforcement and uniform observance of both the letter and spirit of the Civil Service act. Executive orders of July 3, 1902; March 26, 1903, and July 8, 1903, require that appointments of all unclassified laborers, both in the departments at Washington and in the field service, shall be made with the assistance of the United States Civil Service Commission, under a system of registration to test the relative fitness of applicants for appointment or employment. This system is competitive, and is open to all citizens of the United States qualified in respect to age, physical ability, moral character, industry and adaptability for manual labor; except that in case of veterans of the Civil War the element of age is omitted. This system of appointment is distinct from the classified service and does not classify positions of mere laborer under the Civil Service act and rules. Regulations in aid thereof have been put in operation in several of the departments and are being gradually extended in other parts of the service. The results have been very satisfactory, as extravagance has been checked by decreasing the number of unnecessary positions and by increasing the efficiency of the employes remaining.

DISTRICT OF COLUMBIA CHARITIES.

The Congress, as the result of a thorough investigation of the charities and reformatory institutions in the District of Columbia, by a joint select committee of the two houses which made its report in March, 1898, created in the act approved June 6, 1900, a board of charities for the District of Columbia, to consist of five residents of the District, appointed by the President of the United States, by and with the advice and consent of the Senate, each for a term of three years, to serve without compensation. President McKinley appointed five men who had been active and prominent in the public charities of Washington, all of whom upon taking office July 1, 1900, resigned from the different charities with which they had been connected. The members of the board have been reappointed in successive years. The board serves under the Commissioners of the District of Columbia. The board gave its first year to a careful and impartial study of the special problems before it, and has continued that study every year in the light of the best practice in public charities elsewhere. Its recommendations in its annual reports to the Congress through the Commissioners of the District of Columbia "for the economical and efficient administration of the charities and reformatories of the District of Columbia," as required by the act creating it, have been based upon the principles commended by the joint select committee of the Congress in its report of March, 1898, and approved by the best administrators of public charities, and make for the desired systematization and improvement of the affairs under its supervision. They are worthy of favorable consideration by the Congress.

THE ARMY.

The effect of the laws providing a General Staff for the army and for the more effective use of the National Guard has been excellent. Great improvement has been made in the efficiency of our army in recent years. Such schools as those erected at Fort Leavenworth and Fort Riley and the institution of fall manœuvre work accomplish satisfactory results. The good effect of these manœuvres upon the National Guard is marked, and ample appropriation should be made to enable the guardsmen of the several States to share in the benefit. The government should as soon as possible secure suitable permanent camp sites for military manœuvres in the various sections of the country. The service thereby rendered not only to the regular army, but to the National Guard of the several States, will be so great as to repay many times over the relatively small expense. We should not rest satisfied with what has been done, however. The only people who are contented with a system of promotion by mere seniority are those who are contented with the triumph of mediocrity over excellence. On the other hand, a system which encouraged the exercise of social or political favoritism in promotions would be even worse. But it would surely be easy to devise a method of promotion from grade to grade in which the opinion of the higher officers of the service upon the candidates should be decisive upon the standing and promotion of the latter. Just such a system now obtains at West Point. The quality of each year's work determines the standing of that year's class, the man being dropped or graduated into the next class in the relative position which his military superiors decide to be warranted by his merit. In other words, ability, energy, fidelity and all other similar qualities determine the rank of a man year after year in West Point, and his standing in the army when he graduates from West Point; but from that time on all effort to find which man is best or worst, and reward or punish him accordingly, is abandoned; no brilliancy, no amount of hard work, no eagerness in the performance of duty, can advance him, and no slackness or indifference that falls short of a court martial offence can retard him. Until this system is changed we cannot hope that our officers will be of as high grade as we have a right to expect, considering the material upon which we draw. Moreover, when a man renders such service as Captain Pershing rendered last spring in the Moro campaign, it ought to be possible to reward him without at once jumping him to the grade of brigadier general.

THE NAVY.

Shortly after the enunciation of that famous principle of American foreign policy now known as the "Monroe Doctrine," President Monroe, in a special message to Congress on January 30, 1824, spoke as follows:

The navy is the arm from which our government will always derive most aid in support of our . . . rights. Every power engaged in war will know the strength of our naval power, the number of our ships of each class, their condition and the promptitude with which we may bring them into service, and will pay due consideration to that argument.

I heartily congratulate the Congress upon the steady progress in building up the American navy. We cannot afford a let up in this great work. To stand still means to go back. There should be no cessation in adding to the effective units of the fighting strength of the fleet. Meanwhile the Navy Department and the officers of the navy are doing well their part by providing constant service at sea under conditions akin to those of actual warfare. Our officers and enlisted men are learning to handle the battleships, cruisers and torpedo boats with high efficiency in fleet and squadron formations, and the standard of marksmanship is being steadily raised. The best work ashore is indispensable, but the highest duty of a naval officer is to command at sea.

