

those States in which the colored people have been unable to make their opinions felt in the elections the result is mainly due to influences not easily measured or remedied by legal protection; but in the States of Louisiana and South Carolina at large, and in some particular Congressional districts outside of those States, the records of the elections seem to compel the conclusion that the rights of the colored voters have been overridden and their participation in the elections not permitted to be either general or free.

It will be for the Congress for which these elections were held to make such examinations into their conduct as may be appropriate to determine the validity of the claims of members to their seats. In the meanwhile it becomes the duty of the executive and judicial departments of the Government, each in its province, to inquire into and punish violations of the laws of the United States which have occurred. I can but repeat what I said in this connection in my last message, that whatever authority rests with me to this end I shall not hesitate to put forth; and I am unwilling to forego a renewed appeal to the legislatures, the courts, the executive authorities, and the people of the States where these wrongs have been perpetrated to give their assistance toward bringing to justice the offenders and preventing a repetition of the crimes. No means within my power will be spared to obtain a full and fair investigation of the alleged crimes and to secure the conviction and just punishment of the guilty.

It is to be observed that the principal appropriation made for the Department of Justice at the last session contained the following clause:

And for defraying the expenses which may be incurred in the enforcement of the act approved February 28, 1871, entitled "An act to amend an act approved May 31, 1870, entitled 'An act to enforce the rights of citizens of the United States to vote in the several States of this Union, and for other purposes,'" or any acts amendatory thereof or supplementary thereto.

It is the opinion of the Attorney-General that the expenses of these proceedings will largely exceed the amount which was thus provided, and I rely confidently upon Congress to make adequate appropriations to enable the executive department to enforce the laws.

I respectfully urge upon your attention that the Congressional elections, in every district, in a very important sense, are justly a matter of political interest and concern throughout the whole country. Each State, every political party, is entitled to the share of power which is conferred by the legal and constitutional suffrage. It is the right of every citizen possessing the qualifications prescribed by law to cast one unintimidated ballot and to have his ballot honestly counted. So long as the exercise of this power and the enjoyment of this right are common and equal, practically as well as formally, submission to the results of the suffrage will be accorded loyally and cheerfully, and all the departments of Government will feel the true vigor of the popular will thus expressed.

No temporary or administrative interests of Government, however urgent or weighty, will ever displace the zeal of our people in defense of the primary rights of citizenship. They understand that the protection of liberty requires the maintenance in full vigor of the manly methods of free speech, free press, and free suffrage, and will sustain the full authority of Government to enforce the laws which are framed to preserve these inestimable rights. The material progress and welfare of the States depend on the protection afforded to their citizens. There can be no peace without such protection, no prosperity without peace, and the whole country is deeply interested in the growth and prosperity of all its parts.

While the country has not yet reached complete unity of feeling and reciprocal confidence between the communities so lately and so seriously estranged, I feel an absolute assurance that the tendencies are in that direction, and with increasing force. The power of public opinion will override all political prejudices and all sectional or State attachments in demanding that all over our wide territory the name and character of citizen of the United States shall mean one and the same thing and carry with them unchallenged security and respect.

Our relations with other countries continue peaceful. Our neutrality in contests between foreign powers has been maintained and respected.

The Universal Exposition held at Paris during the past summer has been attended by large numbers of our citizens. The brief period allowed for the preparation and arrangement of the contributions of our citizens to this great exposition was well employed in energetic and judicious efforts to overcome this disadvantage. These efforts, led and directed by the commissioner-general, were remarkably successful, and the exhibition of the products of American industry was creditable and gratifying in scope and character. The reports of the United States commissioners, giving its results in detail, will be duly laid before you. Our participation in this international competition for the favor and the trade of the world may be expected to produce useful and important results—in promoting intercourse, friendship, and commerce with other nations.

In accordance with the provisions of the act of February 28, 1878, three commissioners were appointed to an international conference on the subject of adopting a common ratio between gold and silver, for the purpose of establishing internationally the use of bimetallic money and securing fixity of relative value between those metals.

Invitations were addressed to the various governments which had expressed a willingness to participate in its deliberations. The conference held its meetings in Paris in August last. The report of the commissioners, herewith submitted, will show its results. No common ratio between gold and silver could be agreed upon by the conference. The general conclusion was reached that it is necessary to maintain in the world the monetary functions of silver as well as of gold, leaving the

selection of the use of one or the other of these two metals, or of both, to be made by each state.

