THE PRESIDENT'S MESSAGE.

THE GOLD STANDARD SUPPORTED.

"Down With The Trusts!"

Great Stress Laid on the Retention of the Philippines—Guba and Porto Rico Must Have Stable Governments.

means to meet the emergency when it

arises and the best means are those

which are the most certain and economical. Those now authorized have the

virtue neither of directness nor econ-

omy. We have already eliminated one of the causes of our financial plight and embarrassment during the years of 1893, 1894, 1895 and 1896. Our re-

by the act of Congress of June 18, 1898, has been engaged in extended hearings

upon the disputed question involved in the subject of combination in re-straint of trade and competion. They have not yet completed their investi-

gation of this subject, and the conclusion and recommendations at which

they may arrive are undetermined. The subject is one giving rise to many

It is universally conceded that com-

it should be done without delay. What

over this most important subject should

nessage of December 2, 1889, says :

"Earnest attention should be given by Congress to consideration of the question how far the restraint of those

combinations of capital commonly called 'trusts' is matter of Federa

often are, to crush out all health

competition and to monopolize the pro

duction or sale of an article of com

merce and general necessity, they are

dangerous conspiracies against the

subject of prohibitory and even penal

An act to protect trade and com

monopolies was passed by Congress on

the 2d of July, 1890. The provisions of

this statute are comprehensive and stringent. It declares every contract or combination, in the form of a trust

or otherwise, or conspiracy in the re-

straint of trade or commerce among

the several States or with foreign na-

tions, to be unlawful. It denominates

as a criminal every person who makes

provides a punishment by fine or im

cuit courts of the United States with

jurisdiction to prevent and restrain

violations of the act, and makes it the

trict attorneys, under the direction o

the attorney general, to institute pro-

ceedings in equity to prevent and re-

fers upon any person who shall be in jured in his business or property by

any other person or corporation by

court of the United States without re-

spect to the amount in controversy and

to recover three-fold the damages by

including reasonable attorney fees. It

have been successfully opposed and

suppressed.
President Cleveland in his annual

message of Discember 7, 1896—more than six years subsequent to the en-actment of this law—after stating the

cause of any lack of disposition or at-tempt to enforce them, but simply be-cause the laws themselves as inter-

will be perceived that the act is aimed

strain such violations.

duty of the several United States dis-

It invests the several cir-

merce against unlawful restraints and

public good, and should be made th

legislation.

jurisdiction. When organized, as they

e promptly ascertained and asserted. President Harrison, in his annual

power the Congress possesses

To the Senate and House of Representatives:

At the threshold of your deliberations, you are called to mourn with your countrymen the death of Vice President Hobart, who passed from this life on the morning of November 21st just this creation.

21st, last. His great soul now rests in eternal peace. His private life was pure and elevated, while his public career was ever distinguished by large career was ever distinguished by large capacity, stainless integrity and exalted motives. He has been removed from the high office which he honored and dignified, but his lofty character, his devotion to duty, his honesty of purpose and noble virtues remain with us as a priceless legacy and example. The fifty-sixth Congress convenes in its first regular session with the country in a condition of unusual prosperity, of universal good will among the people at home, and in relations of

the people at home, and in relations of peace and friendship with every government of the world. Our foreign commerce has shown great increase in volume and value. The combined imports and exports for the year are the largest ever shown by a single year in all our history. Our exports for 1899 alone exceed by more than a billion dollars our imports and exports comdollars our imports and exports com-bined in 1870. The imports per capita are 20 per cent. less than in 1870, while the exports per capits are 58 per cent. more than in 1870, showing the enlarged capacity of the United States to satisfy the wants of its own increasing population as well as to contri-bute to those of the peoples of other

Exports of agricultural products were \$784,776,142. Of manufactured products we exported in value \$333,592,146, being larger than any previous year. It is a noteworthy fact that the only years in all our bistory when the products of our manufactories sold abroad exceeded those bought abroad were 1898 and 1899.

were 1898 and 1899. Government receipts from all sources for the fiscal year, ending June 30, 1899, including \$11,798.3i4 14 part payment of the Central Pecific Railroad indebtedness aggregated \$610,982,004.
36. Customs receipts were \$206,128,461.75 and those from internal revenue
\$273,437,151.51. For the fiscal year,
the expenditures were \$700,093,564.02,
leaving a deficit of \$89,111,549 67.

The secretary of the treasury esting; more or less numerous enterprises mates that the receipts for the current fiscal year will aggregate \$640,958,112 and upon the basis of present appropriations the expenditures will aggre ate \$600,958,112, leaving a surplus of \$10,000,000,000.

