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All bills with regular advertisers shall be rendered monthly.
NEW ORLEANS:
THURSDAY MORNING, DEC. 10, 1868.

The great length of the President's message published in this issue compels us to exclude matter of less pressing character.

We are under obligations to the Western Union Telegraph Company for their courtesy in placing at our service a copy of the President's message.

THE FRENCH OPERA.—The continued indisposition of M'lle Bourgeois prevents the performance of "Travidata," and that of "Robert le Diable" has been announced for this evening. Madame Comelier takes the character of *Alice*, M'lle Hamelmann that of *Isabella*, Mr. Plant that of *Robert*, Mr. Van Hoffen that of *Bertrand*, and Mr. Julien that of *Raimbaut*.

PRESIDENT'S MESSAGE.

WASHINGTON, Dec. 9, 1868.

Fellow Citizens of the Senate and of the House of Representatives:

Upon the reassembling of Congress, it seems proper to call your attention to the state of the Union. Events which have disorganized confidence under the various laws which have been passed to secure the subject of reconstruction, in part, and to the enforcement of an axiom in the government of States, that the greatest wrongs inflicted upon a people can sometimes be made the basis for legislation, or by the unreasoning demon of discrimination, and that the timely correction of injurious and oppressive measures in the government can not be resisted.

The measures of reconstruction, the manner in which the wisdom and responsibility to restore to the empire when convinced of error, will, sooner or later, be rewarded with the respect and gratitude of an intelligent and patriotic people. Our own history, although commencing a period later than a century, affords abundant proof that many, if not all, of our domestic troubles are directly traceable to violations of the organic law and excess of legislation. The most striking illustrations of this fact are furnished by the enactments of the past three years upon the question of reconstruction. After a fair trial, they have substantially failed and proved pernicious in their results, and there seems to be no good reason why they should longer remain upon the statute-book. Some of them are in violation of the Constitution, paramount to a republican form of government have been restored to authority dependencies. The work of restoring people from mere subjects to the arbitrary will of the Commanding General. Although the Constitution requires that each State shall be represented in the Congress, Virginia, Mississippi and Texas are excluded from the two Houses, and contrary to the express provisions of that instrument have enacted new constitutions since the recent election for a President and Vice President of the United States. The attempt to place the white population under the dominion of persons of color in the States lately in rebellion has not only destroyed the kindly relations that had previously existed between them, and mutual interests and dependence of labor and industry, which leading in some instances to coalitions and bloodshed, has prevented that co-operation between the two races so essential to the success of both, and to the prosperity of the Southern States. Nor have the banishment of those States alone suffered from the disturbed condition of affairs growing out of these unconstitutional enactments. Indeed, the whole Union has been agitated by grave apprehensions of the encroachments of the legislative upon the executive branch of the government. The judiciary alarmed by the derangement of business and labor, and the consequent want of prosperity throughout a portion of the country. The Federal Constitution, in its simple words of American rights, under whose wise and salutary provisions we have successfully contended for more than eighty years, and which sustained ourselves in peace and in war, and become a great nation among the powers of the earth, is assumed by new conquests to the entitlement of a government growing out of the civil war waged alone for its vindication. This great fact was more manifest by the unanimity of the action of the two Houses of Congress assembled in the month of December, 1865. Other strife had ceased, the spirit of rebellion had spent its entire force, and the Southern States people returned to their allegiance, and throughout the whole country a healthy reaction in public sentiment had taken place. Hopeful assurances of the early restoration of the States to their rights, under the wise and effective provisions of the Constitution, the executive department, with the voluntary aid of the States, had brought the work of restoration to an accomplishment so near the period of completion as was within the scope of its authority, and the nation was encouraged by the prospect of a speedy return to the fraternal relations existing prior to the unhappy conflict between the States.

By the application of the simple yet effective provisions of the Constitution, the executive department, with the voluntary aid of the States, had accomplished the work of restoration so far as was within the scope of its authority, and the nation was encouraged by the prospect of a speedy return to the fraternal relations existing prior to the unhappy conflict between the States.

