THE PRESIDENT'S MESSAGE TO CONGRESS.

He Congratulates National Legislature on Strong and Prosperous Condition of the Republic.

GIVES MUCH ATTENTION TO CHINA.

Makes No Recommendations Relative to Cuba—Passes Porto Rico With Few Words—Says Filipinos Must Be Treated as "Wards of Nation"—Urges Congress to Push Canal and Merchant Marine Bills.

Congress is congratulated upon the prosperous condition of the country and the strength of American institutions. The Republic is declared to be stronger than ever before, because more strongly intrenched in the hearts of the people than ever before; the Constitution, says the President, exists to-day, with few amendments, as it left the hands of its authors.

The Chinese question, in all its ramifications, is dealt with at great length, the occurrences of the past twelve months in the Celestial Empire and the progress of peace negotiations between the Powers and the rulers of China being reviewed and analyzed. It is suggested that due compensation may be obtained, in part by exacting from China increased guarantees of security for foreign rights and immunities and, most important of all, by the opening of China to the commerce of the world. The Czar's suggestion that the question of indemnities be settled by the Court of Arbitration at The Hague is approved.

The convention with Great Britain to facilitate the construction of the Nicaraguan Canal is commended to the attention of the Senate. The Government of Nicaragua, it is stated, shows a disposition to deal freely with the United States on the canal question, and overtures for a convention to effect the building of a canal under the auspices of the United States are under consideration.

It is recommended to Congress that the war tax be reduced in the sum of $30,000,000 a year, and that the tax be removed from those articles on which experience has shown it to be the most burdensome to the industries of the people.

It is noted that foreign ships are carrying all but 9 per cent of American trade, and it is recommended that aid be given to the merchant marine. Congress is urged to take immediate action on measures to promote American shipping and foreign trade.

A surplus in the public revenues for the fiscal year aggregating $79,527,060.18 is shown, and it is also noted that the expenditures of the Government were considerably reduced during the year. The present condition of the Treasury is one of undoubted strength, and attention is called to the fact that during the fiscal year bonds and other securities were applied to the sinking fund to the amount of $56,544,556.06. It is added that it will be the duty of Congress to provide whatever further legislation is needed to insure the continued parity, under all conditions, between the two forms of metallic money, silver and gold.

The numerous questions relative to the Philippines are dealt with succinctly. Military government until peace is declared to be imperative; a civil organization is contemplated for the islands; the natives are to be preferred for civil offices; the commission has orders to peaceably settle all land disputes; the uncivilized tribes are to be treated as are the Indians; the work of the commission is reviewed and approved, and it is recommended that the Filipinos be treated as "wards of the nation."

The service rendered by the navy, in connection with troubles in the Philippines and China, is commended and the recommendation of the Secretary of the Navy for an increase in the number of vessels and officers and men is approved.

An army of about 60,000 men will be necessary in the Philippines for some time to come, it is declared, and it is recommended that the President be given power to increase the size of the regular army to 100,000.

The present government of Porto Rico is approved and it is recommended that legislation be enacted by Congress conferring upon the Secretary of the Interior supervision over the public lands in Porto Rico.

Uniformity of legislation in the several States in regard to hurtful trusts is declared to be desirable and it is hoped that means may be found for Congress to supplement an effective code of State legislation so as to make a complete system of laws throughout the United States adequate to compel a general observance of certain salutary rules referred to.

The Cuban Constitutional Convention is referred to and Congress is advised that the President will transmit to that body a copy of the constitution that will be framed and adopted by the convention for such action as Congress may deem advisable.

Washington, Dec. 2.—The President's message, as delivered to the National Congress to-day, is as follows:

To the Senate and House of Representatives:

At the outgoing of the old and the incoming of the new century you begin the last session of the Fifty-sixth Congress with evidences on every hand of individual and national prosperity, and with proof of the growing strength and increasing power for good of republican institutions. Your countrymen will join with you in felicitation that American liberty is more firmly established than ever before, and that love for it and the determination to preserve it are more universal than at any former period of our history.

The Republic was never so strong, because never so strongly intrenched in the hearts of the people, as now. The Constitution, with few amendments, exists as it left the hands of its authors. The additions which have been made to it proclaim larger freedom and more extended citizenship. Popular government has demonstrated in its one hundred and twenty-four years of trial here its stability and security, and its efficiency as the best instrument of national development and the best safeguard to human rights.

When the Sixth Congress assembled in November, 1800, the population of the United States was 5,308,483. It is now 76,304,799. Then we had sixteen States. Now we have forty-five. Then our territory consisted of 909,050 square miles. It is now 3,846,595 square miles. Education, religion and morality have kept pace with our advancement in other directions, and, while extending its power, the Government has adhered to its foundation principles and abated none of them in dealing with our new peoples and possessions. A nation so preserved and blessed gives reverent thanks to God and invokes his guidance and the continuance of his care and favor.

