

# THE STAR,

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### Laws of North-Carolina.

An Act to ratify and carry into effect an agreement relative to the Boundary line between this State and the State of South-Carolina, entered into by the Commissioners of the said States respectively, on the second day of November, A. D. eighteen hundred and fifteen, and to establish and confirm the said Boundary line as surveyed, marked and agreed upon by the said Commissioners.

WHEREAS Thomas Love, Montfort Stokes and John Patton, Commissioners duly appointed and authorized on the part of the State of North-Carolina; and Joseph Bythe, John Blawengame and George W. Earle, Commissioners duly appointed and authorized on the part of the State of South-Carolina, to run and mark the Boundary line between the said States agreeably to a provisional article of agreement entered into between the said states by their respective Commissioners, at McKinney's on Taxaway river, on the fourth day of September, one thousand eight hundred and fifteen, did meet on the eleventh day of September, one thousand eight hundred and fifteen near the termination of the line of one thousand seven hundred and seventy-two, and proceed to run and mark the said Boundary line agreeably to the terms of the said provisional article: And whereas the said Commissioners having ascertained by observation and by actual experiments that a course due west from the termination of the line of seventeen hundred and seventy-two would not strike the point of the ridge dividing the waters of the north fork of Saluda river, from the waters of the north fork of Saluda river in the manner contemplated by the Commissioners, who entered into the said provisional article of agreement on behalf of the said states, and finding also that running a line on the top of the said ridge so as to leave all the waters of Saluda river within the state of South-Carolina, would (in one place) run a little north of a course due west from the termination of the said line of seventeen hundred and seventy-two, and that consequently the said provisional article of agreement could not be strictly and literally carried into effect; and whereas the aforesaid commissioners for the purpose of having a natural boundary as far as the Cherokee boundary line run in the year seventeen hundred and ninety seven did agree that the boundary line between the said state should be run on the ridge around the head springs of the north fork of Saluda river; and did run and mark the said Boundary line in pursuance of such agreement, and have unanimously recommended that the same be established by the Legislatures of the respective states as the line intended by the provisional article aforesaid, and as the permanent line of separation and limits between the said states.

Be it therefore enacted by the General Assembly of the State of North-Carolina, and it is hereby enacted, by the authority of the same, That the boundary line so run and marked by the commissioners aforesaid and described in their joint report and report of survey submitted to the Legislatures of their respective states, that is to say; beginning at a stone set up at the termination of the line of seventeen hundred and seventy-two and seventy-two and marked N. C. and S. C. September fifteenth, one thousand eight hundred and fifteen, running thence west four miles and ninety poles to a stone marked N. C. and S. C. thence south twenty five degrees, west one hundred and eighteen poles to the top of the ridge dividing the waters of the north fork of Picolet river from the waters of the north fork of the Saluda river, thence along the said ridge (agreeably to the plat and survey signed by the commissioners and surveyors of both states) to the ridge that divides the Saluda waters from those of Green river, thence along the various courses of the said ridge agreeably to the said plat and survey to a stone set up where the ridge joins the main ridge which divides the eastern from the western waters and which stone is marked N. C. and S. C. September twenty eighth, one thousand eight hundred and fifteen, thence along the various courses of the said ridge agreeably to the said plat and survey to a stone set up on that part of it which is intersected by the Cherokee boundary line run in the year one thousand seven hundred and ninety seven and which stone is marked N. C. and S. C. one thousand eight hundred and thirteen; and from the said last mentioned stone on the top of the said ridge at the point of intersection aforesaid a direct line south sixty eight and one fourth degrees west, twenty miles and eleven poles to the thirty-fifth degree of north latitude at the rock on the east branch of the Chatooga river marked lot thirty five A. D. one thousand eight hundred and thirteen, in all a distance of seventy four miles and one hundred and eighty-nine poles be and the same is hereby established as the boundary line between this state and the state of South-Carolina, from the termination of the said line of one thousand seven hundred and seventy-two to the rock on the east bank of the Chatooga river marked lot thirty-five A. D. one thousand eight hundred and thirteen and that the agreement entered into by the commissioners aforesaid respecting the said boundary line, be and the same is hereby ratified and confirmed.

And be it further enacted, That the joint report of the said commissioners submitted to this Legislature, and all other conventions and agreements entered into between the said states respecting the boundary line between the said states and the reports of all the several commissioners heretofore appointed on behalf of this state to conclude such conventions and agreements shall be recorded by the Secretary of State in a well bound book in the order in which such conventions, agreements and reports have been severally made, and that the Secretary of State be allowed for this service such sum as His Excellency the Governor shall deem the same to be reasonably worth, to be paid by the Treasurer upon a warrant from the GOVERNOR.

### TREASURER'S REPORT,

(Concluded.)