The establishment of a naval base in the Philippines ought not to be longer postponed. Such a base is desirable in time of peace; in time of war it would be indispensable, and its lack would be ruinous. Without it our fleet would be helpless. Our naval experts are agreed that Subig Bay is the proper place for the purpose. The national interests require that the work of fortification and development of a naval station at Subig Bay be begun at an early date; for under the best conditions it is a work which will consume much time.

It is eminently desirable, however, that there should be provided a naval general staff on lines similar to those of the General Staff lately created for the army. Within the Navy Department itself the needs of the service have brought about a system under which the duties of a general staff are partially performed; for the Bureau of Navigation has under its direction the War College, the Office of Naval Intelligence and the Board of Inspection, and has been in close touch with the General Board of the navy. But though, under the excellent officers at their head, these boards and bureaus do good work, they have not the authority of a general staff, and have not sufficient scope to insure a proper readiness for emergencies. We need the establishment by law of a body of trained officers, who shall exercise a systematic control of the military affairs of the navy, and be authorized advisers of the Secretary concerning it.

ISTHMIAN CANAL.

By the act of June 28, 1902, the Congress authorized the President to enter into treaty with Colombia for the building of the canal across the Isthmus of Panama; it being provided that in the event of failure to secure such treaty after the lapse of a reasonable time recourse should be had to building a canal through Nicaragua. It has not been necessary to consider this alternative, as I am enabled to lay before the Senate a treaty providing for the building of the canal across the Isthmus of Panama. This was the route which commended itself to the deliberate judgment of the Congress, and we can now acquire by treaty the right to construct the canal over this route. The question now, therefore, is not by which route the isthmian canal shall be built, for that question has been definitely and irrevocably decided. The question is simply whether or not we shall have an isthmian canal.

When the Congress directed that we should take the Panama route under treaty with Colombia, the essence of the condition, of course, referred not to the government which controlled that route, but to the route itself; to the territory across which the route lay, not to the name which for the moment the territory bore on the map. The purpose of the law was to authorize the President to make a treaty with the power in actual control of the Isthmus of Panama. This purpose has been fulfilled.

TREATY OBLIGATIONS.

In the year 1846 this government entered into a treaty with New-Granada, the predecessor upon the isthmus of the Republic of Colombia and of the present Republic of Panama, by which treaty it was provided that the government and citizens of the United States should always have free and open right of way or transit across the Isthmus of Panama by any modes of communication that might be constructed, while in return our government guaranteed the perfect neutrality of the above mentioned isthmus with the view that the free transit from the one to the other sea might not be interrupted or embarrassed. The treaty vested in the United States a substantial property right carved out of the rights of sovereignty and property which New-Granada then had and possessed over the said territory. The name of New-Granada has passed away, and its territory has been divided. Its successor, the government of Colombia, has ceased to own any property in the isthmus. A new republic, that of Panama, which was at one time a sovereign State, and at another time a mere department of the successive confederations known as New-Granada and Colombia, has now succeeded to the rights which first one and then the other formerly exercised over the isthmus. But as long as the isthmus endures, the mere geographical fact of its existence, and the peculiar interest therein which is required by our position, perpetuate the solemn contract which binds the holders of the territory to respect our right to freedom of transit across it, and binds us in return to safeguard for the isthmus and the world the exercise of that inestimable privilege. The true interpretation of the obligations upon which the United States entered in this treaty of 1846 has been given repeatedly in the utterances of Presidents and Secretaries of State. Secretary Cass in 1858 officially stated the position of this government as follows:

The progress of events has rendered the interoceanic route across the narrow portion of Central America vastly important to the commercial world, and especially to the United States, whose possessions extend along the Atlantic and Pacific coasts, and demand the speediest and easiest modes of communication. While the rights of sovereignty of the States occupying this region should always be respected, we shall expect that these rights be exercised in a spirit befitting the occasion and the wants and circumstances that have arisen. Sovereignty has its duties, as well as its rights, and none of these local governments, even if administered with more regard to the just demands of other nations than they have been, would be permitted, in a spirit of Eastern isolation, to close the gates of intercourse on the great highways of the world, and justify the act by the pretension that these avenues of trade and travel belong to them, and that they choose to shut them, or, what is almost equivalent, to encumber them with such unjust relations as would prevent their general use.

PROTECTION OF TRANSIT.

