Executive Informs Congress of Subjects of National Importance.

BEGINS WITH NATIONAL FINANCES

Announces That There Will Be a Surplus of \$40,000,000.

What He Has to Say About Trusts, the Boer War and Other Matters of General Interest-Big End of the Document Given to Consideration of the Cubau, Philippine and Porto Rican Questions and Policies To Be Adopted Therein-The Civil Service Order of May 20 Last,

President McKinley's message to congress begins with a tribute to the memory of Vice President Hobart and then tells of the general prosperity of the country. He then says:

Government receipts from all sources for the fiscal year ended June 20, 1899, including \$11,798,314.14, part payment of the Central Pacific railroad indebtedness, aggregated \$610,982,004.35. Customs receipts were \$206,128,481.75, and those from internal revenue \$273,437,-151.51

"For the fiscal year the expenditures were \$700,093,564.02, leaving a deficit of \$89,111,559,67.

The secretary of the treasury estimates that the receipts for the current flacal year will aggregate \$640,358,112, and upon the basis of present appropriations the expenditures will aggregate 500,958,112, leaving a surplus of \$40,-

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

"The present gratifying strength of the treasury is shown by the fact that on Dec. 1, 1899, the available cash balance was \$278,004.837.72, of which \$239,744,995.36 was in gold coin and bullon. The conditions of confidence which prevail throughout the country have brought gold into more general use and customs receipts are now almost encustoms receipts are now almost en-tirely paid in that coin.

Surplus of \$40,000,000. The strong condition of the treasury with respect to cash on hand and the favorable showing made by the revenues have made it possible for the secretary of the treasury to take action under the provisions of section 2594 (revised statutes) relating to the sinking fund. Receipts exceeded expenditures for the first five months of the current fiscal year by \$13,413,289.91, 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 was deemed advisable and proper to resume compliance with the provi-sions of the sinking fund law, which for of the deficiency in the revenue. The treasury department therefore offered to purchase during November \$25,000,-600 of the 5 per cent. loans of 1904, or, the 4 per cent. funded loan of 1907 at current market price. The amount offered and purchased during Nevember was \$18,408,600. The premium paid by government on such purchases was \$2,263,521 and the net saving in interest was about \$2,883,000. The success of this operation was sufficient to induce the government to continue the offer to purchase bonds to and including the 23d day of December, unless the re-mainder of the \$25,000,000 called for should be presented in the meantime Increased activity in industry with its welcome attendanta large employment of labor at higher vages-gives to the body of people a larger power to absorb the circulating medium. It is further true that year by year with larger areas of land under cultivation the increasing volume agricultural products, corn, wheat, calls for a larger volume of money supply. This is especially noticeable at

the crop harvests and crop-moving pe-Modification of Banking Act.

The president recommends the modification of the national banking act to render its service more responsive to the people's needs. He also urges that the secretary of the treasury be given more power to sell bonds, and repeats his 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 The president points to the value of an American merchant marine, and tells of the activity in our shipyards. On the subject of trusts he says:

"Combinations of capital organized into trusts to control the conditions of trade among our citizens, to stifle competition, limit production and determine the prices of products used and con-sumed by the people, are justly pro-voking public discussion, and should early claim the attention of the con-gress. The industrial commission, created by the act of the congress of June 18, 1898, has been engaged in extended hearings upon the disputed questions involved in the subject of combinations in restraint of trade and competition. They have not yet completed their investigation of this subject, and the conclusions and recommendations at which they may arrive are undeter-The subject is one giving rise to many divergent views as to the na-ture and variety or cause and extent of the injuries to the public which may result from large combinations concer trating more or less numerous enter-prises and establishments, which previously to the formation of the combina tion were carried on separately. I the present law can be extended more certainly to control or check these monopolies or trusts, it should be done without delay. Whatever power the congress possesses over this most important subject should be promptly ascertained and asserted."

The Nicaragon Canal. President McKinley devotes considerable space to the Nicaragua canal, and

concludes:

"The great importance of this work cannot be too often or too atrongly pressed upon the attention of the congress. In my message of a year ago I expressed my views of the necessity of a canal which would link the two great oceans, to which I again notice your consideration. The reasons then presented for early action are even atronger now

"In my message to congress of Dec. 5, 1898, I urged that the recommendation which had been made to the speaker of the house of representatives by the secretary of the treasury on the 16th of June, 1898, for an appropriation

eniargement of markets in China for the raw products and manufactures of the United States, should receive at your hands the consideration which its importance and timeliness merited, but the congress failed to take action. I now renew this recommendation, as the importance of the subject has steadily grown since it was first submitted to you, and no time should be lost in studying for ourselves the resources of this great field for American trade and enterprise." America at Paris Exposition.

