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INAUGURAL ADDRESS DELIVERED BY J. ANDREW JACKSON.

My fellow-Citizens! About to undertake the arduous duties that I have been elected to perform, by the choice of a free people, I avail myself of this ordinary and solemn occasion, to express the gratitude which their confidence inspires; and to acknowledge the instability which my situation entails. While the magnitude of their trusts convinces me that no thanks are adequate to the honor they have conferred, it admonishes me that the return I can make, is the zealous execution of my humble abilities to service and their good.

As long as our government is administered for the good of the people, and is regulated by their will as long as it secures to us the rights of person and of property, liberty of conscience, and of the press, it will be worth defending; and so long as it is worth defending, a patriotic militia will cover it with an impregnable shield.

It will be my sincere and constant desire, to observe towards the Indian tribes within our limits, a just and liberal policy; and to give that humane and considerate attention to their rights and their wants, which are consistent with the habits of our government, and the feelings of our people.

The recent demonstration of public sentiment inscribed, on the list of executive duties, in characters no legible to be overlooked, the task of reforms which will require, particularly, the correction of those abuses that have brought the patronage of the Federal Government into conflict with the freedom of elections, and the concenteration of those causes which have disturbed the rightful course of appointment, and have placed, or continued power in, unfaithful or incompetent hands.

In the performance of a task thus generally delineated, I shall endeavor to select men whose diligence and talents will ensure, in their respective stations, able and faithful co-operation—depending, for the advancement of the public service, more on the integrity and zeal of the public officers, than on their numbers.

A diffidence, perhaps too just, in my own qualifications, will teach me to look with reverence to the examples of public virtue left by my illustrious predecessors, and with veneration to the lights that flow from the mind that founded, and the mind that reformed, our system.

In such measures as I may be called to pursue in regard to the rights of separate States, I hope to be animated by a proper respect for those sovereign members of our Union; taking care not to confound the powers they reserved to themselves, with those they have granted to the confederacy.

He inquired of the committee, whether it was not a correct construction of the charters of the Banks, to say that they are limited in their issues to three dollars in paper to one in specie. If this were so, he called on gentlemen to examine the above statement, and calculate what amount of interest these institutions have wrongfully made in the prosecution of their business.

Mr. A. referred to the evidence of Mr. Devey, Cashier of the State Bank, where he says, that in the exhibit made by that Bank for May 1835, the specie on hand was stated to be \$214,000, though 140,000 of it consisted of stock of the United States Bank, which stock, he (Mr. A.) understood, was pledged for a debt to an equal amount.

But the gentleman from Newbern says, that the State is represented in the Directory of that Bank; yet if the officer whose duty it is to do so, does not make proper reports, is the Legislature precluded from examining into this matter? Can any one say that the sovereign Will of North-Carolina is expressed in the government of the affairs of the State Bank, when it is seen that it violates its charter whenever it believes it to be in its interest to do so?

I deny this to be the law, said Mr. A. The law does not produce such a consequence; and if it did, it is competent for this Legislature to alter the law, notwithstanding what the gentleman from Newbern has said about *ex post facto* law.

Has the Legislature, asked Mr. A. never before acted upon this principle? In the year 1786, when the Legislature was composed of men as eminent for legal talents as at any period since—when it contained some of the able patriots who formed the Constitution—these men passed an act calling upon those who had been Commissioners for settling the claims of the officers and soldiers of the Continental line, in much stronger language than is used in the bill at present before the committee.

Here, the Legislature passed an act to bring certain men to trial who had greatly abused the trust which had been reposed in them, and to prevent them from alienating their property—and these men were tried, convicted and punished. But, say gentlemen, if the Supreme Court of North-Carolina call upon these corporations to answer for their flagrant conduct, the consequences will be most appalling—the people will be freed from paying the debt of five millions of dollars, which they are supposed to owe to these banking institutions. This, said Mr. A. will not be the consequence. He relied on a passage in Kent's Commentaries, to show that the State would succeed to all the personal estate of the corporations if they were dissolved.

According to the law of the land, when the corporation is dissolved, it is the death of the corporation. The debts may die so far that the corporation cannot collect them, but the debts are property, and as such are vested in the people. The corporate body is deprived of the means of suing for its debts. But cannot, Mr. A. asked, the Legislature say how the money and property shall be disposed of? Has this never been done? What took place, after the formation of our present Government with regard to the estates of foreigners, whose property was declared to be forfeited to the State? It was confiscated, and Commissioners were appointed to collect and dispose of this property.

Mr. A. thought the course pointed out by the gentleman from Granville was correct, so far as it provided that the Legislature should call on the Attorney General to com-

measure proceedings against the officers of these corporations. If any gentleman had doubts as to the subject, he would refer them to a case in the 5th vol. of the Massachusetts reports.

