manifestly the first interest and duty of the State to such an assurance, and believed that without it the to secure the benefit of the lessons it teaches as fally sectionary States themselves, and restoration, in the first moment of peace, was believed to be as easy and certain as it was indispensable. The expectations, tained, were disappointed by legislation from which I felt constrained, by my obligations to the Constitution, to withhold my assent.

It is therefore a source of profound regret that, in complying with the obligation imposed upon the President by the Constitution, to give to Congress from time to time information of the State of the Union, I am unable to communicate any definite adjustment, satisfactory to the American people, of the questions which, since the close of the rebellion, have agitated the public mind. On the contrary, candor compels me to declare that at this time there is no Union as established can exist only where all the States are represented in both Houses of Congress; where one State is as free as another to regulate its internal laws of the central Government, strictly confined to not the present "state of the Union" is a melancholy fact; and we all must acknowledge that the restoration of the States to their proper legal relations with the Federal Government and with one another, accorsing to the terms of the original compact, would be It becomes our imperative duty to consider whether consummation

The Union and the Constitution are inseparable. As long as one is obeyed by all parties, the other will be preserved, and if one is destroyed both must perish together. The destruction of the Constitution It was ordained not only to form a more perfect to ourselves and our posterity. Nothing but implicit obedience to its requirements in all parts of the country will accomplish these great incessant breaches of the public peace, national renew our efforts again and again.

To me the process of restoration seems perfectly exist to a perfect union of all the States.

to differ from Congress, and have expressed my con-victions without reserve, though with becoming States, Territories, or Districts. deference to the opinion of the Legislative Depart- I have no desire to save from the proper and just and all-embracing extension of popular suffrage must ment. Those convictions are not only unchanged, but strengthened by subsequent events and further in rebellion against the Government; but as a mode | 1 repeat the expression of my willingness to join reflection. The transcendent importance of the sub- of punishment the measures under consideration are in any plan within the scope of our constitutional auject will be a sufficient excuse for calling your atten- the most unreasonable that could be invented. Many thority which promises to better the condition of the tion to some of the reasons which have so strongly of those people are perfectly innocent; many kept their fidelity to the Union untainted to the last; many try, enlightening their minds, improving their morals, all finally concur in a mode of settlement, consistent were incapable of any legal offence; a large propor- and giving protection to all their rights as freedmen. at case with our true interests and with our sworn tion even of the persons able to bear arms were forced But the transfer of our political inheritance to them

and effectual for the purpose intended by their authors, we sweep from under our feet the whole ground ages of the world. But Christianity and civilization together, and that is a power which does not belong ification of any present feeling. to any Department of this Government, or to all of

upon the principle that the Union is not only undis-solved, but indissoluble. Congress submitted an part only of the country, we can destroy them everyamendment of the Constitution to be ratified by the where and for all time. Arbitrary measures often fort now making to Africanize the half of our coun-Southern States, and accepted their acts of ratification as a necessary and lawful exercise of their is the curse of despotism that it has no halting place. I would not put considerations of money in compehighest function. If they were not States, or were The intermitted exercise of its power brings no sense tition with justice and right. But the expenses into be unworthy of their trust. The Constitution States out of the Union, their consent to a change in of security to its subjects; for they can never know cident to "reconstruction" under the system adopted makes him sole judge in the premises; but the statute the fundamental law of the Union would have been what more they will be called to endure when its red by Congress aggravate what I regard as the intrinsic nugatory, and Congress, in asking it, committed a right hand is armed to plague them again. Nor is it the solemn sanction of its authority to the same view strained by law, may seek its next victim. The to the weight of taxation, already too oppressive to prosecution is to be conducted before a tribunal included the Southern States in their circuits, and ment; for if the Constitution does not protect all, it they are constantly, in bane and elsewhere, exercising protects none. jurisdiction which does not belong to them, unless those States are States of the Union.

PRESIDENT'S MESSAGE
TO THE FORTIETH CONGRESS.

The Fortier of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation of the Union, and maintaining the supremagy of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and the senate of the Senate and House of Representation and the Senate and House of Representation and laws of the Senate and House of Representation and the Senate and House of Representation and laws of the Senate and House of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws of the Senate and House of Representation and laws situation, although before untried by ourselves, is pledge of the national honor, and I cannot imagine any people who are fit to decide upon the managenot new in the experience of nations. Political upon what grounds the repudiation of it is to be any means by which civil wars can be absolutely prevented. An enlightened nation, however, with a wise and beneficent Constitution of free government, may diminish their frequency and mitigate their severity by directing all its proceedings in accordance with the function of the world be carried out.