Seven years later, in 1865, Mr. Seward, in different communications, took the following position:

The United States have taken and will take no interest in any question of internal revolution in the State of Panama, or any State of the United States of Colombia, but will maintain a perfect neutrality in connection with such domestic alterations. The United States will, nevertheless, hold themselves ready to protect the transit trade across the isthmus against invasion of either domestic or foreign disturbers of the peace of the State of Panama. . . . Neither the text nor the spirit of the stipulation in that article by which the United States engages to preserve the neutrality of the Isthmus of Panama imposes an obligation on this government to comply with the requisition [of the President of the United States of Colombia for a force to protect the Isthmus of Panama from a body of insurgents of that country]. The purpose of the stipulation was to guarantee the isthmus against seizure or invasion by a foreign power.

Attorney General Speed, under date of November 7, 1865, advised Secretary Seward as follows:

From this treaty it cannot be supposed that New-Granada invited the United States to become a party to the intestine troubles of that government, nor did the United States become bound to take sides in the domestic broils of New-Granada. The United States did guarantee New-Granada in the sovereignty and property over the territory. This was as against other and foreign governments.

For four hundred years, ever since shortly after the discovery of this hemisphere, the canal across the isthmus has been planned. For twoscore years it has been worked at. When made, it is to last for the ages. It is to alter the geography of a continent and the trade routes of the world. We have shown by every treaty we have negotiated or attempted to negotiate with the peoples in control of the isthmus, and with foreign nations in reference thereto, our consistent good faith in observing our obligations; on the one hand to the peoples of the isthmus, and on the other hand to the civilized world, whose commercial rights we are safeguarding and guaranteeing by our action. We have done our duty to others in letter and in spirit, and we have shown the utmost forbearance in exacting our own rights.

TREATY REPUDIATED BY COLOMBIA.

Last spring, under the act above referred to, a treaty concluded between the representatives of the Republic of Colombia and of our government was ratified by the Senate. This treaty was entered into at the urgent solicitation of the people of Colombia, and after a body of experts, appointed by our government especially to go into the matter of the routes across the isthmus, had pronounced unanimously in favor of the Panama route. In drawing up this treaty every concession was made to the people and to the government of Colombia. We were more than just in dealing with them. Our generosity was such as to make it a serious question whether we had not gone too far in their interest at the expense of our own; for in our scrupulous desire to pay all possible heed, not merely to the real, but even to the fancied rights of our weaker neighbor, who already owed so much to our protection and forbearance, we yielded in all possible ways to her desires in drawing up the treaty. Nevertheless, the government of Colombia not merely repudiated the treaty, but repudiated it in such manner as to make it evident by the time the Colombian Congress adjourned that not the scantiest hope remained of ever getting a satisfactory treaty from them. The government of Colombia made the treaty, and yet when the Colombian Congress was called to ratify it the vote against ratification was unanimous. It does not appear that the government made any real effort to secure ratification.

PANAMA REVOLUTION.

Immediately after the adjournment of the Congress a revolution broke out in Panama. The people of Panama had long been discontented with the Republic of Colombia, and they had been kept quiet only by the prospect of the conclusion of the treaty, which was to them a matter of vital concern. When it became evident that the treaty was hopelessly lost, the people of Panama rose literally as one man. Not a shot was fired by a single man on the isthmus in the interest of the Colombian government. Not a life was lost in the accomplishment of the revolution. The Colombian troops stationed on the isthmus, who had long been unpaid, made common cause with the people of Panama, and with astonishing unanimity the new republic was started. The duty of the United States in the premises was clear. In strict accordance with the principles laid down by Secretaries Cass and Seward in the official documents above quoted, the United States gave notice that it would permit the landing of no expeditionary force, the arrival of which would mean chaos and destruction along the line of the railroad and of the proposed canal, and an interruption of transit as an inevitable consequence. The de facto government of Panama was recognized in the following telegram to Mr. Ehrman:

The people of Panama have, by apparently unanimous movement, dissolved their political connection with the republic of Colombia and resumed their independence. When you are satisfied that a de facto government, republican in form and without substantial opposition from its own people, has been established in the State of Panama, you will enter into relations with it as the responsible government of the territory, and look to it for all due action to protect the persons and property of citizens of the United States, and to keep open the isthmian transit, in accordance with the obligations of existing treaties governing the relations of the United States to that territory.

NOTICE TO COLOMBIA.

