# ESSAGE TO CONGRESS.

## The President's Review of National Affairs.

## HINTS TO LAWMAKERS.

### CONCERNING THE SUBJECT OF TARIFF REVISION.

**Touches Lightly on Election Results—Work of the Various Departments Recited—Settlement of the Chilian and Italian Controversies and Progress of Behring Sea Arbitration Described—The Interoceanic Canal Situation, Etc., Etc.**

**The Country is Prosperous.**

President Harrison's last message was not completed in time to be delivered at the opening of Congress, but the document was read before that body at the beginning of the second day's session.

In submitting my annual message to Congress, the message reads, I have great satisfaction in being able to say that the general conditions affecting the commercial and industrial interests of the United States are in the highest degree favorable. A comparison of the existing conditions with those of the most favored period in the history of the country will, I believe, show that we have a degree of prosperity and so general a diffusion of the comforts of life were never before enjoyed by our people. The total wealth of the country



PRESIDENT HARRISON.

in 1860 was $16,159,019,068; in 1880 it amounted to $62,610,000,000, an increase of 287 per cent. The total value of real estate in the United States in 1860 was 30,686; in 1890 it was 167,741, an increase of 448 per cent.; and it is estimated that these will be increased to 240 billions of track added by the close of the year 1892.

The official returns of the eleventh census and those of the tenth census of the more important leading cities furnish the basis for the following comparisons.

In 1850 the capital invested in manufacturing was $1,232,872,670. In 1890 the capital so invested was $2,000,735,884. In 1890 the number of employés was 1,301,886, as against 1,053,852,134. In 1880 the wages earned were $501,065,778; in 1890, $1,221,170,454. In 1880 the value of the product was $2,711,379,297; in 1890, $4,860,147,887.

I am informed by the Superintendent of the census that the omission of certain industries in 1880 which were included in 1890 accounts in part for the remarkable increase thus shown. But, after making full allowances for differences of this and other kinds, the returns for all industries not included in the census of 1880, there remain in the reports from the seventy-five cities, an increase in the capital employed of $1,522,745,691; in the value of the product of $2,924,236,366; in wages earned of $675,264,676, and in the number of wage earners employed of 856,029. The wage earnings not only show an increased aggregate, but an increase per capita from $400 in 1880 to $546 in 1890; 41.71 per cent.

The new industrial plants established since Oct. 6, 1890, and up to Oct. 22, 1892, as partially reported in the American Economist, number 346, and the extension of existing plants, 198; the number of new mills added to existing plants and the number of additional employés to $7,288.

The Textile World for July, 1892, states that during the first six months of the present calendar 135 new factories were built, of which forty are cotton mills, forty-seven knitting mills, twenty-six woolen mills, fifteen silk mills, four plush mills, and two linen mills. Of these, all but seventeen mills, twenty-one have been built in the Southern States. A. B. Shepperson, of the New York Cotton Exchange, estimates the number of working spindles in the United States on Sept. 1, 1892, at 15,200,000, an increase of 600,000 over the year of 1891, the consumption of cotton by American mills in 1891 was 2,306,000 bales, and in 1892, 2,584,000 bales, an increase of 188,000 bales. From the year 1880 to 1892, inclusive, there has been an increase in the consumption of cotton in Europe of 92 per cent., while during the same period the increased consumption in the United States has been about 150 per cent.

**Tin Plate Manufactures.**

The report of Ira Ayer, Special Agent of the Treasury Department, shows that, at the close of Sept. 30, 1892, there were thirty-two companies manufacturing tin and terne plate in the United States, of which four companies are building new works for such manufacture. The estimated investment in buildings and plants at the close of the fiscal year 1892 was $8,566, if existing conditions were to be continued, was $5,000,000, and the estimated rate of production for the quarter ending Sept. 30, 1892, was the actual production for the quarter ending Sept. 30, 1892, was 10,252,725 pounds.