When a civil war has been brought to a close it is science, perhaps as highly perfected in our own time justified. If it be said that we are not bound to keep been combined. It is the glory of white men to and country as in any other, has not yet disclosed faith with rebels, lot it be remembered that this know that they had these qualities in sufficient mengiven that assurance in the extremity of our peril, have any claim upon the confidence of men: it would make the war not only a failure, but a fraud. Being sincerely convinced that these views are

however, then so reasonably and confidently enter- correct, I would be unfaithful to my duty if I did not recommend the repeal of the acts of Congress which place ten of the Southern States under the domination of military masters. If calm reflection shall satisfy a majority of your honorable bodies that the acts referred to are not only a violation of the national faith, but in direct conflict with the Constitution, I are directed to deposit it. I need not remind you dare not permit myself to doubt that you will immediately strike them from the statute book.

To demonstrate the unconstitutional character of our Fathers understood the term, and as they mean be made in the Constitutions of the several States; to the body of the people. A trust artificially created, It to be understood by us. The Union which they control the elections of State legislators and State not for its own sake, but solely as a means for proofficers, members of Congress and electors of President and Vice-President, by arbitrarily declaring who shall vote and who shall be excluded from that priviconcerns according to its own will; and where the lege; to dissolve State Legislatures or prevent them from assembling; to dismiss Judges and other civil matters of national jurisdiction, apply with equal functionaries of the State, and appoint others without derce to all the people of every section That such is regard to State law; to organize and operate all the political machinery of the States; to regulate the whole administration of their domestic and local affairs according to the mere will of strange and irresponsible agents, sent among them for that purpose the greatest temporal blessing which God, in his ernment, or to say one of its branches. Not being tion the great danger "to be apprehended from an kindest providence, could bestow upon this nation granted, we violate our trust by essuaing them as untimely extension of the elective franchise to any palpably as we would by acting in the face of a posior not it is impossible to effect this most desirable tive interdict; for the Constitution forbids us to do majority of that class, in wielding the power thus ity we desire to use does not come to us through the Constitution, we can exercise it only by usurpation: and usurpation is the most dangerous of political will be followed by other and still greater calamities. crimes. By that crime the enemies of free govern- freemen, and are assumed by law to be citizens. It Union between the States, but to "establish justice, public liberty and private right. It leads directly servitude, that, as a class, they are as well informed insure domestic tranquility, provide for the common and immediately to the establishment of absolute as to the nature of our Government as the intelligent desence; premote the general welfare, and secure the rule; for undelegated power is always unlimited and foreigner who makes our land the home of his choice. unrestrained.

consequences of their great crime those who engaged | end at last in its overthrow and destruction.' duties to the Constitution, is too natural and too just into rebellion against their will; and of those who are would, in my opinion, be an abandonment of a duty guilty with their own consent, the degrees of guilt we owe alike to the memory of our fathers and the It is clear to my apprehension that the States are as various as the shades of their character and rights of our children. lately in rebellion are still members of the National temper. But these acts of Congress confound them Union. When did they cease to be so? The 'ordi- all together in one common doom. Indiscriminate mere nullities. If we admit now that they were valid a portion of them against the government to which upon which we justified the war. Were those States have made such progress that recourse to a punishfect of dissolving it. The victory of the nation's separately with each individual, confines itself to the

political absurdity. The Judiciary has also given possible to conjecture how or where power, unre-millions already, and if persisted in will add largely impracticable duty of becoming a prosecutor. The

It is manifestly and avowedly the object of these laws to confer upon negroes the privilege of voting, If the Southern States are component parts of the and to disfranchise such a number of white citizens Union, the Constitution is the supreme law for them, as will give the former a clear majority at all elecas it is for all the other States. They are bound to tions in the Southern States. This, to the minds of obey it, and so are we. The right of the Federal some persons, is so important, that a violation of the Government, which is clear and unquestionable, to Constitution is justified as a means of bringing it enforce the Constitution upon them, implies the correlative obligation on our part to observe its limitative obligative obligation on our part to observe its limitative obligative obligation on our part to observe its limitative obligation on our part to observe its limitative obligation of our part to observe its limitative obligation of our part to observe its limitative obligation of our part to observe its limitative obligative obligation of our part to observe its limitative obligation of our part to observe its limitative obligation of our part to observe its limitative obligation of our part to observe its limi tions and execute its guaranties. Without the Con- end. We are not permitted to do evil that good may in subjection the white people of the South. stitution we are nothing; by, through, and under the come. But in this case the end itself is evil, as well Constitution we are what it makes us. We may as the means. The subjugation of the States to negro doubt the wisdom of the law, we may not approve of domination would be worse than the military despaits provisions, but we cannot violate it merely because it seems to confine our powers within limits narrower than we could wish. It is not a question of individual, or class, or sectional interest, much less of party predominance, but of duty-of high and sacred duty negro race. Therefore they have been left without which we are all sworn to perform. If we cannot a choice. Negro suffrage was established by act of support the Constitution with the cheerful alacrity of Congress, and the military officers were commanded

severity by directing all its proceedings in accordance with its fundamental law.