But Congress, unfortunately, did not concur in the measures of reconstruction, but, instead, entered upon the work of reconstruction, and as the result of its action the whole subject is involved in confusion, the Southern States are divided into military districts and governed by military rule, the courts of justice are overthrown, the States are deprived of representation in the two Houses of Congress, and the Executive branch of the government is prevented from performing its duty in the choice of Cabinet officers, Foreign Ministers, Judges of the Supreme Court, and other officers, by reason of the fact that the Senate is deprived of a quorum for the confirmation of nominations, in consequence of the non-admission of members from the recently rebellious States. Business of the most important character is suffering for the want of the action of the Senate upon treaties for the settlement of claims of our citizens for spoliations committed by foreign governments, and the reciprocal claims of foreign governments against the United States are left in the same condition. Business of all kinds is paralyzed, and the energies of the people are crippled for want of the action of the Senate upon the various matters of business which have been transmitted to that body for its consideration and decision. The whole body of the Southern States are without representation in the two Houses of Congress, and the political power of the country is thereby locked up, and the wheels of government are clogged in their movements. The Senate is deprived of a quorum for the confirmation of nominations, in consequence of the non-admission of members from the recently rebellious States, and the House of Representatives is compelled to assume the responsibility of originating articles of impeachment, thereby assuming the functions of the Senate, as a court for trying impeachments. The Senate is thus deprived of the power of performing its appropriate functions in the case of impeachments, and the President is deprived of the power of selecting his constitutional advisers, and of filling the various offices made vacant by the expiration of the terms of office of the incumbents, and by the resignations which have been forced upon them by the refusal of the Senate to perform its duties in the premises. Thus the entire machinery of the government is disturbed and deranged, and the minds of the people are diverted from the pursuits of industry and engrossed with the study of the provisions of the Constitution, and the principles of government, in order that they may be able to understand the causes of the unprecedented and alarming condition of affairs which everywhere confronts them. Under the pressure of the circumstances, the country is in danger of losing sight of the fact that the Constitution is the work of the wisest statesmen that ever lived, and that it has been consecrated by the blood of the noblest patriots who ever died for their country, and that it has conferred upon us the greatest degree of national prosperity and individual happiness that has ever been enjoyed by any people. Hence, in the midst of the natural excitement of the times, it is the duty of every lover of his country to endeavor to ascertain the true principles of the Constitution, and to adhere to them with unswerving fidelity. Applying this test to the measures which have been adopted in the case of the States lately in rebellion, it will be found that they are in violation of the Constitution in many of their most important provisions. The right of representation in the two Houses of Congress is guaranteed to each State by the Constitution, and the exercise of that right can not be prevented by Congress, except in the case of persons who may be excluded from the privilege of voting by the fundamental law of the land. The right of suffrage is conferred by the Constitution upon the people of the several States, and the regulation of that right is reserved to the States, subject to the conditions and restrictions contained in the fifteenth amendment, which declares that the right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color or previous condition of servitude. The fifteenth amendment takes from the States lately in rebellion the power to exclude citizens of the United States from the right of suffrage, except for participation in the rebellion or for crime, and the right of suffrage can not be regulated by Congress, except for the purpose of preventing the enforcement of State laws imposing qualifications which are not prescribed by the Constitution. Congress has no power to change the qualifications of voters, nor to take away the right of suffrage from any class of citizens on account of race, color or previous condition of servitude, for the reason that the Constitution has conferred that power exclusively upon the States. The fifteenth amendment has not conferred the right of suffrage upon any one, but simply prohibits the United States and the several States from making any discrimination in the right of suffrage on account of race, color or previous condition of servitude. The States lately in rebellion are deprived of representation in the two Houses of Congress, and Congress refuses to admit members from those States to seats in either House, although the Constitution requires that each House shall be the judge of the elections, returns and qualifications of its own members. Congress has thus assumed to exercise the power of excluding members elected by the people, and has refused to submit to the people for their ratification the conditions imposed upon the States lately in rebellion, as the price of their restoration to the exercise of their constitutional rights. Congress has not only violated the Constitution in the particulars mentioned, but has transcended the limits of its authority by attempting to regulate matters which are reserved to the States and the people. The Constitution has wisely provided that no person shall be appointed to office except by the President, by and with the advice and consent of the Senate, or by the appointment of inferior officers by the President alone, the heads of Departments or the courts of justice, and that all officers may be removed from office at the pleasure of the appointing power. Congress has departed from this rule, and has deprived the President of the power of removing from office those who hold their appointments under the authority of the United States, and has thereby rendered him powerless to change unfaithful officers, or to appoint others in their stead, who would be in accord with him in the discharge of his official duties, and in the enforcement of the laws. Congress has also deprived the President of the power of appointing officers in the States lately in rebellion, and has declared that they shall be appointed by the commanders of the military districts, who are clothed with the power of removing them at pleasure. Congress has thus attempted to take from the President the appointing power, and to confer it upon officers who are not responsible to the people for the faithful execution of the laws. In addition to the usurpation of executive power, Congress has attempted to deprive the President of his constitutional functions as Commander-in-Chief of the Army, and deny to States of the Union the right to protect the lives and property of their people from mob violence in the ordinary walk of the Common Law. Although the Constitution requires that each State shall be represented in the Congress, Virginia, Mississippi and Texas are excluded from the two Houses, and contrary to the express provisions of that instrument have enacted new constitutions since the recent election for a President and Vice President of the United States. 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These provisions should be at once annulled, for while the first might, in time of actual insurrection, seriously embarrass the Executive in effectually suppressing and directing the common strength of the nation for its protection and preservation, the other is contrary to the admonition of the father of his country, that "a small regulated militia being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed." It is believed that the repeal of all such laws would be accepted by the American people as at least a partial return to the fundamental principles of the Government, and a virtual unification that hereafter the Constitution is to be made the nation's safe and unerring guide. They would be productive of no permanent conflict to the country, and should be permitted to stand as so many monuments to the deficient wisdom which has characterized our recent legislation.

