What the President Advocates, and Comments Upon the Work that Has Been Done.

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big railroads. Often railroads would like to combine for the purpose of preventing a big shipper from maintaining improper advantages at the expense of small shippers and of the general public. Such a combination, instead of being forbidden by law, should be favored. In other words, it should be permitted to railroads to make agreements, provided these agreements were sanctioned by the Interstate Commerce Commission and were published. With these two conditions complied with it is impossible to see what harm such a combination could do to the public at large. It is a public evil to have on the statute books a law incapable of full enforcement because both judges and juries realize that its full enforcement would destroy the business of the country, for the result is to make decent railroad men violators of the law against their will, and to put a premium on the behavior of the wilful wrongdoers. Such a result in turn tends to throw the decent man and the wilful wrongdoer into close association, and in the end to drag down the former to the latter's level; for the man who becomes a lawbreaker in one way unhappily tends to lose all respect for law and to be willing to break it in many ways. No more scathing condemnation could be visited upon a law than is contained in the words of the Interstate Commerce Commission when, in commenting upon the fact that the numerous joint traffic associations do technically violate the law, they say: "The decision of the United States Supreme Court in the Trans-Missouri case and the Joint Traffic Association case has produced no practical effect upon the railway operations of the country. Such associations, in fact, exist now as they did before these decisions, and with the same general effect. In justice to all parties, we ought probably to add that it is difficult to see how our interstate railways could be operated with due regard to the interest of the shipper and the railway without concerted action of the kind afforded through these associations."

This means that the law as construed by the Supreme Court is such that the business of the country cannot be conducted without breaking it. I recommend that you give careful and early consideration to this subject, and if you find the opinion of the Interstate Commerce Commission justified, that you amend the law so as to obviate the evil disclosed.

There is every reason why, when next our system of taxation is revised, the national government should impose a graduated inheritance tax, and, if possible, a graduated income tax. The man of great wealth owes a peculiar obligation to the State, because he derives special advantages from the mere existence of government. Not only should he recognize this obligation in the way he leads his daily life and in the way he earns and spends his money, but it should also be recognized by the way in which he pays for the protection the State gives him. On the one hand, it is desirable that he should assume his full and proper share of the burden of taxation; on the other hand, it is quite as necessary that in this kind of taxation, where the men who vote the tax pay but little of it, there should be clear recognition of the danger of inaugurating any such system save in a spirit of entire justice and moderation. Whenever we, as a people, undertake to remodel our taxation system along the lines suggested, we must make it clear beyond peradventure that our aim is to distribute the burden of supporting the government more equitably than at present; that we intend to treat rich man and poor man on a basis of absolute equality, and that we regard it as equally fatal to true democracy to do or permit injustice to the one as to do or permit injustice to the other.

There can be no question of the ethical propriety of the government thus determining the conditions upon which any gift or inheritance should be received. Exactly how far the inheritance tax would, as an incident, have the effect of limiting the transmission by devise or gift of the enormous fortunes in question it is not necessary at present to discuss. It is wise that progress in this direction should be gradual. At first a permanent national inheritance tax, while it might be more substantial than any such tax has hitherto been, need not approximate, either in amount or in the extent of the increase by graduation, to what such a tax should ultimately be.

This species of tax has again and again been imposed, although only temporarily, by the national government. It was first imposed by the act of July 6, 1797, when the makers of the Constitution were alive and at the head of affairs. It was a graduated tax; though small in amount, the rate was increased with the amount left to any individual, exceptions being made in the case of certain close kin. A similar tax was again imposed by the act of July 1, 1862; a minimum sum of one thousand dollars in personal property being excepted from taxation, the tax then becoming progressive according to the remoteness of kin. The war revenue act of June 13, 1898, provided for an inheritance tax on any sum exceeding the value of ten thousand dollars, the rate of the tax increasing both in accordance with the amounts left and in accordance with the legatee's remoteness of kin. The Supreme Court has held that the succession tax imposed at the time of the civil war was not a direct tax, but an impost or excise which was both constitutional and valid. More recently the court, in an opinion delivered by Mr. Justice White, which contained an exceedingly able and elaborate discussion of the powers of the Congress to impose death duties, sustained the constitutionality of the inheritance-tax feature of the war-revenue act of 1898.

In its incidents, and apart from the main purpose of raising revenue, an income tax stands on an entirely different footing from an inheritance tax; because it involves no question of the perpetuation of fortunes swollen to an unhealthy size. The question is in its essence a question of the proper adjustment of burdens to benefits. As the law now stands it is undoubtedly difficult to devise a national income tax which shall be constitutional. But whether it is absolutely impossible is another question; and if possible it is most certainly desirable. The first purely income-tax law was passed by the Congress in 1861, but the most important law dealing with the subject was that of 1894. This the court held to be unconstitutional.