"Preparations for the representation of the industries, arts, and products of the United States at the world's ex-position to be held in Paris next year continue on an elaborate and comprehensive scale, thanks to the generous appropriation provided by congress and to the friendly interest the French gov-

ernment has shown in furthering a typ-

ical exhibit of American progress.
"Our relations with Germany continue to be most cordial. The increasing intimacy of direct association has been marked during the year by the granting permission in April for the landing on our shores of a cable from Borkum Emden, on the North sea, by way of the Azores, and also by the conclusion an Sept. 2 of a parcels post convention with the German empire. In all that promises closer relations of intercourse and commerce and a better understanding between two races having so many traits in common, Germany can be assured of the most cordial co-operation of this government and people. We may be rivals in many material paths but our rivalry should be generous and open. ever aiming toward the attainment of larger results and the mutually beneficial advancement of each in the line of the senecial advancement of each in the line of its especial adaptability.

United states and Canada.

"In my last annual message I referred to the pending negotiations with Great Britain in respect to the Dominion of Canada. By meani of an executive agreement a joint high commission had been created for the purpose of adjusting all unsettled questions between the United States and Canada, embracing tracks ing twelve subjects, among which were the questions of the fur seals, the fisherles of the coast and contiguous inland les of the coast and contiguous inland waters, the Alaskan boundary, the transit of merchandise in bond, the alier labor laws, mining rights, reciprocity in trade, revision of the agreement respecting naval vessels in the great lakes, a more complete marking of parts of the boundary, provision for the conveyance of criminals, and for wrecking and salvage.

"Much progress had been made by the commission toward the adjustment of many of these questions where it became apparent that an irreconcilable difference of views was entertained re-

difference of views was entertained respecting the delimitation of the Alaskan boundary. In the failure of an agree-ment as to the meaning of articles 3 and 4 of the treaty of 1825 between Russia and Great Britain, which defined the boundary between Alaska and Can-ada, the American commissioners proposed that the subject of the boundary be laid aside and that the remaining questions of difference be proceeded with, some of which were so far advanced as to assure the probability of a settlement. This being declined by the British commissioners, an adjournment was taken until the boundary should be adjusted by the two governthe careful attention which its impor-tance demands, with the result that a modus vivendi for provisional demarcations in the region about the head of Lynn canal has been agreed upon; and it is hoped that the negotiations now in progress between the two governments will end in an agreement for the es-tablishment and delimitation of a permanent boundary. Apart from these questions growing out of our relationship with our northern neighbor, the friendly disposition and ready agreement have marked the discussion of numerous matters arising in the vast and intimate intercourse of the United States with Great Britain.

The Boer War. "This government has maintained an attitude of neutrality in the unfortu-nate contest between Great Britain and the Boer states of Africa. We have remained faithful to the precept of avoiding entangling alliances to to affairs out of our direct concern. circumstances suggested that the par-ties to the quarrel would have wel-comed any kindly expression of the hope of the American people that war might be averted, good offices would have been gladly tendered. The United States representative at Pretoria was early instructed to see that all neutral American interests be respected by the combatants. This has been an easy task in view of the positive declarations of both British and Boer authorities that the personal and property rights of our citizens should be observed. Upon the withdrawal of the British agent from Pretoria the United States consul was authorized, upon the request of the British government and with the assent of the south African and Orange Free State governments, to exercise the customary good offices of a neutral for the care of British interests. In the discharge of this function I am happy to say that abundant opportunity has been afforded to show the impartiality of this government toward both the combatants.

Lynching of Italians. "For the fourth time in the present decade question has arisen with the government of Italy in regard to the lynching of Italian subjects. The latest of these deplorable events occurred at Tallulah, La., whereby five unfortu-nates of Italian origin were taken from jail and hanged. * * The recurrence of these distressing manifestations of blind mob fury directed at dependents or natives of a foreign country suggests that the contingency has arisen for ac-tion by congress in the direction of conferring upon the federal courts juris-diction in this class of international cases where the ultimate responsibilfederal government may be involved."

in Samoa and recites the difficulties under the tripartite government, ending in the treaty dividing the islands be-tween the United States and Germany, which is matter of current newsetoday.

CONSIDERS THE CASE OF CUBA. Refers to the Resolution Passed by Con-

gress April 19, 1897. The president then takes up the im-

portant question of our connection with Cubs. and says: Cuba, and says:

"The withdrawal of the authority of Spain from the island of Cuba was effected by the 1st of January, so that the full re-establishment of peace found the relinquished territory held by us in trust for the inhabitants, maintaining trust for the inhabitants, maintaining under the direction of the executive such government and control therein as should conserve public order, restore the productive conditions of peace so long disturbed by the instability and disorder which prevailed for the greater of the house of representatives by the secretary of the treasury on the the of June, 1898, for an appropriation or a commission to study the commercial and industrial conditions in the hinese empire and report as to the opportunities for, and obstacles to, the

exercise sovere gnty, furisdictions or control over Cuba, except for the pacification thereof, and asserted its determination when that was accomplished to leave the government and control of the island to its people.