The condition of our finances demands the early and earnest consideration of Congress. Compared with the growth of our population, the public expenditures have exhibited an economy unprecedented in our history. The population of the United States in 1790 was nearly four millions of people. Immediately it exceeds almost thirty-three per cent., it reached, in 1800, thirty-one millions, an increase of seven hundred per cent. on the population in 1790. In 1869 it is estimated that it will reach thirty-eight millions, or an increase of eight hundred and sixty-eight per cent in seventy-nine years. The amount of expenditures of the Government required in 1791 were four millions two hundred thousand dollars. In 1939, eighteen millions two hundred thousand dollars; in 1859, forty-six millions; in 1868, sixty-three millions; in 1863 nearly thirteen hundred millions; and in 1869, it is estimated by the Secretary of the Treasury, in his annual report, that they will be three hundred and seventy-two millions. By comparing the public disbursements of 1869 as estimated with those of 1791, it will be seen that the amount of expenditures since the begining of the Government has been eight thousand six hundred and eighteen per centum, while the increase of the population for the same period was only eight hundred and sixty eight per centum. Again, the expenses of the Government in 1860, the year of peace immediately preceding the war, were sixty six to three millions, while in 1869, the year of peace, three years after the war, it is estimated they will reach three hundred and seventy-two millions, an increase of four hundred and eighty-nine per centum, while the increase of population was only twenty-one per centum for the same period. These statistics further show that in 1791, the annual national expenses compared with the population were little more than one dollar per capita, and in 1860 but two dollars per capita, while in 1869 they will reach the extravagant sum of nine dollars and seventy-eight cents per capita. It will be observed that all of these disbursements relate to, and exhibit the disbursements of peace periods. It may, therefore, be of interest to compare the expenditures of the three years' war period—the war with Great Britain, the Mexican war, and the war of the rebellion. In 1814, the annual expenses incident to the war of 1812 reached their highest amount—about thirty-one millions, while our population slightly exceeded eight millions, showing an expenditure of only three dollars and eighty cents per capita. In 1847 the expenditures growing out of the war with Mexico reached fifty five millions, and the population about twenty-one millions, giving only two dollars and sixty cents per capita for the war expenses of that year. In 1865 the expenditures called for by the rebellion reached the vast amount of twelve hundred and ninety millions, which, compared with a population of thirty four millions gives thirty-eight dollars and twenty cents per capita. From the 4th day of March, 1789, to the 30th of June, 1865, the entire expenditures of the Government were seventeen hundred and fifty millions. During that period we were engaged in wars with Great Britain and Mexico, and were involved in hostilities with powerful Indian tribes. Louisiana was purchased from France at a cost of fifteen millions of dollars. Florida was ceded to us by Spain for five millions, California was acquired from Mexico for fifteen millions, and the territory of New Mexico was obtained from Texas for the sum of ten millions. Early in 1861 the war of the rebellion commenced, and from the 1st of July of that year to the 30th of June, 1865, the public expenditures reached the enormous aggregate of thirty-three hundred millions. These years of peace have rechronicled, and during that time the disbursements of the Government have successively been five hundred and twenty millions; three hundred and forty-six millions, and three hundred and ninety-three millions. Adding to these amounts three hundred and seventy two millions, estimated as necessary for the fiscal year ending the 30th of June, 1869, we obtain a total expenditure of sixteen hundred millions of dollars during the four years immediately succeeding the war, or nearly as much as was expended during the seventy-two years that preceded the rebellion, and enforced the extraordinary expenditures already mentioned. These facts furnish a striking illustration of the economy of administering in all branches of the public service.

