RATES OF SUBSCRIPTION.—Two Dollars per annum, and One Dollar for six months.
Subscriptions are not taken for a less period than six months.
Liberal deductions made to clubs of ten or more subscribers.
RATES OF ADVERTISING.—One Dollar per square of one inch for the first insertion, and Fifty Cents per square for subsequent insertions less than three months. No advertisements come less than a square.
Liberal contracts will be made with those wishing to advertise for three, six or twelve month. Advertising by contract must be confined to the immediate business of the firm or individual contracting.
Obituary Notices exceeding five lines, Tributes of Respect, and all personal communications or matters of individual interest, will be charged for at advertising rates. Announcements of marriages and deaths, and notices of a religious character, are respectfully solicited, and will be inserted gratis.

VEGETINE

Purifies the Blood, Removes and Invigorates the Whole System.

ITS MEDICINAL PROPERTIES ARE

Alterative, Tonic, Solvent and Diuretic.

VEGETINE is made exclusively from the juices of carefully selected barks, roots and herbs, and so strongly concentrated, that it will effectually eradicate from the system everything of a Scrofulous, Scrofulous Humor, Rheumatic, Cancerous, Cancerous Humor, Erysipelas, Salt Rheum, Syphilitic Diseases, Canker, Faintness at the Stomach, and all diseases that arise from impure blood. Sciatica, Inflammatory and Chronic Rheumatism, Neuralgia, Gout and Spinal Complaints, easily and effectually cured through the blood.

For Ulcers and Females Diseases of the Skin, Pustules, Pimples, Blotches, Boils, Tetter, Scald-head and Ringworm, VEGETINE has never failed to effect a permanent cure.

For Pains in the Back, Kidney Complaints, Dropsy, Female Weakness, Leucorrhœa, arising from internal ulceration and uterine diseases and General Debility, VEGETINE acts directly upon the causes of these complaints. It invigorates and strengthens the whole system, acts upon the secretive organs, allays inflammation, cures ulceration and purifies the blood.

For Costiveness, Indigestion, Habitual Costiveness, Palpitation of the Heart, Headache, Piles, Nervousness and General Prostration of the Nervous System, no medicine has given such perfect satisfaction as the VEGETINE. It purifies the blood, cleanses all of the organs, and possesses a controlling power over the nervous system.

The remarkable cures effected by VEGETINE have induced many physicians and apothecaries whom we know to prescribe and use it in their own families.

In fact VEGETINE is the best remedy we have discovered for the above diseases, and is the only reliable BLOOD PURIFIER yet placed before the public.

PREPARED BY

H. R. STEVENS, Boston, Mass.

What is Vegetine?

It is a compound extracted from barks, roots and herbs. It is Nature's Remedy. It is perfectly harmless from any bad effect upon the system. It is nourishing and strengthening. It acts directly upon the blood. It quiets the nervous system. It gives you good, sweet sleep at night. It is a great panacea for our aged fathers and mothers, for it gives them strength, quiets their nerves and gives them Nature's sweet sleep, as has been proved by many an aged person. It is the great Blood Purifier. It is a soothing remedy for our children, for it has relieved and cured thousands. It is very pleasant to take; every child loves it. It relieves and cures all diseases originating from impure blood. Try the VEGETINE. Give it a fair trial for your complaints; then you will say to your friend, neighbor and acquaintance, "Try it; it has cured me."

VEGETINE for the complaints for which it is recommended, is having a larger sale throughout the United States than any other medicine. Why? Vegetine will Cure these Complaints.

Cannot be Excelled.

CHARLESTOWN, MASS., March 19, 1869.

MR. H. R. STEVENS: Dear Sir—This is to certify that I have used your "Blood Preparation" in my family for several years, and think that, for Scrofula or Cankerous Humors or Rheumatic Affections, it cannot be excelled; and, as a blood purifier and system renovator, it is the best thing I have ever used; and I have used almost everything. I can cheerfully recommend it to any one in need of such a medicine.

Yours respectfully,

MRS. A. A. DINSMORE,
70 Russell Street.

Good Health, Strength and Appetite.

My daughter has received great benefit from the use of the VEGETINE. Her declining health was a source of great anxiety to all of her friends. A few bottles of the VEGETINE restored her health, strength and appetite.

N. H. TILDEN,
Insurance and Real Estate Agent,
No. 49 Sears Building, Boston, Mass.

Prepared by H. R. STEVENS, Boston, Mass.

VEGETINE IS SOLD BY ALL DRUGGISTS.

UP WITH THE TIMES!

THE undersigned hereby notifies the citizens of Anderson and vicinity that he has moved his BOOT and SHOE SHOP from his old stand in the Benson House to new quarters on Main Street, near the Market. I am prepared to manufacture fine and substantial Boots and Shoes for ladies and gentlemen, at shortest notice, and guarantee the prompt delivery of work at the time appointed. I will call at residences to get measures for ladies' orders when desirable.

The friends of

MR. R. F. McKINNEY

will find him at work in my shop, where he will be glad to see them, and continue to do their work.