During the first six months of the year 1891 and the first six months of the year 1892 the total production of pig iron was 9,710,819 tons, as against the corresponding period, which was the largest annual production ever attained. For the same twelve months of 1891-'92 the production of Bessemer ingots was 8,878,571 tons, an increase of 189,710 gross tons over the previously unprecedented annual production of 8,688,861 gross tons in 1890. The production of Bessemer steel rails for the first six months of 1892 was 772,454 gross tons, as against 687,000 gross tons during the last six months of the year 1891.

The total value of our foreign trade (exports and manufactures) during the last fiscal year was $1,857,680,610, an increase of $128,266,610 over the preceding fiscal year. The average annual value of our imports and exports of merchandise for the ten fiscal years prior to 1891 was $1,457,222,070. It will be observed that our foreign trade for 1892 exceeded this annual average value by $400,358,591, an increase of 27.47 per cent. The significance and value of this increase are shown by the fact that the excess in the trade of 1892 over 1891 was wholly in the value of exports, for there was a decrease in the value of imports of $17,033,981.

The value of our exports during the fiscal year 1892, reached the highest figure in the history of the government, amounting to $1,030,278,148, exceeding by $145,797,738 the exports of 1891, and exceeding the value of the imports for 1892 by $202,875,586. A comparison of the value of our exports for 1892 with the annual average for the ten years prior to 1891 shows an excess of $226,134,671, or 27.98 per cent. The value of our imports of merchandise for 1892, which was $827,402,562, also exceeded the annual average value of the ten years prior to 1891 by $125,215,940. During the fiscal year 1892, the value of imports free of duty amounted to $467,307,015, or 56.47 per cent. of the value of our commerce. The value of the imports of merchandise entered free of duty in 1892 was 55.35 per cent. of the total value of imports, as compared with 43.45 per cent. in 1891, and 30.69 per cent. in 1890.

**A Prosperous Nation.**

Another indication of the general prosperity of the country is found in the fact that the number of depositors in savings banks increased from 693,870 in the year 1877 to 4,258,967, an increase of 513 per cent., and the amount of deposits from $149,277,504 in 1860 to $1,524,844,506 in 1890, an increase of 921 per cent. In 1875 the amount of deposits in savings banks was $1,023,070,749. It is estimated that 90 per cent. of these deposits represent the savings of wage-earners. The bank clearances for nine months ending Sept. 30, 1891, amounted to $41,-[illegible] for the same month in 1892, the amounted to $45,189,691,945, an excess for the nine months of $4,140,211,152.

"If ever" he has [illegible] our history [illegible] crops were so abundant or when wages were so high, whether measured by [illegible] currency in which they are paid or by their power to supply the necessaries and comforts of life. It is true that the market prices of cotton and wheat have been low. It is one of the most favorable incidents of agriculture that the farmer cannot produce upon order. He must sow and reap in ignorance of the aggregate production of the year, and is peculiarly subject to the disadvantage which follows over-production. But, while the fact that I have stated is true, as to the crops mentioned, the general agriculture of the country has enabled to give to agriculture a fair participation in the general prosperity. The value of our total farm products has increased from $1,785,646,866 in 1860 to $4,500,000,000 in 1891, as estimated by statisticians, an increase of 120 per cent. The number of hogs January 1, 1892, was 59,635,196, and their value $210,150,925; on January 1, 1891, the number was 62,041,413, and the value $241,601,415. On January 1, 1892, the number of cattle was 36,875,548, and the value $544,337,000, on January 1, 1892, the number was 37,651,220, and the value $570,749,135.

