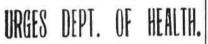


REFERS TO PRESIDENT ZELLAYA OF NICARAGUA-



Deals With Civil Pensions, Ship Subsidy, Postal Savings Banks and Other Matters of General Import-

ance.

Washington, D. C., Special.-President Taft's first annual message to the Congress, is in part, as follows: To the Senate and the House of Representatives:

The relations of the United States with all foreign governments have continued upon the normal basis of amity and good understanding and are very generally satisfactory.

Pursuant to the provisions of the general treaty of arbitration concluded between the United States and Great Britain, April 4, 1908, a special agreement was erred into between the two countra on Jan. 27, 1909, for the submission of questions relating to the fisheries on the north Atlantic coast to a tribunal to be formed from members of the permanent court of arbitration at The Hague.

The treaty between the United States and Great Britain concerning the Canadian international boundary, concluded April 11, 1908, authorizes the appointment of two commissioners to define and mark accurately the international boundary line between the United States and the Dominion of Canadia in the waters of the Passamaquoddy bay and provides for the exchange of briefs within the period of six months. Conditions have not been effected and it has now become necessary to resort to arbitration.

The regulation with regard to the international fisheries commission will be presented to Congress with a view to being made effectual.

Great Britain has not yet ratified the provisions of the convention to adjust differneces with rgard to the boundary line between the United States and Canada.

Negotiations for an international conefrence to consider and reach an arrangement providing for the preservation and protection of the fur seals in the north Pacific are in progress with the governments of Great Britain, Japan and Russia.

London Conference of 1908 and 1909. A conference was held at London from Dec. 2, 1908, to Feb. 2, 1909, in which the following powers participated: The United States, Austriacircumstances of the United States and of the republies to the south of us, most of which have great natural resources, stable government and progressive ideals, the apprehension which gave rise to the Monroe doctrine may be said to have nearly disappeared, and neither the doctrine as it exisists nor any other doctrine of American policy should be permitted to operate for the perpetuation of irresponsible government, the escape of just obligations or the insidious allegation of dominating ambitions on the part of the United States. My meeting with President Diaz.

and I hope it will bind together the cordial relations between the two republics. All but one of the vexing questions

with Venezuela have been adjusted and that is to be referred to the Hague tribunal.

The government of Panama has agred to indemnify relatives of American officers and sailors brutally treated by the Panama police and a recurrence will be assiduously guarded against.

Our Relations With Cuba.

The sanitary improvements and oublic works undertaken in Cuba prior to the present administration of that government, in the success of which the United States is interested under the treaty, ar reported to be making good progress, and diplomatic relations promise to be promoted thereby.

The receivership for the Dominican Republic has demonstrated its ability, ven under unfavorable economic and political conditions, to do the work or which it was inteded. This government was obliged to in ervene diplomatically to bring about arbitration or settlement of the claim of the Emery company against Nica-

ragua, which it had long before been agreed should be arbitrated. A settlement of this troublesome case was recahed by the signature of a protocol on Sept. 18, 1909.

Many years ago dilomatic intervention became necessary to the protection of the interests in the American claim of Alsop & Co. against the government of Chile. The matter will be arbitrated by King Edward.

Since the Washington conventions of 1907 were communicated to the government of the United States as a consulting and advising party this government has been almost continuously called upon by one or another and in turn by all of the five Central American republies to exrt itself for the maintenance of the conventions. Nearly every complaint has been against the Zelaya government of Nicaragua, which has kept Central America in constant tension or turmoil. Two American citizens, officers ously treated and executed by order of Zelaya. According to the modern enlightened practice of civilized nations, they were entitled to be dealt with as prisoners of war. This government has severed diplomatic relations with the Zelayan government. International Board of American Republics Good Work.

The international bureau of American republics has carried on an important and increasing work during the last year. In the exercise of its peculiar functions as an international agency, maintained by all the American republics for the development of pan-American commerce and friendship, it has accomplished a great practical good which could be done in the same way by no individual denates against the United States in the sense of the statute referred to.