I have on hand a lot of substantial Kip Boots, of my own manufacture, suitable for winter wear, which I will sell cheap for cash.

Give me a call, and examine my stock and prices.

R. Y. H. NANCE.

Oct 25, 1877 15 3m

WILHITE & WILLIAMS,
Anderson, S. C.

BURPEE'S NEW CROP TURNIP SEED,
MASONS' FRUIT JARS,
DRUGS, MEDICINES,
CHEMICALS, &c.
PAINTS, OILS, VARNISHES,
DYE STUFFS, PERFUMERY,
LAMPS,
WINDOW GLASS,
And DRUGGISTS' SUNDRIES,

Cheap for Cash.

July 19, 1877 1

AUGUSTA HOTEL,
Corner Broad and Washington Streets,
AUGUSTA, GA.

HAS been thoroughly Renovated, Remodeled and Newly Furnished. It is located in the centre of business. Telegraph Office in the Hotel Building. Express Office in the same block. Post Office only one block off. All other public conveniences close at hand.

The Office of the Hotel will be open during the night, and guests will be received or called at any hour.

Rates of Board, $2.00 per Day.

W. M. MOORE, Proprietor.

Nov 1, 1877 16 3m

ESTABLISHED 1874.

GEO. B. EDWARDS,
Cotton and General
COMMISSION MERCHANT,
Charleston, S. C.

PROMPT attention given to sale of Cotton, Corn, Peas, Rice and Produce of all kinds.

Merchandise bought free of commission.

Agent at Charleston for State Line Ocean Steamships between New York, Glasgow, Liverpool, London and all parts of Europe.

REFERENCES—Bank of Charleston, Jas. Adger & Co.; G. T. Lowndes & Co., Charleston, S. C.

Oct 4, 1877 12 3m

STATE OF SOUTH CAROLINA,
ANDERSON COUNTY.
By W. W. Humphreys, Judge of Probate.

WHEREAS, T. E. Watkins has applied to me to grant him letters of administration on the Personal Estate and effects of Mrs. Lucy J. Griffin, deceased.

These are therefore to cite and admonish all kindred and creditors of the said Lucy J. Griffin, deceased, to be and appear, before me in Court of Probate, to be held at Anderson Court House, on Friday, 21st day December, 1877, after publication hereof, to shew cause, if any they have, why the said administration should not be granted. Given under my hand, this 5th day of December, 1877.

W. W. HUMPHREYS, J. P.

Dec 6, 1877 21 2*

NOTICE.

APPLICATION will be made to the next session of the Legislature to amend the Charter of the Town of Williamston.

S. D. DEAL, Intendant.

T. B. CAYLES, Clerk of Council.

Oct 4, 1877 12 3m

Anderson Intelligencer.

BY E. B. MURRAY & CO. ANDERSON, S. C., THURSDAY, DECEMBER 13, 1877. VOL. XIII—NO. 22.

LEGAL ADVERTISING.—We are compelled to require cash payments for advertising ordered by Executors, Administrators and other fiduciaries, and herewith append the rates for the ordinary notices, which will only be inserted when the money comes with the order:

Citations, two insertions, - - - $3.00
Estate Notices, three insertions, - - 2.00
Final Settlements, five insertions - - 3.00

TO CORRESPONDENTS.—In order to receive attention, communications must be accompanied by the true name and address of the writer. Rejected manuscripts will not be returned, unless the necessary stamps are furnished to repay the postage thereon.

☞ We are not responsible for the views and opinions of our correspondents.

All communications should be addressed to "Editors Intelligencer," and all checks, drafts, money orders, &c., should be made payable to the order of E. B. MURRAY & CO., Anderson, S. C.

THE GREAT CREATIVE INDUSTRY.

Its Attractions, Capabilities, Wants, Advantages and Disabilities.

NUMBER I.

MR. EDITOR: Of the several pursuits which have engaged the attention of men, that of agriculture unquestionably occupies the very first place. Imposed on man in the infancy of the race, it has ever since stood in the front rank of human employments. Pronounced against Adam in the nature of a curse, it has all along down the stream of time borne rich argosies of blessings. To affirm its high importance is but an affirmation of a self-evident truth. It exists as a necessity, and the earth is habitable only by reason of its existence. A few nomadic tribes turned loose upon it might wander from place to place, driving their herds and flocks before them, and derive temporarily a scanty subsistence from their returns and the captures of the chase, but it is certain their duration would be short. Famine and pestilence would overtake them, and ultimately render them extinct.

The cultivation of the earth is the natural and normal occupation of man. Attractive because of its healthfulness and innocence. Peaceful because it impinges upon no other pursuit. Instructive because it affords abundant themes for thought and contemplation, thus giving activity and enlargement to the mind. Beautiful because in the fields flowers blow, seeds germinate, stalks fructify. It is a part of the civilization that was divinely communicated to man in the beginning, and wherever most advanced there are to be found the largest intelligence and refinement. The simplest of the avocations, it is the most difficult to master. The laborer though a mere automaton cultivates his patch and from its product derives the means of existence; but a Liebig, a Ville or Johnson, have not yet sounded its depths or comprehended half of its mysteries. The feeblest intellect may understand its primary principles, but the strongest has not hitherto been able to fathom its profundities. So varied, so wide are its domains, that vast tracts and continents lie unexplored and inexhaustible in research.