I believe that the protective system, which now for several years has been firmly established in our legislation, has been a mighty instrument for the development of our national wealth and for the powerful stimulation of making the homes of our workingmen from the industries of the country, and so promotes also our interest to preserve to our working people rates of wages that would not only give daily bread, but that would contribute a degree of prosperity and so general a diffusion of the comforts of life were never before enjoyed by our people. The total wealth of the country

**Results of the Election.**

It is not my purpose to renew here the argument in favor of a protective tariff. The result of the recent election must be accepted as having fairly introduced a new policy. We assume that the present tariff, constructed upon the lines of protection, is to be repealed, and that there is to be substituted for it a degree of law constructed solely with reference to revenue; that the duty is to be higher not because the increase will secure to the American mill, or keep up the wages of an American workman, but that in every case such a rate of duty is to be imposed as will bring to the Treasury of the United States the largest returns of revenue. The contention has not been upon these particules, but between principles, and it would be offensive to suggest that the prevailing party will not carry into effect the clear mandate of the people. The tariff bills passed by the House of Representatives at its last session were, as I supposed, framed in the opinion of their promoters, inadequate, and justified only by the fact that the senate and House of Representatives could not agree upon a bill of general revision could not, therefore, be undertaken.

I recommend that the whole subject of tariff revision be left to the in-coming Congress. It is a matter of regret that this work must be delayed for another three months, and that the threat of great tariff changes introduces so much uncertainty that an amount, not easily estimated, of business inaction and of diminished production will necessarily result. It is possible, too, that the uncertainty as to the effect its decreased revenues from customs duties, for our merchants will make cautious orders for foreign goods, and the slowing of the looms of Europe in motion and crowd our warehouses with foreign made goods, and at the same time diminish the revenue. Congress will give us an increased participation in the "markets of the world" of greater value than the loss of the home market, which the work as increased work to foreign workmen upon products to be consumed by our people without diminishing the demand for work to be done here; that will enable the American manufacturer to pay to his workmen from 30 to 40 per cent. more wages than is paid in the foreign mill and yet to compete in our market and in foreign markets with the product of labor that will further reduce the cost of articles of wear and food without reducing the wages of the American workman. Whether this celebrated, after its effects have been realized, as its expectation has been, in European as well as in American mills, and the American promoters will be entitled to the highest praise. We have had in our history several experiences of the contrast between the free trade and the protective tariff, but this generation has not felt them, and the experience is not highly instructive. But I am sure that the work of a protective system with undiminished confidence in the principles they have advocated, will await the result of the change in sentiment.

**Effects of Labor Strikes.**

The strained and too often disturbed relations existing between the employers and the employes in our great manufacturing establishments have been a subject of grave consideration by the wage earner of the effect upon wages of the protective system. The facts that a reduction of wages in this country has paid like callings in the world, and that a maintenance of this rate of wages, in the absence of effective competition from the product of his labor, was impossible, were obscured by the passion evoked by these contests. He may have been led to regard the question in the light of his personal experience under the operation of a tariff for revenue only. If he did, the duty was easily removed, and that the present rate of wages are thereby maintained or increased, either absolutely so or in their purchasing power, and that a large aggregate volume of work to be done in this country is increased, or even maintained, so that there will be employment for all, and a year at good or better wages for the American workmen as has been the case under the protective system, will be overlooked.

A general process of wage reduction cannot be contemplated by any patriotic citizen without the gravest apprehension. Such a step, if adopted, I believe, is—possible for the American manufacturer to compete successfully with his foreign rival in the markets of the world except without the defense of protective duties, if the pay-rolls are equalized; but the conflict that stands in the way of such reduction is not labor, and the distress of our working people when it is attained are not pleasant to contemplate.

**Resume of Department Reports.**

The reports of the heads of the several executive departments to the annual session just submitted have very naturally included a resume of the whole work of the administration with the results attained. I shall not attempt to call attention not only of Congress but of the country is again invited to the methods of administration which have long since proved their results which have been attained. Public revenues amounting to $1,414,079,292.28 have been collected and disbursed under annual and permanent appropriation, without a single defalcation of such importance as to attract the public attention, and with a degree of promptness in the collection. The public business has been transacted not only with fidelity but promptness, and with a degree of intelligence in the people in the fullest possible degree the benefits of a service established and maintained for their protection and benefit.