For the iscal year ended June 30, 1899, the internal revenue receipts increased about \$100,000,000.

brought gold into more general use and or check these monopolies or trusts. receipts are now almost entirely paid in that coin.

The strong condition of the treasury with respect to cash on hand and the favorable showing made by the re-venues have made it possible for the secretary of the treasury to take action under the provisions of 3d94, revised statutes, relating to the sinking fund. Receipts exceeded expenditures for the first five months of the current fiscal year by \$12,413,380.81 and, as mentioned above, the secretary of the treasury estimates that there will be a surplus of approximately \$40,000,000 at the end of the year. Under such conditions, it was deemed advisable and proper to resume compliance with the provisions of the sinking fund law. which for eighty years has not been done because of deficiencies in the re venues. The treasury department therefore, offered to purchase during November \$25,000,000 of the 5 per cent. loan of 1904 or the 4 per cent, funded loan of 1907 at the current market The amount offered and pur chased during November was \$18 408 600. The premium paid by the govern ment on such purchs es was \$2,263,521 and the net saving in interest; was about \$2,885,000. The success of this operation was sufficient to induce the any such contract or engages in any government to continue the offer to such combination or conspiracy, and purchase bonds to and including the 23rd day of December Instant, unless the remainder of the \$25,000,000 called for should be presented in the meantime for redemption.

DEMANDS THE GOLD STANDARD. The attention of Congress is respectfully invited to this important matter with the view of ascertaining whether or not such reasonable modifications can be made in the national bank act as win render its service in the parti-cular here referred to more responsive to the people's needs. urge that national banks be authorized

to organize with a capital of \$25,000. I urgently recommend that to support the existing gold standard and to maintain "the parity in value of the "the parity in value of the him sustained and the costs of the suit coins of the two metals (gold and silver), and the equal power of every dollar at all times in the market and in the payment of all debts," the secretary of the treasury be given additional power and charged with the duty to sell United States bonds and to employ and other effective market and at every kind of combination in the nature of a trust of monopoly in restraint of interstate or international commerce.

Prosecution by the United States of employ and other effective market and at every kind of combination in the nature of a trust of monopoly in restraint of interstate or international commerce. y to sell United States bonds and to Prosecution by the United States of bloy such other effective means as offenses under the act of 1890 has been may be necessary to these ends. The frequently resorted to in the Federal authority should include the power courts, and notable efforts in the reconditions may require, and should provide for a rate of interest lower than that fixed by the act of Japanese in the conditions and the Joint Traffic association and the Joint Traffic association. that fixed by the act of January 14, 1875. While there is no commercial fright which withdraws gold from the government, but on the coutrary, such widespread confidence that gold seeks the treasury demanding paper money in exchange, yet the very situation evils of the trust combinations says: points to the present as the most "Though Congress has attempted points to the present as the most fitting time to make adequate provision deal with this matter by legislation, to insure the continuance of the gold the laws passed for the purpose thus standard and of public confidence in far have proved ineffective, not because of any lack of disposition or at the ability and purpose of the govern-ment to meet all of its obligations in the money which the civilized world the money which the civilized world recugnizes as the best. The financial transations of the government are conducted upon a gold basis. We receive gold when we sell United States bonds and use gold for their payment. We are maintaining the parity of all the money issued or coined by the authority of the government. We are

that sphere by metes and bounds which cannot be transgressed. The decision of our highest court on this precise question renders it quite doubtful whether the evils of trusts and monopolies can be adequately treated through Federal action, unless they seek directly and purposely to include in their objects transportation or in-tercourse between States or between the United States and foreign cour

tries.

"It does not follow, however, that this is the limit of the remedy that may be applied. Even though it may be found that Federal authority is not be applied to fully reach the case, broad enough to fully reach the case, there can be no doubt of the power of the several States to act effectively in the premises, and there should be no reason to doubt their willingness to judiciously exercise such power."

The State legislation to which President Cleveland looked for relief from the evils of the trusts has failed to ac-complish fully that object. This is probably due to a great extent to the fact that different States take different views as to the proper way to discri-minate between evil and injurious combinations and those associations which are beneficial necessary to the business prosperity of the country. The great diversity of treatment in different States arising from this cause and the immediate relations of all parts of the country to each other without regarding State lines in the conduct of business have made the enforcement of State laws difficult.

of 1893, 1894, 1895 and 1896. Our receipts now equal our expenditures; deficient revenue no longer creates alarm. Let us remove the only remaining cause by conferring the full necessary power upon the secretary of the treasury and impose upon the duty to uphold the present gold standari and preserve the coins of the two metals on a parity with each other which is the repeatedly declared policy of the United States.