It was made on the day after the first great battle of the war had been fought and lost. All patriotic and evidence is not abandoned, it must be acknowled and intelligent men then saw the necessity of giving edged that in the progress of nations negroes have shown less capacity for government than any other repair the injuries which the war has inflicted, and war would end in disaster to our cause. Having race of people. No independent government of any form has ever been successful in their hands. On and as speedily as possible. This duty was, upon the termination of the rebellion, promptly accepted, not only by the Executive Department, but by the insurhowever, Congress has undertaken to confer upon slavery, it may be doubted whether, as a class, they know more than their ancestors how to organize and more than carrying a ballot to the place where they burden upon the rest of the nation. that the exercise of the elective franchise is the less be seen by Congress in the late manifestations of highest attribute of an American citizen, and that, when guided by virtue, intelligence, patriotism, and those acts. I need do no more than refer to their gen- a proper appreciation of our free institutions, it coneral provisions. It must be seen at once that they are not authorized. To dictate what alterations shall ernment, in which the sovereign power is lodged in moting the general welfare, its influence for good must necessarily depend upon the elevated character and true allegiance of the elector. It ought therefore to be reposed in none except those who are fitted morally and mentally to administer it well; for if conferred upon persons who do not justly estimate its value and who are indifferent as to its results, it to their own posterity, is too strong to be successfully will only serve as a means of placing power in the hands of the unprincipled and ambitious, and must eventuate in the complete destruction of that liberty of which it should be the most powerful conservator. -these are powers not granted to the Federal Gov- I have therefore heretofore urged upon your attennew class in our country, especially when the large whatever it does not affirmatively authorize either by | placed in their hands, cannot be expected correctly express words or by clear implication. If the author- to comprehend the duties and responsibilities which pertain to suffrage. Yesterday, as it were, four millions of persons were held in a condition of slavery that had existed for generations; to-day they are ment in all ages have worked out their designs against | cannot be presumed, from their previous condition of In the case of the latter, neither a residence of five The acts of Congress in question are not only ob- years, and the knowledge of our institutions which it jectionable for their assumption of ungranted power, gives, nor attachment to the principles of the Conends. Without that obedience we can look forward but many of their provisions are in conflict with the stitution, are the only conditions upon which he can only to continued outrages upon individual rights, direct prohibitions of the Constitution. The Consti- be admitted to citizenship. He must prove, in additution commands that a republican form of govern- tien, a good moral character, and thus give reasonweakness, financial dishonor, the total loss of our ment shall be guaranteed to all the States; that no able ground for the belief that he will be faithful to stand on its rights, and maintain them, regardless of all prosperity, the general corruption of morals, and the person shall be deprived of life, liberty, or property, the obligations which he assumes as a citizen of the consequences. If Congress should pass an act which final extinction of popular freedom. To save our without due process of law, arrested without a judi- Republic. Where a people-the source of all politicountry from eyils so appaling as these, we should cial warrant, or punished without a fair trial before cal power-speak, by their suffrages, through the an impartial jury : that the privilege of habeas corpus instrumentality of the ballot-box, it must be carefully shall not be denied in time of peace; and that no bill guarded against the control of those who are corrupt plain and simple. It consists merely in a faithful of attainder shall be passed even against a single in- in principle and enemies of free institutions, for it application of the Constitution and laws. The exe- dividual. Yet the system of measures established by can only become to our political and social system a cution of the laws is not now obstructed or opposed these acts of Congress does totally subvert and destroy safe conductor of healthy popular sentiment when by physical force. There is no military or other the form as well as the substance of republican gov- kept free from demoralizing influences. Controlled, necessity, real or pretended, which can prevent obe- ernment in the ten States to which they apply. It through fraud and usurpation, by the designing, andience to the Constitution, either North or South. binds them hand and foot in absolute slavery, and archy and despotism must inevitably follow. In the All the rights and all the obligations of States subjects them to a strange and hostile power, more and individuals can be protected and enforced by unlimited and more likely to be abused than any will be preserved upon the principles of the Constimeans perfectly consistent with the fundamental law. other now known among civilized men. It tramples tution inherited from our fathers. It follows, there-The courts may be everywhere open, and if open, down all those rights in which the essence of liberty fore, that in admitting to the ballot-box a new class their process would be unimpeded. Crimes against consists, and which a free government is always most of voters not qualified for the exercise of the elective the United States can be prevented or punished by the proper judicial authorities, in a manner entirely practicable and legal. There is, therefore, no reason life, if assailed by the passion, prejudice, or the vield to no one in attachment to that rule of general why the Constitution should not be obeyed, unless rapacity of the ruler, have no security whatever. It suffrage which distinguishes our policy as a nation. those who exercise its powers have determined that has the effect of a bill of attainder, or bill of pains But there is a limit, wisely observed hitherto, which it shall be disregarded and violated. The mere and penalties, not upon a few individuals, but upon makes the ballot a privilege and a trust, and which naked will of this Government, or of some one or whole masses, including the millions who inhabit the requires of some classes a time suitable for probation more of its branches, is the only obstacle that can subjected States, and even their unborn children. and preparation. To give it indiscriminately to a These wrongs, being expressly forbidden, cannot be new class, wholly unprepared, by previous habits On this momentous question, and some of the constitutionally inflicted upon any portion of our and opportunities, to perform the trust which it demeasures growing out of it, I have had the misfortune people, no matter how they may have come within mands, is to degrade it, and finally to destroy its power;