Our relations with other nations are now undisturbed by any serious controversy. The complicated questions which for years existed in Germany and England relating to Samoan affairs, with England in relation to the seal fisheries in Behring Sea, and with Chile growing out of the Baltimore affair, have been adjusted.

The Chilian case been negotiated and concluded, under section 3 of the tariff law, commercial agreements relating to reciprocal trade with the following countries have been negotiated: Dominican Republic, Spain (for Cuba and Puerto Rico), Guatemala, Salvador, the German empire, Great Britain (for the British West Indies and British Guiana), Nicaragua, Honduras, and Austro-Hungary.

Of these, with Guatemala, Salvador, the German Empire, Great Britain, Nicaragua, Honduras, and Austria-Hungary have been concluded and are now in operation. Under these trade arrangements a free favored admission has been secured in every case for our products, and in the German products. Especial care has been taken to secure markets for farm products, in order to relieve the great staple underlying industry of the depression which the lack of an adequate foreign market for our surplus often brings. An opening has also been made for manufactured products that will, undoubtedly, if this policy is maintained, greatly augment our export trade. The full benefits of these arrangements cannot be realized, however, until the [illegible] of trade are to be opened; the commercial traveler must survey the fields; the manufacturer must adapt his goods to the new markets, and facilities for exchange must be established.

**The Behring Sea Arbitration.**

A treaty providing for the arbitration of the dispute between Great Britain and the States as to the killing of seals in the Behring Sea was concluded on the 29th of February, 1892. This treaty was accompanied by an agreement prohibiting pelagic sealing pending the arbitration, and a vigorous effort was made during this season to drive out all poaching sealers from the Behring Sea. Some seizures were made, and it is believed that the catch in the Behring Sea by poachers amounted to less than 500 seals. It is true, however, that in the north Pacific and Behring Sea vessels have been sent to the pea se between the Aleutian Islands, a very large part, but probably [illegible] seals. The existing statutes of the United States do not restrain our citizens from taking seals in the Pacific Ocean, and perhaps should not, unless the prohibition can be extended to the citizens of other nations. I recommend that power be given to the President by proclamation to prohibit the taking of seals in the north Pacific by American vessels in case, either as the result of the findings of the tribunal of arbitration or otherwise, the restraints can be applied to the vessels of all countries.

**Commercial Relations with Canada.**

During the past year a suggestion was received through the British Minister that the Canadian Government would be willing to enter into the possibility of enlarging upon terms of mutual advantages, the commercial exchanges of Canada and the United States, and such a conference was held at Washington, with Mr. Blaine acting for the Government and the British Minister at its capital, and three members of the Dominion Cabinet acting as commissioners of their Government. The conference developed the fact that the Canadian Government was only prepared to enter the United States upon the basis of the concessions asked the admission of natural products. The statement was frankly made that favored nation treatment was not to the United States as against the mother country. This admission, which was foreseen, necessarily terminated the conference without reference. The benefits of an exchange of natural products would be equally shared by the people of Canada. Some other topics of interest were considered in the conference, and have resulted of a memorandum of agreement for examining the Alaskan boundary and the waters of the Passamaquoddy Bay, adjacent to Eastport, Me., and the initiation of an arrangement for the protection of fish life in the coterminous and neighboring waters of our northern lakes.

The controversy as to the tolls upon the Welland Canal, which was presented to Congress at the last session by special message, having failed of adjustment, I felt constrained to exercise the power conferred by the act of July 26, 1892, and by proclaim a suspension of the free use of St. Mary's Falls Canal to cargoes in transit to ports in Canada. The Secretary of the Treasury established such tolls as were thought to be equivalent to the exactions unjustly levied upon our commerce by the Canadian canals.