Among the measures of legislation during the years of the prosecution of the nation, will not be questioned by the people now that profound peace prevails. The measures from internal revenues and customs have been largely in excess of the necessities of the public wants. In 1849, the year after the termination of our war with Mexico, we found ourselves involved in a debt of sixty-four millions, and this was the amount owed by the Government in 1857, just prior to the commencement of the rebellion, and our civil war commenced. Each year of its continuance made an enormous addition to the debt, and in 1865, the year of the triumph of the Government, it successfully emerged from the conflict, the obligations of the Government had reached the immense sum of $2,873,999,989. The Secretary of the Treasury, in his report, dated the 4th day of December, 1867, this amount had been reduced to $2,491,504,450, but at the same time his report exhibited an increase during the year of the public debt of $35,625,102 for the debt on the first day of November as stated to be redeem $2,527,129,552. It is established by the Secretary that the returns for the past year, ending the 30th of June, 1868, after the sum of eleven millions, making a total increase during thirteen months of forty-six and a half millions. In my message to Congress of December 4, 1865, it was suggested that a policy should be devised, which, without being oppressive to the people, would at once begin the reduction of the public debt. If this is not decided in, discharge it fully within a definite number of years. The adoption of such a policy would be enjoyed by our citizens, rather than need to build up and sustain monied monopolies in our own and other lands. Our foreign debt is now small, and the annual interest of the Treasury at $650,000,000. Citizens of foreign countries receive interest upon a large portion of our securities, and American tax payers are made to contribute large sums for their support. The idea that such a debt is to become permanent, should be at all times discarded as involving the necessity of such a high rate of taxation as would forever prevent the payment once in every sixteen years, at the present rate of interest, of an amount equal to the original sum. This rate, if allowed to become permanent and increasing, must eventually be gathered from the people of the United States, and thereby become a dangerous and controlling power in the affairs of the Government. The borrowers would become servants to the lenders, the lenders the masters of the people. We have the right to rely upon having given freedom to four millions of the colored race. It will then be our shame if we fail to secure to the people, by law, the early realization of pauperism and profligacy, have suffered themselves to become enslaved and merely crouching abjectly for new task masters in the shape of capitalists. The funds necessary for this object, permanent debts pertain to monarchical governments, and tendencies to monopolies, patronage and class legislation are equally inconsistent with free institutions; introduced into our republican system, they would gradually but surely sap its foundations, eventually subvert its principles, substantial fabric, and erect upon its ruins a moneyed aristocracy. It is our sacred duty to transmit unimpaired to our posterity the blessings of liberty which were bequeathed to us by the founders of the republic, and by our example teach those who are to follow us, carefully to avoid the dangers which threaten the existence of free institutions.