In this connection, I receat my form. It is apparent that uniformity of legislation upon this subject in the several States is much to be desired. It is to be hoped that such uniformity which is the repeatedly declared policy of the United States.

In this connection, I repeat my former recommendations, that a portion of the gold holdings shall be placed in a trust fund from which greenbacks shall be redeemed upon presentation, but when once redeemed shall not thereafter be paid out except for gold.

DENOUNCES THE TRUSTS.

Combinations of capital organized into trust to compel a general observance of the salutary rules to which vance of the salutary rules to which

into trusts to control the conditions of trade among our citizens, to stifle competition, limit production and de-termine the prices of products used and consumed by the people, are justly provoking public discussion and should early claim the attention of the Congress.
The industrial commission created

THE PENSION ROLL. On the 30th of June, 1899, the pension roll of the United States numbered 991,519. These include the pensioners of the army and navy in all our wars. The number added to the rolls during the year was 40,991. The number dropped by reason of death, remarriage, minors by legal limitation, failure to claim within three years and other causes were 43,186, and the number of claims dissipated was 107,000. The subject is one giving rise to many divergent views as to the nature and variety or cause and extent of the injuries to the public which may result from large combinations concentrating more or less numerous enterprises and establishments which previous to the formation were carried separate.

the sum of appropriations. The Grand Army of the Republic. binations which engross or control the market of any particular kind of merchandles or commodity necessary to my attention and to that of the Conmarket of any particular kind of merchandise or commodity necessary to the general community, by suppressing natural and ordinary competition, whereby prices are usefully enhanced to the general consumer, are obnoxious Increased about \$100,000,000.

The present gratifying strength of the treasury is shown by the fact that on December 1, 1899, the available cash balance was \$278,004,837.72, of which \$239,744,005.36 was in gold coin and bullion. The confidence which prevails throughout the country has be extended more certainly to control brought gold into more general use and be extended more certainly to control or the third section of the act of June 27, 1890, which provides pensions for the widows of officers and enough to the public welfare. There must be a remedy for the evils involved in such or capacitations. If the present law can be extended more certainly to control of the third section of the act of June 27, 1890, which provides pensions for the widows of officers and enough the fact that the provides pensions for the third section of the thi daily labor and were married to the soldier, sailor or marine, on account of whose service they claim pension prior

to the date of the act. The present holding of the department is that if the widow's income, aside from her daily labor, does not exceed in amount what her pension would be, to-wit, \$96 per annum, she would be deemed to be without other means of support than her daily labor, and would be entitled to a pension under this act, while if the widow's income, independent of the amount re ceived by her as the result of her daily labor, she would not be pensionable under the act. I am advised by the commissioner of pensions that the amount of the income allowed before title to pension would be barred has varied widely under different arrangements of the pension office, as well as during different periods of the same administration and has been the cause of just complaint and criticism.
With the approval of the secretary

of the interior, the commissioner of pensions recommends that in order to make practice at all times uniform do justice to the dependent widow the amount of income allowed independent of the proceeds of her daily labor should be not less than \$250 per annum, and he urges that the Congress shall so amend the act as to permit the pension office to grant pensionable status to widows under the this to be a simple act of justice and neartily recommend it.

The Dawes commission reports that gratifying progress has been made in ts work during the preceding year. The field work of enrollment of four of the nations has been completed. I reason of anything forbidden or de-clared to be unlawful by the act the power to sue therefor in any circuit ecommend that Congress at an early day make liberal appropriation cational purposes in the Indian territory.

THE TWELFTH CENSUS.

In accordance with the act of Congress approved March 3, 1899, the pre-liminary work in connection with the twelfth census is now fully under way. The officers required for the proper administration of the duties imposed have been selected. The provision for securing a proper enumeration of the population as well as to secure evidence of the industrial growth of the nation is broader and more comprehensive than any similar legislation in the past. The director advises that every needful effort is being made to push this great work to completion in the time limited by the statute. It is believed that the twelfth census will emphasize our remarkable advance in all that pertains to national progress.

Congress approved July 7, 1898, the commission, consisting of the secretary of the treasury, the attorney general and the secretary of the interior, has made an jagreement of settlement, which had my approval, of the indebtc lness to the government growing out of the issue of bonds to aid in the con-

Under the authority of the set of

of the complex character of our governmental system, which, while making the Federal authority supreme within its sphere, has carefully limited equal amount of first mortgage bonds wise and generous protection of life der of the major general command-

equal amount of first mortgage bonds of the Pacific railway companies.