Agriculture is the motive power of the world. It is the source of all wealth and prosperity. It sustains all the trades and professions known to men. It propels the machinery of all the manufactories on the globe. Eminent success in this pursuit requires thought, skill, physical forces, experience and large information. Scientific knowledge certainly contributes largely to efficiency. Botany, chemistry, geology and meteorology may be reckoned essential, as furnishing the knowledge of the laws of adaptation, capacity, repulsion, assimilation, &c. Such attainments have hitherto been possessed by comparatively few of the denizens of the soil.

There is, however, scattered and diffused throughout our farming communities, derived either from reading or experience, and observation, a mass of practical information, not, perhaps, to be found from tradition, the *scientia non scripta* of the profession, which, if systematized and applied, would go very far towards securing permanent results. In the main, under present conditions, the returns of the farmer are neither certain nor remunerative. Both are eminently desirable, and I am bold to assert are attainable. When we have passed this transition state, when labor becomes reliable, and something like a fixity of values have been reached; when some security has been thrown around the pursuit, either by common consent or legislative enactment; when a reciprocity is brought about, which will insure to the farmer similar results to those derived by the merchant, mechanic and artisan; when like capital, labor, skill and intelligence are employed, then the management and economies of the farm will assume a systematic character.—There ever will be, it is true, great variety of seasons, circumstances and conditions of modification, but, still, this approximation should always be kept, so apparent as to act as a stimulant to retain those already engaged in agriculture, and as an inducement to embark others in this all-sustaining industry. Ought not this great interest so commend public opinion that discriminating legislation cease, and place it on the same footing with all other industrial occupations? Corporations, chartered companies and associations with peculiar privileges are contrary to the theory of our institutions, always oppressive and of revolutionary tendency.

The disposition of government for a number of years past has been to grant franchises and extend protection over certain interests to the discouragement of agricultural pursuits. What is the fact at this day throughout the whole country? Why, that capital has been diverted from this profession and directed in other channels. Thousands have abandoned it and have sought employment and profit in other business. Millions of money have been taken from it and invested in speculative enterprises. This great country, equaling the continent of Europe in extent of territory, and far surpassing it in climate and in fertility of soil, possessing the capacity in the development of her resources to feed and clothe the world, presents the anomaly of having more money in the trades than in husbandry. What a commentary upon the times and patronage of government! Is it true that agriculture has now to sustain itself and the other industries that represent and control far greater wealth? Statistics show this to be fact. Non-producers perhaps realize three-fourths of all the profits of the farm. Can this condition of things last? We think not, but believe that a reactionary movement is in the near future.

We will not pursue this drift of thought further, but state briefly the object of this communication, which is to direct attention to the great creative industry of agriculture, its attractions, capabilities, its wants, its advantages and disabilities. It is my present purpose to investigate the whole subject in a general and summary way, and announce the topic for my next writing to be, "Profitable cultivation, with gradual and constant improvement," or, in the form of an inquiry, "Can remunerative crops be grown with constantly increasing fertility?"

E.

THE PRESIDENT'S MESSAGE.

A Very Plain and Outspoken Document.

Fellow-Citizens of the Senate and House of Representatives:

With devout gratitude to the beautiful giver of all good, I congratulate you that, at the beginning of your first regular session you find our country blessed with health and peace and abundant harvests, and with encouraging prospects of a early return of general prosperity. To complete and make permanent the pacification of the country continues to be, and until it is fully accomplished, must remain the most important of all our national interests.

The earnest purpose of good citizens generally to unite their efforts in this endeavor, is evident. It found decided expression in the resolutions announced in 1876 by the National Conventions of the leading political parties of the country. There was widespread apprehension that the momentous results in our progress as a nation, marked by the recent amendments to the Constitution, were in imminent jeopardy that the good understanding which prompted their adoption in the interest of a loyal devotion to the general welfare, might prove a barren source, and that the two sections of the country, once engaged in civil strife, might be again almost as widely severed and disunited as they were when arrayed in arms against each other.

The course to be pursued, which, in my judgment, seemed wise in the presence of this emergency, was plainly indicated in my inaugural address.

The measures adopted by the Administration have been subjected to severe and varied criticism. Any course whatever which might have been entered upon would certainly have encountered distrust and opposition. These measures were, in my judgment, such as were most in harmony with the Constitution and with the genius of our people, and best adapted under all the circumstances to attain the end in view. Beneficent results already apparent prove that these endeavors are not to be regarded as a mere experiment, and should sustain and encourage our efforts. Already in the brief period which has elapsed, the immediate effectiveness, no less than the justice of the course pursued, is demonstrated, and I have an abiding faith that time will furnish its ample vindication in the minds of the great majority of my fellow-citizens.