The government of Colombia was notified of our action by the following telegram to Mr. Beaupré:

The people of Panama having, by an apparently unanimous movement, dissolved their political connection with the Republic of Colombia and resumed their independence, and having adopted a government of their own, republican in form, with which the goverament of the United States of America has entered into relations, the President of the United States, in accordance with the ties of Friendship which have so long and so happily existed between the respective nations, most earnestly commends to the governments of Colombia and of Panama the peaceful and equitable settlement of all questions at issue between them. He holds that he is bound not merely by treaty obligations, but by the interests of civilization, to see that the peaceful traffic of the world across the Isthmus of Panama shall not longer be disturbed by a constant succession of unnecessary and wasteful civil wars.

When these events happened, fifty-seven years had elapsed since the United States had entered into its treaty with New-Granada. During that time the governments of New-Granada and of its successor, Colombia, have been in a constant state of flux. The following is a partial list of the disturbances on the Isthmus of Panama during the period in question as reported to us by our consuls. It is not possible to give a complete list, and some of the reports that speak of "revolutions" must mean unsuccessful revolutions.

OUTBREAKS ON THE ISTHMUS.

May 22, 1850—Outbreak; two Americans killed. War vessel demanded to quell outbreak.
October, 1850—Revolutionary plot to bring about independence of the isthmus.
July 22, 1851—Revolution in four southern provinces.
November 14, 1851—Outbreak at Chagres. Man-of-war requested for Chagres.
June 27, 1853—Insurrection at Bogota, and consequent disturbance on isthmus. War vessel demanded.
May 23, 1854—Political disturbances; war vessel requested.
June 28, 1854—Attempted revolution.
October 24, 1854—Independence of isthmus demanded by provincial legislature.
April, 1856—Riot, and massacre of Americans.
May 4, 1856—Riot.
May 18, 1856—Riot.
October 2, 1856—Conflict between two native parties. United States forces landed.
December 18, 1858—Attempted secession of Panama.
April, 1859—Riots.
September, 1860—Outbreak.
October 4, 1860—Landing of United States forces in consequence.
May 23, 1861—Intervention of the United States forces required by intendente.
October 2, 1861—Insurrection and civil war.
April 4, 1862—Measures to prevent rebels crossing isthmus.
June 15, 1862—Mosquera's troops refused admittance to Panama.
March, 1865—Revolution, and United States troops landed.
August, 1865—Riots; unsuccessful attempt to invade Panama.
March, 1866.—Unsuccessful revolution.
April, 1867.—Attempt to overthrow the government.
August, 1867.—Attempt at revolution.
July 5, 1868.—Revolution; provisional government inaugurated.
August 29, 1868.—Revolution; provisional government overthrown.
April, 1871.—Revolution; followed apparently by counter revolution.
April, 1873.—Revolution and civil war which lasted to October, 1875.
August, 1876.—Civil war which lasted until April, 1877.
July, 1878.—Rebellion.
December, 1878.—Revolt.
April, 1879.—Revolution.
June, 1879.—Revolution.
March, 1883.—Riot.
May, 1883.—Riot.
June, 1884.—Revolutionary attempt.
December, 1884.—Revolutionary attempt.
January, 1885.—Revolutionary disturbances.
March, 1885.—Revolution.
April, 1887.—Disturbance on Panama Railroad.
November, 1887.—Disturbance on line of canal.
January, 1889.—Riot.
January, 1895.—Revolution which lasted until April.
March, 1895.—Incendiary attempt.
October, 1899.—Revolution.
February, 1900, to July, 1900.—Revolution.
January, 1901.—Revolution.
July, 1901.—Revolutionary disturbances.
September, 1901.—City of Colon taken by rebels.
March, 1902.—Revolutionary disturbances.
July, 1902.—Revolution.

COLOMBIA'S EXTRAORDINARY REQUEST.

The above is only a partial list of the revolutions, rebellions insurrections, riots and other outbreaks that have occurred during the period in question; yet they number fifty-three for the fifty-seven years. It will be noted that one of them lasted for nearly three years before it was quelled; another for nearly a year. In short, the experience of over half a century has shown Colombia to be utterly incapable of keeping order on the isthmus. Only the active interference of the United States has enabled her to preserve so much as a semblance of sovereignty. Had it not been for the exercise by the United States of the police power in her interest, her connection with the isthmus would have been sundered long ago. In 1856, in 1860, in 1873, in 1885, in 1901, and again in 1902, sailors and marines from United States warships were forced to land in order to patrol the isthmus, to protect life and property and to see that the transit across the isthmus was kept open. In 1861, in 1862, in 1885, and in 1900 the Colombian government asked that the United States government would land troops to protect its interests and maintain order on the isthmus. Perhaps the most extraordinary request is that which has just been received and which runs as follows:

Knowing that revolution has already commenced in Panama [an eminent Colombian] says that if the government of the United States will land troops to preserve Colombian sovereignty, and the transit, if requested by Colombian chargé d'affaires, this government will declare martial law; and, by virtue of vested constitutional authority, when public order is disturbed, will approve by decree the ratification of the canal treaty as signed; or, if the government of the United States prefers, will call extra session of the Congress—with new and friendly members—next May to approve the treaty. [An eminent Colombian] has the perfect confidence of Vice-President, he says, and if it became necessary will go to the isthmus or send representative there to adjust matters along above lines to the satisfaction of the people there.