By the constitution of the United States, congress expressly vested with the power to coin money, regulate the value of the domestic and foreign currency in circulation, and (as a necessary implication of that positive provision) to emit bills of credit; and it is declared by the same instrument, that the said bills of credit shall be legal tender for the payment of debts made with gold, silver and copper. All bills of credit made with gold, silver and copper, were issued, in the first instance, upon the same footing as the coins of the United States, but they ceased to be such coins, with the exception of Spanish milled dollars, &c. of such dollars to be a legal tender for the payment of debts and demands in the year 1809.

The constitutional authority to emit bills of credit, has been exercised in a qualified and limited manner. During the existence of the bank of the United States, the bills or notes of the corporation were declared by law, to be receivable in all payments to the United States; and the treasury notes

which have been since issued for the services of the late war, have been endowed with the same quality. But congress has never recognized by law the notes of any other corporation; nor has it ever authorized an issue of bills of credit to serve as a legal currency. The acceptance of the notes of banks which are not established by the federal authority, in payments to the United States, has been properly left to the vigilance and discretion of the executive department; while the circulation of the treasury notes employed either to borrow money or to discharge debts, depends entirely (as it ought to depend) upon the option of the lenders and creditors to receive them.

The constitutional and legal foundation of the monetary system of the United States is thus distinctly seen; and the power of the Federal government to institute and regulate it, whether the circulating medium consists of coin or bills of credit, must be its general policy, as well as the terms of its investment, be deemed an exclusive power. It is true that a system depending upon the agency of the precious metals, will be affected by the various circumstances which diminish their quantity or deteriorate their quality. The coin of a state sometimes

varies under the influence of political storms; sometimes in consequence of the explosion of metallic speculations, and sometimes by the drain of an unfavourable course of trade. But whenever the emergency occurs that demands a change of system, it seems necessarily to follow, that the authority which was alone competent to establish the national coin, is alone competent to create a national substitute. It has happened, however, that the coin of the United States has ceased to be the circulating medium of exchange; and that no substitute has hitherto been provided by the national authority. During the last year, the principal banks established west and west of New-England, resolved that they would no longer issue coin in payment of their notes, or of the drafts of their customers, for money received upon deposits. In this act, the government of the United States had no participation, and yet the immediate effect of the act was to suspend the only legal currency of the nation. By this act, although no state can constitutionally emit bills of credit, corporations erected by the several states have been enabled to circulate a paper medium subject to many of the practical inconveniences of the prohibited bills of credit.

It is not intended, upon this occasion, to condemn generally, the suspension of specie payments; for appearances indicate an approaching crisis which would probably have imposed it as a measure of necessity, if it had not been adopted as a measure of precaution. But the danger which originally induced and perhaps justified the conduct of the banks has passed away; and the continuance of the suspension of specie payments must be ascribed to a new series of causes. The public credit and resources are no longer impaired by the doubts and agitations excited during the war; by the practices of the enemy; or by the intrusions of an illicit commerce; yet the resumption of specie payments is still prevented, either by the reduced state of the national stock of the precious metals; or by the apprehension of a further reduction to meet the balances of a foreign trade; or by the recumbent issues of the bank paper. The probable direction & duration of the latter causes, constitute, therefore, the existing subject for deliberation. While they continue to operate singly or combined, the authority of the states individually, or the agents of the state legislatures cannot afford a remedy commensurate with the evil; and a recurrence to the national authority is indispensable, for the restoration of a national currency.

In the selection of the means for the accomplishment of this important object, it may be asked—1st Whether it be practicable to renew the circulation of the gold and silver coins? 2dly. Whether the state banks can be successfully employed to furnish a uniform currency? 3dly. Whether a national bank can be employed more advantageously than the state banks for the same purpose? And 4thly. Whether that government can best supply and maintain a paper medium of exchange, of permanent and uniform value, throughout the United States.

1st. As the United States do not possess mines of gold and silver, the supplies of these metals must in a time of scarcity be derived from foreign commerce. If the balance of foreign commerce be unfavourable, the supply will not be obtained incidentally, as in the case of the returns for a surplus of American exports, but must be the object of a direct purchase. The purchase of bullion is however, a common operation of commerce; and depends like other operations, upon the inducements to import the article.

The inducements to import bullion arise as in other cases, from its being cheap abroad, or from its being dear at home.—Notwithstanding the commotions in South America, as well as in Europe, there is no reason to believe, that the quantity of the precious metals is now (more than at any former period) sufficient for the demand throughout the commercial and civilized world. The price may be higher in some countries than in others; & it may be different in the same country at different times; but generally, the European stock of gold and silver has been abundant, even during the protracted war which has afflicted the nations of Europe.