The question is undoubtedly very intricate, delicate, and troublesome. The decision of the court was only reached by one majority. It is the law of the land, and, of course, is accepted as such, and loyally obeyed by all good citizens. Nevertheless, the hesitation evidently felt by the court as a whole in coming to a conclusion, when considered together with the previous decisions on the subject, may perhaps indicate the possibility of devising a constitutional income-tax law which shall substantially accomplish the results aimed at. The difficulty of amending the Constitution is so great that only real necessity can justify a resort thereto. Every effort should be made in dealing with this subject, as with the subject of the proper control by the national government over the use of corporate wealth in interstate business, to devise legislation which, without such action, shall attain the desired end; but if this fails, there will ultimately be no alternative to a constitutional amendment.

Technical and Industrial Training.

It would be impossible to overstate (though it is, of course, difficult quantitatively to measure) the effect upon a nation's growth to greatness of what may be called organized patriotism, which necessarily includes the substitution of a national feeling for mere local pride; with as a resultant high ambition for the whole country. The national government has control of the schools of the District of Columbia, and it should see that these schools promote and encourage the fullest development of the scholars in both commercial and industrial training. The commercial training should in one of its branches deal with foreign trade. The indutsrial training is even more important. Our industrial development depends largely upon technical education, including in this term all industrial education, from that which fits a man to be a good mechanic, a good carpenter, or blacksmith, to that which fits a man to do the greatest engineering feat. The skilled mechanic, the skilled workman, can best become such by technical industrial education.

In every possible way we should help the wageworker who toils with his hands, and who must (we hope in a constantly increasing measure) also toil with his brain. Under the Constitution the National Legislature can do but little of direct importance for his welfare, save where he is engaged in work which permits it to act under the interstate commerce clause of the Constitution; and this is one reason why I so earnestly hope that both the legislative and judicial branches of the government will construe this clause of the Constitution in the broadest possible manner. We can, however, in such a matter as industrial training, in such a matter as child labor and factory laws, set an example to the States by enacting the most advanced legislation that can wisely be enacted for the District of Columbia.

AGRICULTURE.

There is no longer any failure to realize that farming, at least in certain branches, must become a technical and scientific profession. This means that there must be open to farmers the chance for technical and scientific training. This education of the farmer—self-education by preference, but also education from the outside, as with all other men—is peculiarly necessary here in the United States, where the frontier conditions even in the newest States have now nearly vanished, where there must be a substitution of a more intensive system of cultivation for the old wasteful farm management, and where there must be a better business organization among the farmers themselves.

Great progress has already been made among farmers by the creation of farmers' institutes, of dairy associations, of breeders' associations, horticultural associations, and the like. A striking example of how the government and the farmers can co-operate is shown in connection with the menace offered to the cotton growers of the Southern States by the advance of the boll weevil. The Department is doing all it can to organize the farmers in the threatened districts, just as it has been doing all it can to organize them in aid of its work to eradicate the cattle fever tick in the South. The Department can and will co-operate with all such associations, and it must have their help if its own work is to be done in the most efficient style.

Irrigation and Forest Preservation.

Much is now being done for the States of the Rocky Mountains and Great Plains through the development of the national policy of irrigation and forest preservation. The forests of the White Mountains and Southern Appalachian regions should be preserved; and they can not be unless the people of the States in which they lie, through their Representatives in the Congress, secure vigorous action by the national government.

Memorial Amphitheater at Arlington.

I invite the attention of the Congress to the estimate of the Secretary of War for an appropriation to enable him to begin the preliminary work for the construction of a memorial amphitheater at Arlington. The Grand Army of the Republic, in its national encampment, has urged the erection of such an amphitheater as necessary for the proper observance of Memorial Day, and as a fitting monument to the soldier and sailor dead buried there. In this I heartily concur and commend the matter to the favorable consideration of the Congress.

Marriage and Divorce.

I am well aware of how difficult it is to pass a constitutional amendment. Nevertheless, in my judgment, the whole question of marriage and divorce should be relegated to the authority of the National Congress. At present the wide differences in the laws of the different States on this subject result in scandals and abuses; and surely there is nothing so vitally essential to the welfare of the nation, nothing around which the nation should so bend itself to throw every safeguard, as the home life of the average citizen. The change would be good from every standpoint. In particular it would be good because it would confer on the Congress the power at once to deal radically and efficiently with polygamy; and this should be done whether or not marriage and divorce are dealt with. It is neither safe nor proper to leave the uestion of polygamy to be dealt with by the several States. Power to deal with it should be conferred on the national government.

When home ties are loosened; when men and women cease to regard a worthy family life, with all its duties fully performed, and all its responsibilities lived up to, as the life best worth living; then evil days for the Commonwealth are at hand. There are regions in our land, and classes of our population, where the birth rate has sunk below the death rate. Surely it should need no demonstration to show that wilfull sterility is, from the standpoint of the nation, from the standpoint of the human race, the one sin for which the penalty is national death, race death, a sin for which there is no atonement; a sin which is the more dreadful exactly in proportion as the men and women guilty thereof are in other respects, in character, and bodily and mental powers, those whom for the sake of the state it would be well to see the fathers and mothers of many healthy children, well brought up in homes made happy by their presence. No man, no woman, can shirk the primary duties of life, whether for love of ease and pleasure, or for any other cause, and retain his or her self-respect.

