## PRESIDENT'S MESSAGE TO FIFTY-EIGHTH CONGRESS

Executive Recommends Passage of Important Legislation—Causes Leading to the Formation of the New Republic of Panama-No Obstruction Now to the Building of the Isthmian Canal-Venezuelan Dispute a Triumph for International Arbitration-Extension of Purposes of Appropriation for Enforcing Trust and Interstate Commerce Laws Favored vestigations have shown a deplorable -Public Land and Postal Frauds-Need for Treaties Making Dribery Extraditable-Relations of the Government to Capital and Labor.

The President Charges the Colombian Government with Acting in Bad Faith in Repudiating the Treaty Between That Country and the United States-Precedents Brought Forward to Explain the Attitude of the State Department in the Recent Crisis-Country Has Been in an Almost Constant State of Turmotl for Many Years-The Importance of Preserving Peace in the lethmus Declared of Paramount Importance.

second session of the Fifty-eighth Congress is substantially as follows:

To the Senate and House of Represen-

With a nation as with a man the most important things are those of the bousehold, and therefore the country is especially to be congratulated on what has been accomplished in the direction of providing for the exercise of supervision over the great corporations and combinations of corporations engaged in interstate commerce. The Congress has created the Department of Commerce and Labor, including the Bureau of Corporations, with for the first time authority to secure proper publicity of such proceedings of these great corporations as the public has the right to know. It has provided for the expediting of suits for the enforcement of the Federal anti-trust law; and by another law it has secured equal treatment to all producers in the transportation of their goods, thus taking a long stride forward in making effective the work of the Interstate Commerce Commission.

Department of Commerce and Labor The establishment of the Department of Commerce and Labor, with the Bureau of Corporations thereunder, marks a real advance in the direction of doing all that is possible for the solution of the questions vitally affecting capitalists and wageworkers.

Functions of New Department.

The pretiminary work of the Bureau of Corporations in the department has shown the wisdom of its creation. Publicity in corporate affairs will tend to do away with ignorance, and will afford facts upon which intelligent action may be taken. Systematic, intelligent investigation is already developing facts the knowledge of which is essential to a right understanding of the needs and duties of the business world. The corporation which is honestly and fairly organized, whose managers in the conduct of its business recognize their obligation to deal equarely with their stockholders, their competitors, and the public, has nothing to fear from such supervision. The purpose of this bureau is not to embarrans or assail legitimate business, but to aid in bringing about a better industrial condition-a condition under which there shall be obedience to law and recognition of public obligation by all corporations, great or small. The Department of Commerce and Labor will be not only the clearing house for information regarding the business transactions of the nation but the executive arm of the gover-ment to aid in strengthening our domestic and portation facilities, in building up our merchant marine, in preventing the entrance of undestrable immigrants, in improving commercial and industrial conditions, and in bringing together on common ground those necessary partners in industrial progress—capital and labor. Commerce between the nations is steadfly growing in volume, and the tendency the times is toward closer trade relations. Constant watchfulness is needed to secure to Americans the chance to participate to the best advantage in foreign trade; and we may confidently expect that the new department will justify the expectation of its creators by the exercise of this watchfulness, as well as by the businessiike administration of such aws relating to our internal affairs as

In enacting the laws above enumerated the Congress proceeded on sane and conservative lines. Nothing revolutionary was attempted; but a common-sense and successful effort was made in the direction of seeing that corporations are so handled as to subserve the public good. The legislation was moderate. It was characterized throughout by the idea that we were not attacking corporations, but endeavoring to provide for doing away with any evil in them; that we drew the line against misconduct, not against wealth; gladly recognizing the great good done by capitalists who alone, or in conjunction with his fellows, does his work along proper and legitimate lines The purpose of the legislation, which purpose will undoubtedly be fulfilled, was to favor such a man when he does well, and to supervise his action only to preven him from doing ill. Publicity can do no harm to the Konest corporation. The only corporation that has cause to dread it is the corporation which shrinks from the light, and about the welfare of such corporations we need not be oversensitive. The work of the Department of Commerce and Labor has been conditioned upon this theory, of securing fair treatment alike for labor and for capital. Capital and Labor.

are intrusted to its care.