The amounts paid and secured to be paid to the government on account of the Pacific railroad subsidy claim are: Unior Pacific, cash \$58,448,223,74; Kansas Pacific, cash \$6,303,000; Central and Western Pacific cash \$11,798, 314,14; notes, secured \$47,050,172,36; Kansas City dividends, for deficiency due United States, cash \$821 897, 70; making a total of \$124 421,607,95.

The whole indebtedness was about \$130,000,000, more than half of which consisted of accrued interest, for which sum the government has realized the entire amount, less about \$6,000,000, within a period of two years. within a period of two years.

AGRICULTURE. The department of agriculture is constantly consulting the needs of the producers in all the States and Territories. It is introducing seeds and plants of great value and promoting fuller diversification of crops. Grains, grasses, fruits, legumes and vegetables are imported for all parts of the United States. Under this encouragement the sugar beet factory multiplies in the North and far West, semi-troplies plants are sent to the South, and congenial climates are sought for the choice productions of the far East. The hybridical series of the far East. dizing 'uit trees and grains is conducted and search for varieties adapted to the exacting conditions. The introduction of tea gardens in the Southern States promises to provide employment for idle hands, as well as to supply the home market with tea. The subject of irrigation, where it is of vital importance to the people, is being carefully studied at a subject of properties. carefully studied; steps are being tak-en to reclaim injured and abandoned lands, and information for the people along these lines is being printed and distributed. Markets are being sought and opened up for surplus farm and factory products in Europe and Asia. The outlook for the education of the young farmer through agricultural colleges and experiment attellings. leges and experiment stations, with opportunity given to specialize in the department of agriculture, is very promising. The people of Hawaii, Porto Rico and the Philippine islands should be helped by the establishment of experiment stations to a more scientific knowledge of the presecution of coffee, India rubber and other traviace presents. we have referred.

The whole question is so important and far-reaching that I am sure no part of it will be lightly considered but every phase of of it will have the studied deliberation of Congress, resulting in wise and judicious action.

be helped by the establishment of experiment stations to a more scientific knowledge of the presecution of coffee, India rubber and other tropical products, for which there is a demand in the United States. There is wide-spread interest in the production of our highways at the present time, and the department of agriculture is co-oper-

THE PHILIPPINE ISLANDS.

History of Their Purchase, the Insurrection and McKinley's Recommendations.

On the 10th of December, 1898, the treaty of peace between the United States and Spain was signed. It prowided among other things that Spain should deed to the United States the archipelago known as the Philippine islands, that the United States should pay to Spain the sum of twenty milions of dollars, and that the civil right and political status of the native inhabitants of the territories thus ceded to the United should be determined by the Congress. The treaty was ratified by the Senate on the 6th of February 1899, and by the government of Spain on the 13th of March following. The ratifications were exchanged on the 11th of April, and the treaty publicly proclaimed. On the 2d of March the Congress voted the sum contemplated by the treaty and the amount was paid over to the Spanish government on the lat of May. In this manner the Philippines came to the United States. The islands were ceded by the government of Spain, which had been in undisputed possession of them for centuries. They were accepted not merely by our authorized agents in Parls under the direction of the executive, but by the constitutional and well considered action of the representatives of the people in both houses of Congress. I had every reason to believe and I still believe that this transfer of sovereignty was in accordance with the wishe aspirations of the great masses of the Philippine people.

From the earliest moment, no oppo unity was lost of assuring the people of the Islands of our ardent desire for their welfare and or the thing postheir welfare and of the intention of sible to advance their interests. In my order of the 19th of May, 1898, the commander of the military expedition dispatched to the Philippines was instonable status to widows under the structed to declare that we came not terms of the third section of the act of June 27, 1890, whose income, aside from the proceeds of daily labor, is not in excess of \$250 per annum. I believe in their homes, in their employments structed to declare that we came not in their homes, in their employments and in their personal and religious rights"; that there should be no doubt to the inhabitants." as to the paramount authority there, on the 17th of August it was directed that "there must be no joint occupation with the insurgents; that the United States must preserve the peace and protect persons and property with the territory occupied by their military and naval forces; that the insurgents and all others must recognize the military occupation and authority of the United States." As early as Decem-ber 24th, before the cession and in anticipation of that event, the commander in Manila was urged to restore peace and tranquility and undertake the es-tablishment of a beneficent government which should afford the fullest

security to life and property. On the 21st of December, after the reaty was signed, the commander of he forces of occupation was instructed to announce and proclaim in the most public manner that we came, not as invaders and conquerors, but as friends, to protect the natives in their homes, in their employments and in their per sonal and religious rights."