This dispatch is noteworthy from two standpoints. Its offer of immediately guaranteeing the treaty to us is in sharp contrast with the positive and contemptuous refusal of the Congress which has just closed its sessions to consider favorably such a treaty; it shows that the government which made the treaty really had absolute control over the situation, but did not choose to exercise this control. The dispatch further calls on us to restore order and secure Colombian supremacy in the isthmus, from which the Colombian government has just by its action decided to bar us by preventing the construction of the canal.

MUST CONTROL ISTHMIAN TRANSIT.

The control, in the interest of the commerce and traffic of the whole civilized world, of the means of undisturbed transit across the Isthmus of Panama has become of transcendent importance to the United States. We have repeatedly exercised this control by intervening in the course of domestic dissension and by protecting the territory from foreign invasion. In 1853 Mr. Everett assured the Peruvian Minister that we should not hesitate to maintain the neutrality of the isthmus in the case of war between Peru and Colombia. In 1864 Colombia, which has always been vigilant to avail itself of its privileges conferred by the treaty, expressed its expectation that in the event of war between Peru and Spain the United States would carry into effect the guarantee of neutrality. There have been few administrations of the State Department in which this treaty has not, either by the one side or the other, been used as a basis of more or less important demands. It was said by Mr. Fish in 1871 that the Department of State had reason to believe that an attack upon Colombian sovereignty on the isthmus had on several occasions been averted by warning from this government. In 1886, when Colombia was under the menace of hostilities from Italy in the Cerruti case, Mr. Bayard expressed the serious concern that the United States could not but feel that a European power should resort to force against a sister republic of this hemisphere, as to the sovereign and uninterrupted use of a part of whose territory we are guarantors under the solemn faith of a treaty.

GOOD FAITH ALWAYS OBSERVED.

The above recital of facts establishes beyond question:

First—That the United States has for over half a century patiently and in good faith carried out its obligations under the treaty of 1846.

Second—That when for the first time it became possible for Colombia to do anything in requital of the services thus repeatedly rendered to it for fifty-seven years by the United States the Colombian government peremptorily and offensively refused thus to do its part, even though to do so would have been to its advantage and immeasurably to the advantage of the State of Panama, at that time under its jurisdiction.

Third—That throughout this period revolutions, riots and factional disturbances of every kind have occurred one after the other in almost uninterrupted succession, some of them lasting for months and even for years, while the central government was unable to put them down or to make peace with the rebels.

Fourth—That these disturbances, instead of showing any sign of abating, have tended to grow more numerous and more serious in the immediate past.

Fifth—That the control of Colombia over the Isthmus of Panama could not be maintained without the armed intervention and assistance of the United States.

In other words, the government of Colombia, though wholly unable to maintain order on the isthmus, has nevertheless declined to ratify a treaty the conclusion of which opened the only chance to secure its own stability and to guarantee permanent peace on and the construction of a canal across the isthmus.

NO OTHER COURSE OPEN.

Under such circumstances the government of the United States would have been guilty of folly and weakness amounting in their sum to a crime against the nation had it acted otherwise than it did when the revolution of November 3 last took place in Panama. This great enterprise of building the interoceanic canal cannot be held up to gratify the whims, or out of respect to the governmental impotence, or to the even more sinister and evil political peculiarities, of people who, though they dwell afar off, yet, against the wish of the actual dwellers on the isthmus, assert an unreal supremacy over the territory. The possession of a territory fraught with such peculiar capacities as the isthmus in question carries with it obligations to mankind. The course of events has shown that this canal cannot be built by private enterprise, or by any other nation than our own, therefore it must be built by the United States.

THE NEW CANAL TREATY.

Every effort has been made by the government of the United States to persuade Colombia to follow a course which was essentially not only to our interests and to the interests of the world, but to the interests of Colombia itself. These efforts have failed, and Colombia, by her persistence in repulsing the advances that have been made, has forced us, for the sake of our own honor, and of the interest and well being, not merely of our own people, but of the people of the Isthmus of Panama and the people of the civilized countries of the world, to take decisive steps to bring to an end a condition of affairs which had become intolerable. The new Republic of Panama immediately offered to negotiate a treaty with us. This treaty I herewith submit. By it our interests are better safeguarded than in the treaty with Colombia, which was ratified by the Senate at its last session. It is better in its terms than the treaties offered to us by the republics of Nicaragua and Costa Rica. At last the right to begin this great undertaking is made available. Panama has done her part. All that remains is for the American Congress to do its part, and forthwith this Republic will enter upon the execution of a project colossal in its size and of well nigh incalculable possibilities for the good of this country and the nations of mankind.