American Shipping.

Let me once again call the attention of the Congress to two subjects concerning which I have frequently before communicated with them. One is the question of developing American shipping. I trust that a law embodying in substance the views, or a major part of the views, expressed in the report on this subject laid before the House at its last session will be passed. I am well aware that in former years objectionable measures have been proposed in reference to the encouragement of American shipping; but it seems to me that the proposed measure is as nearly unobjectionable as any can be. It will, of course, benefit primarily our seaboard States, such as Maine, Louisiana, and Wasington; but what benefits part of our people in the end benefits all; just as government aid to irrigation and forestry in the West is really of benefit, not only to the Rocky Mountain States, but to all our country. If it prove impracticable to enact a law for the encouragement of shipping generally, then at least provision should be made for better communication with South America, notably for fast mail lines to the chief South American ports.

Currency Reform.

I especially call your attention to the condition of our currency laws. For several years evidence has been accumulating that additional legislation is needed. There must soon be a revision of them, because to leave them as they are means to incur liability of business disaster. Since your body adjourned there has been a fluctuation in the interest on call money from 2 per cent to 30 per cent; and the fluctuation was even greater during the preceding six months. The Secretary of the Treasury had to step in, and, by wise action, put a stop to the most violent period of oscillation. Even worse than such fluctuation is the advance in commercial rates, and the uncertainty felt in the sufficiency of credit even at high rates. All commercial interests suffer during each crop period. Excessive rates for call money in New York attract money from the interior banks into the speculative field; this depletes the fund that would otherwise be available for commercial uses, and commercial borrowers are forced to pay abnormal rates; so that each fall a tax, in the shape of increased interest charges, is placed on the whole commerce of the country.

The mere statement of these facts shows that our present system is seriously defective. I do not press any especial plan. Among the plans which are possibly feasible, and which certainly should receive your consideration, is that repeatedly brought to your attention by the present Secretary of the Treasury, the essential features of which have been approved by many prominent bankers and business men. According to this plan national banks should be permitted to issue a specified proportion of their capital in notes of a given kind, the issue to be taxed at so high a rate as to drive the notes back when not wanted in legitimate trade. This plan would not permit the issue of currency to give banks additional profits, but to meet the emergency presented by times of stringency.

I do not say that this is the right system. I only advance it to emphasize my belief that there is need for the adoption of some system which shall be automatic and open to all sound banks, so as to avoid all possibility of discrimination and favoritism. Such a plan would tend to prevent the spasms of high money and speculation which now obtain in the New York market. It must never be forgotten thit this question concerns business men generally quite as much as bankers; especially is this true of stockmen, farmers, and business men in the West; for at present at certain seasons of the year the difference in interest rates between the East and the West is from 6 to 10 per cent, whereas in Canada the corresponding difference is but 2 per cent.

The law should be amended so as specifically to provide that the fundsderived from customs duties may be treated by the Secretary of the Treasury as he treats funds obtained under the internal revenue laws. There should be a considerable increase in bills of small denominations. Permission should be given banks, if necessary under settled restrictions, to retire their circulation to a larger amount than three millions a month.

Philippine Tariff.

I most earnestly hope that the bill to provide a lower tariff for, or else absolute free trade in Philippine products will become a law. No harm will come to any American industry; and while there will be some small but real material benefit to the Filipinos, the main benefit will come by the showing made as to our purpose to do all in our power for their welfare. So far our action in the Philippines has been abundantly justified. We are steadily introducing both liberty and order. We have secured justice. We have provided an efficient police force, and have put down ladronism. Only in the Islands of Leyte and Samar is the authority of our government resisted, and this by wild mountain tribes under the superstitious inspiration of fakirs and pseudo-religious leaders. We are constantly increasing the measure of liberty accorded the islanders, and next spring, if conditions warrant, we shall take a great stride forward in testing their capacity for self-government by summoning the first Filipino legislative assembly. Let us also see to it that they are given free access to our markets.

Porto Rican Affairs.

American citizenship should be conferred on the citizens of Porto Rico. The harbor of San Juan in Porto Rico should be dredged and improved. The expenses of the Federal Court of Porto Rico should be met from the Federal Treasury. The administration of the affairs of Porto Rico, together with those of the Philippines, Hawaii, and our other insular possessions, should all be directed under one executive department; by preference the Department of State or the Department of War.

Hawaii.

The needs of Hawaii are peculiar; every aid should be given the islands; and our efforts should be unceasing to develop them along the lines of a community of small freeholders, not of great planters with coolie-tilled estates.

Alaska.