CHINA.

In our foreign intercourse the dominant question has been the treatment of the Chinese problem. Apart from this our relations with the Powers have been happy.

The recent troubles in China sprang from the anti-foreign agitation which for the last three years has gained strength in the Northern Provinces. The origin lies deep in the character of the Chinese races and in the traditions of their Government. The Taiping rebellion and the opening of Chinese ports to foreign trade and settlement disturbed alike the homogeneity and the seclusion of China.

Meanwhile, foreign activity made itself felt in all quarters, not alone on the coast, but along the great river arteries and in the remoter districts, carrying new ideas and introducing new associations among a primitive people which had pursued for centuries a national policy of isolation.

The telegraph and the railway spreading over the land, the steamers plying on their waterways, the merchant and the missionary penetrating year by year farther to the interior, became to the Chinese mind types of an alien invasion, changing the course of their national life and fraught with vague forebodings of disaster to their beliefs and their self-control.

For several years before the present troubles all the resources of foreign diplomacy, backed by moral demonstrations of the physical force of fleets and arms, have been needed to secure due respect for the treaty rights of foreigners and to obtain satisfaction from the responsible authorities for the sporadic outrages upon the persons and property of unoffending sojourners, which from time to time occurred at widely separated points in the Northern Provinces, as in the case of the outbreaks in Sze-Chuen and Shan-Tung.

Posting of anti-foreign placards became a daily occurrence, which the repeated reprobation of the imperial power failed to check or punish. These inflammatory appeals to the ignorance and superstition of the masses, mendacious and absurd in their accusations and deeply hostile in their spirit, could not but work cumulative harm. They aimed at no particular class of foreigners; they were impartial in attacking everything foreign. An outbreak at Shan-Tung, in which the German missionaries were slain, was the too natural result of these malevolent teachings. The posting of seditious placards, exhorting to the utter destruction of foreigners and of every foreign thing, continued unrebuked. Hostile demonstrations toward the stranger gained strength by organization.

NOTABLE OFFICIALS ACT WITH BOXERS.

The sect commonly styled the Boxers developed greatly in the Provinces north of the Yang-tse, and with the collusion of many notable officials, including some in the immediate councils of the throne itself, became alarmingly aggressive. No foreigner's life, outside of the protected treaty ports, was safe. No foreign interest was secure from spoliation.

The diplomatic representatives of the Powers in Pekin strove in vain to check this movement. Protest was followed by demand and demand by renewed protest, to be met with perfunctory edicts from the palace and evasive and futile assurances from the Tsung Li Yamen. The circle of the Boxer influence narrowed about Pekin, and while nominally stigmatized as seditious, it was felt that its spirit pervaded the capital itself; that the imperial forces were imbued with its doctrines and that the immediate councilors of the Empress Dowager were in full sympathy with the anti-foreign movement.

The increasing gravity of the conditions in China and the imminence of peril to our own diversified interests in the Empire, as well as to those of all other treaty Governments, were soon appreciated by this Government, causing it profound solicitude. The United States from the earliest days of foreign intercourse with China had followed a policy of peace, omitting no occasions to testify good will, to further the extension of lawful trade, to respect the sovereignty of its Government and to insure by all legitimate and kindly, but earnest, means the fullest measure of protection for the lives and property of our law-abiding citizens and for the exercises of their beneficent callings among the Chinese people.

Mindful of this, it was felt to be appropriate that our purposes should be pronounced in favor of such course as would hasten united action of the Powers at Pekin to promote the administrative reforms so greatly needed for strengthening the Imperial Government and maintaining the integrity of China, in which we believed the whole Western world to be alike concerned. To these ends I caused to be addressed to the several Powers occupying territory and maintaining spheres of influence in China the circular proposals of 1899, inviting from them declarations of their intentions and views as to the desirability of the adoption of measures insuring the benefits of equality of treatment of all foreign trade throughout China.

With gratifying unanimity the responses coincided in this common policy, enabling me to see in the successful termination of these negotiations proof of the friendly spirit which animates the various Powers interested in the untrammeled development of commerce and industry in the Chinese Empire as a source of vast benefit to the whole commercial world.

In this conclusion, which I had the gratification to announce as a completed engagement to the interested Powers on March 20, 1900, I hopefully discerned a potential factor for the abatement of the distrust of foreign purposes which for a year past had appeared to inspire the policy of the Imperial Government, and for the effective exertion by it of power and authority to quell the critical anti-foreign movement in the Northern Provinces most immediately influenced by the Manchu sentiment.

Seeking to testify confidence in the willingness and ability of the imperial administration to redress the wrongs and prevent the evils we suffered and feared, the marine guard which had been sent to Pekin in the autumn of 1899, for the protection of the legation, was withdrawn at the earliest practicable moment, and all pending questions were remitted, as far as we were concerned, to the ordinary resorts of diplomatic intercourse.