Congress having appropriated at its last session the sum of \$5,500,000 to pay the award of the joint commission at Halifax, if, after correspondence with the British Government on the subject of the conformity of the award to the requirements of the treaty and to the terms of the question thereby submitted to the commission, the President shall deem it his duty to make the payment, communications upon these points were addressed to the British Government through the legation of the United States at London. Failing to obtain the concurrence of the British Government in the views of this Government respecting the award, I have deemed it my duty to tender the sum named within the year fixed by the treaty, accompanied by a notice of the grounds of the payment and a protest against any other construction of the same. The correspondence upon this subject will be laid before you.

The Spanish Government has officially announced the termination of the insurrection in Cuba and the restoration of peace throughout that island. Confident expectations are expressed of a revival of trade and prosperity, which it is earnestly hoped may prove well founded. Numerous claims of American citizens for relief for injuries or restoration of property have been among the incidents of the long-continued hostilities. Some of these claims are in process of adjustment by Spain, and the others are promised early and careful consideration.

The treaty made with Italy in regard to reciprocal consular privileges has been duly ratified and proclaimed.

No questions of grave importance have arisen with any other of the European powers.

The Japanese Government has been desirous of a revision of such parts of its treaties with foreign powers as relate to commerce, and it is understood has addressed to each of the treaty powers a request to open negotiations with that view. The United States Government has been inclined to regard the matter favorably. Whatever restrictions upon trade with Japan are found injurious to that people can not but affect injuriously nations holding commercial intercourse with them. Japan, after a long period of seclusion, has within the past few years made rapid strides in the path of enlightenment and progress, and, not unreasonably, is looking forward to the time when her relations with the nations of Europe and America shall be assimilated to those which they hold with each other. A treaty looking to this end has been made, which will be submitted for the consideration of the Senate.

After an interval of several years the Chinese Government has again sent envoys to the United States. They have been received, and a permanent legation is now established here by that Government. It is not doubted that this step will be of advantage to both nations in promoting friendly relations and removing causes of difference.

The treaty with the Samoan Islands, having been duly ratified and accepted on the part of both Governments, is now in operation, and a survey and soundings of the harbor of Pago-Pago have been made by a naval vessel of the United States, with a view of its occupation as a naval station if found desirable to the service.

Since the resumption of diplomatic relations with Mexico correspondence has been opened and still continues between the two Governments upon the various questions which at one time seemed to endanger their relations. While no formal agreement has been reached as to the troubles on the border, much has been done to repress and diminish them. The effective force of United States troops on the Rio Grande, by a strict and faithful compliance with instructions, has done much to remove the sources of dispute, and it is now understood that a like force of Mexican troops on the other side of the river is also making an energetic movement against the marauding Indian tribes. This Government looks with the greatest satisfaction upon every evidence of strength in the national authority of Mexico, and upon every effort put forth to prevent or to punish incursions upon our territory. Reluctant to assume any action or attitude in the control of these incursions by military movements across the border not imperatively demanded for the protection of the lives and property of our own citizens, I shall take the earliest opportunity consistent with the proper discharge of this plain duty to recognize the ability of the Mexican Government to restrain effectively violations of our territory. It is proposed to hold next year an international exhibition in Mexico, and it is believed that the display of the agricultural and manufacturing products of the two nations will tend to better understanding and increased commercial intercourse between their people.

With Brazil and the Republics of Central and South America some steps have been taken toward the development of closer commercial intercourse. Diplomatic relations have been resumed with Colombia and with Bolivia. A boundary question between the Argentine Republic and Paraguay has been submitted by those Governments for arbitration to the President of the United States, and I have, after careful examination, given a decision upon it.

A naval expedition up the Amazon and Madeira rivers has brought back information valuable both for scientific and commercial purposes. A like expedition is about visiting the coast of Africa and the Indian Ocean. The reports of diplomatic and consular officers in relation to the development of our foreign commerce have furnished many facts that have proved of public interest and have stimulated to practical exertion the enterprise of our people.

The report of the Secretary of the Treasury furnishes a detailed statement of the operations of that Department of the Government and of the condition of the public finances.