The plan of putting the Southern States wholly and the General Government partially, into the hands nances of secession," adopted by a portion (in most of them a very small portion) of their citizens, were upon whole communities, for offences committed by tious. The foundations of society have been broken up by civil war. Industry must be reorganized, justice re-established, public credit maintained, and order brought out of confusion. To accomplish these upon which we justified the war. Were those States lave made such progress that recourse to a punishafterwards expelled from the Union by the war?

The direct contrary was averred by this Government demnation of all unprejudiced and right-minded men.

The President may be thoroughly convinced that an at the same time observe good faith with the great the Arkanes and Platte rivers and Platter rivers who gave their blood and treasure to aid in its prose- country, does not consist in stripping whole States of than madness to expect that the negroes will perequal to the arduous task before them, but it is worse cution. It cannot be that a successful war, waged their liberties, and reducing all their people, without form it for us. Certainly we ought not to ask their for the preservation of the Union, had the legal ef- distinction, to the condition of slavery. It deals assistance until we despair of our own competency. arms was not the disgrace of her policy; the defeat forms of law, and vindicates its own purity by an sical, mental, and moral characteristics will prevent of secession on the battle-field was not the triumph of impartial examination of every case before a com- an amalgamation or fusion of them together in one its lawless principle. Nor could Congress, with or petent judicial tribunal. If this does not satisfy all homogeneous mass. If the inferior obtains the aswithout the consent of the Executive, do anything our desires with regard to Southern rebels, let us cendancy over the other, it will govern with referwhich would have the effect, directly or indirectly, of console ourselves by reflecting that a free Constitu- ence only to its own interests—for it will recognize separating the States from each other. To dissolve tion, triumphant in war and unbroken in peace, is no common interest—and create such a tyranny as the Union is to repeal the Constitution which holds it worth far more to us and our children than the grat- this continent has never yet witnessed. Already the negroes are influenced by promises of confiscation them united.

This is so plain that it has been acknowledged by all branches of the Federal Government. The Executive (my predecessor as well as myself) and the heads of all the Departments have uniformly acted under the Department of this Government, or to all of the Southern States is not to be perpetual. It is true this military government is to be only provisional, but it is through this temporary evil that a great evil is to be made perpetual. If the guarantees of the Constitution can be broken provisionally to serve a temporary purpose, and in a cour nation has yet encountered none are equal to our nation has yet encountered none are equal to I am aware it is assumed that this system of gov- and plunder. They are taught to regard as an ene-

wrong of the measure itself. It has cost uncounted and leaves him nothing but the odious and sometimes be borne without just complaint, and may finally reduce the Treasury of the nation to a condition of bankruptcy. We must not delude ourselves. It will require a strong standing army, and probably more | The Scnate is absolutely without any known standthan two hundred millions of dollars per annum, to maintain the supremacy of negro governments after they are established. The sum thus thrown away would, if properly used, form a sinking fund large enough to pay the whole national debt in less than

I submit to the judgment of Congress whether the public credit may not be injuriously affected by a private interests which are complicated with it, we Government. That confidence can only be retained by carefully inculcating the principles of justice and the commission of an actual misdemeanor in office?

it to the slightest danger.