UNDER LEADERSHIP OF PRINCE TUAN.

The Chinese Government proved, however, unable to check the rising strength of the Boxers and appeared to be a prey to internal dissensions. In the unequal contest the anti-foreign influences soon gained the ascendency under the leadership of Prince Tuan. Organized armies of Boxers, with which the imperial forces affiliated, held the country between Pekin and the coast, penetrated into Manchuria up to the Russian border, and through their emissaries threatened a like rising throughout Northern China.

The attacks upon foreigners, destruction of property and slaughter of native converts were reported from all sides. The Tsung Li Yamen, already permeated with hostile sympathies, could make no effective response to the appeals of the legations. At this critical juncture, in the early spring of this year, a proposal was made by the other Powers that a combined fleet should be assembled in Chinese waters as a moral demonstration, under cover of which to exact of the Chinese Government [illegible] for foreign treaty rights and the suppression of the Boxers.

The United States, while not participating in the joint demand, promptly sent from the Philippines all ships that could be spared for service on the Chinese coast. A small force of marines was landed at Taku and sent to Pekin for the protection of the American Legation. Other Powers took similar action, until some 400 men were assembled in the capital as legation guards.

THE BATTLE AT THE FORTS OF TAKU.

Still the peril increased. The legations reported the development of the seditious movement in Pekin and the need of increased provision for defense against it. While preparations were in progress for a larger expedition, to strengthen the legation guards and keep the railway open, an attempt of the foreign ships to make a landing at Taku was met by a fire from the Chinese forts. The forts were thereupon shelled by the foreign vessels, the American Admiral taking no part in the attack, on the ground that we were not at war with China, and that a hostile demonstration might consolidate the anti-foreign elements and strengthen the Boxers to oppose the relieving column. Two days later the Taku forts were captured after a sanguinary conflict. Severance of communication with Pekin followed and a combined force of additional guards, which was advancing to Pekin by the Pei-Ho, was checked at Lang-Fang. The isolation of the legations was complete.

The siege and relief of the legations has passed into undying history. In all the stirring chapter which records the heroism of the devoted band, clinging to hope in the face of despair, and the undaunted spirit that led their relievers through battle and suffering to the goal, it is a memory of which my countrymen may be justly proud that the honor of our flag was maintained alike in the siege and in the rescue, and that stout American hearts have again set high, in fervent emulation with true men of other race and language, the indomitable courage that ever strives for the cause of right and justice.

> **CANAL.**
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> Overtures for a convention to effect the building of a canal under the auspices of the United States are under consideration. In the meantime the views of Congress upon the general subject, in the light of the report of the commission appointed to examine the comparative methods of the various transisthmian ship-canal projects, may be awaited.
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> I commend to the early attention of the Senate the convention with Great Britain to facilitate the construction of such a canal, and to remove any objection which might arise out of the convention commonly called the Clayton-Bulwer treaty.

By June 19 the legations were cut off. An identical note from the Yamen ordered each Minister to leave Pekin, under a promised escort, within twenty-four hours. To gain time they replied, asking prolongation of the time, which was afterwards granted, and requesting an interview with the Tsung Li Yamen on the following day. No reply being received, on the morning of the 20th the German Minister, Baron von Ketteler, set out for the Yamen to obtain a response and on the way was murdered.

An attempt by the legation guard to recover his body was foiled by the Chinese. Armed forces turned out against the legations. Their quarters were surrounded and attacked. The mission compounds were abandoned, their inmates taking refuge in the British Legation, where all the other legations and guards gathered for more effective defense. Four hundred persons were crowded in its narrow compass. Two thousand native converts were assembled in a near-by palace under protection of the foreigners. Lines of defense were strengthened, trenches dug, barricades raised and preparation made to stand a siege, which at once began.

UNDER CONTINUOUS FIRE FOR FOUR WEEKS.

From June 20 until July 17, writes Minister Conger, "there was scarcely an hour during which there was not firing upon some part of our lines and into some of the legations, varying from a single shot to a general and continuous attack along the whole line."

Artillery was placed around the legations and on the overlooking palace walls, and thousands of 3-inch shot and shell were fired, destroying some buildings and damaging all. So thickly did the balls rain that, when the ammunition of the besieged ran low, five quarts of Chinese bullets were gathered in an hour in one compound and recast.

Attempts were made to burn the legations by setting neighboring houses on fire, but the flames were successfully fought off, although the Austrian, Belgian, Italian and Dutch legations were then and subsequently burned. With the aid of the native converts, directed by the missionaries, to whose helpful co-operation Mr. Conger awards unstinted praise, the British Legation was made a veritable fortress. The British Minister, Sir Claude MacDonald, was chosen general commander of the defense, with the secretary of the American Legation, Mr. E. G. Squiers, as chief of staff.