On the same day, while ordering General Otis to see that the peace should be preserved in Ilollo, he was admonished that "it is most important that the characteristics." that there should be no conflict with the insurgents. On the 1st day of January, 1899, urgent orders were reiterated that the kindly intentions of this government should be in every possible way communicated to the insurgents. On the 21st of January, I announced my intention of dispatching

wise and generous protection of life and property to the inhabitants."

Auertiser.

Schurman, president of Cornell University; Hon. Charles Denby, for many years minister to China, and Prof. D. an Worcester, of the University of Michigan, who had made a most careful study of life in the Philippines. While the treaty of peace was under consideration in the Senate these commissioners set out on their mission of good will and liberation. good will and liberation. Their chaacter was sufficient guaranty of the beneficient purpose with which they went, even if they had not borne the positive instructions of this govern-ment, which made their errand preeminently one of peace and friend-

But before their arrival at Manila the sinister ambition of a few leaders of the Filipinos had created a situation of the Filipinos had created a situation full of embarrassment for the United States and most grievous in its consequences to themselves. The clear and impartial preliminary report of the commissioners, which I transmitherewith, gives solucid and compreheneve a history of the present insurrection are movement that the story need and ary movement that the story need not be here repeated.

It is not enough to say that the claim of the rebel leader that he was promised independence by any offi-cer in the United States in return for his assistance has no foundation in fact and is categorically denied by the very witnesses who were called to prove it. The most the insurgent leader hoped for when he came to Manila was the liberation of the islands from the Spanish control, which they had been aboring for years without success to throw off.

The prompt accomplishment of this work by the American army and navy gave him other ideas and ambitions, and insidious suggestions from various quarters perverted the purposes and intentions with which he had taken up

arms. No sooner had our army captured Manila than the Filipino forces began to assume an attitude of suspicion and Rico and the Philippine islands should be helped by the establishment of experiment stations to a more scientific knowledge of the presecution of coffee, India rubber and other tropical products, for which there is a demand in the United States. There is widespread interest in the production of our bilghways at the present time, and the department of agriculture is co-operating with the people in each locality in making the best possible roads from local material and in experimenting with steel tracks. A more intelligent system of maraging the forests of the country is being put into operation and a careful study of the whole forestry protlem is being conducted throughout the United States. A very extensive and complete exhibit of the agricultural and horticultural products of the United States is being prepared for the Paris exposition.

The philippine islands should be helped by the establishment of experiment of experiment of experiment of exhibit which the utmost efforts of discern or modify. Their kindness and topsear were taken as proof of the vote of the United States for a vote upon the treaty, an attack, evidently prepared in advance, was made all along the American lines, which resulted in a terribly destructive and sangulary repulse of the insurgents. Ten days later an order of the insurgents of which General Otis justly observes that "for barbarous intent it is valualled in modern times." It directs that at 8 o'clock on the right of February 15th, the territorial military shall come together in the streets of San Pedro, armed with their boios, with guns and ammunition where convenient, that Filipino families shall be respected, but that all other individuals, of whatever race they may be hostility which the utmost efforts of respected, but that all other individuals, of whatever race they may be, shall be exterminated without any compassion, after the extermination of the army of occupation, and adds: "Brothers, we must avenge ourselves on the Americans and exterminate that we may take our revenge for the infamies and treacheries committed upon us. Have no compassion upon us. Have no compassion upon us. Have no compassion upon the infamilies and treacheries are successful upon us. Have no compassion upon us.

> than was originally contemplated. A considerable number of armed in surgents entered the city by waterways tion. Everything indicates that with and swamps and in concert with con-federates inside, attempted to destroy rebellion, life in the archipelago will Manila by fire. They were kept in soon resume its ordinary course under check during the night and the next day driven out of the city with heavy the people of these favored islands will oss. This was the unhappy condition enjoy a prosperity and a freedom which of affairs which confronted our com-missioners on their arrival in Manila. They had come with the hope and in-tention of conceptation with Admiral of affairs which confronted our comtention of co-operation with Admiral freedom is sacredly assured and entablishing peace and order in the archipelago, and the largest measure of in its accustomed channels. Manila self-government compatible with the true welfare of the people. What they actually found can be best set forth in populous thriving mart of commerce. their own words: "Deplorable as war:
> their own words: "Deplorable as war:
> The earnest and unremitting endeavors
> is, the one in which we are now '
> of the commission and the admiral and were attacked by a bold, adventurous and enthusiastic army. No alternalive was left to us except ignominious