THE USE OF THE ARMY.

The discontinuance of the use of the army for the purpose of upholding local governments in two States of the Union was no less a constitutional duty and requirement under the circumstances existing at the time, than it was a much needed measure for the restoration of a local self-government and the promotion of national harmony. The withdrawal of the troops from such employment was effected deliberately, and with solicitous care for the peace and good order of society, and the protection of the property and persons, and every right of all classes of citizens. The results that have followed are indeed significant and encouraging. All the apprehension of danger from remitting those States to local self-government is dispelled, and a most salutary change in the minds of the people has begun and is in progress in every part of that section of the country, once the theatre of unhappy civil strife, substituting for suspicion, distrust and aversion, concord, friendship and patriotic attachment to the Union.

There has been a general re-establishment of order and of the orderly administration of justice. Instances of remaining lawlessness have become of rare occurrence. Political turmoil and turbulence have disappeared; useful industries have been resumed; public credit in the Southern States has been greatly strengthened, and the encouraging benefits of a revival of commerce between the sections of the country lately embroiled in civil war are fully enjoyed.

THE NEGRO TO BE PROTECTED.

It may not be improper here to say that it should be our fixed and unalterable determination to protect by all available and proper means under the Constitution and the laws, the lately emancipated race in the enjoyment of their rights and privileges, and I urge upon those to whom heretofore the colored people have sustained the relation of bondsmen, the wisdom and justice of humane, and liberal and local legislation with respect to their education and general welfare. A firm adherence to the laws, both National and State, as to the civil and political rights of the colored people now advanced to full and equal citizenship, the immediate repression and sure punishment by the national and local authorities within their respective jurisdictions, of every instance of lawlessness and violence toward them, is required for the security alike of both races, and is justly demanded by the public opinion of the country and the age.

The cordial co-operation of all classes of all sections of the country, and of both races is required for this purpose, and with these blessings assured, and not otherwise, we may safely hope to hand down our free institutions of government unimpaired to the generations that succeed us.

THE CURRENCY QUESTION.

Among the other subjects of great importance to the people of this country I regard as pre-eminent the policy and measures which are designed to secure the restoration of the currency to that normal and healthful condition in which, by the resumption of specie payments, our internal trade and foreign commerce may be brought into harmony with the system of exchanges which is based upon the precious metals as the intrinsic money of the world. The public judgment is that this end should be sought and compassed as speedily and securely as the resources of the people and the wisdom of their government can accomplish. There is a much greater degree of unanimity than is found to concur in the specific measures which will bring the country to this desired end, or the rapidity of the steps by which it can be safely reached. Upon a most anxious and deliberate examination, which I have felt it my duty to give to the subject, I am but the more confirmed in the opinion which I expressed in accepting the nomination for the Presidency, and again upon my inauguration, that the policy of resumption should be pursued by every suitable means, and that no legislation would be wise that should disparage the importance, or retard the attainment of that result. I have no disposition, and certainly no right to question the sincerity of the intelligence of opposing opinions, and would neither conceal nor undervalue the considerable difficulties and even occasional distresses which may attend the progress of the nation toward this primary condition to its general and permanent prosperity, any wavering in purpose or unsteadiness in methods, so far from avoiding or reducing the inconvenience, inseparable from the transition from an irredeemable to a redeemable paper currency, would only tend to increased and prolonged disturbances in values; and unless retrieved must end in serious disorder, dishonor and disaster in the financial affairs of the Government and of the people. The mischiefs are confined to no class of the people indeed, but seem most certainly to threaten the industrious masses, whether their occupations are of skilled or common labor. To them, it is of prime importance that their labor should be compensated in money, which is itself fixed in exchangeable value by being irrevocably measured by the labor necessary to its production. This permanent quality of the money of the people is sought for, and can only be gained by the resumption of specie payments.

The rich, the speculative, the operating, the money dealing classes may not always feel the mischiefs of, or may find casual profits in a variable currency, but the misfortunes of such a currency to those who are paid salaries or wages are inevitable and remediless.

THE MIGHTY SILVER DOLLAR.

Closely connected with this general subject of the resumption of specie payments is one of subordinate, but still of grave importance. I mean the readjustment of our coinage system by the renewal of the silver dollar as an element in our specie currency, endowed by legislation with the quality of legal tender to a greater or less extent. As there is no doubt of the power of Congress under the Constitution "to coin money and regulate the value thereof," and as this power covers the whole range of authority applicable to the metal, the rated value and the legal tender quality, which shall be adopted for the coinage, the considerations which should induce or discourage a particular measure connected with the coinage belong clearly to the province of legislative discretion and of public expediency.