Estimated Deficit \$73,075,600.

The report of the secretary shows that the ordinary expenditures for the current fiscal year ending June 30, 1910, will exceed the estimated re-ceipts by \$34,075,620. If to this deficit are added the sum to be disbursed for the Panama canal, amounting to \$38,000,000, and \$1,000,000 to be paid on the public debt, the deficit of ordinary receipts and expenditures will be increased to a total deficit of \$73.075.620. This deficit the secretary proposes to meet by the proceeds of bonds issued to pay the cost of constructing the Panama canal. I approve this proposal.

The Panama canal is now half done The incrased cost of engineering, and labor and enlarging of Culebra cut widening the canal an denlarging of locks, etc., will make the total cost much larger than the first estimates making the total according to esti mates \$375,201,000.

Estimates for the next year, made by the Secretary of the Treasury is \$55,663,000 and for the following year he estimates that expenditures will be less than receipts.

The classification of government employes by bureaus would make it possible to economize.

An investigation ordered by my predecessor resulted in the recommen lation that the civil service be reclassified according to the kind of work, so that the work requiring most application and knowledge and ability shall receive most compensation. believe such a change would be fairer to the whole force and would permanently improve the personnel of the service.

Civil Service Pensions.

I am aware that there is a strong feeling in both houses of congress and possibly in the country against the establishment of civil pensions and that this has naturally grown out of the heavy burden of military pensions which it has always been the policy of our government to assume, but I am strongly convinced that no other practical solution of the difficulties presented by the superannuation of civil servants can be found than that of a system of civil pensions.

The business and expenditures of the government have expended enormously since the Spanish war, but the revenues have increased in nearly the same proportion as the expenditures, We cannot, in view of the advancing prices of living, hope to save money by a reduction in the standard of salaries paid. Indeed, if any change is made in that regard an increase rather than a decrease will be neces sary, and the only means of econin the insurgent army, were barbar- omy will be in reducing the number of employees and in obtaining a greater average of efficiency from those retained in the srevice. I note with much satisfaction the organization in the senate of a committee on public expenditures, charged with the duty of onducting such an investigation, and tender to that committee all the assistance which the executive branch of the government can possibly render.

It is to be rgretted that extensive frauds have been practiced in the custom house at New York, but much has been recovered and prosecutions are in progress. It would seem to me that an investigation of the frauds by congress at present, pending the probing by the treasury department and the department of instice, as pro-posed, might by giving immunity and

particular country unduly discrimi- fying and gives us prestige before the of immigration and other sources world

Department of Justice--Expedition in Legal Procedure.

The deplorable delays in the administration of civil and criminal law have recived the attention of committees of the American Bar association and of many state bar associations as well as the considered thought of judges and jurists. In my judgment, a change in judicial procedure, with a view to reducing its expense to private litigants in civil cases and facilifinal decision in both civil and criminal cases, constitutes the greatest need in our American institutions. Will treat the Sherman antitrust

law later in special message. The D. C. jail and work house are in deplorable condition and should be

improved. Postoffice Department-Second Class Mail Matter.

The deficit every year in the post office department is largely caused by the low rate of postage of 1 cent a pound charged on second class mail matter, which includes not only newspapers, but magazines and miscellaneous periodicals. The actual loss growing out of the transmission of this second class mail matter at 1 cent a pound amounts to about \$63,-000,000 a year. The average cost of the transportation of this matter is more than 9 cents a pound.

A great saving might be made, amounting to much more than half of the loss, by imposing upon magazines and periodicals a higher rate of postage. They are much heavier than newspapers and contain a much higher proportion of advertising to reading matter, and the average disance of their transportation is three and a half times as great.

I commend the whole subject to ongress, not unmindful of the spread of intelligence which a low charge for carrying newspapers and periodicals assists. I very much doubt, however, he wisdom of a policy which constiutes so large a subsidy and requires dditional taxation to meet it.

Postal Savings Banks.