American would have sanctioned the surrender of Manila to the insurgents. Our obligations to other nations and the friendly Filipinos and to ourselves and our flag demanded that force should be met by force. Whatever the future of the Philippines may be, there is no course open to us now except the prosecution of the war until the insur gents are reduced to submission. The commission is of the opinion that there commission is of the opinion that there has been no time since the destruction portunity comes with them. The is of the Spanish squadron by Admiral lands lie under the shelter of our flag. of the Spanish squadron by Admiral Dewey when it was possible to withdraw our forces from the islands, either equity. They are ours by every title of law and except for the pacification thereof

etreat.

rebellion must be put down. Civil government caunot be thoroughly established until ordered is restored. With a devotion and gallantry worthy of its most brilliant history, the army ably and loyally assisted by the navy, has carried on this unwelcome but most righteous campaign with richly de-served success. The noble self-sacrifice beginning of an era of misery and wherever practicable the machinery with which our soldiers and sailors whose terms of service had expired, refused to avail themselves of refused to avail themselves of their suggestion has been made that we tary reforms; by spreading education right to return home as long as they could renounce our authority over the by fostering industry and trade; by in were needed at the front, forms one of the brightest pages in our annals. Although their operations have been mewhat interrupted and checked by a rainy season of unusual violence and duration, they have gained ground steadily in every direction and now look forward confidently to speedy completion of their task. The unfavor-oetter than to accept our authority, at able circumstances connected with an the mercy of the minority armed in active campaign have not been permitted to interfere with the equally ble for the acts of the insurgent lead

sovereignty. Its citizens unreservedly proclaimed allegiance to the United States and adopted a constitution looking to the establishment of a popular

and property to the inhabitants." ing the department of which the following are the most important cle ments:

It was ordered that the government of the island of Negros should consist of a military government appointed by the United States military governor of the Philippines and a civil governor and an advisory council elected by the people. The military governor was authorized to appoint secretaries of the treasury, interior, agriculture, public instruction, an attorney general and an auditor. The seat of government was fixed at Bacolod. The military governor exercises the supreme executive power. He is to see that the laws a.e. executed, appoint to office and fill all acancies in office not otherwise provided for, and may, with the approval of the military governor for the Philippines, remove any officer from

The time and places of holding elections are to be fixed by the military governor of the Island of Negros. The qualifications of voters are as fol-1. And a voter must be a male citi

zen of the island of Negros.

2. Of the age of twenty-one years.

3. He shall be able to speak, read and write the English, Spanish or

Visayan language, or he must own real property worth \$500 or pay a rentd on real property of the value \$1.000 4. He must have resided in the Island not less than one year preceding, and in the district in which he offers to

register as a voter not less than three months immediately preceding the time he offers to register.

5. He must register at a time fixed

by law before voting.

6. Prior to such registration he shall have paid all taxes due by him to the government, provided that no insane person shall be allowed to register or The military governor has the right

to veto all bills or resolutions adopted by the advisory council, and his veto is final if not disapproved by the military governor of the Philippines. The advisory council discharges all the ordinary duties of a legislature. The usual duties portains to eath of its province to eath of its pro usual duties pertaining to said offices are to be performed by the secretary of the treasury, interior, agriculture, public instruction, the attorney general and the auditor. The judicial power is verted in three

judges, who are to be appointed by the military governor of the Island. Inferior courts are to be est blished. Free public schools are to be established throughout the populous districts of the island, in which the Eng-

the night of February 22, a week later tion of the advisory council.

I communicate these facts to th soon resume its ordinary course under joyed. The courts are dispensing jus tice. Business is beginning to circulate major general commanding the depart ment of the Pacific to assure the peo ple of the beneficient intentions of this government, have had their legitimate effect in convincing the great majority It is not to be conceived that any of them that peace and safety and properity and stable government can only be found in a loyal acceptance of the authority of the United States.

"THEY ARE OURS" The future government of the Philip pines rests with the Congress of the United States. Few graver responsi bilitles have over been confided to us with honor to ourselves or with safety to the inhabitants."

The course thus clearly indicated Las been unflinchingly pursued. The cord, among the rivel powers, no one of the inhabitants and control of the island to its people. The pledge contained to its people. The pledge contained in this resolution is of the highest honequity. They cannot be abandoned. If

Their rich plains and valleys would

islands and giving them independence could retain a protectorate over them. This proposition will not be found, I am sure, worthy of your serious attention. Such an arrangement would involve at the outset a cruel breach of surgents. It would make us responsi

possible way communicated to the insurgents. On the 21st of January, I announced my intention of dispatching to Manila a coramission composed of three gentlemen of the highest character and distinction, thoroughly acquainted with the Orient, who in association with Admiral Dewey, and Major General Otis, were instructed to it facilitate the most humane and effagalo leader of the hour.
It does not seem desirable that I

BAKING

Makes the food more delicious and wholesome

immediate need.

still existing and when it terminates further information will be required as to the actual condition of affairs before inaugurating a permanent scheme of civil government. The full report attend weaker States whose natural action commission now in preparation. of the commission, now in preparation, will contain information and sugges-tions which will be of value to Congress vacancies in office not otherwise provided for, and may, with the approval of the military governor for the Philippines, remove any officer from effice. The civil governor advises the military governor on all public questions, and presides over the advisory council. He, in general, performs the duties which are performed by secretaries of state in our own system of government.