Will the Legislature of North-Carolina permit these corporations to go on and collect their debts from the people, and distress them to any extent they please? He trusted not—they have violated their charters, and ought to be called to account.

Can there be any difficulty? It is said we have no right to pass an *ex post facto* law. There is no necessity for this. The common law has said, that when a corporation has violated its charter, it may be disfranchised. How in the very mode that the gentleman from Granville has proposed, The people have a right to call upon these corporations through their courts, and then, after forfeiture is decreed, take the proper steps in respect to their property.

We do not say their property shall be forfeited; but propose to try them according to law. Mr. A. said he did not intend to say anything on the project for establishing a new Bank of the State. That was a distinct question, and he was sorry that the two matters had been connected with each other. He believed there were many willing to prosecute the present Banks who are not prepared to vote for the new Bank proposed by the gentleman from Granville.

He believed that Banks with small capitals were more serviceable to the public, and would be more correctly managed, than large establishments. Mr. A. concluded his remarks, by observing, that the report made by a majority of the members of the Bank Committee was altogether apologetic. They acknowledge that the conduct of the Banks has been irregular, but that the managers of these institutions have been compelled to take the steps of which they are accused. The gentleman from Newbern, though he acknowledges the conduct of the Banks has been incorrect, is of opinion that they have not been guilty of usury. Mr. A. thought differently. If a man asks accommodation from the Banks, he is told he cannot get it, except he will exchange a certain amount of money of more value than their notes. He could see no difference between this practice, and that where a man refuses to lend his money, except the borrower will purchase a horse, or any other article, from him at an extravagant price— which our Courts have declared to be usury.

Mr. Spruill, (Chairman of the majority of the Bank Committee) said it was the object of the committee to state the facts of the case to the House, and leave the Legislature to take what course they might judge proper. It was not their intention to make any apology for the conduct of the Banks, but to give, not only the facts, but the reasons also, which had been offered in evidence, for the measures which had been adopted by these institutions. These facts and these reasons will go to the public, who will form their own opinion upon them.

Various propositions, said Mr. S. are now before the committee—not only the recommendations of the majority and minority of the Bank Committee, but also the resolutions of the gentleman from Newbern, and the resolutions and bill introduced this morning, by the gentleman from Granville, (Mr. Wyche.) The important enquiry is, will the Legislature express any opinion, or take any steps on the subject? and if so, what shall be done? From the examination which had taken place before the committee, the conduct of the State Bank has been very improper, if not highly culpable. Much of the evil may have grown out of the organization of that Bank, which he regarded as fundamentally wrong. What is the organization of this Bank?

It is under 96 or 98 Directors, distributed among a principal Bank and six Branches, with considerable and, in many respects, co-ordinate powers. These Branches, are scattered over the whole State. Nothing good could be expected from a system so loose and so extended. If we get clear of this institution, he hoped we should take more care in future in forming any establishment of the kind.

Mr. S. did not care how soon the State Bank wound up its concerns, provided that in doing so, it did not distress its debtors. In his opinion, it had done but little good. It had afforded to the people an opportunity of embarrassing themselves with debt, which they might find some

difficulty in paying. But he did not consider the present period distressing beyond any other, as had been represented. Our crops are unusually good through the State.—The prices are fair—and the amount of exports of every description, will not be short of seven or eight millions of dollars.—The single article of cotton will amount to three millions of dollars—and the whole of our other exports will produce four or five millions more. With such resources, the people will be able to pay their debts. He believed they are now more disposed to do so than heretofore. Their habits have become more economical—they are less disposed to buy, and more disposed to pay. He trusted therefore, that there would be less difficulty experienced among the people generally than had been apprehended.

If the State Banks shall proceed to close its business—and do not insist on too large instalments from its debtors, it will be a blessing to the Country. After their affairs are wound up, there will be left sufficient ability in the Newbern & Cape Fear Banks to accommodate the community with a sufficiency of circulating medium. And if not, it will be time enough for the Legislature of 1835, when the charters of these Banks expire, to make provision in this respect.

It is said, that the people of this State owe five millions of dollars to the Banks. Of this sum a very large amount, Mr. S. had no doubt, was due from the Directors and Stockholders. For these he felt but little sympathy. They had enjoyed the large profits of the Institutions, and they might now bear a share of the difficulties attendant on the winding up of their concerns.—But so far as individuals are concerned, he hoped they would be indulged as much as the nature of the case will allow.

It has been said, that if the State Bank withdraws its notes from circulation, there will not be sufficient currency left to answer the purposes of the community. He was of a different opinion. We have heretofore had too many Bank notes afloat, which had caused them to depreciate in value. It would be of advantage to the public that a part of them should be withdrawn—and the sooner it is done, the better. It is not supposed that either the Newbern or Cape Fear Banks intend to close their business. The Cape Fear Bank has become a specie paying Bank—and the Newbern Bank is using every means to become so. These two Banks, with the Fayetteville Branch of the United States Bank, and such notes as come in from the adjoining States of Virginia and South Carolina, would be sufficient for all our purposes.