The purchase of bullion, in foreign markets, upon reasonable terms, is then deemed practicable; nor can its importation into the United States (and eventually to be profitable. The actual price of the gold and silver in the American market would be used as a standard for some time as a simple premium; and the bid in the price must of course be proportionable to the increase of the quantity. But it is within the scope of a wise policy, to create additional demands for coin, and in that way to multiply the inducements to import and retain the metals of which it is composed. For instance, the excessive issue of bank paper has usurped the place of the national money; and under such circumstances gold and silver will always be treated as the article of merchandise; but it is hoped that the issue of bank paper will soon be reduced to its just share in the circulating medium of the country; and consequently that the coin of the United States will resume its legitimate capacity and character. Again; the treasury, yielding from necessity to the general impetus, has hitherto consented to receive bank paper in payment of duties and taxes; but the period approaches when it will probably become a duty to exact the payment either in treasury notes or in gold and silver coin of the United States. Again; the institutions which shall be deemed proper in order to remove existing inconveniences, and to restore the national currency, may be so organized as to engage the interest and enterprise of the individuals in providing the means to establish them. An finally, such regulations may be imposed upon the exportation of gold and silver, as will serve in future to fix and retain the quantity required for domestic uses.

But it is further believed, that the national stock of the precious metals is not so reduced as to render the operation of reinstating their agency in the national currency either difficult or impracticable. The quantity actually possessed by the country is considerable; and the resuscitation of public confidence in bank paper, or in other substitutes for coin, seems alone to be wanting to render it equal to the accustomed contribution for a circulating medium. In other countries, as well as in the United States, the effect of an excessive issue of paper money to banish the precious metals has been seen; and under circumstances much more disadvantageous than the present: the effect of public confidence, in national institutions, to recal the precious metals to their uses in exchange, has also been experienced. Even, however, if it were practicable, it is sometimes been questioned, whether it would be politic again to employ gold and silver for the purpose of a national currency.—It was long and universally supposed, that to maintain a paper medium without depreciation, the certainty of being able to convert it into coin, was indispensable; nor can the experience which has given rise to a contrary doctrine be deemed complete or conclusive. But whatever may be the issue of that experiment elsewhere, a difference in the structure of the government, in the physical as well as the political situation of the country, and in the various departments of industry, seems to deprive it of any important influence as a precedent for the imitation of the United States.

In offering these general remarks to the consideration of congress, it is not intended to convey an opinion, that the circulation of the gold and silver coins can at once be renewed. Upon motives of public convenience, the gradual attainment of that object is alone contemplated; but a strong, though respectful solicitude is felt, that the measures adopted by the legislature should invariably tend to its attainment.

2d. Of the services rendered to the government by some of the state banks, during the late war; and of the liberality by which some of them are actuated in their intercourse with the treasury; justice requires an explicit acknowledgment. It is a fact, however, incontestably proved, that these institutions cannot, at this time, be successfully employed to furnish an uniform national currency. The failure of one attempt to associate them with that view, has already been stated. Another attempt, by their agency in circulating treasury notes, to overcome the inequalities of the exchange, has only been partially successful. And a plan recently proposed, with the design to curtail the issue of bank notes to fix the public confidence in the administration of the affairs of the banks, and to give each bank a legitimate share in the circulation, is not likely to receive the sanction of the banks. The truth is, that the charter restrictions of some of our banks; the mutual relations and dependence of the banks of the same state, and even of the banks of different states; and the duty which the directors of each bank conceive that they owe to their immediate constituents, upon points of security or emolument; interpose an insuperable obstacle to any voluntary arrangement, upon national considerations alone, for the establishment of a national medium through the agency of the state banks. It is, nevertheless, with the state banks that the measures for restoring the national currency of gold and silver must originate; for until their issues of paper be reduced; their specie capitals be reinstated; and their specie operations be commenced; there will be neither room nor employment, nor safety, for the introduction of the precious metals. The policy and interest of the state banks must therefore be engaged in the great fiscal work, by all the means which the treasury can employ, or the legislative wisdom shall provide.

3d. The establishment of a National Bank is regarded as the best and perhaps the only adequate resource to relieve the country and the government from the present embarrassment. Authorized to issue notes which will be received in all payments to the United States, the circulation of its issues will be co-extensive with the union; and there will exist a constant demand, bearing a just proportion to the annual amount of the duties and taxes to be collected independent of the general circulation for commercial and social purposes. A National Bank will, therefore possess the means and the opportunity of supplying a circulating medium of equal use and value in every state and in every district of every state. Established by the authority of the government of the United States; accredited by the government to the whole amount of its notes in circulation; and entrusted as the depository of the government with all the accumulations of the public treasury; the National Bank independent of its immediate capital, will enjoy every recommendation which can merit and secure the confidence of the public. Organized upon principles of responsibility, but of independence, the national bank will be retained within its legitimate sphere of action without just apprehension from the misconduct of its directors, or from the encroachments of the government. Eminent in its resources, and in its examples, the National Bank will conciliate, aid, and lead, the state banks in all that is necessary for the restoration of credit, public and private. And, acting upon a compound capital, partly of stock and partly of gold and silver, the National Bank will be the ready instrument to enhance the value of the public securities and to restore the currency of the national coin.

4. The powers of the government to supply and maintain a paper medium of exchange, will not be questioned; but for the introduction of that medium there must be an adequate motive. The sole motive for issuing treasury notes has hitherto been to raise money in anticipation of the revenue. The revenue however, will probably become in the course of the year 1816 and continue afterwards, sufficient to discharge all the debts and to defray all the expenses