The advisory council consists of eight members elected by the people within territorial limits, which are defined in the order of the commanding general.

The stime and allowing strong and sulgestions which will be of value to Congress and which I will transmit as soon as it is completed. As long as the insurrection continues, the military arm must necessarily be supreme. But there is no reason why steps should not be taken from time to time to inaugurate form as fast as territory is held or controlled by our troops. To this education of the members thereof as can be secured, to aid the existing authorities and facilitate this work throughout the islands. and facilitate this work throughout he islands.

I have believed that reconstruction should not begin by the establishment of a central government on the islands

and the people have provided to cause this unprovoked and wasteful insurrection to cease. If any orders of mine were required to insure the merciful conduct of military and naval opera-tions they would not be lacking, but every ttep of progress of our troops has been marked by a humanity which has surprised even the misguided insur-gents. The truest kindness to them will be a swift and effective defeat of their present leader. their present leader. The hour of vic-tory will be the hour of clemency and reconstruction. No effort will be spar-ed to build up the waste places desolated by war and by long years of mis-government. We shall not wait for the end of strife to begin the bene-licent work. We shall continue, as we have begun, to open the schools and the churches, to set the courts in opera-tion, to foster industry and trade and agriculture and in every way is our power to make these people whom providence has brought within our jurisdiction, feel that it is their liberty and not our power, their welfare and not our gain, we are seeking to enhance. Our flag has never waved over any community but in blessing. I believe the Filipinos will recognize the fact that it has not lost its gift of bene-diction in this world wide journey to

CUBA AND PORTO RICO.

We Must Keep Sacred the Pledge to Give Cuba Her Freedom-Our Reations With Spain.

their shores.

My annual message of last year was necessarily devoted in great part to a consideration of the Spanish war and of the results it wrought and the conditions it imposed for the future. am gratified to announce that the treaty of peace has restored friendly relations between the two powers. Elect has been given to its important provisions. The evacuation of Porte Rico having been already accomplish ed on October 18, 1898, nothing re-mained necessary there to continue the provisional military control of the island, until the Congress should enact a suitable government for the coded territory. Of the character and scope of the measures to that and I shall treat in another part of this message.

withdrawal of the authority of Spain from the island of Cuba was efected by the first of January so that re-establishment of peace found the relinquished territory held by us in trust for the inhabitants. maintaining under the direction of the executive such government and control therein as should conserve public order, restore the productive condi tions of peace so long disturbed by the instability and disorder which prevailed for the greater part of the pre-ceding three decades, and build up that tranquil development of the do mestic state whereby alone can be rewhich the United States disclaimed and asserted its determination when

kept.
I believe that substantial progress hope, the dawn of a new day of free-dom and progress, will have been the premacy of law and justice, by placing sailors violence, worse than any which has of administration in the hands of in pired, darkened their unhappy past. The habitants; by instituting needed sanitute suggestion has been made that we tary reforms; by spreading education; culcating public morality, and, in short, by taking every rational step to aid the Cuban people to attain to that plane of self-conscious respect and relfreliant unity which fits an enlightened community for self government within to the Federal government, there are its own sphere, while enabling it to ulfill all outward obligations.

This nation has assumed before the world a grave responsibility for the to establish Federal courts and Federal future good government of Cuba. A notable beginning has been made in the establishment of a government task of protecting them against each in the island of Negros, which is deserving of special consideration. This was the first island to accept American sovereignty. Its citizens uppersonable to quarrel. In short, it would charge us with the highest wisdom. The new committee yet to arise from the ashes of the past must needs be bound to us highest needs highest needs nee have accepted a trust the fulfillment of which calls for honesty and integrity other and defending them against any foreign power with which they chose to quarrel. In short, it would take from the Congress of the United States and the Congress of the public lands, the control of the waters of the public lands, the control of the waters of the public lands, the control of the waters of the public lands, the control of the public lands and the public lands are public lands. the power of declaring war and vest Whether those ties shall be organic or that tremendoss prerogative in the conventional, the destinies of Cuba are the immigration of people from foreign in some rightful form and manner

attend weaker States whose natural wealth and abundant resources are offset by the incongruities of their political organization and the recurring occasions for internal rivairies to saptheir strength and dessipate their energies. The greatest blessing which can come to Cuba is the restoration of her agricultural and industrial properity, which will give employment to idle men and re-establish the pursuits of peace This is her chief and immediate need.

