

21 Further pointing out the duty of guardians (Required to renew their bonds every three years; on failure the Clerks to issue \$500 a year against them.)

25 To amend the 4th and 6th sections of the act of 1812, concerning the navigation of the Yadkin River. (After the place for advertising stock for sale.)

26 To amend an act passed in 1817, concerning promissory notes (Where there are more than one person bound they shall be concentrated in one suit.)

27 Concerning Coroners. (They are to give bond in two thousand dollars, and renew it annually.)

28 To amend the act laying duties on sales at Auction of Merchandize. (The commissioners of Fayetteville, Wilmington, Newbern, Edenton, Elizabeth City, Halifax and Raleigh, to appoint not exceeding three Auctioneers, and to require bonds.)

29 To amend an act passed in 1819, making provision for running the boundary line between the State of Tennessee, and to repeal a part thereof. (Makes some alteration in the compensation allowed to the commissioners.)

30 To clear out and improve the navigation of Broad River in the county of Rutherford. Five thousand dollars are appropriated for this purpose from the funds set apart for public Improvement.

31 To authorize commissioners to erect a house in Fayetteville for the safe-keeping of the public arms.

32 The Governor is authorized to draw on the Treasury for 700 dollars for this purpose.

33 To amend the Militia laws of this State. The Adjutant-General is directed to bring suit against General and Field Officers in future in the superior court of the county in which they reside.

34 To authorize the supreme court to hear parol evidence in certain cases.

35 To repeal an act of last session, chapter 47, allowing compensation to jurors.

36 For the relief of honest debtors. No debtor to be imprisoned, if he will make a surrender of his property, or can conscientiously take the insolvent's oath.

37 To alter the time of holding the County courts of Pitt and Beaufort.

RESOLUTIONS.

1 To provide additional Furniture for the House of the Governor. One thousand dollars are appropriated.

2 Jeremiah Slade, Simons J. Baker and Thomas Brickell are appointed commissioners on the subject of lands in Bertie county, claimed by the tribe of Tuscarora Indians.

3 A sum of money, not exceeding \$2210 was appropriated towards the repairs of the State-House.

4 Allowing Merrit Dilliard \$2700 for carrying a writ of election to the Sheriff of Columbus county.

5 To remunerate Alexander Roach of Rockingham certain expenses incurred on the trial and execution of his negro woman

6 Requiring the governor to cause the field books made out by the deputy surveyors of the Cherokee lands, and now lying in the Executive office, to be deposited in the office of the Secretary of State, and to be bound.

7 For the relief of John Baird, Sheriff of Rowan county.

8 In favor of Stirling Anders, late Sheriff of Nash county.

9 In favor of Ransom Hinton.

10 In favor of Mark Brittain.

11 In favor of James Copeland.

PUBLIC ACTS.

38 Directing the manner in which land and negroes levied on by Sheriffs and constables shall be hereafter sold. (Last Thursday in every month sale day, at the Court House.)

(CONTINUED FROM FOURTH PAGE) and admitted by universal establishment.

The distresses of the country consist in the low prices of produce and property, and in the consequent difficulty in paying debts. A very little reflection must satisfy every mind, not devoid of reason, that these evils may exist independent of any influence of the Banks, and that in the present times they actually owe their existence to other causes.

Let one of those who ascribe the low prices of produce to the scarcity of money, purchase and ship our produce to any part of the world. He will find the prices abroad so low, that after paying freight and