One of the objects of the Bill now before the Committee, is to establish a new Bank of the State—on principles, in his opinion, more objectionable than those of the present State Bank. The stock of this new Bank is to be owned entirely by the State—to be under the direction of officers, with salaries—& irresponsible, except so far as they may be restrained by a sense of good faith and honor. We have found it impracticable to keep the present State Bank within the bounds prescribed for it—and he should be very unwilling to see the State embark in any such scheme as that proposed by the gentleman from Granville. If we establish any other Bank, let it be placed on a solid foundation—under the management of responsible individuals—with a moderate capital, just sufficient to answer the purposes of the community—and its business done on short loans, so as always to keep its issues within its control. He believed it will be necessary to have Banks on these principles to prevent the United States' Bank having the entire control of the circulating medium of the State. Such a state of things he thought much to be deprecated. The influence which the United States Bank must acquire over the monied concerns of the State, if left without a rival in a total institution, would be dangerous to liberty.

There is a feature in the bill proposed by the gentleman from Granville, to which Mr. S. said, he strongly objected. The Directors of the proposed new Bank are to have power to borrow money to any amount on the faith of the State. He was unwilling to judge the faith of the State for any such purpose. This new Bank, however, is not to go into operation until the contemplated suit in Equity against the Banks is determined. And when will that be? Not in our time. For if the suit

open on the testimony of five hundred persons, living in different parts of the State, must be taken. So that if such a Bank is to be established, it will be for our children—and not for us.

With respect to the responsibility for a general bank, into the conduct of the Banks, there is no good growing out of it. He believed the Bank was not all responsible—but no honest individual who had the State from such a liability.

The preceding by the warrants—and the effect of a judgment on such writs—were little understood in this State. Whether the State succeeded or failed in the prosecution, the result might be ruinous to the best interests of the people.

The unanimous Presentation of the Grand Jury for the County of Wayne, to the County Court, at Fayetteville, Tuesday, 8th Decr. 1835. The Grand Jury for the County of Wayne, do hereby inform you that they have examined the accounts of the Citizens of the County of the State, which is most unfortunately under the control of a few monied individuals, and the general embarrassment and immediate ruin which threaten the good people of the Commonwealth, for the want of a sound and sufficient circulating medium. It is not the intention of this Grand Jury to enter into the causes of this distress and difficulty, nor to heap reproach upon the authors thereof; accusation and recrimination are worse than useless—their object is only to make such a statement of facts, that the People will instantly recognize the truth of the picture, and be awakened to the necessity of speedy relief.

To the different Banks of this State, the people owe at least five millions of dollars; the whole debt due from those Institutions, does not exceed \$1,400,000; of which sum it is not unreasonable to suppose that at least \$300,000 are in the hands of the wealthy, or of the creditors of the Banks, and consequently not available towards the discharge of the debts of the people to the Banks. Seven hundred thousand dollars is therefore the whole amount of circulation, which can be applied to that debt. The Stockholders of the Institutions finding, or pretending to find it, their interest to wind up the concerns of the Banks, require in payment of one-tenth of the debt at every ninety days, together with the interest.

A very limited knowledge of arithmetic will be sufficient to show that such a regulation, rigidly enforced, will in a few months completely withdraw the circulating medium from the community, and that consequently, the value of every kind of property, depending as it does on the greater or less supply of money in circulation, will be ruinously diminished. These are not the suggestions of mere apprehension, or the prognostics of mere theory; they are the melancholy deductions of experience, and have the solemn authenticity of facts.

One species of property only has escaped this depreciation, and the reason upon which the exception is founded, affords evidence of the truth of these statements. Young Negro Slaves, of both sexes, can command fair prices, for the purpose of being transported to other States, from which come the capital and money to purchase. Thus, is the State reduced to the lamentable necessity of selling off the effective force of the country to pay debts, a great part of which is due to the State herself. The labor which cultivates our fields—the hands which gather in our crops, and tend our turpentine trees—the men servants, that minister to our daily wants, and do our daily work, are therefore the first sacrifices, which must be made, if speedy relief be not soon applied. Every unprejudiced mind will perceive, that the tendency of this state of things, is to destroy the property of both debtor and creditor, and to leave in one prostration of public and private confidence, the People and the Banks.

This Grand Jury hold it to be an unquestionable principle, that the interests of all classes of the community, in this question, are alike. The evils which threaten the State, require the co-operation of all, without distinction and without exception.

It is not for this Grand Jury to enter into the details of the remedy which ought to be provided in this emergency. They leave that subject to the consideration of the Reg-