Without intruding upon this provision of legislation in the least, I have yet thought the subject of such critical importance in the actual condition of our affairs, as to present an occasion for the exercise of the duty imposed by the Constitution on the President, of recommending to the consideration of Congress "such measures as he shall judge necessary and expedient." Holding the opinion that neither the interests of the government nor of the United States, would be promoted by disparaging silver as one of the two precious metals which furnish the coinage of the world, and that legislation which looks to maintaining the volume of intrinsic to as full a measure of both metals as their relative commercial values will permit, would be neither unjust nor inexpedient. I must ask your indulgence to a brief and definite statement of certain essential features in any such legislative measures which I feel it my duty to recommend. I do not propose to enter the debate represented on both sides by such able disputants in Congress and in the press as to the extent to which the Legislature of any one nation can control this question, even within its own borders, against the unwritten laws of trade or the positive laws of other goverments.

If the United States Government were free from a public debt its legislative dealing with the question of silver coinage would be purely sovereign and governmental under no restraints, but those of constitutional power, and the public good as affected by the proposed legislation.

But, on the actual circumstances of the nation, with a vast public debt distributed very widely among our own citizens and held in great amounts also abroad, the nature of the silver coinage measure as affecting this solution of the government to the holders of the public debt becomes an element in any proposed legislation of the highest concern. The obligation of the public faith transcends all questions of profit or public advantage otherwise.

Its unquestionable maintenance is the dictate as well of the highest expediency as of the most necessary duty, and will ever be carefully guarded by Congress and the people alike. The public debt of the United States to the amount of $729,000,000 bears interest at the rate of six per cent., and $708,000,000 at the rate of five per cent., and the only way in which the country can be relieved from the payment of these high rates of interest is by advantageously refunding the indebtedness—whether the debt is ulimately paid in gold or silver coin is of but little moment compared with the possible reduction of the interest one-third by refunding it at such reduced rates.

If the United States had the unquestioned right to pay its bonds in silver coin, the little benefit from that process would be greatly overbalanced by the injurious effect of such payment if made as proposed against the honest convictions of the public creditors. All the bonds that have been issued since February 12th, 1873, when gold became the only unlimited legal tender metal currency of the country, are justly payable in gold coin or in coin of equal value. During the time of these issues the only dollar that could be or was used by the Government in exchange for the bonds, was the gold dollar. To require the public creditors to take in repayment any dollar of less commercial value, would be regarded by them as a repudiation of the full obligation assumed. The bonds issued prior to 1872 were issued at a time when the gold dollar was the only coin in circulation or contemplated by either the government or the holders of the bonds as the coin in which they were to be paid.

An adherence to the wise and just policy of an exact observance of the public faith will enable the government rapidly to reduce the burden of interest on the national debt to an amount exceeding $20,000,000 per annum, and effect an aggregate saving to the United States of more than $300,000,000 before the bonds can be fully paid.

An absolute equality of commercial value, free from disturbing fluctuations, is hardly attainable, and without it an unlimited legal tender for private transactions assigned to both metals would irresistably tend to drive out of circulation the dearer coinage and disappoint the principal object proposed by the legislation in view. The two conditions of a near approach to equality of commercial value between the gold and silver coinage is to be a legal tender, are essential to maintaining both in circulation. If these conditions can be successfully observed, the issue from the mint of silver dollars would afford material assistance to the community, in the transition to redeemable paper money, and would facilitate the resumption of specie payment and its permanent establishment with these conditions.

I fear that only mischief and misfortune would flow from a coinage of silver dollars with the quality of unlimited legal tender, when in private transactions any expectation of temporary ease from an issue of silver coinage to pass as a legal tender at a rate materially above its commercial value, is, I am persuaded, a delusion. Nor can I think that there is any substantial distinction between an original issue of silver dollars at a nominal value, materially above their commercial value and the restoration of the silver dollar at a rate which once was but has ceased to be its commercial value. Certainly the issue of our gold coinage, reduced in weight materially below its legal tender value would not be any the less a present debasement of the coinage by reason of its equaling or even exceeding in weight all old coinage, which at some past time had been commercially equal to the legal tender value assigned to the new issue.

In recommending that the regulation of any silver coinage which may be authorized by Congress should observe these conditions of commercial value and limited legal tender, I am governed by the feeling that every possible increase should be given to the volume of metalic money which can be kept in circulation and thereby every possible aid afforded to the people in the process of resuming specie payments.

CIVIL SERVICE REFORM.

The organization of the civil service of the country has for a number of years attracted more and more of the public attention so general has become the opinion that the methods of admission to it and the conditions of remaining in it are unsound; that both of the great political parties have agreed in the most explicit declarations of the necessity of reform and the most emphatic demand for it.

Great advantage the country would find in observing strictly the plan of the Constitution, which imposes upon the Executive the sole duty and responsibility of the selection of those Federal officers who by law are appointed, not elected, and which in like manner assigns to the Senate the complete right to advise and consent to, or to reject the nominations so made, whilst the House of Representatives stands as the public censor of the performance of official duties with the prerogative of investigation and prosecution in all cases of derelicion.