Alaska's needs have been partially met, but there must be a complete reorganization of the governmental system, as I have before indicated to you. Our fellow-citizens who dwell on the shores of Puget Sound, with characteristic energy, are arranging to hold in Seattle the Alaska Yukon Pacific Exposition. Its special aims include the upbuilding of Alaska, and the development of American commerce on the Pacific Ocean. This exposition, in its purposes and scope, should appeal not only to the people of the Pacific slope, but to the people of the United States at large. Alaska, since it was bought, has yielded to the government eleven millions of dollars of revenue, and has produced nearly three hundred millions of dollars in gold, furs, and fish. When properly developed it will become in large degree a land of homes. The countries bordering the Pacific Ocean have a population more numerous than that of all the countries of Europe; their annual foreign commerce amounts to over three billions of dollars, of which the share of the United States is some seven hundred millions of dollars. Of course, we must treat fairly the countries with which we trade.

International Morality.

It is a mistake, and it betrays a spirit of foolish cynicism, to maintain that all international governmental action is, and must ever be, based upon mere selfishness, and that to advance ethical reasons for such ction is always a sign of hypocrisy. This is no more necessarily true of the action of governments than of the action of individuals. It should be our steady aim to raise the ethical standard of national action just as we strive to raise the ethical standard of individual action.

Not only must we treat all nations fairly, but we must treat with justice and good will all immigrants who come here under the law. Whether they are Catholic or Protestant, Jew or Gentile; whether they come from England or Germany, Russia, Japan, or Italy, matters nothing. All we have a right to question is the man's conduct. If he is honest and upright in his dealings with his neighbor and with the State, then he is entitled to respect and good treatment. Especially do we need to remember our duty to the stranger within our gates. It is the sure mark of a low civilization, a low morality, to abuse or discriminate against, or in any way humiliate such stranger who has come here lawfully, and who is conducting himself properly. To remember this is incumbent on every American citizen, and it is, of course, peculiarly incumbent on every government official, whether of the nation or of the several States.

I am prompted to say this by the attitude of hostility here and there assumed toward the Japanese in this country. This hostility is sporadic and is limited to a very few places. Nevertheless, it is most discreditable to us as a people, and it may be fraught with the gravest consequences to the nation. The friendship between the United States and Japan has been continuous since the time, over half a century ago, when Commodore Perry, by his expedition to Japan, first opened the islands to Western civilization. Since then the growth of Japan has been literally astounding. There is not only nothing to parallel it, but nothing to approach it in the history of civilized mankind. Japan has a glorious and ancient past. Her civilization is older than that of the nations of Northern Europe—the nations from whom the people of the United States have chiefly sprung. But fifty years ago Japan's development was still that of the Middle Ages. During that fifty years the progress of the country in every walk in life has been a marvel to mankind, and she now stands as one of the greatest of civilized nations; great in the arts of war and in the arts of peace; great in military, in industrial, in artistic development and achievement. Japanese soldiers and sailors have shown themselves equal in combat to any of whom history makes note. She has produced great generals and mighty admirals; her fighting men, afloat and ashore, show all the heroic courage, the unquestioning, unfaltering loyalty, the splendid indifference to hardship and death, which marked the Loyal Ronins; and they show also that they possess the highest ideal of patriotism. Japanese artists of every kind see their products eagerly sought for in all lands. The industrial and commercial development of Japan has been phenomenal; greater than that of any other country during the same period. At the same time the advance in science and philosophy is no less marked. The admirable management of the Japanese Red Cross during the late war, the efficiency and humanity of the Japanese officials, nurses, and doctors, won the respectful admiration of all acuainted with the facts.

Through the Red Cross the Japanese people sent over $100,000 to the sufferers of San Francisco, and the gift was accepted with gratitude by our people. The courtesy of the Japanese, nationally and individually, has become proverbial. To no other country has there been such an increasing number of visitors from this land as to Japan. In return, Japanese have come here in great numbers. They are welcome, socially and intellectually, in all our colleges and institutions of higher learning, in all our professional and social bodies. The Japanese have won in a single generation the right to stand abreast of the foremost and most enlightened peoples of Europe and America; they have won on their own merits, and by their own exertions, the right to treatment on a basis of full and frank equality. The overwhelming mass of our people cherish a lively regard and respect for the people of Japan, and in almost every quarter of the Union the stranger from Japan is treated as he deserves; that is, he is treated as the stranger from any part of civilized Europe is, and deserves to be treated. But here and there a most unworthy feeling has manifested itself toward the Japanese—the feeling that has been shown in shutting them out from the common schools in San Francisco, and in mutterings against them in one or two other places, because of their efficiency as workers. To shut them out from the public schools is a wicked absurdity, when there are no first-class colleges in the land, including the universities and colleges of California, which do not giadly welcome Japanese students and on which Japanese students do not reflect credit. We have as much to learn from Japan as Japan has to learn from us; and no nation is fit to teach unless it is also willing to learn. Throughout Japan Americans are well treated, and any failure on the part of Americans at home to treat the Japanese with like courtesy and consideration is by just so much a confession of inferiority in our civilization.