charges, he will be fortunate if the first cost remain in his hands. He will then learn that the want of market abroad, and the want of money at home, causes the low price of produce. If the pressure of the times existed only among us, we might ascribe it to the scarcity of money, and lay all the blame on the poor Banks of North Carolina, for their parsimonious issue of notes. But the same pressure is felt every where in Europe, as well as in every part of the United States.— He who searches for the causes of national distress, must elevate his view above the petty banks of his country or the little extravagancies of his neighbours. Whatever the parish politicians of the State may decide to be the cause of our distress, let them learn from the testimony of the venerable John Adams, that at the close of four wars, which he is old enough to remember, the same distresses have prevailed as incident to the change of circumstances, and he may learn also from the message of President Monroe to the present Congress that “we are liable to be affected in some degree by the changes which occur in the condition and regulation of foreign countries”—that “it would be strange if the produce of our soil received at all times and in every quarter an uniform and equal encouragement”—“we trace these pressures to the peculiar character of the epoch in which we live, and to the extraordinary occurrences which have signalized it.” “The convulsions with which several of the powers of Europe have been shaken, and the long and destructive wars in which all were engaged, with their sudden transition to a state of peace presenting in the first instance, unusual encouragement to our commerce, and withdrawing it in the second even within its wanted limits, could not fail to be sensibly felt here. The station too which we had to support through this long conflict, compelled as we were finally, to become a party to it with a principal power, and to make great exertions, suffer heavy losses and to contract considerable debts, disturbing the ordinary course of affairs by augmenting to a vast amount the circulating medium, and thereby elevating at one time, the price of every article above a just standard, and depressing it at another below it, had likewise its due effect. It is manifest that the pressures of which we complain, have proceeded, in a great measure, from these causes.” So far the words of Mr. Monroe.— Yielding to these high authorities, I think the distress of the country is owing to the extraordinary occurrences of the times in which we live, and not the petty Banks of N. Carolina.

The Banks are censured for suspending specie payments. Before they are condemned and punished for this step, its cause and the consequences of it should be enquired into. A concurrence of circumstances, and among them not the least in effect, the course adopted by the Bank of the United States toward all other Banks, had compelled the Banks, particularly those to the north of us, to call in their debts in large proportions; an extraordinary demand for money in all the States was the consequence. The debtors and the agents of each particular Bank were active in drawing from every other Bank, all the specie they could obtain to give strength to that one in whose support they had particular interest. At the same time Spanish milled dollars were particularly sought after for shipment to the East Indies. In this season of gathering North Carolina did not escape visitation; and Bank agents, brokers and pedlars from the north and from the south, in quick succession, were calling on our Banks, and taking off specie by wagon loads. It is a fundamental rule in banking, to regulate the amount of notes afloat, by the amount of specie in the vaults of the Bank. The extraction of large sums of specie from the Bank demanded a corresponding reduction of the notes afloat; or in other words, as the Banks paid out their specie they were required to call in their notes. The consequences soon became obvious if that course were persisted in, the debtors of the Banks, the people of the State would be ruined, while the speculators and brokers from other States would be

enriched. The alternatives before the Banks were, either to pay specie and call in the debts due them, unkindly of the ruin it might cause; or indulge the debtors and refuse to pay specie, regardless of the clamor which would be raised against them. They adopted the latter alternative, and resolved to refuse specie payments to such demands. Such is the history of the suspension of specie payments. Northern brokers, speculators and pedlars may complain of it, but it would be indeed strange that citizens of the State should find cause of blame in the determination to prefer the safety of the people at large, to the profits of a few speculators. But in judging of the conduct of the Banks on this occasion, it must be kept in mind that though they did not pay specie, they did not fail to satisfy every just demand on them. They had procured (and at some expense) funds in other States, north & south, and it is believed that from the period of suspension to the present hour, every demand on them has been fully satisfied by drafts on the Banks north or south; which drafts, as those to whom they were paid resided abroad, answered every purpose of specie, and had every effect a payment in specie could have had, except only undermining our Banks and distressing our people.

As to the consequences of suspending specie payments, as they operate among ourselves.

Whether bank notes, not convertible into specie at the pleasure of the holder, can supply the place of specie as a circulating medium, is a question so often discussed, that I would not agitate it again. I would only remind you as I pass on, that during our late war, all banks having suspended specie payments, every operation of money was performed by bank notes, not convertible into specie; and that the bank of England suspended the payment of specie from 177, to the last year, in which interval the government with no funds but paper bank notes, prosecuted those wars which in the final overthrow of Napoleon, established their own empire and achieved the independence of Europe. The experience of the world on this point, set at naught the theories of evil from the substitution of paper for specie.