The ordinary revenues from all sources for the fiscal year ended June 30, 1878, were \$257,763,878.70; the ordinary expenditures for the same period were \$236,964,326.80, leaving a surplus revenue for the year of \$20,799,551.90. The receipts for the present fiscal year, ending June 30, 1879, actual and estimated, are as follows: Actual receipts for the first quarter, commencing July 1, 1878, \$73,389,743.43; estimated receipts for the remaining three quarters of the year, \$191,110,256.57; total receipts for the current fiscal year, actual and estimated, \$264,500,000. The expenditures for the same period will be, actual and estimated, as follows: For the quarter commencing July 1, 1878, actual expenditures, \$73,344,573.27; and for the remaining three quarters of the year the expenditures are estimated at \$166,755,426.73, making the total expenditures \$240,100,000, and leaving an estimated surplus revenue for the year ending June 30, 1879, of \$24,400,000. The total receipts during the next fiscal year, ending June 30, 1880, estimated according to existing laws, will be \$264,500,000, and the estimated ordinary expenditures for the same period will be \$236,320,412.68, leaving a surplus of \$28,179,587.32 for that year.

In the foregoing statements of expenditures, actual and estimated, no amount is allowed for the sinking fund provided for by the act approved February 25, 1862, which requires that 1 per cent of the entire debt of the United States shall be purchased or paid within each fiscal year, to be set apart as a sinking fund. There has been, however, a substantial compliance with the conditions of the law. By its terms the public debt should have been reduced between 1862 and the close of the last fiscal year \$518,361,806.28; the actual reduction of the ascertained debt in that period has been \$720,644,739.61, being in excess of the reduction required by the sinking fund act \$202,282,933.33.

The amount of the public debt, less cash in the Treasury, November 1, 1878, was \$2,024,200,083.18, a reduction since the same date last year of \$23,150,617.39.

The progress made during the last year in refunding the public debt at lower rates of interest is very gratifying. The amount of 4 per cent bonds sold during the present year prior to November 23, 1878, is \$100,270,900, and 6 per cent bonds, commonly known as five-twenties, to an equal amount, have been or will be redeemed as calls mature.

It has been the policy of the Department to place the 4 per cent bonds within easy reach of every citizen who desires to invest his savings, whether small or great, in these securities. The Secretary of the Treasury recommends that the law be so modified that small sums may be invested, and that through the post-offices or other agents of the Government the freest opportunity may be given in all parts of the country for such investments.

The best mode suggested is that the Department be authorized to issue certificates of deposit, of the denomination of \$10, bearing interest

at the rate of 3.65 per cent per annum and convertible at any time within one year after their issue into the 4 per cent bonds authorized by the refunding act, and to be issued only in exchange for United States notes sent to the Treasury by mail or otherwise. Such a provision of law, supported by suitable regulations, would enable any person readily, without cost or risk, to convert his money into an interest-bearing security of the United States, and the money so received could be applied to the redemption of 6 per cent bonds.

The coinage of gold during the last fiscal year was \$52,798,980. The coinage of silver dollars under the act passed February 28, 1878, amounted on the 23d of November, 1878, to \$19,814,550, of which amount \$4,984,947 are in circulation, and the balance, \$14,829,603, is still in the possession of the Government.

With views unchanged with regard to the act under which the coinage of silver proceeds, it has been the purpose of the Secretary faithfully to execute the law and to afford a fair trial to the measure.

In the present financial condition of the country I am persuaded that the welfare of legitimate business and industry of every description will be best promoted by abstaining from all attempts to make radical changes in the existing financial legislation. Let it be understood that during the coming year the business of the country will be undisturbed by governmental interference with the laws affecting it, and we may confidently expect that the resumption of specie payments, which will take place at the appointed time, will be successfully and easily maintained, and that it will be followed by a healthful and enduring revival of business prosperity.

Let the healing influence of time, the inherent energies of our people, and the boundless resources of our country have a fair opportunity, and relief from present difficulties will surely follow.

The report of the Secretary of War shows that the Army has been well and economically supplied; that our small force has been actively employed and has faithfully performed all the service required of it. The morale of the Army has improved and the number of desertions has materially decreased during the year.

The Secretary recommends—

1. That a pension be granted to the widow of the late Lieutenant Henry H. Benner, Eighteenth Infantry, who lost his life by yellow fever while in command of the steamer *J. M. Chambers*, sent with supplies for the relief of sufferers in the South from that disease.
2. The establishment of the annuity scheme for the benefit of the heirs of deceased officers, as suggested by the Paymaster-General.
3. The adoption by Congress of a plan for the publication of the records of the War of the Rebellion, now being prepared for that purpose.
4. The increase of the extra per diem of soldier teachers employed in post schools, and liberal appropriations for the erection of buildings for schools and libraries at the different posts.

5. The repeal or amendment of the act of June 18, 1878, forbidding the use of the Army "as a *posse comitatus*, or otherwise, for the purpose of executing the laws, except in such cases and under such circumstances as such employment of said force may be expressly authorized by the Constitution or by act of Congress."