To save life and ammunition the besieged sparingly returned the incessant fire of the Chinese soldiery, fighting only to repel attack or make an occasional successful sortie for strategic advantage, such as that of fifty-five American, British and Russian marines, led by Captain Myers of the United States Marine Corps, which resulted in the capture of a formidable barricade on the wall that gravely menaced the American position. It was held to the last and proved an invaluable acquisition, because commanding the water gate through which the relief column entered.

During the siege the defenders lost sixty-five killed, 135 wounded and seven by disease—the last all children.

On July 14 the besieged had their first communication with the Tsung Li Yamen, from whom a message came inviting to a conference, which was declined. Correspondence, however, ensued and a sort of armistice was agreed upon, which stopped the bombardment and lessened the rifle fire for a time. Even then no protection whatever was afforded, nor any aid given, save to send to the legations a small supply of fruit and three sacks of flour.

CHINESE SANCTIONED OUTRAGES.

Indeed, the only communication had with the Chinese Government related to the occasional delivery or dispatch of a telegram or to the demands of the Tsung Li Yamen for the withdrawal of the legation to the coast under escort. Not only are the protestations of the Chinese Government that it protected and succored the legations positively contradicted, but irresistible proof accumulates that the attacks upon them were made by imperial troops, regularly uniformed, armed and officered, belonging to the command of Jung Lu, the Imperial Commander-in-Chief. Decrees encouraging the Boxers, organizing them under prominent imperial officers, provisioning them, and even granting them large sums in the name of the Empress Dowager, are known to exist. Members of the Tsung Li Yamen who counseled protection of the foreigners were beheaded. Even in the distant Provinces men suspected of foreign sympathy were put to death, prominent among these being Chang Yin Hoon, formerly Chief Minister in Washington.

With the negotiation of the partial armistice of July 14, a proceeding which was doubtless promoted by the representations of the Chinese Envoy in Washington, the way was opened for the conveyance to Mr. Conger of a test message sent by the Secretary of State through the kind offices of Minister Wu Ting Fang. Mr. Conger's reply, dispatched from Pekin on July 18 through the same channel, afforded to the outside world the first tidings that the inmates of the legations were still alive and hoping for succor.

> **NAVY.**
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> A very satisfactory settlement has been made of the long-pending question of the manufacture of armor plate. A reasonable price has been secured and the necessity for a Government plant avoided.
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> I approve the recommendations of the Secretary of the Navy for new vessels and for additional officers and men which the required increase of the navy makes necessary.

This news stimulated the preparations for a joint relief expedition in numbers sufficient to overcome the resistance which for a month had been organizing between Taku and the capital. Re-enforcements sent by all the co-operating Governments were constantly arriving. The United States contingent, hastily assembled from the Philippines or dispatched from this country, amounted to some 5,000 men, under the able command first of the lamented Colonel Liscum, and afterwards of General Chaffee.

Toward the end of July the movement began. A severe conflict followed at Tien-Tsin, in which Colonel Liscum was killed. The city was stormed and partly destroyed. Its capture afforded the base of operations from which to make the final advance, which began in the first days of August, the expedition being made up of Japanese, Russians, British and American troops at the outset.

PEKIN IS REACHED AND RELIEVED.

Another battle was fought and won at Yang-Tsun. This, after the disheartened Chinese troops offered little show of resistance. A few days later the important position of Ho-Si-Woo was taken. A rapid march brought the united forces to the populous city of Tung-Chow, which capitulated without a contest.

On August 14 the capital was reached. After a brief conflict beneath the walls the relief column entered and the legations were saved. The United States soldiers, sailors and marines, officers and men alike, in those distant climes and unusual surroundings, showed the same valor, discipline and good conduct and gave proof of the same high degree of intelligence and efficiency which have distinguished them in every emergency.

The imperial family and the Government had fled a few days before. The city was without visible control. The remaining imperial soldiery had made on the night of the 13th a last attempt to exterminate the besieged, which they gallantly repelled. It fell to the occupying forces to restore order and organize a provisional administration.

Happily, the acute disturbances were confined to the Northern Provinces. It is a relief to recall and a pleasure to record the loyal conduct of the viceroys and local authorities of the Southern and Eastern Provinces. Their efforts were continuously directed to the pacific control of the vast populations under their rule and to the scrupulous observance of foreign treaty rights. At critical moments, they did not hesitate to memorialize the throne, urging the protection of the legations, the restoration of communication, and the assertion of the imperial authority against the subversive elements. They maintained excellent relations with the official representatives of foreign Powers. To their kindly disposition is largely due the success of the Consuls in removing many of the missionaries from the interior to places of safety. In this relation the action of the Consuls should be highly commended. In Shan-Tung and Eastern Chi-Li the task was difficult, but, thanks to their energy and the co-operation of American and foreign naval commanders, hundreds of foreigners, including those of other nationalities than ours, were rescued from imminent peril.