"The pledge contained in this resolution is of the highest honorable obliration and must be sarredly kept. I believe that substant'al progress has been made in this direction. All the administrative measures adopted in Cuba have aimed to fit." for a regenerated existence by enforcing the square Cuba have aimed to not for a regenerated existence by enforcing the supremacy of the law and justice; by placing wherever practicable the machinery of administration in the hard of the inhabitants; by instituting meded sanitary reforms; by spreading ed-ucation; by fostering industry and trade; by inculcating 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 self-reliant unity which fits an enlightened community for self-govern-ment within its own sphere, while en-abling it to fulfill all outward obliga-

This nation has assumed before the world a grave responsibility for the future good government of Cuba. We have accepted a trust the fulfillment of which calls for the sternest integrity of purpose and the exercise of the high-est wisdom. The new Cuba yet to arise from the ashes of the past must arise from the ashes of the past must needs be bound to us by ties of singular intimacy and strength if its enduring welfare is to be assured. Whether those ties shall be organic or conventional the destinies of Cuba are in some righful form and manner irrevocably linked with our own, but how and how far is for the future to determine in the ripeness of events. Whatever be the outcome we must see to it that free Cuba be a reality, not a name: a per-Cuba be a reality, not a name; a per-fect entity, not a hasty experiment bearing within itself the elements of

"Our mission, to, accomplish which we took up the wages of battle, is not to be fulfilled by turning adrift any loosely framed commonwealth to face the vicissitudes which too often attend wealthier states whose natural wealth and abundant resources are offset by the incongruities of their political organization and the recurring occasions for internal rivalries to sap their strength and dissipate their energies. The greatest blessing which can come to Cuba is the restoration of her agricultural prosperity, 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 last an order was made for the taking of the census

was made for the taking of the census in the island, to be completed on the 30th of November. By the treaty of peace the Spanish people on the island have until April 11, 1900, to elect whether they will remain citizens of Spain or become citizens of Cuba. Until then it cannot be definitely ascertained who shall be entitled to participate in the formation of the government of Cuba. By that time the results of the census will have been tabulated and we shall proceed to provide for elections which will commit the municipal governments of the island to the officers elected by the people. The experience thus acquired will prove of great value in the formation of a representative convention of the people to draft a constitu-tion and establish a general system of independent government for the island. In the meantime and so long as we exercise control over the island the prod-ucts 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 treaties of reciprocity which shall be

Reference is then made to the relief work done in the island, the payments to the Cuban army, Cuban revenues and resumption of diplomatic relations

POLICY IN THE PHILIPPINES. Bolleves the Mass of Filipines Are with the United States.

The Philippine islands and our policy therein are treated of as follows: "On the 10th of December, 1898, the treaty of peace between the United States and Spain was signed. It provided among other things that Spain should cede to the United States the archipelago known as the Philippine islands, that the United States should pay to Spain the sum of \$20,000,000, and that the civil rights and political status of the native inhabitants of the territories thus ceded to the United States should be determined by the congress. * * In this manner the Philippines came to the United States. The islands were ceded by the government of Spain, which had beer in undisputed possession of them for centuries. They were accepted not merely by our authorized commission-ers in Paris under the direction of the executive, but by the constitutional and well considered action of the representatives of the people of the United States 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 wishes and the pirations of the great mass of the Fil-

'From the earliest moment no oppor tunity was lost of assuring the peofor their welfare and of the intention of this government to do everything possible to advance their interests In my order of the 19th of May, 1898, the commander of the military expedition dispatched to the Philippines was instructed to declare that we came not to make war upon the people of that country, 'nor upon any party or faction among them, but to protect them in their homes, in their employments and in their personal and religious rights That there should be no doubt as to the parameunt 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 within the terri-tory occupied by their military and naval forces: that the insurgents and all others must recognize the military occupation and authority of the States. As early as Dec. 4, before the cession, and in anticipation of that event, the commander in Manila was urged to restore peace and tranquility and to undertake the establishment of a beneficent government, which should afford the fullest security for life and

property. "On the 21st of December, after the "On the 21st of December, after the freaty was signed, the commander of the forces of occupation was instructed to announce and proclaim in the most public manner that we come not as invaders and conquerors, but as friends to protect the natives in their homes, in their employments, and in their personal and religious rights. On the same day, while ordering General Otis to see that the peace should be preserved in lioilo, he was admonished that It is most important that there should be no most important that there shou conflict with the insurgents.' first day of January, 1899, ura ders were reiterated that the ki tentions of this government at