The great interests of the country require immediate relief from these enactments. Business in the South is paralyzed by a sense of general insecurity, supremacy. The Southern trade, from which the North would have derived so great a profit under a government of law, still languishes, and can never them the privilege of the ballot. Just released from be revived until it ceases to be fettered by the arbitrary power which makes all its operations unsafe. That rich country—the richest in natural resources regulate civil society. Indeed, it is admitted that the world ever saw—is worse than lost if it be not the blacks of the South are not only regardless of soon placed under the protection of a free Constituthe rights of property, but so utterly ignorant of tion. Instead of being, as it ought to be, a source public affairs that their voting can consist in nothing of wealth and power, it will become an intolerable

Another reason for retracing our steps will doubtpublic opinion upon this subject. We live in a country where the popular will always enforces obedience t itself, sooner or later. It is vain to think of opposing it with anything short of legal authority backed by overwhelming force. It cannot have escaped your attention that from the day on which Congress fairly and formally presented the proposition to govern the Southern States by military force, with a view to the ultimate establishment of negro supremacy, every expression of the general sentiment has been more or less adverse to it. The affections of this generation cannot be detached from the institutions of their ancestors. Their determination to preserve the inheritance of free government in their own hands, and transmit it undivided and unimpaired opposed. Every weaker passion will disappear before that love of liberty and law for which the American People are distinguished above all others in the world. How far the duty of the President "to preserve, pro tect and defend the Constitution," requires him to go in opposing an unconstitutional act of Congress, is a very serious and important question, on which I have deliberated much, and felt extremely auxious to reach a proper conclusion. Where an act has been passed according to the forms of the Constitution by the snoreme legislative authority, and is regularly enrolled among the public statutes of the country. Executive resistance to it, especially in times of high party excitement, would be likely to produce violent collision between the respective adherents of the two branches of the Government. This would be simply a civil war; and civil war must be resorted to only as the last remedy for the worst of evils. Whatever might tend to provoke it should be most carefully avoided. A faithful and conscientious Magistrate will concede very much to hones error, and something even to perverse malice, before he will endanger the public peace; and he will not adopt forcible measures, or such as might lead to force, as long as those which are peaceable remain open to him or to his constituents. It is true that cases may is not only in palpable conflict with the Constitution, but will certainly, if carried out, produce immediate and irreparable injury to the organic structure of the Government, and if there be neither judicial remedy for the wrongs it inflicts, nor power in the people to protect themselves without the official aid of their elected defender; if, for instance, the Legislative Department should pass an act even through all the forms of law to abolish a co-ordinate department of the Governmentin such a case the President must take the high responsibilities of his office, and save the life of the nation at all hazards. The so-called reconstruction acts, though as plainly unconstitutional as any that can be imagined. were not believed to be within the class last mentioned. The people were not wholly disarmed of the power of self-defence. In all the Northern States they still held in their hands the sacred right of the ballot, and it was safe to believe that in due time they would come to the rescue of their own institutions. It gives me pleasure to add that the appeal to our common constituents was not taken in vain, and that my confidence in their wisdom and virtue seems not to have been misplaced. It is well and publicly known that enormous

frauds have been perpetrated on the Treasury, and that colossal fortunes have been made at the public expense. This species of corruption has increased and increasing, and if not diminished will soon bring us into total ruin and disgrace. The public and tender in payment of debts. us into total ruin and disgrace. The public creditors and the tax-payers are alike interested in an king contrast with that which was originally designed. honest administration of the finances, and neither Our circulation new embraces, first, notes of the Nation- principles of the Constitution, would inspire confidence class will long endure the large-handed robberies of the recent past. For this discreditably state of Government, excluding imposts, and by all its credi- and bring to the nation prosperity, peace, and good things there are several causes. Some of the taxes are so laid as to present an irresistible temptation and the securities themselves; second legal tender notes, to evade payment. The great sums which officers may win by connivance at fraud create a pressure which is more than the virtue of many can withstand; and there can be no doubt that the open disregard of constitutional obligations avowed by some of the highest and most influential men in the country has greatly weakened the moral sense of those who serve in subordinate places. The expenses of the United States, including interest on the public debt, are more than six times as much as they were seven years ago. To collect and disburse this vast amount requires careful supervision as well as sysofficer is incapable, dishonest, or unfaithful to the masses of the people, who, having rescued the Union Constitution, but, under the law which I have named from the perils of rebellion, now bear the burdens of the utmost he can do is to complain to the Senate and taxation, that the Government may be able to fulfill its ask the privilege of supplying his place with a bet- engagements. There is no reason which will be acter man. If the Senate be regarded as personally or politically hostile to the President, it is natural, and not altogether unreasonable, for the officer to expect that it will take his part as far as possible, res- scars and wounds received while in its service; the pubtore him to his place, and give him a triumph over lic servants in the various Departments of the Governhis Executive superior. The officer has other chances ment; the farmer who supplies the soldiers of the army of impunity arising from accidental defects of evi- and the sailors of the navy, the artisan who toils in the dence, the mode of investigating it, and the secrecy of the hearing. It is not wonderful that official mal-feasance should become bold in proportion as the delinquents learn to think themselves safe. I am entirely persuaded that under such a rule the President cannot perform the great duty assigned to him of seeing the laws faithfully executed, and that it of seeing the laws faithfully executed, and that it disables him most especially from enforcing that rigid accountability which is necessary to the due execution of the revenue laws. The Constitution invests the President with author-