Various plans have been proposed for the payment of the public debt. However they may differ in detail, they all look to the ends in which it should be redeemed, there seems to be a general concurrence as to the propriety and justness of a reduction in the present rate of interest. The Secretary of the Treasury, in his report, recommends five per cent. Congress, in a bill passed prior to adjournment, on the 27th day of July last, agreed upon four and four and a half per cent. The former is considered by some as too low a rate, and the latter by others as too high. It has been held to be an amply sufficient return for the investment, the general impression as to the intermediate rate of interest has been such as has led to an inquiry in the public mind respecting the constitution which the Government has established, and which has been so successfully received in the hands, and the rate of interest is becoming prevalent that the amount which it obtained was in real money, three or four hundred per cent. less than the obligations which it issued. It is one of the highest glories that we are paying an extravagant per centage for the use of the money borrowed, which was payed in money, instead of depreciated bonds for which the creditors would have refused to receive. This is the only mode by which collisions with other nations with the whites can be avoided, and the safety of our frontier settlements secured.

The Congressional act authorizing the railway from Omaha to Sacramento have been most energetically engaged in prosecuting the work, and it is believed that the line will be completed before the expiration of the time fixed by law. The six per cent bonds issued to them upon completion amounted on the 5th inst. to $44,337,000, and additional work had been performed to the extent of $3,200,000. The Secretary of the Interior, in August last, invited my attention to the report of a Government Director of the Union Pacific Railroad Company, who had been specially instructed to examine location, construction and equipments of their road. I submitted for the opinion of the Attorney General certain questions in regard to the authority of the Executive, which arose on the report, and those which had from time to time been presented by the Commissioners appointed to inspect each successive section of the work. After carefully considering the law of the case, he affirmed the right of the Executive to order, if necessary, a thorough revision of the entire road. Commissioners were thereupon appointed to examine this and other lines, and they have recently submitted a statement of their investigations, for which the report of the Secretary of the Interior has been transmitted to Congress.