Our nation fronts on the Pacific, just as it fronts on the Atlantic. We hope to play a constantly growing part in the great ocean of the Orient. We wish, as we ought to wish, for a great commercial development in our dealings with Asia; and it is out of the question that we should permanently have such development unless we freely and gladly extend to other nations the same measure of justice and good treatment which we expect to receive in return. It is only a very small body of our citizens that act badly. Where the Federal government has power it will deal summarily with any such. Where the several States have power I earnestly ask that they also deal wisely and promptly with such conduct, or else this small body of wrongdoers may bring shame upon the great mass of their innocent and right-thinking fellows—that is, upon our nation as a whole. Good manners should be an international, no less than an individual attribute. I ask fair treatment for the Japanese, as I would ask fair treatment for Germans or Englishmen, Frenchmen, Russians, or Italians. I ask it as due to humanity and civilization. I ask it as due to ourselves because we must act uprightly toward all men.

I recommended to the Congress that an act be passed specifically providing for the naturalization of Japanese who come here intending to become American citizens. One of the great embarrassments attending the performance of our international obligations is the fact that the Statutes of the United States are entirely inadequate. They fail to give to the national government sufficiently ample power, through United States courts and by the use of the army and navy, to protect aliens in the rights secured to them under solemn treaties which are the law of the land. I therefore earnestly recommend that the criminal and civil statutes of the United States be so amended and added to as to enable the President, acting for the United States government, which is responsible in our international relations, to enforce the rights of aliens under treaties. Even as the law now is something can be done by the Federal government toward this end, and in the matter now before me affecting the Japanese, everything that it is in my power to do will be done, and all of the forces, military and civil, of the United States which I may lawfully employ will be so employed. There should, however, be no particle of doubt as to the power of the national government completely to perform and enforce its own obligations to other nations. The mob of a single city may at any time perform acts of lawless violence against some class of foreigners which would plunge us into war. That city by itself would be powerless to make defense against the foreign power thus assaulted, and if, independent of this government, it would never venture to perform or permit the performance of the acts complained of. The entire power and the whole duty to protect the offending city or the offending community lies in the hands of the United States government. It is unthinkable that we should continue a policy under which a given locality may be allowed to commit a crime against a friendly nation, and the United States government limited, not to preventing the commission of the crime, but, in the last resort, to defending the people who have committed it against the consequences of their own wrongdoing.

CUBA.

Last August an insurrection broke out in Cuba which it speedily grew evident that the existing Cuban government was powerless to quell. This government was repeatedly asked by the then Cuban government to intervene, and finally was notified by the President of Cuba that he intended to resign; that his decision was irrevocable; that none of the other constitutional officers would consent to carry on the government, and that he was powerless to maintain order. It was evident that chaos was impending; and there was every probability that if steps were not immediately taken by this government to try to restore order, the representatives of various European nations in the island would apply to their respective governments for armed intervention. Thanks to the preparedness of our navy, I was able immediately to send enough ships to Cuba to prevent the situation from becoming hopeless; and I furthermore dispatched to Cuba the Secretary of War and the Assistant Secretary of State, in order that they might grapple with the situation on the ground. All efforts to secure an agreement between the contending factions failed. Finally, the President of the republic resigned. The quorum of Congress assembled failed by deliberate purpose of its members, so that there was no power to act on his resignation, and the government came to a halt. In accordance with the so-called Platt amendment, which was embodied in the constitution of Cuba, I thereupon proclaimed a provisional government for the island, the Secretary of War acting as provisional governor until he could be replaced by Mr. Magoon, the late Minister to Panama, and the governor of the Canal Zone on the isthmus. The insurgent chiefs imediately agreed that their troops should lay down their arms and disband; and the agreement was carried out. Peace has come in the island; and the harvesting of the sugar-cane crop, the great crop of the island, is about to proceed.

When the election has been held and the new government inaugurated in peaceful and orderly fashion the provisional government will come to an end. I take this opportunity of expressing, upon behalf of the American people, with all possible solemnity, our most earnest hope that the people of Cuba will realize the imperative need of preserving justice and keeping order in the island.

The Rio Conference.

The Second International Conference of American Republics, held in Mexico in the years 1901-2, provided for the holding of the third conference within five years, and committed the fixing of the time and place, and the arrangements for the conference to the governing board of the Bureau of American Republics, composed of the representatives of all the American nations in Washington. That board discharged the duty imposed upon it with marked fidelity and painstaking care, and upon the courteous invitation of the United States of Brazil, the conference was held at Rio de Janeiro, continuing from the 23d of July to the 29th of August last. Many subjects of common interest to all the American nations were discussed by the conference, and the conclusions reached, embodied in a series of resolutions and proposed conventions, will be laid before you upon the coming in of the final report of the American delegates.