ity to decide whether a removal should be made in takes away his jurisdiction, transfers it to the Senate the whole people, but to separate constituent bodies, ard of decision applicable to such a case. Its judgement cannot be anticipated, for it is not governed by any rule. The law does not define what shall be deemed good cause for removal. It is impossible even to conjucture what may or may not be so considered by the Senate. The nature of the subject forbids clear proof. If the charge be incapacity, what evidence will support it ? Fidelity to the Constitution may be understood or misunderstood in a thousand different ways, and by violent party men in violent party times, unfaithful to the Constitution system or measure like this. With our debt, and vast | may even come to be considered meritorious. If the officer be accused of dishonesty, how shall it be cannot be too cautious of a policy which might, by made out? Will it be inferred from acts unconnecpossibility, impair the confidence of the world in our ted with public duty, from private history, or from general reputation? Or must the President await onor on the popular mind, and by the most scrupu- Shall he, in the meantime, risk the character and in-

so; for I do not admit that this or any other argu-ment in favor of repudiation can be entertained as thought desirable and constitutional that it should guarantee the safety of the accuser when he acts in by the Government and banks, all notes or bills of good faith, and at the same time secure the rights of the other party. I speak of course with all prop-er respect for the present Senate, but it does not seem to me that any legislative body can be so constituted as to insure its fitness for these functions. It is not the theory of this Government that public offices are the property of those who hold them. They are given merely as a trust for the public benefit sometimes for a fixed period, sometimes during good behavior, but generally they are liable to be terminated at the pleasure of the appointing power, which represents the collective majesty and speaks the will of the people. The forced retention in office of a single dishonest person may work great injury to the public interests. The danger to the public service comes not from the power to remove, but from the power to appoint. Therefore it was that framers of the Constitution left the power of removal unrestricted, while they gave the Senate a right to reject all appointments which, in its opinion, were not fit to be made. A little reflection on this subject will probably satisfy all who have the good of the country at heart that our best course is to take the Constitution for our guide, walk in the path marked out by the founders of the Republic, and obey the man's brow. Ordinary tyranny, oppression, excessive rules made sacred by the observance of our great taxation—these bear lightly on the happiness of the

> The present condition of our finances and circulaing medium is one to which your early consideration

The proportion which the currency of any country should bear to the whole value of the annual produce circulation by its means is a question upon which political economists have not agreed. Nor can it be controlled by legislation, but must be left to the irrevocable laws which everywhere regulate commerce and trade. The circulation medium will ever irresistibly flow to those points where it is in greatest demand. The law of demand and supply is as unerring as that which regulate the tides of the ocean; and indeed currency, like the tides, has its ebbs and flows throughout the commercial world.

At the beginning of the rebellion the bank-note circulation of the country amounted to not much more than two hundred millions of dollars; now the circulation of National Bank Notes and those known as "legal tenders" is nearly seven hundred millions. While it is urged by some that this amount should be increased, others contend that a decided reduction is ing June 30, 1867, the receipts were \$490,634,010. and absolutely essential to the best interests of the countries \$346,729.129, leaving an available try. In view of these diverse opinions, it may be well to ascertain the real value of our paper issues, when compared with a metalic or convertible currency. For this purpose let us inquire how much gold sum of \$393 269,226, leaving in the Treasury a surplus and silver could be purchased by the seven hundred millions of paper money now in circulation? Probably not more than half the amount of the latter-showing that when our paper currency is compared with the gold and silver its commercial value is compressed into three hundred and fifty millions. This striking fact makes it the obvious duty of the Government, as early as may be consistent with the principles of sound political economy, to take such measures as will enable the holder of its notes and those of the National Banks to convert them, without loss, into specie or its equivalent. A reduction of our paper circulating medium Government economically administered. Taxation need not necessarily follow. This, however, would would not then fall unduly on the man of moderate depend upon the law of demand and supply, though it should be borne in mind that by making legal-tender and bank notes convertible into coin or its equivalent, their present specie value in the hands of their holders would be enhanced one hundred per cent.