The second subject worthy of menion in the postoffice department is he real necessity and entire practicability of establishing postal savings banks. The successful party at the last election declared in favor of postal savings banks, and, although the proposition finds opponents in many parts of the country, I am convinced that the people desire such banks and am sure that when the banks are furnished they will be pdocuctive of the itmost good. The postal savings banks are not constituted for the purpose of creating competition with other banks. The rate of interest upon deposits to which they would be limit-ed would be so small as to prevent their drawing deposits away from ther banks.

I believe them to be necessary in order to offer a proper inducement to thrift and saving to a great many people of small means who do not now have the banking facilities and to whom such a system would offer an opportunity for the accumulation of capital.

Ship Subsidy.

I earnestly recommend to congress the consideration and passage of a ship subsidy bill looking to the establishment of lines between our Atlantic seaboard and the eastern coast of South American as well as lines from the west coast of the United States uth America, China, the Philippines. A bill of this character has once passed the house and more than once passed the senate, and hope that at this session a bill framed on the same lines and with the same purpose may become a law. New Mexico and Arizona. I recommend that legislation appropriate looking to the admission of New Mexico and Arizona as separate states be taken, but care should be exercised in the preparation of the legislation affecting each territory. With respect to the territory of Alaska, I recommend legislation which shall provide for the appointment by the president of a governor and also of an executive council, the members of which shall during their term of office reside in the territory and which shall have legislative powers sufficient to enable it to give to the territory local laws adapted to its present growth. Conservation of Natural Resources. In sveral departments there is preented the necessity for legislation looking to the further conservation of our national resources, and the subject is one of such importance as to require a more detailed and extended discusion than can be entered upon in this communication. For that reason I shall take an early opportunity to send a special message to congress on the subject of the improvement of our waterways, upon the reclamation and irrigation of arid, semiarid and swamp lands, upon the presrevation of our forests and the reforesting of suitable areas.

information lead to the view that there is urgent necessity for additon-

al legislation and greater executive activity to suppress the recruiting of the ranks of prostitutes from the streams of immigration into this country-an evil which, for want of a better name, has been called "the white slave trade." I believe it to he constitutional to forbid under penalty the transportation of persons for purposes of prostitution across national and state lines, and by aptating the dispatch of business and propriating a fund of \$50,000 to be used by the secretary of commerce and labor for the employment of special inspectors it will be possible to bring those responsible for the trade to indictment and conviction under a federal law.

Bureau of Health.

For a very considerable period a movement has been gathering strength, especially among the members of the medical profession, in favor of a concentration of the instruments of the national government which have to do with the promotion of public health. In the nature of things the medical department of the army and the medical department of the navy must be kept separate. But there seems to be no reason why all the other bureaus and offices in the general government which have to do with the public health or subjects akin thereto should not be united in a burau to be called the "bureau of public health." This would necessitate the transfer of the marine hospital service to such a bureau. I am aware that there is a wide field in respect to the public health committed to the states in which the federal government cannot exercise jurisdiction, but we have seen in the agricultural department the expansion into widest usefulness of a department giving attention to agriculture when that sub-

ject is plainly one over which the states properly exercise direct jurisdiction. The opportunities offered for useful research and the spread of useful information in regard to the cultivation of the soil and the breeding of stock and the solution of many of the intricate problems in progressive agriculture have demonstrated the wisdom of establishing that department.

Political Contributions.

I urgently recommend to congress that a law be passed requiring that candidates in elections of members of the house of representatives and committees in charge of their candidaev and campaign file in a proper office of the United States government a statement of the contributions received and of the expenditures incurred in the campaign for such elections and that similar legislation be enacted in respect to all other elections which are constitutionally within the control of congress.

Semicentennial of Negro Freedom.

The year 1913 will mark the fiftieth anniversary of the issuance of the emancipation proclamation granting freedom to the negroes. It seems fitting that this event should be properly celebrated. Already a movement has been started by prominent negroes, encouraged by prominent white people and the press. The south es-pecially is manifesting its interest in this movement.