6. The passage of a joint resolution of Congress legalizing the issues of rations, tents, and medicines which were made for the relief of sufferers from yellow fever.

7. That provision be made for the erection of a fireproof building for the preservation of certain valuable records, now constantly exposed to destruction by fire.

These recommendations are all commended to your favorable consideration.

The report of the Secretary of the Navy shows that the Navy has improved during the last fiscal year. Work has been done on seventy-five vessels, ten of which have been thoroughly repaired and made ready for sea. Two others are in rapid progress toward completion. The total expenditures of the year, including the amount appropriated for the deficiencies of the previous year, were \$17,468,392.65. The actual expenses chargeable to the year, exclusive of these deficiencies, were \$13,306,914.09, or \$767,199.18 less than those of the previous year, and \$4,928,677.74 less than the expenses including the deficiencies. The estimates for the fiscal year ending June 30, 1880, are \$14,562,381.45, exceeding the appropriations of the present year only \$33,949.75, which excess is occasioned by the demands of the Naval Academy and the Marine Corps, as explained in the Secretary's report. The appropriations for the present fiscal year are \$14,528,431.70, which, in the opinion of the Secretary, will be ample for all the current expenses of the Department during the year. The amount drawn from the Treasury from July 1 to November 1, 1878, is \$4,740,544.14, of which \$70,980.75 has been refunded, leaving as the expenditure for that period \$4,669,563.39, or \$520,899.24 less than the corresponding period of the last fiscal year.

The report of the Postmaster-General embraces a detailed statement of the operations of the Post-Office Department. The expenditures of that Department for the fiscal year ended June 30, 1878, were \$34,165,084.49. The receipts, including sales of stamps, money-order business, and official stamps, were \$29,277,516.95. The sum of \$290,436.90, included in the foregoing statement of expenditures, is chargeable to preceding years, so that the actual expenditures for the fiscal year ended June 30, 1878, are \$33,874,647.59. The amount drawn from the Treasury on appropriations, in addition to the revenues of the Department, was \$5,307,652.82. The expenditures for the fiscal year ending June 30, 1880, are estimated at \$36,571,900 and the receipts from all sources at \$30,664,023.90, leaving a deficiency to be appropriated out of the Treasury of \$5,907,876.10. The report calls attention to the fact that the compensation of postmasters

and of railroads for carrying the mail is regulated by law, and that the failure of Congress to appropriate the amounts required for these purposes does not relieve the Government of responsibility, but necessarily increases the deficiency bills which Congress will be called upon to pass.

In providing for the postal service the following questions are presented: Should Congress annually appropriate a sum for its expenses largely in excess of its revenues, or should such rates of postage be established as will make the Department self-sustaining? Should the postal service be reduced by excluding from the mails matter which does not pay its way? Should the number of post routes be diminished? Should other methods be adopted which will increase the revenues or diminish the expenses of the postal service?

The International Postal Congress which met at Paris May 1, 1878, and continued in session until June 4 of the same year, was composed of delegates from nearly all the civilized countries of the world. It adopted a new convention (to take the place of the treaty concluded at Berne October 9, 1874), which goes into effect on the 1st of April, 1879, between the countries whose delegates have signed it. It was ratified and approved, by and with the consent of the President, August 13, 1878. A synopsis of this Universal Postal Convention will be found in the report of the Postmaster-General, and the full text in the appendix thereto. In its origin the Postal Union comprised twenty-three countries, having a population of 350,000,000 people. On the 1st of April next it will comprise forty-three countries and colonies, with a population of more than 650,000,000 people, and will soon, by the accession of the few remaining countries and colonies which maintain organized postal services, constitute in fact as well as in name, as its new title indicates, a universal union, regulating, upon a uniform basis of cheap postage rates, the postal intercourse between all civilized nations.

Some embarrassment has arisen out of the conflict between the customs laws of this country and the provisions of the Postal Convention in regard to the transmission of foreign books and newspapers to this country by mail. It is hoped that Congress will be able to devise some means of reconciling the difficulties which have thus been created, so as to do justice to all parties involved.

The business of the Supreme Court and of the courts in many of the circuits has increased to such an extent during the past year that additional legislation is imperative to relieve and prevent the delay of justice and possible oppression to suitors which is thus occasioned. The encumbered condition of these dockets is presented anew in the report of the Attorney-General, and the remedy suggested is earnestly urged for Congressional action. The creation of additional circuit judges, as proposed, would afford a complete remedy, and would involve an expense, at the present rate of salaries, of not more than \$60,000 a year.