The consistent policy of the national revernment, so far as it has the power to hold in check the anscrupulous man. whether employer or employe; but to re use to weaken individual initiative or to hamper or cramp the industrial develment of the country. We recognize hat this is an era of freedom and comination, in which great capitalistic cororations and labor unions have become otors of tremendous importance in all strial centers. Hearty recognition is from the far-reaching, beneficent work oth corporations and unions, and the line as between different corporations, as between different unions, is drawn as h between different individuals; that it is drawn on conduct, the effort beme to treat both organized capital and eganized labor alike; asking nothing save the interest of each shall be brought harmony with the interest of the seral public, and that the conduct of h shall conform to the fundamental of obedience to law, of individual lam, and of justice and fair dealing file all. Whenever either corpora-labor union, or individual disre-

President Rosevelt's message to the | gards the law or acts in a spirit of arbitrary and tyrannous interference with the rights of others, whether corporations or individuals, then where the Federal Government has jurisdiction. will see to it that the misconduct stopped, paying not the slightest heed to the position or power of the corporation. the union or the individual, but only to one vital fact-that is, the question whether or not the conduct of the individual or aggregate of individuals is in accordance with the law of the land, Every man must be guaranteed his liberty and his right to do as he likes with his property or his labor, so long as he does not infringe the rights of others. No man is above the law and no man is below it: nor do we ask any man's permission when we require him to obey it. Obedience to the law is demanded as a right; not asked as a favor.

Receipts and Expenditures. From all sources, exclusive of the postal service, the receipts of the government for the last fiscal year aggregated \$560,296,674. The expenditures for the same period were \$66,000.007, the surplus for the fiscal year being \$64,297,667. The indications are that the surplus for the present fiscal year will be very small, if indeed there be any surplus. From July to November the receipts from customs were, approximately, nine million dollars less than the receipts from the same source for a corresponding portion of last year, Should this decrease continue at the same ratio throughout the fiscal year, the surplus would be reduced by. approximately, thirty million dollars. Should the revenue from customs suffer much further decrease during the fiscal year, the surplus would vanish. A large surplus is certainly undesirable. Two years ago the war taxes were taken off with the express intention of equalizing the government receipts and expenditures, and though the first year thereafter still showed a surplus, it now seems likely that a substantial equality of revenue and expenditure will be attained. Such being the case it is of great moment both to exercise care and economy in appropriations, and to scan sharply any change in our fiscal revenue system which may reduce our income. The need of strict economy in our expenditures is emphasized by the fact that we can not afford to be parsimonious in providing for what is essential to our national well-being.

our genuine needs. Needs of Financial Situation.

Careful economy wherever possible will

alone prevent our income from falling

below the point required in order to meet

The integrity of our currency is beyond question, and under present conditions it would be unwise and unnecessary to attempt & reconstruction of our entire monetary system. The same liberty should be granted the Secretary of the Treasury to deposit customs receipts as is granted him in the deposit of receipts from other sources. In my message of Dec. 2, 1902. called attention to certain needs of the financial situation, and I again ask the consideration of the Congress for these

Gold and Silver Standard.

During the last session of the Congress. at the suggestion of a joint note from the Republic of Mexico and the Imperial Government of China, and in harmony with an act of the Congress appropriating \$25,000 to pay the expenses thereof, a commission was appointed to confer with the principal European countries in the hope that some plan might be devised whereby a fixed rate of exchange could be assured between the gold-standard countries and the silver-standard countries. This commission has filed its preliminary report, which has been made public. I deem it important that the commission be continued, and that a sum of money be appropriated sufficient to pay the expenses of its further labors.

With regards to the improvement of the American merchant marine the President recommends that the Congress direct the Secretary of the Navy, the Postmaster-General, and the Secretary of Commerce and Labor, associated with such a representation from the Senate and House of Representatives as the Congress in its wisdom may designate, to serve as a commission for the purpose of investigat- that a just regard for national interest ing and reporting to the Congress at its next session what legislation is destrable or necessary for the development of the American merchant marine and American commerce, and incidentally of a national ocean mail service of adequate auxiliary naval cruisers and navel reserves.

On the subject of immigration the message calls attention to the report of a committee of New York citizens of high standing, Messrs, Arthur v. Vriesen, Lee K. Frankel, Eugene A. Philbin, Thomas W. Hynes, and Ralph Trautman, which deals with the whole situation at length, and concludes with certain recommendations for administrative and legislative action. It is now receiving the attention of the Secretary of Commerce and Labor.