men of the filghest character and distinction, theroughly acquainted with the Orient, who, in association with Admiral Bewey and Major General Otis, were instructed to facilitate the most humane and effective extension of authority throughout the islands, and to secure with the least possible delay the benefits of a wise and generous protection of life and property to the inhabitants. These gentlemen were Dr. Jacob Gould Schurman, president of Cornell university; the Hon, Charles Denby, for many years minister to China, and Professor Dean C. Worcester, of the University of Michigan, who had made a most careful study of life in the Philippines. While the treaty of peace was pines. While the treaty of peace was good will and liberation. Their charter was a sufficient guaranty of the neficent purpose with which they ent even if they had not borne the settive instructions of this government which made their errand pre-eminently one of peace and friendship. "Fut before their arrival at Manila the sinister ambition of a few leaders

of the Filipines had created a situation full of embarrassments for us and most grievous in its consequences to themgrievo is in its consequences to themselves. The clear and impartial preliminary report of the commissioners,
which I transmit herewith, gives so
ficid and comprehensive a history of
the present insurrectionary movement
that the story need not be here repeated. It is enough to say that the
claim of the rebel leader that he was
promised independence by any officer of
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 back to Manila was
the liberation of the islands from the
Spanish control, which they had been
laboring for years without success to aboring for years without success to

The prompt accomplishment of this "The prompt accomplishment of this work by the American army and navy gave him other ideas and ambitions, and insidious suggestions from various quarters pervetted the purposes and intentions with which he had taken up arms. No sooner had our army captured Manila than the Filipino forces egan to assume an attitude of suspicion and hostility which the utmost efforts of our officers and troops were unable to disarm or modify. Their kindness and forbearance were taken as a proof of cowardice. The aggressions of the Filipinos continually in-creased until finally, just before the time set by the senate 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 sanguinary repulse of the Insurgenta.

PLOTTED A GENERAL MASSACRE.

Scheme of the Rebels to Exterminate All the Americans in Manila,

"Ten days later an order of the insurgent government was issued to its adherents who had remained in Ma-pila, of which General Otis justly observes that 'For barbarous intent it is unequaled in modern times.' It directs that at \$ o'clock on the night of the 15th of February, the territorial militia 'shall come together in the streets of San Pedro, armed with their bolos, with guns and ammunition where convenient; that Filipino families only shall be 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 on the Americans and exterminate them, that we may take our revenge for the infamies and treacheries which they have committed upon us. Have no compassion upon them; attack with

"A copy of this fell by good fortune into the hands of our officers, and they were able to take measures to control the rising, which was actually attempted on the night of Feb. 22. a week later than was originally contem plated. Considerable numbers of armed insurgents entered the city by waterways and swamps and in concert with confederates inside attempted to de-stroy Manila by fire. They were kept in check during the night, and the next day driven out of the city with heavy

"This was the unhappy condition of affairs which confronted our commis-sioners on their arrival in Manila. They had come with hope and intention of co-operating with Admiral Dewey and Major General Otis in establishing peace and order in the archipelago and the largest measure of self-government compatible with the true welfare of the people. What they actually found can best be set forth in their own words: Deplorable as war is the one in which we are now engaged was unavoidable by us. We were attacked by a bold, adventurous, and enthus artic army. No alternative was left us except ignominous retreat. It is not to be conceived of that any American would have sanctioned the surrender of Manila to the insurgents. Our obligation to other nations and to 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 insurgents are reduced to submis-sion. The commission is of the opinion that there has been no time since the destruction of the Spanish squadron by Admiral Dewey when it was possible to withdraw our forces from the islands, safety to the inhabitants."

either with honor to ourselves or with "The course thus clearly indicated has been unflinchingly pursued. The re-bellion must be put down. Civil government cannot be thoroughly estab-lished until order 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 deserved success. The noble self-sacrifice with which our soldiers and sailors whose terms of service had expired re-fused to avail themselves of their right to return home as long as they were needed at the front forms one of the the brightest pages in our annals. Although their operations have been some-what 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 a speedy completion of their task.

WORK OF RECONSTRUCTION BEGUN Form of Government Adopted for the laland of Negros.

"The unfavorable circumstances connected with an active campaign has not been permitted to interfere with the equally important work of reconstruction. Again I invite your attention to the report of the commissioners for the interesting and encouraging details of the work already accomplished in the establishment of peace and order and the inauguration of self-governing municipal life in many portions of the archipelago. A notable beginning has been made in the establishment of a government in the island of Negros, which is deserving of special The unfavorable circumstances con-

consideration. This was the first Island to accept American movereignty. Its people unreservedly proclaimed allegiance to the United States and adopted a constitution looking to the establishment of a popular government. It was impossible to guarantee to the people of Negros that the constitution so adopted should be the ultimate form of government. Such a question and congress. The government actually set up by the inhabitants of Negros eventually proved unsatisfactory to the natives themselves. A new system was put into force by order of the major general commanding the department of which the following are the most important elements:

which the following are the most important elements:

"It was ordered that the government of the island of Negros should consist of a military governor 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 military governor, exercises the supreme executive power. He is to see that the laws are executed, apis to see that the laws are executed, appoint to office, and fill all vacancies in office not otherwise provided for, and may, with the approval of the military governor of the Philippines, remove any officer from office. The civil governor advises the military governor on all advises the military governor on all public civil questions and presides over the advisory council. He, in general, performs the duties, which are per-formed by a cretaries of state in our own system of government,

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 times and places of holding elections are to be fixed by the military governor of the island of Negros. The qualifications of voters are as follows:

(1) A' voter must be a male citizen of the island of Negros. (2) Of the age of 21 years. (3) He shall be able to speak, read and write the English, Spanish or Visayan language, or he must own real Visayan language, or he must own real property worth \$55, or pay a rental on real property of the value of \$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 be offers to register. (5) He must register at a time fixed by law before voting. (5) Prior to such registration he shall have paid all taxes due by him to the government. Provided, that no insane person shall be such as the provided of th

ernment. Provided, that no insane person shall be allowed to register or vote. "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 pertaining to said offices are lobe performed by the secretaries of the treasury, interior, agriculture, public be performed by the secretaries of the treasury, interior, agriculture, public instruction, the attorney general, and the auditor. The judicial power is vested in three judges, who are to be appointed by the military governor of the island. Inferior courts are to be established. Free public schools are to be established throughout the populous districts of the island, in which the English language shall be taught, and this subject will receive the careful consideration of the advisory council. consideration of the advisory council. customs revenue, and will control postal matters and Philippine inter-island trade and commerce. The military governor, subject to the approval of the military governor of the Philippines,

provided for, and which do not come under the jurisdiction of the advisory FUTURE GOVERNMENT OF ISLANDS

Rests with Congress, but the President

Opposes Granting Independence.

determines all questions not specifically

"The future government of the Philippines rests with the congress of the State. Few graver respons bilities have ever been confided to us. If we accept them in a spirit worthy of our race and our traditions a great op-portunity comes with them. The isl-ands lie under the shelter of our flag. They are ours by every title of law and equity. They cannot be abandoned. if we desert them we leave them at once to anarchy and finally to barbarism. We fling them-a golden apple of dis-cord-among the rival powers, no one of which could permit another to seize them unquestioned. Their rich plains and valleys would be the scene of endless strife and bloodshed. The advent of Dewey's fleet in Manila bay, instead of being—as we hoped—the dawn of a new day of freedom and progress, will have been the beginning of an era of misery and violence, worse than any which has darkned their unhappy past, "The suggestion has been made that we could renounce our authority over the islands, and giving them independence could retain a protectorate over them. This proporition will not be found, I am sure, worthy of your serious at-tention. Such an arrangement, would involve at the outset a cruel breach of faith. It would place the peaceable and loyal majority—who ask nothing better than to accept our authority—at the mercy of the minority of armed insur-gents. It would make us responsible for the acts of the insurgent leaders and give us no power to control them. It would charge us with the task of pro-tecting them against each 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 the power of declaring war and vest, that tremendous prerogative in the Tagal leader

"It does not seem desirable that I show's recommend at this time a spethese islands. When peace shall be restored it will be the duty of congress to construct a plan of government which shall establish and maintain freedom and order and peace in the Philippines. The insurrection is still existing, and when it terminates further information will be appeared to the property of the state of the property of the peace of the property of the peace of the formation will be required as to the actual condition of affairs before inaugurating a permanent scheme of civil government. The full report of the commission, now in preparation, will con-tain information and suggestions which mission how in preparation, will contain information and suggestions 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 governments popular in their form as fast as territory is held or controlled by our troops. To this end I am considering the advisability of the return of the commission—or of such members thereof as can be secured—to ald the existing authorities and facilitate this work throughout the islands. I have believed that reconstruction should not begin by the establishment of one civil government for all the islands with its seat at Manila, but rather that the work should be commenced by building up municipal governments and then provincial covernments as central governncial covernments, a central govern-

ment 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 in all other places where our flag rightfully uphoid the sovereignty of the United States in those distant islands, as in all other places where our flag rightfully doats. I shall put at the disposal of the army and navy all the means which the Uberality of congress and the people have provided to cause this unrovoked and wasteful insurrection to cesse. If any orders of mine were required to insure the merciful conduct of military and naval operations they would not be incking: but every step of the progress of our troops has been marked by a humanity which has surprised even the misguided insurgents. The truest kindness to them will be a swift and effective defeat of their present leader. The hour of victory will be the hour of clemency and reconstruction.

"No effort will be spared to build up the waste places desolated by war and by long years of misgovernment. We shall not wait for the end of strife to begin the beneficient work. We shall continue, as we have begun, to open the schools and the churches, to set courts in operation, lo foster industry and any way in 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 en-

erty and not our power, their welfars and not our sain, we are seeking to enhance. Our fag has never waved over any community but in blessing. I believe the Filipinos will soon recognize the fact that it has not lost its gift of enediction in its worldwide journey to helr shores.