If, as we must suppose, the political relations of Canada and the disposition of the Canadian Government are favorable, it is needed, a somewhat radical revision of our trade relations should, I think, be made. Our relations must continue to be intimate, and they should be friendly. I regret to say, however, that in many of the controversies, notably as those to the fisheries on the Atlantic, the sealing interests on the Pacific, and the canal tolls, your negotiations with Great Britain have been continuously thwarted or retarded by unreasonable and unfriendly objections and protests from the Dominion authorities, whose principles and their promoters, inadequate, and justified only by the fact that the senate and House of Representatives could not agree upon a bill of general revision could not, therefore, be undertaken.

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security for the deposits or who think that the extended pension legislation was a public robbery, or that the duties upon sugar should have been maintained, I am content to leave the argument where it now rests, while we wait to see whether these criticisms will take the form of legislation.

The revenues for the fiscal year ending June 30, 1892, from all sources were $425,868,220.72, and the expenditures for all purposes were $415,-953,928.56, leaving a balance of $9,914,292.16, There were collected during the year on account of the debt $40,370,467.98.

The surplus in the treasury and bank redemption fund, passed by the act of July 14, 1890, to the credit of the general fund furnished in large part the cash available and used for the payment of the reduction upon the debt. Compared with the year 1891, the receipts from customs duties fell off $42,069,241.08, while our receipts from internal sources increased from $6,294,823.13; leaving the net loss of revenue from these principal sources, $35,784,-417.96. The net loss of revenue from all sources was $32,075,972.81. The revenues estimated and actual, for the fiscal year ending June 30, 1893, are placed by the Secretary at $463,336,350.44, and the expenditures at $461,336,-[illegible], which will create a surplus of receipts over expenditures of $2,000,000. The cash in the treasury at the end of the fiscal year, it is estimated, will have fallen to

So far as these figures are based upon estimates of receipts and expenditures for the remainder of the fiscal year, no criticism is made; there are not only the usual elements of uncertainty in so some added elements. New revenue legislation is expected, and I am not prepared seriously reduce the public revenues during the period of uncertainty and during the transition process from present to the new conditions when they become known. But the Secretary has very wisely refrained from guessing as to the additional possible changes in our revenue laws, since the scope of these changes and the time of their taking effect can not in any degree be forecast or foretold by him. His estimates must be based upon the laws now in force, the continuance of existing business conditions, except so far as these conditions may be affected by causes other than new legislation.

The estimated receipts for the fiscal year ending June 30, 1894, are $457,261,385.33, and the estimated appropriations $457,261,385.33, leaving an estimated surplus of receipts over the expenditures of $32,960,000.00. This does not include any payment to the sinking fund. In the recommendation of the Secretary that the sinking fund law be left to remain unchanged, a somewhat radical revision of our trade relations should, I think, be made. Our relations must continue to be intimate, and they should be friendly. I regret to say, however, that in many of the controversies, notably as those to the fisheries on the Atlantic, the sealing interests on the Pacific, and the canal tolls, your negotiations with Great Britain have been continuously thwarted or retarded by unreasonable and unfriendly objections and protests from the Dominion authorities, whose principles and their promoters, inadequate, and justified only by the fact that the senate and House of Representatives could not agree upon a bill of general revision could not, therefore, be undertaken.

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# DEATH OF JAY GOULD.

## WALL STREET WIZARD SUCCUMBS TO CONSUMPTION.

**All the Members of His Family at His Bedside When Death Came—Career of the Great Financier from Poverty to Wealth.**

**Passes Peacefully Away.**

Jay Gould, the greatest financier the United States has ever known, died at his Fifth avenue residence in New York at 9:12 o'clock Friday morning. His end was peaceful. The troubles from which he died were diagnosed as consumption of the stomach, supplemented with a bilious attack. Twelve hours before his death he was prostrated by a nervous attack, and his physician, Dr. Munn, was summoned. Every member of the Gould family was also summoned, and they watched at his bedside until the end came.

The death of the great financier inspired unusual regret, but it did not cause any sensational break in the



JAY GOULD.

stock market, in which, for twenty years, he was the most important figure. The market was not even shaken.