TERMS OF THE AGREEMENT.

By the provisions of the treaty the United States guarantees and will maintain the independence of the Republic of Panama. There is granted to the United States in perpetuity the use, occupation and control of a strip ten miles wide and extending three nautical miles into the sea at either terminal, with all lands lying outside of the zone necessary for the construction of the canal or for its auxiliary works, and with the islands in the Bay of Panama. The cities of Panama and Colon are not embraced in the canal zone, but the United States assumes their sanitation and, in case of need, the maintenance of order therein; the United States enjoys within the granted limits all the rights, power and authority which it would possess were it the sovereign of the territory to the exclusion of the exercise of sovereign rights by the republic. All railway and canal property rights belonging to Panama and needed for the canal pass to the United States, including any property of the respective companies in the cities of Panama and Colon; the works, property and personnel of the canal and railways are exempted from taxation as well in the cities of Panama and Colon as in the canal zone and its dependencies. Free immigration of the personnel and importation of supplies for the construction and operation of the canal are granted. Provision is made for the use of military force and the building of fortifications by the United States for the protection of the transit. In other details, particularly as to the acquisition of the interests of the new Panama Canal Company and the Panama Railway by the United States and the condemnation of private property for the uses of the canal, the stipulations of the Hay-Herran treaty are closely followed, while the compensation to be given for these enlarged grants remains the same, being $10,000,000, payable on exchange of ratifications, and, beginning nine years from that date, an annual payment of $250,000 during the life of the convention.

THEODORE ROOSEVELT.

White House, Dec. 7, 1903.

LONDON COMMENT ON MESSAGE.

London, Dec. 8.—While President Roosevelt's message to Congress is acknowledged to be of universal interest to the outside world, it evokes no striking comment from the London press. Both sides in the fiscal controversy seize points in it which they contend favor their particular claims. Perhaps the part attracting the most serious attention is the President's reference to the necessity for creating a great mercantile marine.

"The Standard" refers to the entry of the United States upon a career of colonial dominion as "entailing heavy national expenditure, so that henceforth the problem for the government will likely be not how to get rid of its automatic surplus, but how to maintain its finan-

"The Daily Telegraph" commends the President's reference to the question of dealing with trusts as "sound common sense," and says his allusion to the settlement of the Alaskan boundary difficulty is "in the best of taste."

"The Daily News" views with some alarm the entrance of the United States into world politics, and says:

America is fortunate in opening an aggressive diplomatic career with statesmen as able as President Roosevelt and Secretary of State Hay, but she will not always be so favored, and must prepare her citizens for heavy burdens, such as Europe has to bear. American squadrons will soon be rapidly multiplying in number and strength. Let us hope the world's peaceful instincts will grow at the same pace.

HIGH GRADE ALASKA SEALSKINS.—The Acme of Dyeing has been reached. Just finished, 40 elegant Alaska Sealskin Coats (Martin's celebrated London dye), up to date styles, beautifully finished; decidedly the handsomest introduced for years. Don't miss this opportunity to buy the best produced at the same prices that prevailed during the early season, notwithstanding the recent great advance in the price of seal. C. C. SHAYNE, Manufacturing Fur Merchant, 41st and 42d Sts., between Broadway and 6th Ave.

DEPARTMENT OF JUSTICE.

KNOX'S ANNUAL REPORT.

Naturalization Frauds—Five Year Statute of Limitations Favored.

Washington, Dec. 7.—The annual report of the Attorney General of the United States calls attention to the naturalization frauds disclosed in the last year in every section of the country, and says that every honest citizen is deeply concerned in repelling and preventing dishonest claims to that high right. He therefore recommends for the consideration of Congress the enactment of a law which will provide for the following results:

The omission from the statutes as they now stand of the question of intent and guilty knowledge where an offender has in his possession a fraudulent certificate of naturalization unlawfully obtained in any manner whatever, or where a fraudulent certificate so held and obtained is used for any purpose whatever. Such a change would permit prosecutions for the possession of a fraudulent certificate unlawfully obtained, or for the use of a fraudulent certificate irrespective of the intent of the oath of the applicant and witness on the certificate, which is to be regarded as presenting merely a question of fact.