The Sulu islands are referred to as having accepted our authority. The provision in the exceement with the sultan permitting the extense of slavery in those islands, as well, in fact, as the whole agreement with the sultan, the president explains, is made subject to confirmation by congress, and the sultan was informed that the agreement is not to be construed in any way as giving the consent of the United States to the existence of slavery in the Sulu archipelago.

GOVERNMENT FOR PORTO BICO.

Time Is Hipe the President Says for a

With reference to Porto Rico the president says: "The time is ripe for the adoption of a temporary form of government for this island." 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 right in general. The cities of the Island are governed under 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. Temporar, Form.

"But with reference to public admin-istration and the relations of the islands to the federal government there are many matters which are of pressing urgency." It must be borne in mind that since the cession Porto Rico has been denied the principal markets she had long enjoyed and our tauffs have been continued against her prod-

used to buy her cattle tobacco without customs duties, now imposes the same duties upon these products as from any other country entering her ports. She has therefore lost her free intercourse with Spain and Cuba without any compensating bene-fits in this market.

"It is desirable that the government of the island under the law of belligerent right, now maintained through the executive department, should be superseded by an administration entirely civil in its nature. For present purposes I recommend that congress pass a law for the organization of a temporary government, which shall provide for the appointment by the president—subject to confirmation by the senate—of a governor and such other officers as the gen-eral administration of the island may require, and that for legislative purposes on subjects of a local nature not partaking of a federal character a legslative council, composed partly Porto Ricans and partly of citizens of the United States, shall be nominated and appointed by the president, subject to confirmation by the senate, their acts to be subject to the approval of the congress or the president prior to going in-

"In the municipalities and other local sub-divisions I reommend that the prin-ciple of local self-government be applied at once, so as to enable the intelligent citizens of the Island to partici-pate in their own government and to learn by practical experience the duties and requirements of a self-contained and a self-governing people. I have not thought it wise to commit the entire government of the island to officers selected by the people, because I doubt whether in habits, training and experience they are such as to fit them to exercise at once so large a degree of self-government; but it is my judgment and expectation that they will soon arrive at an attainment of experience and wisdom and self-control that will jus-tify conferring upon them a much larger participation in the choice of their insular officers.

'The fundamental requirement for these people, as for all people, is educa-tion. The free school house is the best preceptor for citizenship. In the intro-duction of modern educational methods care, however, must be exercised that changes be not made too abruptly and that the history and racial pecularit'es of the inhabitants shall be given due

AS TO CIVIL SERVICE AFFAIRS Reasons for the Promulgation of the Or-

der of May 29, 1899. Of the order exempting certain civil

service positions from the classified list the president says:

"The executive order of May 6, 1896, extending the limits of the classified service brought within the operation of the civil service law and rules nearly all of the executive civil service not previously classified. Some of the inclusions were found wholly illogical and unsuited to the work of the several departments. The application of the rules to many of the places so included was found to result in friction and embargament. After long and vary careful. rassment. After long and very careful consideration it became evident to the heads of the departments responsible for their efficiency that in order to remove these difficulties and promote an efficient and harmonious administration

efficient and harmonious administration certain amendments were necessary.

"These amendments were promulgated by me in executive order dated May 29, 1899. The principal purpose of the order was to exempt from competitive examination certain places involving fiduciary responsibilities or duties of a strictly confidential, scientific, or executive character, which it was thought might better be filled either by con-

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COMING EVENTS.

Friday, Dec. 8, at The Peterson, Patricolo Concert Company. Tureday, Dec. 12, at The Peterson, "In Gay

Thursday, Dec. 14, at The Peterson, services George Washington.

A most important measure that is expected to revolutionize the sea trade between Russian ports will go into effect on Jan. 1 next. The Russian coast trade has heretofore been free to the ships of all nations, but beginning next year no foreign vessels, excepting one small class, may engage in the trade between Russian ports. The far-reaching nature of this law will be understood when we. consider that many thousands of miles separate the eastern from the western ports of Russia. Under this law, for example, shipments may be made between St. Petersburg and Odessa in the west and Talien-wan, China, and Vladivostock in the east only in Russian bottoms. The exception to the law permits foreign vessels to transport salt from the ports of the Black Sea and Sea of Azov-to the Baltic ports.

About four-fifths of this trade has heretofore been in the hands of foreign shipping and due notice was given of the change to be made in the carrying trade by the promulgation of the new measure in May, 1897 two years and seven months before the date fixed for its enforcement. The purpose of the law is to stimulate the growth of the Empire's commercial marine. The commission appointed in 1867 to investigate the question of Russia's ocean-carrying trade reported that the Empire was losing about \$37,000,-000 a year in freights paid to foreign vessels because of the inadequacy of Russia's shipping. The government pays an annual subsidy to the Black Sea Steamship Co., but has not favored similar payments to other lines. It believes, however, that the measure it has adopted will impart a large impetus to the Russian shipping interest, and while developing the home coasting trade will give the Russian merchant marine the training it needs for wider activity in the international markets.