My purpose in this respect, has been to return to the system established by the fundamental law, and to do this with the heartiest co-operation and most cordial understanding with the Senate and House of Representatives. I recognize the public advantage of making all nominations as nearly as possible impersonal in the sense of being free from mere caprice or favor in the selection and in those offices in which special training is of greatly increased value. I believe such a rule as to the tenure of office should obtain, as may induce men of proper qualifications to apply themselves industriously to the task of becoming proficients.

I ask the renewed attention of Congress to what has already been done by the civil service commission appointed in pursuance of an act of Congress, by my predecessor, to prepare and revise civil service rules, in regard to much of the departmental service, especially at Washington. It may be difficult to organize a better system than that which has been provided, and it is now being used to a considerable extent under my direction; the commission has still a legal existence, although for several years no appropriation has been made for defraying its expenses.

I respectfully recommend that a suitable appropriation to be immediately available, to be made to enable it to continue its labors.

FOREIGN RELATIONS.

During the past year the United States have continued to maintain peaceful relations with foreign powers.

The outbreak of war between Russia and Turkey has had no tendency to disturb the amicable relations existing between the United States and each of the two contending powers. An attitude of just and impartial neutrality has been preserved, and I am gratified to state, that in the midst of their hostilities, both the Russian and the Turkish Governments have shown an earnest disposition to adhere to the obligations of all treaties with the United States, and to give due regard to the rights of American citizens.

Numerous questions in regard to passports, naturalization and exemption from military service have continued to arise in cases of emigrants from Germany who have returned to their native country. The provisions of the treaty of February 22, 1868, however, have proved to be so ample and so judicious that the Legation of the United States at Berlin has been able to adjust all claims arising under it, not only without detriment to the amicable relations existing between the two governments, but it is believed without injury or injustice to any duly naturalized American citizen.

It is desirable that the treaty originally made with the North German Union in 1868, should now be extended, so as to apply equally to all the States of the Empire of Germany.

THE PARIS EXHIBITION.

The invitation of the Government of France to participate in the exposition of the products of agriculture, industry and the fine arts to be held at Paris during the coming year, was submitted for your consideration at the extra session; it is not doubted that its acceptance by the United States, and a well selected exhibition of the products of American Industry on that occasion will tend to stimulate international commerce and emigration as well as to promote the traditional friendship between the two countries.

THE EXTRADITION TREATY.

A question arose some time since as to the proper meaning of the extradition articles of the treaty of 1842, between the United States and Great Britain; both governments, however, are now in accord in the belief that the question is not one that should be allowed to frustrate the ends of justice, or to disturb the friendship between the two nations. No serious difficulty has arisen in accomplishing the extradition of criminals when necessary.

MEXICAN AFFAIRS.

The revolution which recently occurred in Mexico was followed by the accession of the successful party to power and the installation of its Chief General, Porfino Diaz, in the Presidential office. It has been the custom of the United States when such changes of government have heretofore occurred in Mexico to recognize and enter into official relations with the de facto government as soon as it should appear to have the approval of the Mexican people and should manifest a disposition to adhere to the obligations of treaties and international friendship. In the present case such official recognition has been deferred by the occurrences on the Rio Grande border, the records of which have already been communicated to each House of Congress in answer to their respective resolutions of inquiry.

The best interests of both countries require the maintenance of peace upon the border, and the development of commerce between the two republics.

It is gratifying to add that this temporary interruption of official relation has not prevented due attention by the representatives of the United States in Mexico to the protection of American citizens, so far as practicable. Nor has it interfered with the prompt payment of the amounts due from Mexico to the United States under the treaty of July 4, 1868, and the awards of the joint commission. While I do not anticipate an interruption of friendly relations with Mexico, yet I cannot but look with some solicitude upon a continuance of border disorders as exposing the two countries to irritations of popular feeling and mischances of action, which are naturally unfavorable to complete amity. I yet must ask the attention of Congress to the actual occurrences on the border, that the lives and property of our citizens may be adequately protected, and peace preserved.

A WORD ABOUT THE DONS.

Another year has passed without bringing to a close the protracted contest between the Spanish government and the insurrection in the Island of Cuba. It is due to the government of Spain to say that during the past year it has promptly disavowed and offered reparation for any unauthorized acts of unduly zealous subordinates, whenever such acts have been brought to its attention. Nevertheless, such occurrences cannot but tend to excite feelings of annoyance, suspicion and resentment, which are greatly to be deprecated between the respective subjects and citizens of two friendly powers.

THE FINANCES.

The state of the finances presents important questions for the action of Congress, upon some of which I have already remarked. The revenues of the government during the fiscal year ending June 30, 1877, were $269,000,586.62. The total expenditures for the same period were $238,660,008.93, leaving a surplus revenue of $30,340,577.69. This has substantially supplied the requirements of the sinking fund for that year. The estimated revenues of the current fiscal year are $265,500,000, and the estimated expenditures for the same period are $232,430,643.72.

If these estimates prove to be correct there will be a surplus revenue of $33,069,356.28, an amount nearly sufficient for the sinking fund for that year. The estimated revenues for the next fiscal year are $269,250,000. It appears from the report that during the last fiscal year the revenues of the government compared with the previous year have largely decreased.