The total number of vessels in the navy is two hundred and six, mounting 1743 guns. Eighty-one vessels of every description are in actual service, and the remaining forty-six are employed in the Pacific ocean. The number of enlisted men in the service, including apprentices, has been reduced to eighty thousand, a reduction of two thousand within the year. An increase of this number is authorized by law, but I am satisfied that the present force will be sufficient for the service. The annual cost of the navy, the actions who toils in the nation's workshops or the mechanics and the seamen who build the edifices and construct its floating defenses, are equally entitled to the benefit of their just and hard-earned fame receive depreciated paper, while another class of society, non-producers, have their bonds paid in coin of gold and silver. Equal and exact justice requires that all the creditors of the Government should be paid in a currency possessing a uniform value. This can only be accomplished by the restoration of the currency to the standard established by the Constitution. The Secretary of the Treasury, in his report of the 4th day of December, 1867, this amount had been reduced to $2,491,504,450, but at the same time his report exhibited an increase during the year of $35,625,102 for the debt on the first day of Nov. last as stated to be redeem $2,527,129,552. It is established by the Secretary that the returns for the past year, ending the 30th of June, 1868, after the sum of eleven millions, making a total increase during thirteen months of forty-six and a half millions. In my message to Congress of December 4, 1865, it was suggested that a policy should be devised, which, without being oppressive to the people, would at once begin the reduction of the public debt. If this is not decided in, discharge it fully within a definite number of years. The adoption of such a policy would be enjoyed by our citizens, rather than need to build up and sustain monied monopolies in our own and other lands. Our foreign debt is now small, and the annual interest of the Treasury at $650,000,000. Citizens of foreign countries receive interest upon a large portion of our securities, and American tax payers are made to contribute large sums for their support. The idea that such a debt is to become permanent, should be at all times discarded as involving the necessity of such a high rate of taxation as would forever prevent the payment once in every sixteen years, at the present rate of interest, of an amount equal to the original sum. This rate, if allowed to become permanent and increasing, must eventually be gathered from the people of the United States, and thereby become a dangerous and controlling power in the affairs of the Government. The borrowers would become servants to the lenders, the lenders the masters of the people. We have the right to rely upon having given freedom to four millions of the colored race. It will then be our shame if we fail to secure to the people, by law, the early realization of pauperism and profligacy, have suffered themselves to become enslaved and merely crouching abjectly for new task masters in the shape of capitalists. It will be necessary for, in addition to the comfort of the people, it would be wise economy to abolish our mints, thus saving the section of the Treasury Department, and the salaries of its officers, and let all our precious metals be exported in bullion. The time has come, however, when the Government and national banks should return to the constitutional currency, and make all necessary arrangements for a resumption of specie payments. Let specie payments once more be earnestly inaugurated by the Government, and the banks and the holders of the paper circulation would directly appreciate a specie standard. Specie payments having been resumed by the Government and by the banks, all notes or bills of paper issued by either of a less denomination than twenty dollars would be withdrawn from circulation, and that the people may have the benefit and convenience of a gold and silver currency, which in all their business transactions will be uniform in value at home and abroad. Every man of property; every man who desires to preserve what he honestly possesses, or to obtain what he can honestly earn, has a direct interest in maintaining a permanent specie standard. No medium shall be real and substantial, not liable to vibrate with equal promptness from the impulse of hope or fear, of terror or confidence, but to be made stable and secure. A disordered currency is one of the greatest political evils. It undermines the morals, and destroys the life of the industrial classes. The necessary fluctuations in the value of paper money, its derangement of the social system, and encourages propensities destructive of its happiness. It wars against industry, frugality and economy, and it fosters the evil spirits of extravagance and speculation. It has been asserted by one of our profound and most gifted statesmen that "of all the contrivances for cheating the laboring classes of mankind, none has been more effectual than that which deludes them with paper money." This is the most effectual of all inventions to fertilize the rich man's field by the sweat of the poor man's brow. Ordinary tyranny, oppression, excessive taxation, these bear lightly on the happiness of the mass of the community compared with a fraudulent currency and the robberies committed by depreciated paper. Our own history has recorded for our instruction enough, and more than enough of the demoralizing tendency, the injustice and the intolerable oppression on the industrial classes of such a system. A degraded paper currency authorized by law or in any way countenanced by Government. It is one of the most successful devices in times of peace or war, of expansion or contraction, for the inflation and the transfer of all the precious metals from the great mass of the people into the hands of the few, who have been favored by the system so depreciated under bolts and bars, while the people are left to endure all the inconvenience, sacrifice and demoralization resulting from the use of depreciated and worthless currency.