OUR POLICY ANNOUNCED AND CARRIED OUT.

The policy of the United States through all this trying period was clearly announced and scrupulously carried out. A circular note to the Powers, dated July 3, proclaimed our attitude. Treating the condition in the North as one of virtual anarchy, in which the great Provinces of the South and Southwest had no share, we regarded the local authorities in the latter quarters as representing the Chinese people, with whom we sought to remain in peace and friendship. Our declared aims involved no war against the Chinese nation. We adhered to the legitimate office of rescuing the imperiled legation, obtaining redress for wrongs already suffered, securing wherever possible the safety of American life and property in China and preventing a spread of the disorders or their recurrence.

As was then said, "the policy of the Government of the United States is to seek a solution which may bring about permanent safety and peace in China, preserve Chinese territorial and administrative entity, protect all rights guaranteed to friendly Powers by treaty and international law and safeguard for the world, the principle of equal and impartial trade with all parts of the Chinese Empire."

Faithful to those professions, which, as it proved, reflected the views and purposes of the other co-operating Governments, all our efforts have been directed toward ending the anomalous situation in China by negotiations for a settlement at the earliest possible moment. As soon as the sacred duty of relieving our garrison and its dependents was accomplished we withdrew from active hostilities, leaving our legation under adequate guard in Pekin as a channel of negotiation and settlement—a course adopted by others of the interested Powers. Overtures of the empowered representatives of the Chinese Empire have been considerably entertained.

The Russian proposition looking to the restoration of the imperial power in Pekin has been accepted as in full consonance with our own desires, for we have held and hold that effective reparation for wrongs suffered and an enduring settlement that will make their recurrence impossible can best be brought about under an authority which the Chinese nation reverences and obeys. While so doing we forego no jot of our undoubted right to exact exemplary and deterrent punishment of the responsible authors and abettors of the criminal acts whereby we and other nations have suffered grievous injury.

MESSAGE TO THE CHINESE EMPEROR.

For the real culprits, the evil counselors who have misled the imperial judgment and diverted the sovereign authority to their own guilty ends, full expiation becomes imperative within the rational limits of retributive justice. Regarding this as the initial condition of an acceptable settlement between China and the Powers, I said in my message of October 18 to the Chinese Emperor:

"I trust that negotiations may begin so soon as we and the other offended Governments shall be effectively satisfied of your Majesty's ability and power to treat with just sternness the principal offenders who are doubly culpable, not alone toward the foreigners, but toward your Majesty, under whose rule the purpose of China to dwell in concord with the world had hitherto found expression in the welcome and protection assured to strangers."

Taking, as a point of departure, the imperial edict appointing Earl Li Hung Chang and Price Ching plenipotentiaries to arrange a settlement, and the edict of September 25, whereby certain high officials were designated for punishment, this Government has moved, in concert with other Powers, toward the opening of negotiations which Mr. Conger, assisted by Mr. Rockhill, has been authorized to conduct on behalf of the United States. General bases of negotiation formulated by the Government of the French Republic have been accepted with certain reservations as to details, made necessary by our own circumstances, but, like similar reservations by other Powers, open to discussion in the progress of the negotiations. The disposition of the Emperor's Government to admit the liability for the wrongs done to foreign Governments and their citizens and to act upon such additional designation of the guilty persons as the foreign Ministers at Pekin may be in a position to make, gives hope of a complete settlement of all questions involved, assuring foreign rights of residence and intercourse on terms of equality for all the world.

I regard as one of the essential factors of a durable adjustment the securement of adequate guaranties for liberty of faith, since insecurity of those natives who may embrace alien creeds is scarcely less effectual assault upon the rights of foreign worship and teaching than would be the direct invasion thereof.

The matter of indemnity for our wronged citizens is a question of grave concern. Measured in money alone, a sufficient reparation may prove to be beyond the ability of China to meet. All the Powers concur in emphatic disclaimers of any purpose of aggrandizement through the dismemberment of the Empire. I am disposed to think that due compensation may be made in part by increased guarantees of security for foreign rights and immunities, and, most important of all, by the opening of China to the equal commerce of all the world. These views have been and will be earnestly advocated by our representatives.

The Government of Russia has put forward a suggestion that, in the event of protracted divergence of views in regard to indemnities, the matter may be relegated to the Court of Arbitration at The Hague. I favorably incline to this, believing that high tribunal could not fail to reach a solution no less conducive to the stability and enlarged prosperity of China itself than immediately beneficial to the Powers.

FOREIGN RELATIONS.

Ratifications of a treaty of extradition with the Argentine Republic were exchanged on June 2 last.