Anti-Trust Laws. On the subject of the anti-trust measures which have been dealt with by the Congress the President says: In my last annual message, in connection with the subject of the due regula-tion of combinations of capital which are or may become injurious to the pub-lic, I recommended a special appropria-tion for the better enforcement of the

The message continues:

anti-trust law so it now stands, to be composed under the direction of the At-expended under the direction of the At-torney-General. Accordingly (by the leg-islative, executive, and judicial appro-islative, executive, and judicial approact of February 25, 4803, 33 Stat., 854, 904), the Congress appropriated, for the purpose of enforcing the various trust and interstate-commerce laws, the sum of five hundred thousand dellars, to be expended under the direction of the Attorney-General in the employment of special counsel and agents in the Department of Justice to conduct proceedings and prosecutions under said laws in the courts of the United States. now recommend, as a matter of the utmost importance and urgency, the extension of the purposes of this appropriation, so that it may be available, under the direction of the Attorney-General, and until used, for the due enforcement of the laws of the United States in general and especially of the civil and criminal laws relating to public lands and the laws relating to postal crimes and offenses and the subject of naturalisation. Recent instate of affairs in these three matters of vital concern. By various frauds and by forgeries and perjuries, thousands of acres of the public domain, embracing lands of different character and extending through various sections of the country, have been dishonestly acquired. It is hardly necessary to urge the importance of recovering these dishenest acquisitions, stolen from the people, and of promptly and duly punishing the fenders.

Postal Frauds. I speak in another part of this message of the widespread crimes by which the secred right of citizenship is falsely asserted and that "inestimable heritage" perverted to base ends. By similar means -that is, through frauds, forgeries, and perjuries, and by shameless briberiesthe laws relating to the proper conduct of the public service in general and to the due administration of the Postoffice department have been notoriously violated, and many indictments have been found, and the consequent prosecutions are in course of hearing or on the eve thereof. For the reasons thus indicated, and so that the Government may be pregreatest effect the due penalties for such violations of law, and to this end may be furnished with sufficient instrumentalities and competent legal assistance for the investigations and trials which will be necessary at many different points of the country, I urge upon the Congress

all such purposes, to be expended under the direction of the Attorney-General. Needs for Treaties Making Bribery

the necessity of making the said appro-

priation available for immediate use for

Extraditable. Steps have been taken by the State Department looking to the making of bribery an extraditable offense with foreign powers. The need of more effective treaties covering this crime is manifest. The exposures and prosecutions of official corruption in St. Louis, Mo., and other cities and states have resulted in a number of givers and takers of bribes becoming fugitives in foreign lands, Hribery has not been included in extradition treaties heretofore, as the necessity for it has not arisen. While there may have been as much official corruption in former years, there has been more developed and brought to light in the immediate past than in the preceding century of our country's history. It should be the policy of the United States to leave no place on earth where a corrupt man fleeing from this country can rest in peace. There is no reason why bribery should not be included in all treaties as extraditable. The recent amended treaty with Mexico, whereby this crime was put in the list of extraditable offenses, has established a salutary precedent in this regard. Under this treaty the State Department has asked, and Mexico has granted, the extradition of one of the St.

Louis bribe givers. There can be no crime more serious than bribery. Other offenses violate one law, while corruption strikes at the foundation of all law. Under our form of government all authority is vested in the people and by them delegated to those who represent them in official capacity. The exposure and punishment of public corruption is an honor to a nation, not a disgrace. The shame lies in toleration, not in correction. No city or state, still less the nation, can be injured by the enforcement of law. As long as public plunderers when detected can find a haven of refuge in any foreign land and avoid punishment, fust so long encouragement is given them to continue their practices. If we fail to do all that in us lies to stamp out corruption we can not escape our share of responsibility for the guilt. The first requisite of successful self-government is unflinching enforcement of the last and the cutting out of

corruption. Alaskan Boundary.

The message gives in detail the causes which led to the appointment of the Alaskan boundary commission, and congratulates both countries on the satisfactory termination of the sessions of the tribunal. It continues

The result is satisfactory in every way. It is of great material advantage to our people in the far Northwest. It has removed from the field of discussion and possible danger a question liable to become more acutely accentuated with each passing year. Finally, it has furnished a signal proof of the fairness and good will with which two friendly nations can approach and determine issues involving national sovereignty and by their nature incapable of submission to a third power for adjudication.