The Secretary of the Interior in his report gives valuable information in reference to the management of the Indian bureau. In my message to Congress of December 4, 1865, I gave my views at length upon the policy to be pursued with reference to our Indian relations, and recommended the adoption of such measures as would lead to the civilization of the Indians, and their ultimate settlement as citizens of the United States. My views remain unchanged, and I trust that the recommendations which I then made may receive the favorable consideration of Congress. The organization of the Indian Bureau, which was established by the first Congress under the Constitution, has remained substantially the same from the time of its creation to the present day, although the country with which it has to deal has greatly changed. The Indian tribes were then powerful, and inhabited lands immediately adjoining the States and Territories first settled by our people. Now the white population has expanded over the continent, and the Indians are mostly located beyond the limits of the States and Territories, and in the midst of the unoccupied domain. The Indian tribes are also greatly reduced in numbers, and in many instances are insignificant in strength. Their hunting grounds have been taken from them, and the game upon which they subsisted has been destroyed. Substantially, they are now all within the limits of the public lands, and treated as wards of the Government. Humanity and economy alike require that the change in their condition should be recognized, and that our relations with them should be adjusted to their present wants. Many of the treaties with the Indians contain provisions for annuities, which are wholly inapplicable to their present condition, and which serve only to corrupt the Indian character. Many of the treaties have been violated by the Indians, and hostilities have been the consequence, which have resulted in large expenditures before they could be renewed. Our Indian system should be so changed as to remove the temptation to violate treaties, and to encourage habits of industry, self-support and civilization. The Indian Bureau, in my judgment, should be transferred to the War Department. All the Indian tribes are the wards of the nation, and the duties to be performed toward them are more military than civil in their character. The agents should be appointed by the President, by and with the advice and consent of the Senate, and should be under the control of military officers. Their duties would be simple, and principally to see that the goods and provisions contracted for reach the Indians, and are properly issued to them. The accounts of the agents would be rendered to military officers, and by them forwarded to the War Department. The issues to the Indians would be made more directly from the Government, and the opportunities for fraud greatly diminished. The Indians would soon learn to look to military officers for protection, and would abandon their present fear and distrust of the power of the United States. Indian hostilities would cease, and the vast sums now expended in keeping the peace would be saved to the Treasury. The Indian Bureau, as at present organized, is a source of temptation to the Government and a shield to dishonest agents. Its chief officers are not responsible to the people, and are not subject to the supervision of any one of the Executive Departments. Its clerks are appointed by the Secretary of the Interior, and are not known to the law. The system is a bad one, and should be changed. The Indians are the wards of the nation, and should be treated with justice and humanity. Agents should be appointed for honesty and capacity, and not for political services rendered. They should be protected in the enjoyment of the lands assigned to the various tribes, and not be permitted to be encroached upon by the whites. Schools should be established among them, and they should be induced to cultivate the soil and to become self-supporting. Their supplies should be purchased by contract, made in open market, and not by special agents, who are sent among them for that purpose. Such a system would relieve the Government of many of the present evils, and would, in my judgment, be productive of much good to the Indians.

Reconstruction having been made against the refusal, it was promptly overturned, and the Navy Department resumed its ordinary and peaceful course. Mr. Washburn and his family, not recovered them to a safe and convenient seaport. In the mean time an excited controversy had arisen between the Governments of Belgium and the United States Minister, which it is understood grew out of his proceedings in giving asylum in the Belgian legation to alleged couriers of that Republic charged with important political offenses. The question necessary for the support of the army during the fiscal year ending June 30th, 1868, was $74,757,000, which is estimated as sufficient for the year 1869. The estimates of the War Department for the last two fiscal years were: for 1867, $33,814,307, and 1868, $71,905,639. The actual expenditures during the same period were respectively $93,224,416 and $123,246,618. The estimate submitted in December last for the fiscal year ending June 30, 1869, was $77,184,797. The expenditures for the first quarter, ending the 30th of September last, were $27,319,181, and the Secretary of the Treasury gives $64,000,000 as the amount which will probably be required during the remainder of the year. The figures of that period seem to present their posterity from the evils which they themselves had experienced. Hence, in providing a circulating medium for the country, Congress has the power to coin money and regulate the value thereof, at the same time prohibiting the States from making anything but gold and silver a tender in payment of debts.

The whole number of officers of the army is in striking contrast with that of the force legislatively designed. Our circulation now embraces first: notes of the National Banks which are made receivable for all dues to the Government, including ports, and for all creditors, excepting in payment of interest upon its bonds and the securities themselves; second: legal tender notes issued by the United States, and which the law requires shall be received as well in payment of all debts between citizens as of all Government dues excepting imports; third: gold and silver coin, the lawful money of our present system of finance, however, the monetic currency, when ventured, is reserved only for coin and bullion in exchanges, and bonding in bonds semi-annually receive their interest in coin from the National Treasury. There is no reason which will be accepted as satisfactory by the people why there should not be paid the interest on the one, as well as the other. The Secretary of the Treasury is advised in view of our recent acquisitions, our expanding commerce and the increasing intercourse between the Pacific States and Asia. The Naval Pension Fund should be duly ratified and exchanged, and another treaties have been entered into between Denmark and the United States and Sweden and Norway, and with the Grand Duchy of Baden, and Hesse Darmstadt. I hope soon to be able to submit for the satisfactory consideration of the next Congress, treaties with other States for the regulation of the right of naturalized citizens who shall have resumed their original allegiance, and for the protection of those who shall become citizens by emigration. While we firmly maintain this right as inherent and one of the essential principles of our liberty and our system of government, we should entertain with other nations the most liberal views in regard to the termination of citizenship. This is the only mode by which collisions with other nations and with the whites can be avoided, and the safety of our frontier settlements secured.