This decrease, amounting to the sum of $18,481,452.54, was mainly in customs duties, caused partly by a large falling off in the amount of imported dutiable goods, and partly by the general fall of prices in the markets of the production of such articles as pay adyalorem taxes. While this is felt injuriously in the diminution of the revenue, it has been accompanied with a very large increase of exportations. The total exports during the last fiscal year, including coin, have been $658,655,457, and the imports have been $492,097,540, leaving a balance of trade in favor of the United States amounting to the sum of $166,539,917, the beneficial effects of which extend to all branches of business. The estimated revenue for the next fiscal year will impose upon Congress the duty of strictly limiting appropriations, including the requisite sum for the maintenance of the sinking fund within the aggregate estimated receipts, while the aggregate of taxes should not be increased. Amendments might be made to the revenue laws that would, without diminishing the revenue, relieve the people from unnecessary burdens. A tax on tea and coffee is shown by the experience, not only of our own country but of other countries, to be easily collected without loss by undervaluation or fraud, and largely borne in the country of production. A tax of ten cents a pound on tea and two cents a pound on coffee would produce a revenue exceeding $12,000,000, and thus enable Congress to repeal a multitude of annoying taxes yielding a revenue not exceeding that sum. The internal revenue system grew out of the necessities of the war, and most of the legislation imposing taxes upon domestic products under this system has been repealed.

By the substitution of a tax on tea and coffee, all forms of internal taxation may be repealed, except that on whiskey, spirits, tobacco and beer. Attention is also called to the necessity of enacting more vigorous laws for the protection of the revenue, and for the punishment of frauds and smuggling. This can best be done by judicious provisions that will induce the disclosure of attempted fraud by undervaluation and smuggling. All revenue laws should be simple in their provisions and easily understood. So far as practicable, the rates of taxation should be in the form of specific duties and not advalorem, requiring the judgment of experienced men to ascertain values, and exposing the revenue to the temptation of fraud.

THE PUBLIC DEBT.

The progress of refunding the public debt has been rapid and satisfactory. Under the contract existing when I entered upon the discharge of the duties of my office, bonds bearing interest at the rate of 4½ per cent. were being rapidly sold, and within three months the aggregate sales of these bonds had reached the sum of $200,000,000. With my sanction the Secretary of the Treasury entered into a new contract for the sale of four per cent. bonds, and within thirty days after the popular subscription for such bonds was opened, subscriptions were had amounting to $75,496,550, which were paid for within ninety days after the date of subscription.

By this process, within but little more than one year the annual interest on the public debt was reduced in the sum of $3,775,000. I recommend that suitable provision be made to enable the people to easily convert their savings into government securities as the best mode in which small savings may be well secured and yield a modest interest. It is an object of public policy to retain among our own people the securities of the United States. In this way our country is guarded against their sudden return from foreign countries, caused by war or other disturbances beyond our limits.

THE ARMY.

The report of the Secretary of War shows that the army has been actively employed during the year, and has rendered very important service in suppressing hostilities in the Indian country, and in preserving peace and protecting life and property in the interior, as well as along the Mexican border. A long and arduous campaign has been prosecuted, with final and complete success, against a portion of the Nez Perces tribe of Indians.

The serious riots which occurred in several of the States in July last rendered necessary the employment of a considerable portion of the army to preserve the peace and maintain order in the States of West Virginia, Maryland, Pennsylvania and Illinois. These disturbances were so formidable as to defy the local and State authorities, and the National Executive was called upon in the mode provided by the Constitution and laws to furnish military aid, and I am gratified to be able to state that the troops sent in response to these calls forwaid in the suppression of domestic violence were able, by the influence of their presence in the disturbed regions, to preserve the peace and restore order without the use of force in the discharge of this delicate and important duty.