Claims Against Venezuela.

Referring to the success which crowned the efforts of the States to have the Venezuelan dispute submitted to impartial arbitrators the President says

There seems good ground for the belief that there has been a real growth among the civilized nations of a sentiment which will permit a gradual substitution of other methods than method of war in the settlement of disputes. It is not pretended that as yet we are near a position in which it will be possible wholly to prevent war, or and honor will in all cases permit of the settlement of international disputes by arbitration; but by a mixture of prudence and firmness with wisdom we think it is possible to do away with much of the provocation and excuse for war, and at least in many cases to substitute some other and more rational method for the settlement of disputes. The Hague court offers so good an example of what can be done in the direction of such settlement that it should be encouraged in

President McKinley, in his mes sage of Dec. 5, 1898, urged that the Executive be authorized to correspond with the governments of the principal maritime powers with a view of incorporating into the permanent law civilized nations the principle of the exemption of all private property as sea, not contraband of war, from capture or destruction by belligerent

powers. President Roosevelt says he con dially renews this recommendation, a a matter of humanity and morals. Consular Service.

I call your attention to the reduced one in maintaining I've committee pervice for the flocal year ading June 20, 1900, as shown in the annual report of the Auditor for the State and other departments, as compared with the year provious. For

ending June 30, 1902, and \$147,040.16 for the year ending June 30, 1981. This is the best showing in this respect for the consular service for the past fourteen years and the reduction in the cost of the serv ice to the Government has been made in spite of the fact that the expenditures for the year in question were more than \$20,000 greater than for the previous year

Rural Free-Delivery Service. The rural free-delivery service has been steadily extended. The attention of the Congress is asked to the question of the compensation of the letter carriers and clerks engaged in the postal service, espocially on the new rural free-delivery routes. More routes have been installed since the first of July last than in any like period in the department's history. While a due regard to economy must be kept in mind in the establishment of new routes, yet the extension of the rural free-delivery system must be continued, for reasons of sound public policy. No governmental movement of recent years has resulted in greater immediate benefit to the people of the country districts. Rural free delivery, taken in cornection with the telephone, the bicycle, and the trolley, accomplishes much toward lessening the isolation of farm live and making it brighter and more attractive. In the immediate past the lack of just such facilities as these has driven many of the more active and restless young men and women from the farms to the cities; for they rebelled at loneliness and lack of mental companionship. It is unhealthy and undesirable for the cities to grow at the expense of the country; and rural free delivery is not only a good thing in itself, but is good because it is one of the causes which check this unwholesome tendency towards the urban concentration of our population at the expense of the country districts. It is for the same reason that we sympathize with and approve of the policy of building good roads. The movement for good roads is one fraught with the greatest benefit to the country districts.

In the Philippines and Porto Rico it is declared, steady progress is being made and the condition of the islanders already has been materially ad-

Receipts of General Land Office. On the subject of the public lands

of the country the message says: The cash receipts of the General Lan-Office for the last fiscal year were \$11, 624,743.65, an increase of \$4,762,816.47 over the preceding year. Of this sum, approximately, \$8,461,493 will go to the credit of the fund for the reclamation of arid land, making the total of this fund, up to the 50th of June, 1968, approximately, \$16,191,836.

A gratifying disposition has been evinced by those having unlawful in closures of public land to remove their fences. Nearly two million acres so in closed have been thrown open on de mand. In but comparatively few cases has it been necessary to go into cour to accomplish this purpose. This work will be vigorously prosecuted until all unlawful inclosures have been removed.

irrigation.