The Congressional act authorizing the railway from Omaha to Sacramento have been most energetically engaged in prosecuting the work, and it is believed that the line will be completed before the expiration of the time fixed by law. The six per cent bonds issued to them upon completion amounted on the 5th inst. to $44,337,000, and additional work had been performed to the extent of $3,200,000. The Secretary of the Interior, in August last, invited my attention to the report of a Government Director of the Union Pacific Railroad Company, who had been specially instructed to examine location, construction and equipments of their road. I submitted for the opinion of the Attorney General certain questions in regard to the authority of the Executive, which arose on the report, and those which had from time to time been presented by the Commissioners appointed to inspect each successive section of the work. After carefully considering the law of the case, he affirmed the right of the Executive to order, if necessary, a thorough revision of the entire road. Commissioners were thereupon appointed to examine this and other lines, and they have recently submitted a statement of their investigations, for which the report of the Secretary of the Interior has been transmitted to Congress.

The total number of vessels in the navy is two hundred and six, mounting 1743 guns. Eighty-one vessels of every description are in actual service, and the remaining forty-six are employed in the Pacific ocean. The number of enlisted men in the service, including apprentices, has been reduced to eighty thousand, a reduction of two thousand within the year. An increase of this number is authorized by law, but I am satisfied that the present force will be sufficient for the service. The annual cost of the navy, the actions who toils in the nation's workshops or the mechanics and the seamen who build the edifices and construct its floating defenses, are equally entitled to the benefit of their just and hard-earned fame receive depreciated paper, while another class of society, non-producers, have their bonds paid in coin of gold and silver. Equal and exact justice requires that all the creditors of the Government should be paid in a currency possessing a uniform value. This can only be accomplished by the restoration of the currency to the standard established by the Constitution. The Secretary of the Treasury, in his report of the 4th day of December, 1867, this amount had been reduced to $2,491,504,450, but at the same time his report exhibited an increase during the year of $35,625,102 for the debt on the first day of Nov. last as stated to be redeem $2,527,129,552. It is established by the Secretary that the returns for the past year, ending the 30th of June, 1868, after the sum of eleven millions, making a total increase during thirteen months of forty-six and a half millions. In my message to Congress of December 4, 1865, it was suggested that a policy should be devised, which, without being oppressive to the people, would at once begin the reduction of the public debt. If this is not decided in, discharge it fully within a definite number of years. The adoption of such a policy would be enjoyed by our citizens, rather than need to build up and sustain monied monopolies in our own and other lands. Our foreign debt is now small, and the annual interest of the Treasury at $650,000,000. Citizens of foreign countries receive interest upon a large portion of our securities, and American tax payers are made to contribute large sums for their support. The idea that such a debt is to become permanent, should be at all times discarded as involving the necessity of such a high rate of taxation as would forever prevent the payment once in every sixteen years, at the present rate of interest, of an amount equal to the original sum. This rate, if allowed to become permanent and increasing, must eventually be gathered from the people of the United States, and thereby become a dangerous and controlling power in the affairs of the Government. The borrowers would become servants to the lenders, the lenders the masters of the people. We have the right to rely upon having given freedom to four millions of the colored race. It will then be our shame if we fail to secure to the people, by law, the early realization of pauperism and profligacy, have suffered themselves to become enslaved and merely crouching abjectly for new task masters in the shape of capitalists. It will be necessary for, in addition to the comfort of the people, it would be wise economy to abolish our mints, thus saving the section of the Treasury Department, and the salaries of its officers, and let all our precious metals be exported in bullion. The time has come, however, when the Government and national banks should return to the constitutional currency, and make all necessary arrangements for a resumption of specie payments. Let specie payments once more be earnestly inaugurated by the Government, and the banks and the holders of the paper circulation would directly appreciate a specie standard. Specie payments having been resumed by the Government and by the banks, all notes or bills of paper issued by either of a less denomination than twenty dollars would be withdraw