It is suggested that a proper form of celebration would be an exposition to show the progress the negroes have made, not only during their period of freedom, but also from the time of their coming to this country. o'clock in the afternoon, I heartily indorse this proposal and request that the executive be author-ized to appoint a preliminary com-mission of not more than seven persons to consider carefully whether or not it is wise to hold such an exposition, and if so to outline a plan for the enterprise. I further recommend that such preliminary commission serve without salary, except as to their actual expenses, and that an appropriation be made to meet such expense.

PROF, MUNYON'S PHILANTHROPY

Giving to the Nation a Prize That Money Cannot Buy.

"I would rather preserve the health of a nation than to be its ruler."-Munyon.

"I would rather preserve the health of a nation than to be its ruler."-Munyon." This motic, written by Prof. Munyom shout sixteen years ago, was the real cornerstone of his medicine business. He felt that the people of the nation were neglecting their health owing to lack of money. With the one thought in view of helping humanity, he started in the medicine business, paying large sums of money to eminent specialists for known and tried formulas that were known to have been successful in curing diseases. After carefully compounding these formulas and putting them up in a marketable condition, he offered them to the public for a few pennies, easily within the reach of the poorest family. He hired eminent specialists at large sularies and offered their services absolutely free to the public to diagnose their cases and advise them what remedies to take. After giving the public all these benefits he was still unsatisfied and offered further to those who were not in reach of the offices which he established throughout the country; he advertised, asking them to write to his appoinding, he purchases them reardless of a new drug or a new formula that is most every ill, and these remedies can be had at all druggists, mostly 25 cents a bot the integendent here sure them to produce satisfactory results or he will refund our money. This is a remarkable man and a remarkable institution, manifestly fair to all, and a firth well recommended. The difference is 63rd and Jefference Star. Philadelphin. Pa...

Neutrals think to tread on

and break none.-German.

AGONIZING !TCHING.

Eczema For a Year-Got No INdef Even at Skin Hospital-In Despair Until Cuticara Cured Him.

"I was troubled by a severe itching and dry, scurfy skih on my ankles, feet, arms and scalp. Scratching made it worse. Thousands of small red pimples formed and those osused intense itching. I was advised to go to the hospital for diseases advised to go to the hospital for dimension of the skin. I did so, the chief surgeon-saying: 'I never saw such a bad case of ecsema.' But I go. little or no relief. Then I tried many so-called remedies, but I became so bad thet I almost gave up in despair. After suffering agonies for twelve months, I was relieved of the almost unbearable itching after two or three applica-tions of Cuticura Ointment. I continued its use, combined with Cuticurs Soap and Pills, and I was completely cured. Henry Searle, Cross St., Little Rock, Ark., Oct. 8 and 19, 1907."

Potter Drug & Chem. Corp., Sole Props. of Cuticura Remedies. Boston. Mass.

One honest word is better than two oaths .- Turkish.

Rheumatism and Neuralgia never could get along with Hamlins Wizard Oil. Wis-ard Oil always drives them away from the pression in short order.

Wonderful French Clocks.

The clock of Lyons Cathedral is a wonderful piece of mechanism, and the legend describing it is as follows: The cock crows, the bell sounds the hours, the little bells the Sancte Spiritus, the angel opens the gate to salute the Virgin Mary. The two heads of the lions move the eyes and tongue. The astrolabe shows the hours in its degree and the movement of the moon. Moreover, the perpetual calendar shows all the days of the year, the fest days and the bissertile. The hours at which the chimes are complete are 5 and 6 o'clock in the mornin, midday, and 1 and 2

Britain, Italy, Japan, the Netherlands, Russia and Spain. The conference resulted in the declaration of London, unanimously agreed to and signed by the participating powers, concerning, among other matters, the highly important subjects of blockade, contraband, the destruction of neutral prizes and continuous voyages.

Two new projects of conventions which have not heretofore been considered in a diplomatic conferencenamely, one concerning the limitation of the responsibility of shipowners and the other concerning marine mortgages and privileges-have been submitted by the conference to the different governments.

States accept the invitation of Belgum to participate in the world's fair at Brussels in 1910.