tions. The Constitution contemplates that the circula-ting medium of the country shall be uniform in quality and value At the time of the formation of that instrument, the country had just emerged from the War of the Revolution, and was suffering from the effects of operations less inquisitorial; and greatly reduce in numa redundant and worthless paper currency. The sages of that period were anxious to protect their posterity from the evils which they themselves had experienced. Hence, in providing a circulating medium, they conferred upon Congress the power to coin money and regulate the value thereof, at the same time prohibiting

The anomalous condition of our currency is in strial Banks, which are made receivable for all dues to the issued by the United States, and which the law requirres shall be received as well in payment of all debts between citizens as of all Government dues, excepting imposts: and third, gold and silver coin. By the operation of our present system of finance, however, the metallic currency, when collected is reserved only for one class of Government creditors, who, holding its bonds, semi-annually receive their interest in coin from the National Treasury They are thus made to occupy an invidous position, which may be used to strengthen the arguments of those who would bring into disrepute the obligation of the nation. In the payment of all its nation's work-shops, or the machanics and laborers who build its edifices and construct its forts and vessels of war, should, in payment of their just and hard-earned dues, receive depreciated paper while another class of their countrymen, no more deserving, are paid in coin paid in a currency possessing a uniform value. This can only be accomplished by the restoration of the currency to the standard established by the Constitution; and by this means we would remove a discrimination which may, if it has not already done so, create a prejudice that may become deep-rooted and wide-spread and imperil the national credit.

The feasibility of making our currency correspond with the constitutional standard may be seen by refertistics.

whose members are not like him, responsible to the whole people, but to separate constituent bodies. making the grand accregate of archive 1840 41 making the grand aggregate of products since 1849. \$1-174,000,000. The amount of specie coined from 1849 to 1857, inclusive, was 439,000,000; from 1858 to 1860, inclusive, \$125.000,000; and from 1861 to 1867, inclusive. \$310,000,000 -making the total coinage since 1849. \$875,000,000. From 1849 to 1857, inclusive, the net exports of specie amounted to \$271,000.000; from 1858 to 1860, inclusive, to \$148,000,000; and from 1861 to 1867, inclusive, \$322,000,000—making the aggregate of net exports since 1849. \$741,000.000. These figures show an excess of product over net exports of \$433,000,000. There are in the Treasury \$111,000,000 in cois, something more than \$40,000,000 in circulation on the Pacific Coast, and a few millions in the National and other Banks-in all about \$160,-000,000, This, however, taking into account the specie in the country prior to 1849, leaves more than \$300,the inferior currency will supercede the better, forcing it from circulation among the masses, and causing it to support the Constitution with the electral alacerty of those who love and believe in it, we must give to it at its superintend the process of elothing the negro race least the fidelity of public servants who act under solemn obligations and commands which they dare not disregard. The constitutional duty is the only one which requires the States to be restored. There is another consideration which, though of minor in portance, is yet of great weight. On the 22d day of servants who at under July, 1961, Congress declared, by an almost unani-

gers to the currency which was designed for their use and benefit, and specimens of the precious metals bearing the national device are seldom seen, except when produced to gratify the interest excited by their o become a mere article of traffic and speculation, to the enhancement in price of all that is indispensable to the comfort of the people, it would be wise economy to abolish our mints, thus saving the nation the care and paper issued by either of a less denomination than twenty dollars should by law be excluded from circulation so that the people may have the benefit and convenience of a gold and silver currency which in all their business transactions will be uniform in value at home and abroad.

"Every man of property or industry, every man who desires to preserve what he honestly possesses, or to obtain what he can honestly earn. has a direct interest in maintaining a safe circulating medium-such a medium as shall be real and substantial, not liable to vibrate with opinions, not subject to be blown up or blown down by the breath of speculation, but to be made sta-ble and secure. A disordered currency is one of the greatest political evils. It undermines the virtues necessary for the support of the social system, and encourages propensities destructive of its happiness; it wars against industry, frugality, and economy, and it fosters the evil spirits of extravagance and speculation." It has been asserted by one of our profound and most gifted statesmen, that "of all the contrivances for cheating the laboring classes of mankind, none has been more effectual than that which deludes them with paper money. This is the most effectual of inventions to fertilize the rich man's fields by the sweat of the poor mass of the community compared with a fraudulent currency, and the robberies committed by depreciated paper. Our own history has recorded for our instrucion enough, and more than enough of the demoralizing tendency, the injustice, and the intolerable oppression on the virtuous and well-disposed of a degraded paper currency, authorized by law or in any way countenanced by Government." It is one of the most successful devices, in times of peace or war, expansions or revolutions, to accomplish the transfer of all the precions metals from the great mass of the people into the hands of the few, where they are hoarded in secret places or deposited in strong boxes under bolts and bars, while the people are left to endure all the inconvenience, sacrifice, and demoralization resulting from the use of a

depreciated and worthless paper money.