Incidentally to the meeting of the conference, the Secretary of State visited the city of Rio de Janeiro and was cordially received by the conference, of which he was made an honorary president. The announcement of his intention to make this visit was followed by most courteous and urgent invitations from nearly all the countries of South America to visit them as the guest of their governments. It was deemed that by the acceptance of these invitations we might appropriately express the real respect and friendship in which we hold our sister republics of the Southern continent, and the Secretary, accordingly, visited Brazil, Uruguay, Argentina, Chile, Peru, Panama, and Colombia. He refrained from visiting Paraguay, Bolivia, and Ecuador only because the distance of their capitals from the seaboard made it impracticable with the time at his disposal. He carried with him a message of peace and friendship, and of strong desire for good understanding and mutual helpfulness; and he was everywhere received in the spirit of his message.

In many parts of South America there has been much misunderstanding of the attitude and purposes of the United States toward the other American republics. An idea had become prevalent that our assertion of the Monroe doctrine implied, or carried with it, an assumption of superiority, and of a right to exercise some kind of protectorate over the countries to whose territory that doctrine applies.

It was part of Secretary Root's mission to dispel this unfounded impression, and there is just cause to believe that he has succeeded.

In my message to you on the 5th of December, 1905, I called your attention to the embarrassment that might be caused to this government by the assertion by foreign nations of the right to collect by force of arms debts due by American republics to citizens of the collecting nation, and to the danger that the process of compulsory collection might result in the occupation of territory tending to become permanent. I then said:

"Our own government has always refused to enforce such contractual obligations on behalf of its citizens by an appeal to arms. It is much to be wished that all foreign governments would take the same view."

This subject was one of the topics of consideration at the conference at Rio, and a resolution was adopted by that conference recommending to the respective governments represented "to consider the advisability of asking the second Peace Conference at The Hague to examine the question of the compulsory collection of public debts, and in general, means tending to diminish among nations conflicts of purely pecuniary origin."

This resolution was supported by the representatives of the United States.

Central America.

Last June trouble which had existed for some time between the republics of Salvador, Guatemala, and Honduras culminated in war—a war which threatened to be ruinous to the countries involved, and very destructive to the commercial interests of Americans, Mexicans, and other foreigners who are taking an important part in the development of these countries. The thoroughly good understanding which exists between the United States and Mexico enabled this government and that of Mexico to unite in effective mediation between the warring republics.

Panama Trip.

I have just returned from a trip to Panama, and shall report to you at length later upon the whole subject of the Panama Canal.

The Algeciras Convention.

The Algeciras convention, which was signed by the United States, as well as by most of the powers of Europe, supersedes the previous convention of 1880, which was also signed both by the United States and a majority of the European powers. This treaty confers upon us equal commercial rights with all European countries, and does not entail a single obligation of any kind upon us, and I earnestly hope it may be speedily ratified.

FUR SEALS.

The destruction of the Pribilof Islands fur seals by pelagic sealing still continues. The herd which, according to the surveys made in 1874, by direction of the Congress, numbered 4,700,000, and which, according to the survey of both American and Canadian commissioners in 1891, amounted to 1,000,000, has now been reduced to about 180,000. This result has been brought about by Canadian and some other sealing vessels killing the female seals while in the water during their annual pilgrimage to and from the south, or in search of food. No damage whatever is done to the herd by the carefully regulated killing on land; the custom of pelagic sealing is solely responsible for all of the present evil, and is alike indefensible from the economic standpoint and from the standpoint of humanity.

The process of destruction has been accelerated during recent years by the appearance of a number of Japanese vessels engaged in pelagic sealing. As these vessels have not been bound even by the inadequate limitations prescribed by the Tribunal of Paris, they have paid no attention either to the close season or to the sixty-mile limit imposed upon the Canadians, and have prosecuted their work up to the very islands themselves. On July 16 and 17, the crews from several Japanese vessels made raids upon the Island of St. Paul, and before they were beaten off by the very meager and insufficiently armed guard, they succeeded in killing several hundred seals and carrying off the skins of most of them. Nearly all the seals killed were females, and the work was done with frightful barbarity. Many of the seals appear to have been skinned alive, and many were found half skinned and still alive. The raids were repelled only by the use of firearms, and five of the raiders were killed, two were wounded, and twelve captured, including the two wounded. Those captured have since been tried and sentenced to imprisonment. An attack of this kind had been wholly unlooked for, but such provision of vessels, arms, and ammunition will now be made that its repetition will not be found profitable.

Suitable representations regarding the incident have been made to the government of Japan, and we are assured that all practicable measures will be taken by that country to prevent any recurrence of the outrage. On our part, the guard on the island will be increased, and better equipped and organized, and a better revenue-cutter patrol service about the islands will be established; next season a United States war vessel will also be sent there.

We have not relaxed our efforts to secure an agreement with Great Britain for adequate protection of the seal herd, and negotiations with Japan for the same purpose are in progress.