Secretary of State Stearns has is sued advance sheet of his report covering the operations of building and loan associations in Michigan for the last fiscal year, this report being completed two months earlier than those of previous years.

The number of associations in operation at the close of the year was 73. The report shows a decrease, during the year, in the assets of the associations of \$726,145.86, caused principally by liquidation, payment of maturned shares and withdrawals. It is alsotrue to a certain extent that this decrease can be traced to a loss of confidence on the part of the citizens of certain localities, this loss being due to the deceptive practices and extravagant promises of large profits and early maturities, made by certain wild-cat associations organized by that class of promoters and schemers whose sole purpose of organization was revenue to themselves, these associations having been previous to the enactment of the present law, regulat-. ing the admission of foreign associations, permitted under the comity of states to transact business in Michigan. Through their alluring literaassociations inveigled a large num- steady. ber of Michigan people into investing their savings with them. The promises were not fulfilled, and in many today instances the victims were fleeced out of the larger portion of the money invested. Some Michigan associations used equally as deceptive literature and are now beginning to feel the pernicious effects of such a course.

Congressman Henry C. Smith is Duluth preparing a bill for the regulation of Minneapolis trusts. It will provide for a national | Chicago commission to have general charge of the question, as the interstate commerce commission does of railroads, with power to take necessary action to the year 1899 is now in my hands for correct the evil when it finds a com- collection. I will be at my office bination of capital engaged in arti- on Elmore street from 9 a. m. to 7:30 ficial enhancement of prices,

An invitation is to be extended in a few days to President McKinley to

attend the Michigan club banquet in Detroit, Feb. 22. He promised some time ago to visit Detroit before the expiration of his present term of office. and the great annual feast of his party in Michigan is thought to be the best time to have him there, provided he can be convinced that he ought to attend a purely partisan function while president. An invitation will also be extended him to visit the University of Michigan at the same time.

We are getting off easy. There is over a foot of snow up north.

DID HE MURDER HER?

Crystal Falls, Dec. 6-Special-Peter Flabby is in jail awaiting an examination on the charge of murdering his wife. Yesterday Flabby reported to the authorities that his wife lie dead in bed, and on an investigation it was found that the woman had a gunshot wound in the arm, and was bruised about the face. The husband was held and a coro ner's inquest is now being held.

ASHLAND'S ORE SHIPMENTS.

Ashland, Dec. 6-Special-Theiron ore shipments from the Gogebic range for the season just closed are about 2,750,000 tons. The record at Chequamegon bay docks passed the 2,700,000 ton mark during the present week, to which are to be added the shipments from this range to Escanaba and local furnaces up to Nov. 26.

MURDERERS ON TRIAL.

Marquette, Dec. 6.-Special-The trial of Christ Kallie and Jacob Lassonen, charged with the murder of James Cashen, at Ishpeming last fall is on trial here today. The sheriff was instructed by Judge Stone to secure thirty extra jurors The crime was one of the most atrocious ever perpetrated in this peninsula.

CHICAGO BROKER SUSPENDED.

Chicago, Ill., Dec. 6-The directors of the Board of Trade, last night suspended A. R. ones for one day for "wretched bookkeeping." Jones failed to keep record of the names of customers with whom deals were

LONDON RECEIVES MESSAGE.

London, Dec. 6.-Special-President McKirley's message was well received in London. The effect on money and stocks was immediate; prices throughout the list advancing from 1 to 1 points higher.

BOERS ARE RETREATING.

London, Dec. 6.-Special-Reports have been received from Durban to the effect that Joubert's army is retreating from Ladysmith.

BURNED AT THE STAKE.

Maysville, Ky., Dec. 6.-A mob of seven hundred men took the negro murderer of Mrs. Lushbrook from jail early this morning and burned him at the stake.

GENERAL WOOD PROMOTED.

Washington, Dec. 6.-President McKinley has nominated Brigadier General Leonard Wood to be Mnjor General of Volunteers.

TO-DAY'S MARKETS.

Market information contained in this column is furnished by the brokerage firm of L. J. Perrin & Co:

Chicago, Ill., Dec 6.-The wheat market displayed more firmness today and leading brokers have been advising purchases for a 5 cent advance. Liverpool cables quote spot wheat id higher; corn firm and id higher. Paris wheat is steady but 5c lower.

Hog receipts year ago 60,000, left over yesterday 1991. Light \$4.07 mixed, \$4.12, heavy; \$4.12. Rough, ture and unscrupulous agents these \$3.90. Hogs open strong. Cattle

·Receipts of hogs and eattle at the three principal western markets

today.	Hogs.	Cattle.
Chicago	34,000	15,000
Kansas City	13,000	12,000
Omaha	9,000	27,000
. Northwest		receipts
of wheat in ca	ar lots today v	vere:
	Today V.	