On the 19th of August, lat, an orders on the 19th of August, lat, an orders was made for the taking of the census in the island, to be completed on the 3th of November. By the treaty of peace the Spanish people on the island have until April 11, 1900 to ciect whether they will remain citizens of Spain or become citizens of Cuba. Until then it cannot be definiteof a central government on the islands with its seat at Manila, but rather that the work should be commenced by building up from the bottom, first establishing municipal governments and then provincial governments, a central government at last to follow.

Until Congress shall have made known the formal expression of its will, I shall use the authority vested in me by the constitution and the statutes to uphold the sovereignty of the United States in those distant islands, as well as in all other places where the flag rightfully floats. I shall put at the disposal of the army and navy all the means which the liberality of Congress and the people have provided to cause and the people have provided to cause ducts of Cuba should have a market in the United States on as good terms and with as favorable rates of duty as are given to the West India islands under the treaties of reciprocity which shall be made.
For the relief of the distressed in the

liland of Cuba, the war department has issued supplies to destitute persons through the officers of the army, which have amounted to 5,493,000 rations, at a cost of \$1,417,554 87.

To promote the disarmament of the Cuban volunteer army and in the interest of public peace, and the welfare of the people the sum of \$75 was paid to each Cuban soldier borne upon the authenticated rolls, on condition that he should deposit his arms with the auhe should deposit his arms with the au-thorities designed by the United States. The sum thus distributed aggregated \$2,547,750, which was paid from the emergency fund provided for by the act of January 5, 1899, for that purpose.

Out of the Cuban island revenues during the six months, ending June 30, 1899, \$1,718,014.20 was expended for sanitation, \$293,881.70 for charities and hospitals, and \$88,944.03 for aid to the

destitute.
Following the exchange of the ratifications of the treaty of peace, the two governments accredited ministers to each other, Spain sending to Washington the duke d'Arcos, an eminent diplomatist previously stationed in Mexico, while the United States transferred to Madrid Hop Rolemy Stores ferred to Madrid Hon. Belamy Storer, its guinister at Brussels. This was ment of consuls, thereby fully resuming the relations interrupted by the war. In addition to its consular representation in the United States the government has appointed consuls for Cuba, who have been provisionally recognized during the military administration of affairs of that

Judicial intercourse between the courts of Cubs and Porto Rico and of Spain has been established, as provided by the treaty of peace. The Caban political prisoners in Spanish penal stations have been and are being released and returned to their homes, in accordance with Article VI of treaty. Negotiations are about to be had for defining the conventional relations between the two countries, which fell into abeyance by reason of the war. I trust those will include a favorable arrangement for commercial recipro city under the terms of Sections 3 and 4 o the current tariff act. In these, as in all matters of international concern, no effort will be spared to respond to the good disposition of Spain, and to cultivate in all practicable ways the intimacy which should prevail between two nations whose past history has so often and in so many ways been marked by sincere friendship and by community of interests.

I would recommend appropriate legislation in order to carry into execution Article VII of the treaty of peace with Spain, by which the United States assured the payment of certain claims for indemnity of its citizens against Spain.

LAWS FOR PORTO RICO.

I recommend that legislation be had with reference to the governing of Porto Rico. The time is ripe for the adoption of a temporary form of government for this island and many gestions made with reference to Alaska are applicable to Porto Rico. The system of civil jurisprudence

now adopted by the people of this island is described by competent lawyers who are familiar with it, as thoroughly modern and scientific, so far as it relates to matters of internal business, trade, production and social and private rights in general. The cities of the island are governed

by charters which probably require very little or no change. So that with relation to matters of local concern and private right, it is not probable that much if any legislation is desirable; but with reference to public administration and the relation of the islands many matters which are of pressing urgency. The same necessity exists for legislation on the part of Congress jurisdiction in the island as has been previously pointed out by me with ref-erence to Hawali. Besides the adminstration of justice, there are the subcrown of Spain, and have, by the treaty countries, the importation of contract labor, the imposition and collection of internal revenue, the application of the navigation laws, the regulation of the

Continued on Page 4.

current money, the establishment of postoffices and postroads, the regulation of tariff rates on merchandise imported from the island into the United