While the Austro-Hungarian Government has in the many cases that have been reported of the arrest of our naturalized citizens for alleged evasion of military service faithfully observed the provisions of the treaty and released such persons from military obligations, it has in some instances expelled those whose presence in the community of their origin was asserted to have a pernicious influence. Representations have been made against this course whenever its adoption has appeared unduly onerous.

We have been urgently solicited by Belgians to ratify the international convention of June, 1899, amendatory of the previous convention of 1890, in respect to the regulation of the liquor trade in Africa. Compliance was necessarily withheld, in the absence of advice and consent of the Senate thereto. The principle involved has the cordial sympathy of this Government, which, in the revisionary negotiations, advocated more drastic measures, and I would gladly see its extension, by international agreement, to the restriction of the liquor traffic with all uncivilized peoples, especially in the Western Pacific.

A conference will be held at Brussels December 11, 1900, under the Convention for the Protection of Industrial Property, concluded at Paris, March 20, 1883, to which delegates from this country have been appointed. Any lessening of the difficulties that our inventors encounter in obtaining patents abroad for their inventions and that our farmers, manufacturers and merchants may have in the protection of their trade-marks is worthy of careful consideration, and your attention will be called to the results of the conference at the proper time.

TO BUILD UP TRADE WITH SOUTH AMERICA.

In the interest of expanding trade between this country and South America, efforts have been made during the past year to conclude conventions with the Southern Republics for the enlargement of postal facilities. Two such agreements were signed with Bolivia on April 24, of which that establishing the money order system is undergoing certain changes suggested by the Post Office Department. A treaty of extradition with that country, signed on the same day, is before the Senate.

A boundary dispute between Brazil and Bolivia over the territory of Acre is in a fair way of friendly adjustment, a protocol signed in December, 1899, having agreed on a definite frontier and provided for its demarcation by a joint commission.

Conditions in Brazil have weighed heavily on our export trade to that country in marked contrast to the favorable conditions upon which Brazilian products are admitted into our markets. Urgent representations have been made to that Government on the subject and some amelioration has been effected. We rely upon the reciprocal justice and good will of that Government to assure to us a further improvement in our commercial relations.

> **BOUNDARY.**
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> In this relation I may refer again to the need of definitely marking the Alaskan boundary where it follows the one hundred and forty-first meridian. A convention to that end has been before the Senate for some two years, but as no action has been taken I contemplate negotiating a new convention for a joint termination of the meridian by topographical observations. These, it is believed, will give more accurate and unquestionable results than the sidereal methods heretofore independently followed, which, as is known, proved discrepant at several points on the line, although not varying at any place more than 700 feet.

The convention signed May 24, 1897, for the final settlement of claims left in abeyance upon the dissolution of the commission of 1893 was at length ratified by the Chilean Congress and the supplemental commission has been organized.

It remains for the Congress to appropriate for the necessary expenses of the commission.

The insurrectionary movement which disturbed Colombia in the latter part of 1899 has been practically suppressed, although guerrillas still operate in some departments. The executive power of that Republic changed hands in August last by the act of Vice President Marroquin in assuming the reins of Government during the absence of President San Clemente from the capital. The change met with no serious opposition and, following the precedents in such cases, the United States Minister entered into relations with the new de facto Government on September 17.

It is gratifying to announce that the residual questions between Costa Rica and Nicaragua growing out of the award of President Cleveland in 1888 have been adjusted through the choice of an American engineer, General E. P. Alexander, as umpire to run the disputed line. His task has been accomplished to the satisfaction of both contestants.

A revolution in the Dominican Republic towards the close of last year resulted in the installation of President Jiminez, whose Government was formerly recognized in January. Since then final payment has been made of the American claim in regard to the Ozama bridge.

OUR SUCCESS AT PARIS EXPOSITION.

The year of the exposition has been fruitful in occasions for displaying the good will that exists between this country and France. This great competition brought together from every nation the best in natural productions, industry, science and the arts, submitted in generous rivalry to a judgment made all the more searching because of that rivalry. The extraordinary increase of exportations from this country during the past three years and the activity with which our inventions and wares had invaded new markets caused much interest to center upon the American exhibit, and every encouragement was offered in the way of space and facilities to permit of its being comprehensive as a whole and complete in every part. It was, however, not an easy task to assemble exhibits that could fitly illustrate our diversified resources and manufactures. Singularly enough, our national prosperity lessened the incentive to exhibit. The dealer in raw materials knows that the user must come to him; the great factories were contented with the phenomenal demand for their output but also abroad, where merit had already won a profitable trade.

Appeals had to be made to the patriotism of exhibitors to induce them to incur outlays promising no immediate return. This was especially the case where it became needful to complete an industrial sequence or illustrate a class of processes. One manufacturer after another had to be visited and importuned, and at times, after a promise to exhibit in a particular section had been obtained it would be withdrawn, owing to pressure of trade orders, and a new request would have to be made.