The work of reclamation of the arid lands of the West is progressing steadily and satisfactorily under the terms of the law setting aside the proceeds from the disposal of public lands. The corps of engineers known as the Reclamation Service, which is conducting the surveys and examinations, has been thoroughly organized, especial pains being taken to secure under the civil-service rules body of skilled, experienced, and efficient men. Surveys and examinations are progressing throughout the arid states and territories, plans for reclaiming works being prepared and passed upon by hourds of engineers before approval by the Secretary of the Interior. In Arizona and Nevada, in localities where such work is pre-eminently needed, construction has already been begun. In other parts of the arid West various projects are well advanced toward the drawing up of contracts, these being delayed in part by necessities of reaching agreements or understanding as regards rights of way or acquisition of real estate. Most of the works contemplated for construction are of national importance, involving interstate questions or the securing of stable, self-supporting communities in the midst of vast tracts of vacant land. The Nation as a whole is of course the gainer by the creation of these homes, adding as they do to the wealth and sta- desires in drawing up the treaty. Neverbility of the country, and furnish home market for the products of the East and Bouth. The reclamation law, while perhaps not ideal, appears at present to answer the larger needs for which it is designed. Further legislation is not recommended until the necessities of change

Preservation of Forests. The President points out the neces sity of taking steps for the preserva tion of our forests, especially at the

headwaters of streams. Of the cottonweevil he says:

are more apparent.

The cotton-growing States have re cently been invaded by a weevil that has done much damage and threatens the entire cotton industry. I suggest to the Congress the prompt enactment of such remedial legislation as its judgment may

Isthmian Canal.

The causes leading up to the establishment of the new republic of Panama, and its recognition by the United States are given in much detail, as follows:

By the act of June 28, 1902, the Congress authorized the President to enter into treaty with Colombia for the building of the canal across the Isthmus of Panama; it being provided that in the event of fallure to secure such treaty after the lapse of a reasonable time, recourse should be had to building a canal hrough Nicaragua. It has not been necessary to consider this alternative, as am enabled to lay before the Senate a treaty providing for the building of the canal across the Isthmus of Panama. This was the route which commended itself to the deliberate judgment of the congress, and we can now acquire by treaty the right to construct the canal over this route. The question now, therefore, is not by which route the isthmian canal shall be built, for that question has been definitely and frrevocably decided. The question is simply whether or not we shall have an isthmian canal. In the year 1846 this Government entered into a treaty with New Granada. the predecessor upon the Isthmus the Republic of Colombia and of the present Republic of Panama, by which treaty it was provided that the Government and citizens of the United States should always have free and open right of way or transit across the Isthmus of that might be constructed, while in return our Government guaranteed perfect neutrality of the above-mentioned isthmus with the view that the free tranatt from the one to the other sea might not be interrupted or embarrassed. The treaty vested in the United States a substantial property right carved out of the rights of sovereignty and property which New Granada then had and poswhich New Granada then had and pos-sensed over the said territory. The name of New Granada has passed away and its territory has been divided. Its successor, the Government of Colombia, has consed to own any property in the littium. A new republic, that of Penama, which was at one time a sovereign state, and at another time a more department of the successive amifederations known as New conded to the rights which first one and then the other formerly exercised over che isthmus. But as long as the isthmus experience of over endures, the more geographical fact of its experience of over existence, and the peculiar interest there- shows Colombia to existence, and the peculiar interest thereperpetuate the solemn contract which the active inte binds the holders of the territory to respect our right to freedom of transl guard for the isthmus and the world the exercise of that inestimable privilege. The true interpretation of the obliga tions upon which the United States entered in this treaty of 1846 has been given repeatedly in the utterances of Presidents and Secretaries of State. Secretary Cass in 1868 officially stated the position of this Government as follows:

"The progress of events has rendered the interoceanic route across the narrow portion of Central America vastly important to the commercial world, and especially to the United States, whose possessions extend along the Atlantic and Pacific coasts, and demand the speediest and easiest modes of communication. While the rights of sovereignty of the states occupying this region should always be respected, we shall expect that these rights be exercised in a spirit befitting the occasion and the wants and circumstances that have arisen. Bovereignty has its duties as well as its rights, and none of these local governments, even if administered with more regard to the just demands of other nations than they have been, would be permitted, in a spirit of eastern isolation, to close the gates of intercourse on the great highways of the world, and justify the act by the pretension that these avenues of trade and travel belong to them and that they choose to shut them, or, what is almost equivalent, to encumber them with such unjust relations as would prevent their general use." Seven years later, in 1865, Mr. Seward

in different communications took the fol-

lowing position:

"The United States have taken and will take no interest in any question of internal revolution in the State of Panama, or any State of the United States of Colombia, but will maintain a perfect neutrality in connection with such mestic altercations. The United States will, nevertheless, hold themselves ready to protect the transit trade across the isthmus against invasion of either domestic or foreign disturbers of the peace of the State of Panama. . . Neither the text nor the spirit of the stipulation in that article by which the United States engages to preserve the neutrality of the Isthmus of Panama, imposes an obligation on this Government to comply with the requisition (of the President of the United States of Colombia for a force to protect the Isthmus of Panama from a body of insurgents of that country]. The purpose of the stipulation was to guarantee the lethmus against seizure or in-

vasion by a foreign power only." For four hundred years, ever since shortly after the discovery of this hemsphere, the canal across the isthmus has been planned. For two score years it has been worked at. When made it is to last for the ages. It is to alter the geography of a continent and toe trade routes of the world. We have shown by every treaty we have negotiated or at tempted to negotiate with the peoples it control of the isthmus and with foreign nations in reference thereto our consistent good faith in observing our obligations; on the one hand to the peoples of the isthmus, and on the other hand to the civilized world whose commercial rights we are safeguarding and guaranteeing by our action. We have done our duty to others in letter and in spirit, and we have shown the utmost forbearance in exacting our own rights.

Last spring, under the act above re ferred to, a treaty concluded between the representatives of the Republic of Colombia and of our Government was ratified by the Senate. This treaty was ontered into at the urgent solicitation of the people of Colombia and after a body of experts appointed by our Government especially to go into the matter of the routes across the isthmus had pronounced unanimously in favor of the Paname route. In drawing up this treaty every concession was made to the people and to the Government of Colombia. We were more than just in dealing with them. Our generosity was such as to make it a serious question whether we had not gone too far in their interest at the expense of our own; for in our scrupulous desire to pay all possible heed, not merely to the real but even to the fancied rights of our weaker neighbor, who already owed so much to our protection and forbearance. we glelded in all possible ways to her merely repudiated the treaty, but repudiated it in such manner as to make it evident by the time the Colombian Congress adjourned that not the sountlest hope remained of ever getting a satisfactory treaty from them. The Government of Colombia made the treaty, and yet when the Colombian Congress was called to ratify it the vote against ratification was unanimous. It does not appear that the Government made any real

effort to secure ratification. Revolution in Panama. Immediately after the adjournment of the Congress a revolution broke out to Panama. The people of Panama had long been discontented with the Republic of Colombia, and they had been kept quiet only by the prospect of the conclusion of the treaty, which was to them a matter of vital concern. When it became evident that the treaty was hopelessly lost, the people of Panama rose literally as one man. Not a shot was fired by single man on the isthmus in the interest of the Colombian Government. Not a life was lost in the accomplishment of the revolution. The Colombian troops stationed on the isthmus, who had long been unpaid, made common cause with the people of Panama, and with astonlahing unanimity the new republic was started. The duty of the United States in the premises was clear. In strict accordance with the principles laid down by Secretaries Cass and Seward in the official documents above quoted, the United States gave notice that it would permit the landing of no expeditionary force the arrival of which would mean chaos and destruction along the line of the railroad and of the proposed canal, and an interruption of transit as an inevitable consequence. The de facto Government of Panama was recognized in the following telegram to Mr. Ehrman:

"The people of Panama have, by apparently unanimous movement, dissolved their political connection with the Republic of Colombia and resumed their independence. When you are satisfied that a de facto government, republican in form and without substantial opposition from its own people, has been established in the State of Panama, you will enter into relations with it as the responsible government of the territory and look to it for all due action to protect the persons and property of citizens of United States and to keep open isthmian transit, in accordance with the obligations of existing treaties go Panama by any modes of communication | ing the relations of the United States to

> Disturbances on fethmus Since 1 When these events happened, fifty-seven years had elapsed since the United States had entered into its treaty with New Granada. During that time the Governa of New Granada and of its succ Colombia, have been in a constant star A long list of the disturbances s

revolutions which have convulsed t

it not been for the ex States of the police 1600, in 1878, in 1885, in 1601, and 1908, satiors and marines from I States war ships were forced to is order to patrol the lethmus, to p life and property, and to see that transit across the lethmus was be open. In 1961, in 1862, in 1865, and in the Colombian Government asked that United States Government wet troops to protect its interests and main tain order on the isthmus Ferbage the most extraordinary request is that which has just been received and which run as follows:

"Knowing that revolution has alread commenced in Panama (an eminent Co lombian] says that if the Govern the United States will land troops to pre serve Colombian sovereignty, and the transit, if requested by Colombian charge d'affaires, this Government will declar martial law; and, by virtue of vested obt stitutional authority, when public a is restored, will approve by decrea the ratification of the canal treaty as signed; or, if the Government of the United States prefers, will call extra session the Congress with new and friend members—next May to approve the treaty. (An eminent Colombian) has the perfect confidence of vice-president. he says, and if it became necessary will a to the isthmus or send repres there to adjust matters along above lines to the satisfaction of the people there."