The value of money is estimated by the quantities it will purchase of the necessaries, comforts and luxuries of life. Compare the prices of produce and property in 1817, 1818 and to June 1819, while the banks redeemed their notes with specie, with the prices at this time. Corn, pork, flour and most other articles of produce can now be purchased with bank notes at less than one half the price they commanded in the former period. In other words, you can at this time, obtain in exchange for bank notes, not redeemable in specie, double the quantity of produce, which in 1817 you could obtain for the same sum in bank notes, which were convertible into specie, at pleasure. Lands and negroes can be purchased now for at least one third less than in the former period, payable too in the same abused bank notes. In short, in every operation of money, whether purchasing property, or paying debts; whether to private persons or to officers in settlement of executions, the notes of our banks have answered, and still do answer every purpose of specie; and with pretty ample opportunities of being informed, I do not know a single instance of dealings between citizens of the state, in which any difficulty has been made because bank notes, and not specie was paid. Bank notes may therefore, with truth be said to be placed by universal consent, on a par with gold and silver. If there is any exception, it is in the case of those traders and pedlars, who owe money to the north. If they take our notes northwardly, they pass them at a discount of about two per cent—they would save this loss if they would ship or wagon our produce abroad to pay their debts. If the interest of these gentlemen, in number not one in a thousand of our citizen's conflicts with the interests of the rest of the state, there can be no hesitation in deciding which interest should be preferred.

Admitting the correctness of all that is said, still the question re-

mains, will the return to specie payments at this time, be injurious to the banks, or to the people of the state? My opinion is, that such a measure would probably be fatal to the banks and certainly very injurious to the people.

From the state of the banks laid before the last assembly it appeared that the banks possessed bonds and notes due to them for three millions of dollars more than all the demands which could be made upon them. Yet, strong as this statement proved them to be, and clearly as it put their solvency beyond question, it also appeared that they held but seven hundred thousand dollars in specie, to meet demands which could be made on them; for four million six hundred thousand dollars—not quite one dollar in specie to meet six dollars of debt. Since that report their situation may have improved, and I estimate their specie at this time at one dollar, in five of their debts. In this situation it is mere delusion to believe that they can pay in specie all the demands which will be made upon them. If the legislature say the banks shall pay specie under heavy penalties the consequence is plain: self defence is the law of nature: to avoid the penalty, the exaction of which, if not contracted, must speedily both destroy their profits and absorb their capital, and to meet the demand as far as they can, the banks must require payment of their debts—not instalments, but the whole: judgments will be enforced to the amount of five millions of dollars. Each man indebted to a bank and urged for payment will press in turn his debtors, and thus the whole drift of the community will be brought down in one torrent on our heads at the same time. But will the demands for specie be made upon the banks? If they may be made and if the consequences may be such as I have suggested, the experiment ought not to be made. The banks, in the neighboring state of Virginia, crippled, and for some time put “hors de combat” by his from the bank of the United States, have been recruiting their strength, but are not yet sufficiently restored not to need help—they will gladly now, as they heretofore did, clutch every Carolina Bank Note to draw specie for themselves. The bank of the United States, the chartered enemy of the State banks, stands also ready the moment the doors are open to enter: and as when they last had opportunity, had wagons with our dollars. Agents from northern banks, brokers & clerks of India merchants, all will seize the golden opportunity, and from the joint visitations of all, the specie of the banks will soon disappear. It should be remembered, too, that to the money dealers, there is a special temptation to visit the banks of North Carolina—it is their Spanish milled dollars, the only coin which is shipped to the East Indies, and which commands a premium when the India ships are preparing to sail. The northern banks protect their Spanish dollars by the tender of American coin: and so desirable is it to the banks to possess this coin that within a month past we have seen that three hundred thousand dollars of foreign coin have been sent in steam boats and wagons from New-England to the mint in Philadelphia, to be converted into American coin. Our banks have very little American coin: their foreign gold is not a tender, and their Spanish milled dollars are thus placed at the command of all who choose to demand them. Thus it is that I fear the banks are to be assailed—the consequences are inevitable, the banks & I know business but collect—the capital rendered unproductive, each stockholder will prefer to withdraw his stock and employ it elsewhere, and the charter will be surrendered. The state will lose its annual tax of sixteen thousand dollars from the banks of Newbern and Cape Fear, and its dividend on its stock in all the banks. The last dividend will be of land and negroes purchased by the banks for the debts due them. If you think my fears visionary remember that probably not less than fifty banks have surrendered their charters since the establishment of the United States. As the collection of debts due to the banks retires their notes from circulation, specie must become the only circulating medium. In proportion as specie is scarce, in the same proportion will its value increase, and the prices of property depreciate, and in this effect will further evils be felt from the destruction of the banks.

It is true that the Banks are by charter bound to pay specie—but by charter they are also