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Notice to Tax Payers.

Notice is hereby given that the tax roll for the city of Escanaba for p. m., each week day during the month of December to receive payneut of taxes. N. BLANCHET,

FOW SHE'S MISS CUNNINGHAM.

Latest of Mysterious Eills Glenn-A Clew, Also, from Texas. Hillsboro, Ills., Dec. 6.—Information veelved by Sheriff Casseday from West Virginia appears to confirm the theory that Miss Eilis Glenn, Hillsboro's mysterious prisoner, is Cora Alice Cunningham, afterward Mrs. Rader. She was reported to have died of typhold fever in Cedar Keys, Fla., on July 12, 1898. Miss Glenn says she was thought by her friends to have died in Florida, but she will neither admit nor deny that she was Miss Cun-

A dispatch from Fort Worth, Tex., says: "Frank Rece, reporter for Brad-street's, in an interview said that he was acquainted with Ellis Glenn, under arrest charged with forgery in Illinois, and that he met him in Huntington, W. Va., in July, 1807, Rece and his mother decided to come to Texas to engage in business at Mexia and Glenn asked permission to come with them. Glenn was amply provided with money and talked of making large investments in Texas lands. Rece said that he had no reason to suspect that Glenn was a woman, but since recent disclosures he recalls that he always insisted upon occupying a room by himself. He was remarkably skillful in sewing and crocheting and was handy about the house.

TWICE REPORTED DEAD.

Third Time the Grim Terror Wins and the Report Is Correct.

LaCrosse, Wis., Dec. 6 .- After three times reported dead Joseph A. Skaarda was finally killed by cars at Turtle Lake, Wis. His remains were brought to this city Monday night. Skaarda was 35 years old and leaves a wife and two children. He had been working in the logging camps of C. L. Colman Lumber company, of this town.

His wife was notified by wire of the accidental death of her husband, but she did not believe it until the remains arrived accompanied by her brotherin-law. Before this Skaarda's death had been reported to her on two different occasions and each time the rumors turned out to be false.

Narrow Escape from Dead. LaCrosse, Wis., Dec. 6.-Miss Helen Burton, a society belle of LaCrosse, had a narrow escape from death by strangulation while at dinner at the home of her grandfather, Captain I. H. Moulton. A piece of oyster shell be-came fastened in her throat and was

only removed with considerable diffi-

Three Robbers Sentenced.

Fond du Lac, Wis., Dec. 6 .- James McGuire and Sam McClintock were each sentenced yesterday to two years at Waupun. George Lindon was sentenced to the reformatory at Green Bay for a term of from one to five years. The three were found guilty of the Campbellsport robbery Nov. 1

GROCERIES.

A BEAUTIFUL

Given free to every lady who attends our opening in the new store room at 612 Ludington street.

M. R. YOUNG

Has just purchased an entire new styck of fancy groceries which i being arranged in the store room in the new Mead-Perrin block. The beauty and convenience of the new store must be seen to be appreciated and the quality of the stock is unexcelled in any city in the land.

Tuesday, Dec. 12

Is our opening day and we extend a special invitation to all the ladies of the city to call and receive one of our souvenies absolutely free

Fine Groceries.

AMUSEDBNTS



THE .

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Under the auspices of the Episcopal ladies.

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Jennie D. Shoemaker. Entertainer and Delsarteau,

> Eleanor Goodman, Soprono Soloist,

> > E. Ruth Anderson,

SINGLE TICKETS, including reserv-Seat now on sale at Mead's, 75c

The Stager Piano used is from the Escanaba Music House.

EYE AND BAR.



But few of the pleasures of life could be of d were it not for this wonderful organ ght.

IMPORTANT TO THE STUDENT.

Public Schools Closed for One Week. Those troubled with weak eyes or def-ctive vision should improve this op; ortunity to have their eyes t-sted. Its little things that coun. A few dark spots, print becomes blurred and runs together, your eyes burn and smart and feel weak Astigmatism always causes headache. Do you know the risk yen run by waiting.

No Longer Plonder In Darkness . . H. L. HULBURT, O. D.

SCIENTIFIC OPTICIAN,

Graduate of Northern Illinois College Opthalmology and Otology-Opthaimic inspector of Public The Busy Housewife

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Testimonials from Bankers, Merchants, Lawyers and every class of people.

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GRAND OPENING

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(. R. Williams,

UP-TO-DATE SHOE DEALER.

And the question of fuel is serious one with coal and wood at their present high prices.

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and save fuel by supplying your home with one of our excellent coal or wood heaters. Every one is guaranteed.

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A. BAUM.

WHOLESALE LIQUORS NIC. A. BINK.

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LEADING BRANDS OF RYE WHISKIES: GERMANIA CLUB, FAIRMONT,

NEWGATE,

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