The annual reports of the Secretary of the Interior and of the Commissioner of Indian Affairs present an elaborate account of the present condition of the Indian tribes and of that branch of the public service which ministers to their interests. While the conduct of the Indians generally has been orderly and their relations with their neighbors friendly and peaceable, two local disturbances have occurred, which were deplorable in their character, but remained, happily, confined to a comparatively small number of Indians. The discontent among the Bannocks, which led first to some acts of violence on the part of some members of the tribe and finally to the outbreak, appears to have been caused by an insufficiency of food on the reservation, and this insufficiency to have been owing to the inadequacy of the appropriations made by Congress to the wants of the Indians at a time when the Indians were prevented from supplying the deficiency by hunting. After an arduous pursuit by the troops of the United States, and several engagements, the hostile Indians were reduced to subjection, and the larger part of them surrendered themselves as prisoners. In this connection I desire to call attention to the recommendation made by the Secretary of the Interior, that a sufficient fund be placed at the disposal of the Executive, to be used, with proper accountability, at discretion, in sudden emergencies of the Indian service.

The other case of disturbance was that of a band of Northern Cheyennes, who suddenly left their reservation in the Indian Territory and marched rapidly through the States of Kansas and Nebraska in the direction of their old hunting grounds, committing murders and other crimes on their way. From documents accompanying the report of the Secretary of the Interior it appears that this disorderly band was as fully supplied with the necessaries of life as the 4,700 other Indians who remained quietly on the reservation, and that the disturbance was caused by men of a restless and mischievous disposition among the Indians themselves. Almost the whole of this band have surrendered to the military authorities; and it is a gratifying fact that when some of them had taken refuge in the camp of the Red Cloud Sioux, with whom they had been in friendly relations, the Sioux held them as prisoners and readily gave them up to the officers of the United States, thus giving new proof of the loyal spirit which, alarming rumors to the contrary notwithstanding, they have uniformly shown ever since the wishes they expressed at the council of September, 1877, had been complied with.

Both the Secretary of the Interior and the Secretary of War unite in the recommendation that provision be made by Congress for the organization of a corps of mounted "Indian auxiliaries," to be under the control of the Army and to be used for the purpose of keeping the Indians on their reservations and preventing or repressing disturbance on their part. I earnestly concur in this recommendation. It is believed that the organization of such a body of Indian cavalry, receiving a moderate pay from the Government, would considerably weaken the restless

element among the Indians by withdrawing from it a number of young men and giving them congenial employment under the Government, it being a matter of experience that Indians in our service almost without exception are faithful in the performance of the duties assigned to them. Such an organization would materially aid the Army in the accomplishment of a task for which its numerical strength is sometimes found insufficient.

But while the employment of force for the prevention or repression of Indian troubles is of occasional necessity, and wise preparation should be made to that end, greater reliance must be placed on humane and civilizing agencies for the ultimate solution of what is called the Indian problem. It may be very difficult and require much patient effort to curb the unruly spirit of the savage Indian to the restraints of civilized life, but experience shows that it is not impossible. Many of the tribes which are now quiet and orderly and self-supporting were once as savage as any that at present roam over the plains or in the mountains of the far West, and were then considered inaccessible to civilizing influences. It may be impossible to raise them fully up to the level of the white population of the United States; but we should not forget that they are the aborigines of the country, and called the soil their own on which our people have grown rich, powerful, and happy. We owe it to them as a moral duty to help them in attaining at least that degree of civilization which they may be able to reach. It is not only our duty, it is also our interest to do so. Indians who have become agriculturists or herdsmen, and feel an interest in property, will thenceforth cease to be a warlike and disturbing element. It is also a well-authenticated fact that Indians are apt to be peaceable and quiet when their children are at school, and I am gratified to know, from the expressions of Indians themselves and from many concurring reports, that there is a steadily increasing desire, even among Indians belonging to comparatively wild tribes, to have their children educated. I invite attention to the reports of the Secretary of the Interior and the Commissioner of Indian Affairs touching the experiment recently inaugurated, in taking fifty Indian children, boys and girls, from different tribes, to the Hampton Normal Agricultural Institute in Virginia, where they are to receive an elementary English education and training in agriculture and other useful works, to be returned to their tribes, after the completed course, as interpreters, instructors, and examples. It is reported that the officer charged with the selection of those children might have had thousands of young Indians sent with him had it been possible to make provision for them. I agree with the Secretary of the Interior in saying that "the result of this interesting experiment, if favorable, may be destined to become an important factor in the advancement of civilization among the Indians."

The question whether a change in the control of the Indian service