The disturbances along the Rio Grande in Texas, to which I have already referred, have rendered necessary the constant employment of a military force in that vicinity. I regret to say that these lawless incursions into our territory by armed hands from the Mexican side of the line, for the purpose of robbery, have been of frequent occurrence, and in spite of the most vigilant efforts of the commander of our forces, the marauders have generally succeeded in escaping into Mexico with their plunder. In May last I gave orders for the exercise of the utmost vigilance on the part of our troops for the suppression of these raids, and the punishment of the guilty parties, as well as the recapture of property stolen by them. General Ord, commanding in Texas, was directed to invite the co-operation of the Mexican authorities in efforts to this end, and to assure them that I was anxious to avoid giving the least offence to Mexico; at the same time he was directed to give notice of my determination to put an end to the invasion of our territory by lawless bands intent upon the plunder of our peaceful citizens, even if the effectual punishment of the outlaws should make the crossing of the border by our troops in their pursuit necessary. It is believed that this policy has had the effect to check somewhat these depredations, and that with a considerable increase of our force upon that frontier and the establishment of several additional military posts along the Rio Grande so as more effectually to guard that extreme border, peace may be preserved, and the lives and property of our citizens in Texas fully protected. Prior to the first day of July last the army was, in accordance with law, reduced to the maximum of 25,000 enlisted men, being a reduction of 2,500 below the force previously authorized. This reduction was made as required by law, entirely from the infantry and artillery branches of the service, without any reduction of the cavalry. Under the law as it now stands, it is necessary that the cavalry regiments be recruited to 100 men in each company for service on the Mexican and Indian frontiers. The necessary effect of this legislation is to reduce the infantry and artillery arms of the service below the number required for efficiency, and I concur with the Secretary of War in recommending that authority be given to recruit all companies of infantry to at least 50 men, and all batteries of artillery to at least 75 men, with the power in case of emergency to increase the former to 100 and the latter to 122 men each. I invite your special attention to the following recommendations of the Secretary of War: First, that provision be made for supplying to the army a more abundant and better supply of reading matter; second, that early action be taken by Congress, looking to a complete revision and re-publication of the army regulations; third, that Section 1,258 of the revised Statute, limiting the number of officers on the retired list, be repealed; fourth, that the claims arising under the Act of July 4th, 1864, for supplies taken by the army during the war, be taken from the offices of the Quartermaster and Commissary Generals, and transferred to the Southern claims commission, or some other tribunal having more time and better facilities for their prompt investigation and decision than are possessed by these officers; fifth, that Congress provide for an annuity fund for the families of deceased soldiers as recommended by the Paymaster-General of the army.

THE POSTOFFICE.

The report of the Postmaster-General contains a full and clear statement of the operations and condition of the Postoffice Department. The ordinary revenues of the department for the fiscal year ending June 30, 1877, including receipts from the money order business and from official stamps and stamped envelopes, amount to the sum of $27,531,585.26. The additional sum of $7,013,000 was realized from appropriations from the general treasury for various purposes, making the receipts from all sources $34,544,885.26.

The ordinary revenues of the Postoffice Department for the year ending June 30, 1879, are estimated at an increase of three per cent. over those of 1877, making $29,034,098.28, and the expenditures for the same year are estimated at $36,427,771, leaving an estimated deficiency for the year 1879 of $7,303,672.72. The additional legislation recommended by the Postmaster-General for improvements of the mail service, and to protect the postal revenues from the abuses practiced under existing laws, is respectfully commended to the careful consideration of Congress.

THE INDIANS.

Many if not most of our Indian wars have had their origin in broken promises and acts of injustice upon our part, and the advance of the Indians in civilization has been slow because the treatment they received did not permit it to be faster and more general. We cannot expect them to improve and to follow our guidance unless we keep faith with them in respecting the rights they possess, and unless, instead of depriving them of their opportunities, we lend them a helping hand. I cordially approve the policy regarding the management of Indian affairs outlined in the reports of the Secretary of the Interior, and of the Commissioner of Indian affairs; the faithful performance of our promises is the first condition of a good understanding with the Indians.

I cannot too urgently recommend to Congress that prompt and liberal provision be made for the conscientious fulfilment of all engagements entered into by the Government with the Indian tribes; to withhold the means necessary for the performance of a promise is always false economy, and is apt to prove disastrous in its consequences. Especial care is recommended to provide for Indians settled on their reservations, cattle and agricultural implements to aid them in whatever efforts they may make to support themselves, and by the establishment and maintenance of schools to bring them under the control of civilized influences.

I see no reason why Indians, who can give satisfactory proof of having by their own labor supported their families for a number of years, and who are willing to detach themselves from their tribal relations, should not be admitted to the benefit of the homestead act and the privileges of citizenship, and I recommend the passage of a law to that effect. It will be an act of justice as well as a measure of encouragement. Earnest efforts are being made to purify the Indian service, so that every dollar appropriated by Congress shall redound to the benefit of the Indians, as intended. Those efforts will have my firm support.

With an improved service, and every possible encouragement held out to the Indians to better their condition and to elevate themselves in the scale of civilization, we may hope to accomplish, at the same time, a good work for them and for ourselves.

EDUCATION.

The wisdom of legislation upon the part of Congress in aid of the States for the education of the whole people in those branches of study which are taught in the common schools of the country, is no longer a question. The intelligent judgment of the country goes still further regarding it, as also both constitutional and expedient for the General Government to extend to technical and higher education such aid as is deemed essential to the general welfare and to our due prominence among the enlightened and cultured nations of the world the ultimate settlement of all questions of the future, whether of administration or finance or of true nationality of sentiment, depends upon the virtue and intelligence of the people. It is vain to hope for the success of a free government without the means of ensuring the intelligence of those who are the source of power.

No less than one-seventh of the entire voting population of our country are yet unable to read and write. It is encouraging to observe in connection with the growth of fraternal feeling in those States in which slavery formerly existed evidence of increasing interest in universal education, and I shall be glad to give my approval to any appropriate measures which may be enacted by Congress for the purpose of supplementing with national aid the local systems of education in those States, in all the States. I believe it to be desirable, not so much with reference to the local wants of the District