The installation of exhibits, too, encountered many obstacles and involved unexpected cost. The exposition was far from ready at the date fixed for its opening. The French transportation lines were congested with offered freight. Belated goods had to be hastily installed in unfinished quarters, with whatever labor could be obtained in the prevailing confusion. Nor was the task of the commission lightened by the fact that, owing to the scheme of classification adopted, it was impossible to have the entire exhibit of any one country in the same building or more than one group of exhibits in the same part of any building. Our installations were scattered on both sides of the Seine and in widely remote suburbs of Paris, so that additional assistants were needed for the work of supervision and arrangement.

Despite all these drawbacks, the contribution of the United States was not only the largest foreign display, but was among the earliest in place and the most orderly in arrangement. Our exhibits were shown in 101 out of 121 classes, and more completely covered the entire classification than those of any other nation. In total number they ranked next after those of France, and the attractive form in which they were presented secured general attention.

A criterion of the extent and success of our participation and of the thoroughness with which our exhibits were organized is seen in the awards granted to American exhibitors by the international jury, namely: Grand prizes, 240; gold medals, 597; silver medals, 776; bronze medals, 541, and honorable mentions, 322—2,476 in all, being the greatest total number given to the exhibit of any exhibiting nation, as well as the largest number in each grade. This significant recognition of merit in competition with the chosen exhibits of all other nations and at the hands of juries almost wholly made up of representatives of France and other competing countries, is not only most gratifying, but is especially valuable, since it sets us to the front in international questions of supply and demand, while the large proportion of awards in the classes of art and artistic manufactures afforded unexpected proof of the stimulation of national culture by the prosperity that flows from natural productiveness joined to industrial excellence.

Apart from the exposition several occasions for showing international good will occurred. The inauguration in Paris of the Lafayette monument, presented by the school children of the United States, and the designing of a commemorative coin by our mint and the presentation of the first piece struck to the President of the Republic, were marked by appropriate ceremonies, and the Fourth of July was especially observed in the French capital.

GOOD WILL WITH THE GERMAN EMPIRE.

Good will prevails in our relations with the German empire. An amicable adjustment of the long pending question of the admission of our life insurance companies to do business in Prussia has been reached. One of the principal companies has already been readmitted and the way is opened for others to share the privilege.

The settlement of the Samoan problem, to which I adverted in my last message, has accomplished good results. Peace and contentment prevail in the islands, especially in Tutuila, where a convenient administration that has won the confidence and esteem of the kindly disposed natives, has been organized under the direction of the commander of the United States naval station at Pago Pago.

An imperial meat-inspection law has been enacted for Germany. While it may simplify the inspections, it prohibits certain products heretofore admitted. There is still great uncertainty as to whether our well-nigh extinguished German trade in meat products can revive under its new burdens. Much will depend upon regulations not yet promulgated, which we confidently hope will be free from the discriminations which attended the enforcement of the old statutes.

The remaining link in the new lines of direct telegraphic communication between the United States and the German Empire has recently been completed, affording a gratifying occasion for exchange of friendly congratulations with the German Emperor.

GREAT BRITAIN: THE ANGLO-BOER WAR.

Our friendly relations with Great Britain continue. The war in Southern Africa introduced important questions. A condition unusual in international wars was presented, in that while one belligerent had control of the seas, the other had no ports, shipping or direct trade, but was only accessible through the territory of a neutral. Vexatious questions arose through Great Britain's action in respect to neutral cargoes, not contraband in their own nature, shipped to Portuguese South Africa, on the score of probable or suspected ultimate destination to the Boer States. Such consignments in British ships, by which alone direct trade is kept up between our ports and Southern Africa, were seized in application of a municipal law prohibiting British vessels from trading with the enemy without regard to any contraband character of the goods, while cargoes shipped to Delagoa Bay in neutral bottoms were arrested on the ground of alleged destination to enemy's country. Appropriate representations on our part resulted in the British Government agreeing to purchase outright all such goods shown to be the actual property of American citizens, thus closing the incident to the satisfaction of the immediately interested parties, although, unfortunately, without a broad settlement of a neutral's right to send goods not contraband per se to a neutral port adjacent to a belligerent area.

ALASKAN BOUNDARY DISPUTE; ITS STATUS.

The work of making certain provisional boundary points, for convenience of administration, around the head of Lynn Canal, in accordance with the temporary arrangement of October, 1899, was completed by a joint survey in July last. The modus vivendi has so far worked without friction, and the Dominion Government has provided rules and regulations for securing to our citizens the benefit of the reciprocal stipulation that the citizens or subjects of either Power found by that arrangement within the temporary jurisdiction of the other shall suffer no diminution of the rights and privileges they have hitherto enjoyed. But, however necessary such an expedient may have been to tide over the grave emergencies of the situation, it is at best but an unsatisfactory makeshift, which should not be suffered to delay the speedy and complete establishment of the frontier line to which we are entitled under the Russo-American treaty for the cession of Alaska.