That the law be amended so as to compel an alien at the time of applying for citizenship to present from the appropriate immigration authorities a certificate showing his age and the date of his arrival, and sontaining also his physical description, similar to that in a passport. This certificate should form a part of the court records, like his application for citizenship.

The petition and application and all certificates should be uniform throughout the United States, and the final certificate of citizenship issued by any court throughout the country should contain a physical description of the applicant and holder on the back thereof, for the purpose of identification and to avoid substitution.

The certificates should be printed in Washington under government direction, containing a watermark similar to United States obligations, and the unlawful possession of, or counterfeiting of, such certificates should be made an offence against the United States. The blank certificates should be distributed to the various courts on requisition, and each one should be properly numbered and recorded.

The power of issuing certificates of naturalization should be withdrawn by Congress from the various State courts and should be restricted to United States courts.

All administrative matters relating to naturalization should be committed to one central government bureau.

It should be made a crime against the United States to sell or transfer declarations of intention, and it should be provided that after sufficient proof has been submitted to a court, establishing the fact that a certificate is fraudulent in any respect, said certificate shall be cancelled of record.

The Attorney General calls attention to the act of February 25, 1903, appropriating $500,000 for the employment of special counsel to conduct proceedings under the various trust and interstate commerce laws, and says it has become highly important that this appropriation should be made available for the enforcement of the laws of the United States generally, and especially those relating to public lands, postal offences and naturalization frauds.

The Attorney General renews his recommendation made in previous annual reports relating to the necessity of providing for an appeal on the part of the government in cases of decisions adverse to the United States by the courts on demurrers interposed to indictments. He urges the necessity of so amending Section 1926 of the Revised Statutes as to permit the government, when a demurrer to an indictment is sustained, to have a review, on a writ of error, of the question of law involved therein by the Supreme Court of the United States or by a Circuit Court of Appeals.

Referring to the statute of limitations the report says:

The bar of the statute of limitations in certain criminal cases, in my judgment, rests in many cases upon the passage of too brief a period of time after the commission of the offence. It seems to me that two or three years, as is ordinarily the case, is not a sufficient period in reason or upon principle to terminate certain criminal liabilities and condone particular offences, especially in relation to offences directly against the property of the government or its administration, as shown by recent revelations respecting postal affairs and public lands, and especially where such offences have been committed by officers or employes of the government. I am strongly of the opinion that the limitation to bar prosecutions in such cases should be at least five years.

The Attorney General recommends that the office of Assistant Attorney General for the Postoffice Department be abolished, and that the law officer for that department be designated as Solicitor for the Postoffice Department.

The report shows that there was an increase of two in the number of cases docketed on the appellate docket of the Supreme Court and an increase of forty-eight in the number disposed of.

YALE GRADUATE WEDS A MILL GIRL.

Rome, N. Y., Dec. 7 (Special).—Silas I. Feeter, assistant city engineer, of Little Falls, a Yale graduate, was married to Miss Grace Crain, of Fort Plain, in an insurance office in Utica to-day by Justice of the Peace Dwight H. Colegrove. The bridegrom is a nephew of the late Senator Feeter, of Little Falls. When at his work in Fort Plain he met his bride, who was then employed in a mill.

BANK MANAGER A SUICIDE.

Tilbury, Ont., Dec. 7.—Dr. McNaughton, manager of the Merchants' Bank here, has committed suicide by shooting himself through the heart with a revolver. No reason is yet known for the act.

TREASURY ESTIMATES.

Appropriations of $624,502,146 Asked for Next Fiscal Year.

Washington, Dec. 7.—The Secretary of the Treasury has transmitted to Congress the estimates of appropriations required by the government for the fiscal year ending June 30, 1905. The appropriations asked for aggregate $624,502,146, as against $589,189,112 asked for the year 1904, and $605,286,990, the amount of the appropriations for that year. The present estimates and the appropriations under each head for 1904 are recapitulated as follows:

	Estimates for 1905.	Appropriations for 1904.
Legislative	$11,687,225	$12,962,804
Executive	320,660	363,093
State Department	3,133,960	3,835,649
Treasury Department	168,659,064	174,643,189
War Department	131,259,033	132,762,515
Navy Department	105,825,419	87,284,137
Interior Department	163,603,386	165,708,853
Postoffice Department	10,824,759	2,261,513
Department of Agriculture	6,729,880	6,741,256
Department of Commerce and Labor	14,933,955	9,858,305
Department of Justice	8,035,446	8,926,335
Grand totals	$624,502,146	$605,286,990

DR. CRUM APPOINTED AGAIN.

Nomination of Negro for Collector at Charleston Once More Sent to the Senate.