Questions arising out of the Belgian annexation of the State of Congo has assumed a more hopeful stage.

A treaty with Germany has been completed by which American patentees shall enjoy the same privileges as the Germans.

The commissioners to Liberia were well recived and their report is being considered.

Questions have arisen over conditions in the island of Spitzberger and a conference will be held early in 1910. The United States has been invited by Norway to participate.

Trade Should Be Looked After. Turkey and Persia have adopted constitutional governments largely by the influence of the United States as an example. We should seek trade relations with them.

Conditions which threatened war between Pern and Boliva have been amicably adjusted.

You are asked to make a liberal appropriation for our participation in the Pan-American conference at

Buenas Aires next July. The Argentine Republic will hold an international agricultural exhibition at Buenas Aires in 1910 to which we have been invited to attend.

oday more than ever before Amer-Today more than ever before Amer-ican capital is seking investment in foreign countries, and American pro-ducts are more and more generally socking foreign markets. The pan-American policy of this government has long been fixed in its principles and remains unchanged. With the

Hungary, France, Germany, Great Dartment or bureau of one government and is therefore deserving of your liberal support.

It is gratifying that Americans will by treaty take their share in Chinese extension of the great highways of trade and to believe that such activities will give a real impetus to our commerce and wil prove a practical corollary to our historic policy in the far east. A considerable number of Chinese students are attending our schools and the influences will doubt-

less be beneficial to both nations. The Chinese government is making considerable progress in the restriction upon opinm and I recommend that its sale and use as far as possible be restricted in this government.

China and Japan disavow the idea recommend that the United that an equal chance in mining in Manchuria is withheld from Americans by any kind of monopoly.

> The treaty formed with Siam made in 1856 is largely out of date and the department of State is considering its revision.

I earnestly recommend to Congress the plan to have divisions of Latin American and far eastern affairs and to institute a certain specilization in business with Europe and the near east. It should be remembered that such facilities exist in the foreign offices of all the leading commercial nations and that to deny them to the secretary of state would be to place this government at a great disadvantage in the rivalry of commercial competition. The consular service has been

greatly improved under the law of April 5. 1906, and the executive order of June 27, 1906, and I commend to your consideration the question of embodying in a statute the principles of the present executive order upon which the efficiency of our consular service is wholly dependent. About the Tariff.

I have appointed three officials to assist the officers of the government in collecting information necessary to a wise administration of the tariff act of August 5, 1909. It is hoped thus to co-ordinate and bring to bear apon this most important subject all the agencies of the government which can contribute anything to its effican contribute anything to its em-cient handling. As a consequent of section 2 of the tarif act of Ang. 5, 1909 , it becomes the daty of the se-retary of state to conduct as diplo-matic business all the negotiations necessary to place him in a position to advise me as to whether or not a

otherwise prove an embarrassment in securing conviction of the guilty par-

The President is charged with the duty of placing a 25 per cent advalorum tariff on imports from countries discriminating unduly against the United States. Fear has been expressed that this power conferred and duty imposed on the executive are likely to lead to a tariff war. beg to express the hope and belief that no such result need be antitcipated.

The atmost precautions will be taken to avoid the necessity of a revision of the tariff as nothing halts business so much.

In the interests of economy \$45,-000,000 is cut from the expenses of the war department. It is done largely by stopping all projects and neglecting to recruit the army to the limit. This can only be a temporary expedient to decrease the deficiency of evenue.

The scretary of war calls attention to a number of needed changes in the army, in all of which I concur but the point upon which I place most emphasis is the need for an elimination bill providing a method by which the merits of officers shall have some effect upon their advancement and by which the advancement of all be accelerated by the effective may elimination of a definite proportion of the least efficient.

The coast defenses of the United States proper are generally all that could be desired, and in some respects they are rather more elaborate than under present conditions are needed to stop an enemy's fleet from entering the harbors defended. There is, how ever, one place where additional defense is hadly needed, and that is at the month of Chesapeake bay, where it is proposed to make an artificial island for a fort which shall prevent

an enemy's fleet from entering this most important strategical base of operations on the whole Atlantic and culf coasts. I hope that appropriate legislation will be adopted to secure the construction of this defense.