This dispatch is noteworthy from two standpoints. Its offer of immediately guaranteeing the treaty to us is in sharp contrast with the positive and conte tuous refusal of the Congress which has just closed its sessions to consider favorably such a treaty; it shows that the Government which made the treaty really had absolute control over the altuati but did not choose to exercise this control. The dispatch further calls on the to restore order and secure Celer supremacy in the isthmus from which the Colombian Government has just by the action decided to bar us by preventing the construction of the canal.

Importance of Peace in Isthma The control, in the interest of the on merce and traffic of the whole alv world, of the means of undisturbed trans sit across the Isthmus of Panema has become of transcendent importance. to the United States. We have repeated exercised this control by intervening in the course of domestic dissension, a by protecting the territory from foreign invasion. In 1863 Mr. Everett as the Peruvian minister that we st not hesitate to maintain the negi of the isthmus to the case of war, tween Peru and Colombia, In 1804 Ch lombia, which has always been vito avail itself of its privileges con by the treaty, expressed the expectation that in the event of war between For and Spain the United States would o There have been few administrations the State Department in which treaty has not, either by the one or the other, been used as a bear more or less important demands. It was said by Mr. Fish in 1871 that the Depart ment of State had reason to believe an attack upon Colombian seven on the latherus had, on neveral sions, been averted by warning from this Government. In 1886, when Colombia was under the menage of hostilities from Italy in the Corrutt case, Mr. Bayard and pressed the serious concern that United States could not but feel that a European power should resort to fu against a sister republic of this he phere, as to the sovereign and un rupted use of a part of whose term we are guarantors under the selemn

of a treaty. Treaty With Republic of Panama Every effort has been made by the Goveernment of the United States to perme Colombia to follow a course which was desentially not only to our intr to the interests of the world, but to the interests of Colombia Itself. These forts have failed; and Colombia, by he persistence in repulsing the advances that have been made, has forced us, for the sake of our own honor, and of the last est and well-being, not merely of our own people, but of the people of the in countries of the world, to take declare steps to bring to an end a con affairs which had become in The new Republic of Panama imi ly offered to negotiate a treaty with This treaty I herewith submit. By M on interests are better enfoguarded then to the treaty with Colombia which was cal fied by the Senate at its last session. It is better in its terms than the treation of fered to us by the Republics of Monra gun and Costa Rica. At last the His to begin this great undertaking is me available. Panama has done her pe All that remains is for the American Co grees to do its part and forthwith this Republic will enter upon the execut of a project coloses! in its size and e well-nig., incalculable possibilities for the good of this country and the nations of

Provisions of Treaty. By the provisions of the treaty the United States guarantees and will maintain the independence of the Republic of Panama. There is granted to the United States in perpetuity the use, occupation and control of a strip ten miles wide an extending three nautical miles into the sea at either terminal, with all lands in ing outside of the sone necessary for the construction of the canal or for its auxi-Hary works, and with the islands in the Bay of Panama. The cities of Panal and Colon are not embraced in the cane zone, but the United States assume their sanitation and, in case of need, the maintenance of order therein; the United States enjoys within the granted lis all the rights, power, and authority white it would possess were it the sovereign of the territory to the exclusion of the ercine of sovereign rights by the Republ All raflway and canal property rights to longing to Panama and needed for the canal pass to the United States, in ing any property of the respective of panies in the cities of Panama and B ion; the works, property, and pe of the canal and railways are exe from taxation as well in the cities Panama and Colon as in the casal so and its dependencies. Free im of the personnel and importation of an olies for the construction and oper of the canal are granted. Fro made for the use of military to: the building of fortifications by the ed States for the protection of sit. In other details