The laws for the protection of the seals within the jurisdiction of the United States need revision and amendment. Only the islands of St. Paul and St. George are now, in terms, included in the government reservation, and the other islands are also to be included. The landing of aliens, as well as citizens, upon the islands, without a permit from the Department of Commerce and Labor, for any purpose except in case of stress of weather, or for water, should be prohibited under adequate penalties.

Second Hague Conference.

In my last message I advised you that the Emperor of Russia had taken the initiative n bringing about a second peace conference at The Hague. Under the guidance of Russia, the arrangement of the preliminaries for such a conference has been progressing during the past year. Progress has necessarily been slow, owing to the great number of countries to be consulted upon every question that has arisen. It is a matter of satisfaction that all of the American republics have now, for the first time, been invited to join in the proposed conference.

The close connection between the subjects to be taken up by the Red Cross Conference, held at Geneva last summer, and the subjects which naturally would come before The Hague Conference, made it apparent that it was desirable to have the work of the Red Cross Conference completed and considered by the different powers before the meeting at The Hague. The Red Cross Conference ended its labors on the 6th day of July, and the revised and amended convention, which was signed by the American delegates, will be promptly laid before the Senate.

Peace and Righteousness.

It must ever be kept in mind that war is not merely justifiable, but imperative, upon honorable men, upon an honorable nation, where peace can only be obtained by the sacrifice of conscientious conviction, or of national welfare. Peace is normally a great good, and normally it coincides with righteousness; but it is righteousness and not peace which should bind the conscience of a nation as it should bind the conscience of an individual; and neither a nation or an individual can surrender conscience to another's keeping. Neither can a nation, which is an entity, and which does not die as individuals die, refrain from taking thought for the interest of the generations that are to come, no less than for the interest of the generation of to-day; and no public men have a right, whether from shortsightedness, from selfish indifference, or from sentimentality, to sacrifice the national interests which are vital in character. A just war is in the long run far better for a nation's soul than the most prosperous peace obtained by acquiescence in wrong or injustice. Moreover, though it is criminal for a nation not to prepare for war, so that it may escape the dreadful consequences of being defeated in war, yet it must always be remembered that even to be defeated in war may be far better than not to have fought at all. As has been well and finely said, a beaten nation is not necessarily a disgraced nation; but the nation or man is disgraced if the obligation to defend right is shirked.

We should, as a nation, do everything in our power for the cause of honorable peace. Nothing would more promote iniquity, nothing would further defer the reign upon earth of peace and righteousness, than for the free and enlightened peoples which, though with much stumbling and many shortcomings, nevertheless strive toward justice, deliberately to render themselves powerless while leaving every despotism and barbarism armed and able to work their wicked will. The chance for the settlement of disputes peacefully, by arbitration, now depends mainly upon the possession by nations that mean to do right of sufficient armed strength to make their purpose effective.

THE NAVY AND ARMY.

The United States navy is the guarantor of peace which this country possesses. It is earnestly to be wished that we would profit by the teachings of history in this matter. A strong and wise people will study its own failures no less than its triumphs, for there is wisdom to be learned from the study of both, of the mistake as well as of the success. For this purpose nothing could be more instructive than a rational study of the war of 1812, as it is told, for instance, by Capt. Mahan. There was only one way in which that war could have been avoided. If, during the preceding twelve years, a navy relatively as strong as that which this country now has, had been built up, and an army provided relatively as good as that which the country now has, there never would have been the slightest necessity of fighting the war; and if the necessity had arisen the war would, under such circumstances, have ended with our speedy and overwhelming triumph. But our people during those twelve years refused to make any preparations whatever, regarding either the army or the navy. They saved a million or two of dollars by so doing; and in mere money paid a hundredfold for each million they thus saved during the three years of war which followed.

I do not ask that we continue to increase our navy. I ask merely that it be maintained at its present strength; and this can be done only if we replace the obsolete and outworn ships by new and good ones, the equals of any afloat in any navy. To stop building ships for one year means that for that year the navy goes back instead of forward. The old battle ship Texas, for instance, would now be of little service in a stand-up fight with a powerful adversary. The old double-turret monitors have outworn their usefulness, while it was a waste of money to build the modern single-turret monitors. All these ships should be replaced by others; and this can be done by a well-settled programme of providing for the building each year of at least one first-class battle ship, equal in size and speed to any that any nation is at the same time building; the armament presumably to consist of as large a number as possible of very heavy guns of one caliber, together with smaller guns to repel torpedo attack; while there should be heavy armor, turbine engines, and, in short, every modern device. Of course, from time to time, cruisers, colliers, torpedo boat destroyers or torpedo boats, will have to built also. All this, be it remembered, would not increase our navy, but would merely keep it at its present strength. Equally, of course, the ships will be absolutely useless if the men aboard them are not so trained that they can get the best possible service out of the formidable but delicate and complicated mechanisms intrusted to their care. The markmanship of our men has so improved during the last five years that I deem it within bounds to say that the navy is more than twice as efficient, ship for ship, as half a decade ago. The navy can only attain proper efficiency if enough officers and men are provided, and if these officers and men are given the chance (and required to take advantage of it) to stay continually at sea, and to exercise the fleets singly, and, above all, in squadron, the exercise to be of every kind, and to include unceasing practice at the guns, conducted under conditions that will test the markmanship in time of war.