The neval board recommend the es-tablishment of a naval base in the Philippines be not made but that, it be established at Pearl Harbor near alula. Ho

The return of the battleships from a cruise around the world in better condition than when they loft is grati-

Department of Agriculture.

I commend to your careful consideration the report of the secretary of agricialture as showing the immense sphere of usefulness which that department now fills and the wonderful additin to the wealth of the nation made by the farmers of this country

in the crops of the current year. Consolidation of Bureaus. I request congressional authority to enable the secretary of commerce and labor to unite the bureaus of and labor to unite the bureaus or manufactures and statistics. This was recommended by a competent commit-tee appointed in the pervious admin-istration for the purpose of suggest-ing changes in the interest of econ-omy and efficiency and is requested by the secretary.

the secretary. The White Slave Trade. greatly regret to have to say to investigations made in the bas

Conclusion.

I have thus, in a message compress ed as much as the subjects will permit, referred to many of the legis lative needs of the country. Speaking generally, the country is in a high state of prosperity. There is every reason to believe that we are on the eve of a substantial business expansoin, and we have just garnered a harvest unexempled in the market value of our agricultural products The high prices which such products bring mean great prosperity for the farming community; but, on the other hand they mean a very considerably increased burden upon those classes in the community whose yearly com pensation does not expand with the improvement in business and the gen-eral prosperity. The increase in population and the more expensive mode of living of the people, which have not been accompanied by a proportionate increase in acreage pro-duction, may furnish a further reason. It is well to note that the infined to this country, but prevails the world over, and that those who would charge increases in prices to the ex-isting protective tariff must meet the fact that the rise in prices has taken place almost wholly in those products of the factory and far min respect to which there has been either no in-crease in the tariff or in many instan-

ces a very considerable reduction. WILLIAM H. TAFT.

Surely "the world do move." Here's Chicago putting rubber soles on its noisy milk peddlers who elatter up back stairs at 2 a. m., to the rout of Morpheus and the discomfort of tenants. Now, suggests the New York Tribune, if somebody will invent noiscless milk wagons, ponratiling cans and a lew more things of the kind, a dozen quiet loving and sleep needing home suburbs of New York will gladly build him a monument.

Complicated indeed is the clock of Beauvals Cathedral. It issaid to be composed of 92,000 separate pieces on the fifty-two dial plates, the hour, the day, the week and the month; the rising and setting of the sun, phases of the moon, the tides, the time in the principal capitals of the world, together with a series of terrestrail and astronomical evolutions. The framework is of carved oak, 8 metres by 5 metres, or 26 by 16 J-4 feet.

When the clock strikes all the "edifice" seems in movement. The designer wished to depict the "Last Judgment." This wonderful work . recalls the work of Strasburg, and is So.-51-09. of modern construction.

HABIT'S CHAIN Certain Habits Unconsciously Formed and Hard to Break,

An ingenious philosopher estimates that the amount of will power necesif it could be transformed, lift a weight of many tons.

It sometimes requires a higher degree of heroism to break the chains of a pernicious habit than to lead a forlorn hope in a bloody battle. A lady writes from an Indiana town:

"From my carilest childhood I was a lover of coffer. Before I was out of my teens 1 was a miserable dyspeptic, suffering terribly at times with my stomach.

"I was convinced that it was coffee that was causing the trouble and yet I could not deny myself a cup for breakfast. At the age of 36 I was in very poor health, indeed. My sister told me I was in danger of becoming a coffee drunkard.

"But I never could give up drinking coffee for breakfast, although it kept me constantly ill, until I tried Postum. I learned to make it properly according to directions, and now we can hardly do without Postum for breakfast, and care nothing at all for

"I am no longer troubled with dyspepsia, do not have spells of suffer-ing with my stomach that used to trouble me so when I drank coffee." Look in pkgs. for the little book. "The Road to Wellville." "There's a

Ever read the above h