It was not believed until 2 o'clock in the morning that Mr. Gould was going to die. He had been prostrated several times within the past three years. The attack was thought to be like the others, merely temporary.

**Sketch of the Wizard's Career.**

Jay Gould was a native of Roxbury, N. Y., where he was born on the 27th of May, 1836. His early life was spent on a farm. He entered Hobart College when 14 years of age, paying for his tuition with money earned by keeping the books of the village blacksmith during the evenings. He developed a taste for surveying and one of his earliest enterprises was the publication of a county map of his own drawing. The accuracy of the work attracted attention and he was employed by the Legislature to make a topographical survey of the state. For several years he was engaged in this work and in making surveys of several counties in Ohio and Michigan.

In 1856 he became associated with Zadock Pratt in the management of a tannery and conducting a large lumbering business. He soon purchased his partner's interest, and sold his plant just in time to avoid the panic of 1857. He invested his money in a bank at Stroudsburg, Pa., purchased bonds of a Vermont railroad at their lowest price, 10 cents on the dollar, and realized fourfold from the increase in value within a year. He removed to New York City in 1859, where he became a broker, and invested largely in the stock of the Erie Road. He soon became President of the company, and remained in the directory till 1872, he and James Fisk being the controlling spirits of the corporation.

He invested largely in the stock of the Atlantic and Pacific Telegraph Company, and a favorable opportunity occurring he obtained a controlling interest. A depression in the stock of Western Union taking place, he was enabled to grasp control of that corporation also, and he consolidated the two, not only increasing the value of the Atlantic and Pacific properties by a favorable alliance but also benefiting the Western Union by destroying competition. The American Union and the Mutual Union companies both organized as competitors of the Western Union, were subsequently absorbed by methods known best to the stock manipulators of Wall street, and the monopoly of the telegraph business was assured to the Western Union. In 1887 he purchased a controlling interest in the St. Louis and San Francisco Railroad and obtained a joint interest with the Atchison, Topeka and Santa Fe Railroad in the Atlantic and Pacific and the western portion of the Southern Pacific Road.

He was either bull or bear, as best suited his purpose to pluck the unwary fool who dared attempt to trade in his favorites, and hundreds of victims of his speculative genius passed into his coffers. Like a giant octopus he guarded his properties and his tentacles grasped and destroyed all within reach. Compassion was an unknown quality in his breast. Friend and foe alike contributed to the gratification of his rapacity.

Mr. Gould was free from the vices that commonly attach to men of the world. He was a total abstainer as to wine, never used tobacco, and had no liking for gay or dissolute society. He was devotedly attached to his family, and the death of his wife several years ago was a severe blow to him. Since that event his daughter Helen was mistress of his household, and the two were almost inseparable. Miss Helen accompanied him on his tours over the country, sacrificing her opportunities of shining in society that she might minister to his happiness. His son George was his business confidant. He inherited much of the shrewdness of his father, and in recent years has been the active manager of the most important of the Gould properties. He married Edith Kingdon, the well-known actress, and they are living happily together.

In Paris it is not customary for patients to wait in the ante-chamber of great physicians, but inquiry has to be made by letters, which are rarely answered unless they come from some aristocratic quarter of the city. In some cases, however, numbered tickets are given out at six in the morning.

The records of the New Haven Public Library show that there were four thousand less books drawn last year than the year previous, the decrease being almost wholly in the field of fiction.

**A Theological Diagnosis.**

My brother, your trouble is not with the heart, it is a gastric disorder or a rebellion of the liver. You need a physician more than you do a clergyman. Is it sin that troubles you? Repent of heaven, but bile. It not only yellows your eyeball, and furs your tongue, and makes your head ache, but swoops upon your soul in dejections and forebodings. —Talmage.

There is a difference between an ai or diction and a dictionary, but the former couldn't exist without the latter.