I do not believe that in any service there is a finer body of enlisted men, and of junior officers, than we have in both the army and the navy, including the Marine Corps. All possible encouragement to the enlisted men should be given, in pay and otherwise, and everything practicable done to render the service attractive to men of the right type.

West Point and Annapolis already turn out excellent officers. We do not need to have these schools made scholastic. On the contrary, we should never lose sight of the fact that the aim of each school is to turn out a man who shall be above everything else a fighting man.

At present our men, especially in the navy, are kept far too long in the junior grades, and then, at much too advanced an age, are put quickly through the senior grades, often not attaining to these senior grades until they are too old to be of real use in them; and if they are of real use, being put through them so quickly that little benefit to the navy comes from their having been in them at all.

The navy has one great advantage over the army in the fact that the officers of high rank are actually trained in the continual performance of their duties; that is, in the management of the battle ships and armored cruisers gathered into fleets. This is not true of the army officers, who rarely have corresponding chance to exercise command over troops under service conditions. For years prior to the Spanish war the Secretaries of War were praised chiefly if they practiced economy; which economy, especially in connection with the quartermaster, commissary, and medical departments, was directly responsible for most of the mismanagement that occurred in the war itself. There should soon be an increase in the number of men for our coast defenses; these men should be of the right type, and properly trained; and there should therefore be an increase of pay for certain skilled grades, especially in the coast artillery. Money should be appropriated to permit troops to be massed in body and exercised in maneuvers, particularly in marching. Such exercis during the summer just passed, has been of incalculable benefit to the army, and should under no circumstances be discontinued. If, on these practice marches, and in these maneuvers, elderly officers prove unable to bear the strain, they should be retired at once. It is a real misfortune to have scores of small company or regimental posts scattered throughout the country; the army should be gathered in a few brigade or division posts; and the generals should be practiced in handling the men in masses.

The readiness and efficiency of both the army and navy in dealing with the recent sudden crisis in Cuba illustrate afresh their value to the nation. This readiness and efficiency would have been very much less had it not been for the existence of the General Staff in the army, and the General Board in the navy. The troops that were sent to Cuba were handled flawlessly. It was the swiftest mobilization and dispatch of troops over sea ever accomplished by our government. The expedition landed completely equipped and ready for immediate service, several of its organizations hardly remaining in Havana over night before splitting up into detachments and going to their several posts. It was a fine demonstration of the value and efficiency of the General Staff. The army and navy war colleges are of incalculable value to the services, and they co-operate with constantly increasing efficiency and importance.

The Congress has most wisely provided for a National Board for the promotion of rifle practice. Excellent results have already come from this law, but it does not go far enough. Our regular army is so small that in any great war we should have to trust mainly to volunteers; and in such event these volunteers should already know how to shoot; for if a soldier has the fighting edge, and ability to take care of himself in the open, his efficiency on the line of battle is almost directly proportionate to excellence in marksmanship. We should establish shooting galleries in all the large public and military schools, should maintain national target ranges in different parts of the country, and should in every way encourage the formation of rifle clubs throughout all parts of the land. The little republic of Switzerland offers us an excellent example in all matters connected with building up an efficient citizen soldiery.

THEODORE ROOSEVELT.

The White House, December 3, 1906.

GOVERNMENT AIDING INDIANS.

Leupp Tells What Is Being Done to Better Their Conditions.

Francis E. Leupp, Commissioner of Indian Affairs, spoke to the Anthropological Society last night at the Cosmos Club, on what the government is doing for the Indians. A large attendance of the members heard the speaker.

Mr. Leupp reviewed the several policies followed by the government in dealing with the Indians, and all of them he declared bad, until the effort was started to do something for the individual rather than the race. Even the partition of land to the Indians and forcing them all into agriculture, more or less unprofitable, Mr. Leupp declared to be one of the most unfortunate of the many mistakes the United States has made. An experiment about to be tried, Mr. Leupp said, is the employment of an official who will undertake to find markets for the products of the Indians.

A good part of Mr. Leupp's talk was devoted to the artistic side of the Indian, and the hope of the bureau to give direction to this native ability in the way of developing artists, musicians, and artisans among the tribes. The work of making pottery among the Pueblos, the basket making of those in California, and the silver work of those in New Mexico were used as illustrations of what the Indians could do along these lines.

L. K. Bass to Be District Attorney.

Lyman K. Bass, of Buffalo, has been selected by the President for the position of United States district attorney there, to succeed Charles H. Brown. Mr. Bass was indorsed by both New York Senators.

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