In this relation I may refer again to the need of definitely marking the Alaskan boundary where it follows the one hundred and forty-first meridian. A convention to that end has been before the Senate for some two years, but as no action has been taken I contemplate negotiating a new convention for a joint termination of the meridian by topographical observations. These, it is believed, will give more accurate and unquestionable results than the sidereal methods heretofore independently followed, which, as is known, proved discrepant at several points on the line, although not varying at any place more than 700 feet.

The pending claim of R. H. May against the Guatemalan Government has been settled by arbitration, Mr. George F. B. Jenner, British Minister at Guatemala, who was chosen as sole arbitrator, having awarded $143,750.73 in gold to the claimant.

Various American claims against Hayti have been or are being advanced to the resort of arbitration.

As the result of negotiations with the Government of Honduras in regard to the indemnity demanded for the murder of Frank H. Pears in Honduras, that Government has paid $10,000 in settlement of the claim of the heirs.

CONGRESS URGED TO INDEMNIFY ITALIANS.

The assassination of King Humbert called forth sincere expressions of sorrow from this Government and people, and occasion was fitly taken to testify to the Italian nation the high regard here felt for the memory of the lamented ruler.

In my last message I referred at considerable length to the lynching of five Italians at Tallulah. Notwithstanding the efforts of the Federal Government, the production of evidence tending to inculpate the authors of this grievous offense against our civilization, and the repeated inquests set on foot by the authorities of the State of Louisiana, no punishments have followed. Successive grand juries have failed to indict. The representatives of the Italian Government in the face of this miscarriage have been most temperate and just.

Setting the principle at issue high above all consideration of merely pecuniary indemnification, such as this Government made in the three previous cases, Italy has solemnly invoked the pledges of existing treaty and asked that the justice to which she is entitled shall be meted in regard to her unfortunate countrymen in our territory with the same full measure she herself would give to any American were his reciprocal treaty rights contemned.

I renew the urgent recommendations I made last year that Congress appropriately confer upon the Federal courts jurisdiction in this class of international cases where the ultimate responsibility of the Federal Government may be involved, and I invite action upon the bills to accomplish this which were introduced in the Senate and House. It is incumbent upon us to remedy the statutory omission which has led, and may again lead, to such untoward result. I have pointed out the necessity and the precedent for legislation of this character. Its enactment is a simple measure of previsory justice toward the nations with which we, as a sovereign equal make treaties, requiring reciprocal observance.

While the Italian Government naturally regards such action as the primary, and, indeed, the most essential element in the disposal of the Tallulah incident, I advise that, in accordance with precedent, and in view of the improbability of that particular case being reached by the bill now pending, Congress make gracious provision for indemnity to the Italian sufferers in the same form and proportion as heretofore.

In my inaugural address I referred to the general subject of lynching in these words: "Lynching must not be tolerated in a great and civilized country like the United States; courts, not mobs, must execute the penalties of the law. The preservation of public order, the right of discussion, the integrity of the courts and the orderly administration of justice must continue forever the rock of safety upon which our Government securely rests."

This I most urgently reiterate and again invite the attention of our countrymen to this reproach upon our civilization.

JAPAN IN HARMONY WITH UNITED STATES.

The closing year has witnessed a decided strengthening of Japan's relations to our States. The development of her independent, judicial and administrative functions under the treaties which took effect July 17, 1899, has proceeded without international friction, showing the competence of the Japanese to hold a foremost place among the modern peoples.

In the treatment of the different Chinese problems Japan has acted in harmonious concert with the other Powers and her generous co-operation materially aided in the joint relief of the beleaguered legations in Pekin and in bringing about an understanding preliminary to a settlement of the issues between the Powers and China.

Japan's declaration in favor of the integrity of the Chinese Empire and of the conservation of open world trade there were frank and positive. As a favor in promoting the general interests of peace, order and fair commerce in the Far East, the influence of Japan can hardly be overestimated.

The valuable aid and kindly courtesies extended by the Japanese Government and naval officials to the battleship Oregon are gratefully appreciated.

Complaint was made last summer of the discriminatory enforcement of a bubonic quarantine against Japanese on the Pacific Coast and of interference with their travel in California and Colorado under the health laws of those States. The latter restrictions have been adjudged by a Federal court to be unconstitutional. No recurrence of either cause of complaint is apprehended.

No noteworthy incident has occurred in our relations with our important southern neighbors. Commercial intercourse with Mexico continues to thrive and the two Governments neglect no opportunity to foster their mutual interests in all practicable ways.

Pursuant to the declaration of the Supreme Court that the awards of the late joint commission in the Labara and Weil claims were obtained through fraud, the sum awarded in the first case, $403,030.08, has been returned to Mexico, and the

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