The condition of our finances and the operations of our revenue system are set forth and fully explained in the able and instructive report of the Secretary of the Treasury. On the 30th of June, 1866, the public debt amounted to \$2.783.425 879; on the 30th of June last it was \$2,692,199,215; showing a reduction during the fiscal year of \$91,226,664. During the fiscal year endceipts for the fiscal year ending June 30, 1868, will be \$417,161.928, and that the expenditures will reach the of \$23,892,702. For the fiscal year ending June 30, 1869, it is estimated that the receipts will amount to \$381,000,000, and that the expenditures will be \$372. 000,000, showing an excess of \$9,000,000 in favor of the Government.

The attention of Congress is earnestly invited to the necessity of a thorough revision of our revenue system. Our internal revenue laws and impost system should be so adjusted as to bear most heavily on articles of luxury, leaving the necessaries of life as free from taxation as may be consistent with the real wants of the would not then fall unduly on the man of moderate means; and while none would be entirely exempt from assessment, all, in proportion to their pecuniary abilities, would contribute towards the support of the State. A modification of the internal revenue system, by a large reduction in the number of articles now subject Legislation for the accomplishment of a result so de-sirable is demanded by the highest public considera-geous to the citizen and the Government. It would certain, remove obstructions to industry, lessen the temptations to evade the law, diminish the violations and frauds perpetrated upon its provisions, make its bers the army of tax-gatherers created by the system, who "take from the mouth of honest labor the bread it has earned." Retrenchment, reform, and economy should be carried into every branch of the public service, that the expenditures of the Government may be reduced and the people relieved from oppressive taxation; a sound currency should be restored, and the public faith in regard to the national debt sacredly observed. The accomplishment of these important results, together with the restoration of the Union of the States upon the at home and abroad in the stability of our institutions, The report of the Secretary of War ad interim exhibits

the operations of the army and of the several Bureaus of the War Department. The aggregate strength of our military force, on the 30th of September last, was 56,315. The total estimate for military appropriations is \$77,124,707, including a deficiency in last year's appropriation of \$13.600,000. The payments at the Treasury on account of the service of the War Department from January 1 to October 29, 1867-a period of ten months-amounted to \$109,807,000. The expenses of the military establishment, as well as the numbers of the army, are now three times as great as they have been in time of peace; while the discretionary power is

the Arkansas and Platte rivers, and portions of Dakota Territory, required the presence of a large military force in that region. Instigated by real or imaginary grievances, the Indians occasionally committed acts of barbarous violence upon emigrants and our frontier settlements; but a general Indian war has been providentially averted. The Commissioners under the act of 20th July, 1867, were invested with full power to adjust existing difficulties, negotiate treaties with the disaffected bands, and select for them reservations remote from the travelled routes between the Mississippi and the Pacific. They entered without delay upon the execution of their trust, but have not yet made any official report of their proceedings. It is of vital importance that our distant Territories should be exempt from Indian outbreaks, and that the construction of the Pacific Railroad, an object of national importance. should not be interrupted by hostile tribes. These oband intellectual improvement of the Indians, can be most effectually secured by concentrating them upon portions of country set apart for their exclusive use. and located at points remote from our highways and encroaching white settlements.

Since the commencement of the second session of the Thirty-Ninth Congress, five hundred and ten miles of road have been constructed on the main line and ranches of the Pacific Kallway. The line from Omali is rapidly approaching the eastern base of the Rocky The production of precious metals in the United States from 1849 to 1857, inclusive, amounted to \$579, 000,000; from 1858 to 1860, inclusive, to \$137,600,000; and from 1861 to 1867, inclusive, to \$137,600,000; the Government on the 24th day of October last, by the Companies offers the strongest assurance that the completion of the road from Sacramento to Omaha will not be long deferred.

During the last fiscal year seven million forty-one thousand one hundred and fourteen acres of public land were disposed of, and the cash receipts from sales and fees exceeded by one half million dollars the sum realized from these sources during the preceding year. The amount paid to pensioners, including expenses of disbursements, was \$18,619,956, and 36,482 names were added to the rells. The entire number of pensioners on the 30th of June last was 155,474. 11,555 patents and designs were issued during the year end-ing September 30, 1867, and at that date the balance in the Treasury to the credit of the Patent fund was \$286,607.

The report of the Secretary of the Navy states that we have seven squadrons actively and judiciously employed, under efficient and able commanders, in