Washington, Dec. 7.—In addition to those of General Wood and other army officers, the President sent to the Senate the following nominations, which failed of confirmation in the last Congress:

WILLIAM D. CRUM, to bke collector of customs for the District of Charleston, S. C.

THOMAS V. M'ALLISTER, receiver of public moneys at Jackson, Miss.

A. L. C. ATKINSON, of Hawaii, Secretary of Hawaii.

IVORY G. KIMBALL and CHARLES FLETCHER SCOTT, judges of the police court of the District of Columbia.

IS TELEPHONE TALK PRIVATE?

The Question Is, Should It Be Heard if It Can Be, That Is, if It Is, Is It?

[BY TELEGRAPH TO THE TRIBUNE.]

St. Louis, Dec. 7.—The question whether a man talking over the telephone is indulging in private or public conversation will come up before the Circuit Court of Macon County next week. D. S. Farmer, treasurer of the Lunday and Zion Telephone Company, operated from Macon, and K. F. Jenkins, the president of the company, are the parties to the suit, Farmer asking $5,000 actual and $2,500 punitive damages from Jenkins. He alleges that Jenkins made slanderous remarks and charges over the company's telephone, and that subscribers on the line had receivers to their ears and heard every word.

Bert D. Nortoni, attorney for the defendant, sets up the plea that a telephone conversation is a private one, and that a man cannot be accused of slander for anything he says over it. He alleges that it is not the speaker's fault if subscribers listen.

MR. ODELL NOT A PARTY TO SUIT.

In No Way Connected with Proceeding Brought Against A. H. Jackman and Others.

An attempt has been made by certain interests responsible for recent baseless attacks on Governor Odell to connect the Governor in some way with a suit brought by George L. McAlpin against Andrew H. Jackman and others, trial of which was begun yesterday before Justice Dugro in the Supreme Court. The suit seeks to have set aside the assignment in 1898 of a claim of $35,000 by McAlpin's firm against Jackman for $5,000, and it is alleged that Jackman at that time made false representations as to the value of the assets of a manufacturing company in Nyack of which he was the head and which was in the hands of James Cavanaugh as receiver. Stock owned by the company is said to have become valuable since the assignment was made.

Governor Odell was appointed receiver of the company in 1900, in place of Cavanaugh. The Governor has not been made a party to the suit, although not relieved of his receivership, and Justice Dugro yesterday decided that Cavanaugh could not be made a party to the suit. Testimony by McAlpin in the suit yesterday was intended to show that he assigned his claim of $35,000 for $5,000 because Jackman said the company was bankrupt and had no assets of value, and that since then stock owned by the company has been paying good dividends.

IN MEMORY OF A. H. GREEN.

Borough President Cantor announced yesterday that a service in memory of Andrew H. Green would be held in the aldermen's chamber at the City Hall on the afternoon of December 30 at 3 o'clock. Mayor Low will preside. The eulogy will be delivered by Chancellor MacCracken of New-York University.

The meeting to be held in memory of Andrew H. Green in the auditorium of the American Museum of Natural History to-morrow evening is intended for the public. The exercises will begin at 8:15 p. m. and will include addresses by Henry E. Howland, General Stewart L. Woodford, Professor Felix Adler, Professor A. S. Bickmore, Henry E. Gregory and others. Colonel Henry W. Sackett will preside. Dr. George F. Kunz is chairman of the committee of arrangements, composed of trustees of the American Scenic and Historic Preservation Society.

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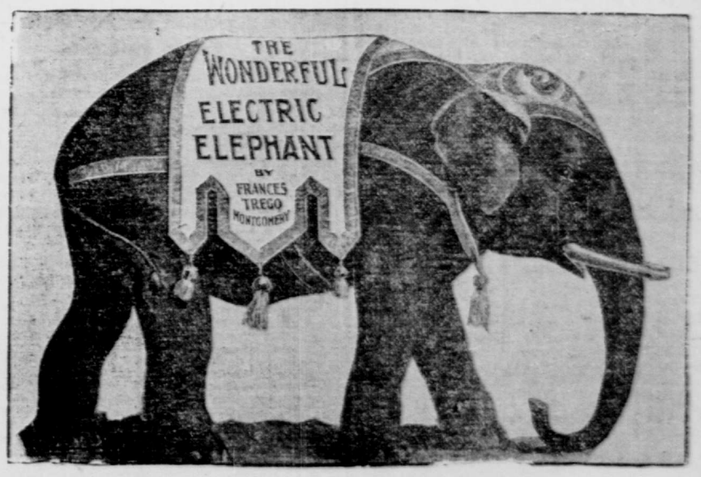

Now Running in
The Sunday Tribune
A Thrilling Story for Boys and Girls.