

SOUTHERN CITIZEN.

BY BENJAMIN SWAIN.

WHAT DO WE LIVE FOR, BUT TO IMPROVE OURSELVES AND BE USEFUL TO ONE ANOTHER?

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FAREWELL ADDRESS

OF
ANDREW JACKSON,
TO THE PEOPLE OF THE U. STATES.
(Concluded.)

The result of this decision has been felt in the rapid extinguishment of the public debt and the large accumulation of a surplus in the treasury, notwithstanding the tariff was reduced; and is now very far below the amount originally contemplated by its advocates. But rely upon it, the design to collect an extravagant revenue, and to burden you with taxes beyond the economical wants of the Government, is not yet abandoned. The various interests which have combined together to impose a heavy tariff, & to produce an overflowing treasury, are too strong, and have too much at stake to surrender the contest. The corporations and wealthy individuals who are engaged in large manufacturing establishments, desire a high tariff to increase their gains. Designing politicians will support it, to conciliate their favor, and to obtain the means of profuse expenditure for the purpose of purchasing influence in other quarters; and since the people have decided that the Federal Government cannot be permitted to employ its income in internal improvements, efforts will be made to seduce and mislead the citizens of the several States, by holding out to them the deceitful prospect of benefits to be derived from a surplus revenue collected by the Federal Government, and annually divided among the States. And if, encouraged by the filitious hopes, the States should disregard the principles of economy which ought to characterize every republican Government, and should indulge in lavish expenditures exceeding their resources, they will be more long and them oppressed with debts which they are unable to pay, and the temptation will become irresistible to support a high tariff, in order to obtain a surplus for distribution. Do not allow yourselves to be misled on this point.

The Federal Government collect a surplus for such purposes without violating the principles of the constitution, and as powers which have not been granted. It is moreover a system of corruption, and if persisted in, will lead to ruin. The surplus will be drawn from the pockets of the people, from the farmer, the mechanic, and the laboring class; but who will receive it? It is to be disposed

of by leading State politicians who have friends to favor, and political partisans to gratify! It will certainly not be returned to those who paid it, and who have most need of it, and are honestly entitled to it. There is but one safe rule, and that is, to confine the General Government rigidly within the sphere of its appropriate duties. It has no power to raise a revenue, or impose taxes, except for the purposes enumerated in the Constitution; and if its income is found to exceed these wants, it should be forthwith reduced, and the burdens of the people so far lightened.

In reviewing the conflicts which have taken place between different interests in the United States, and the policy pursued since the adoption of our present form of government, we find nothing that has produced such deep seated evil as the course of legislation in relation to the currency. The constitution of the United States unquestionably intended to secure to the people a circulating medium of gold and silver. But the establishment of a national bank by Congress, with the privilege of issuing paper money receivable in the payment of the public dues, and the unfortunate course of legislation in the several States upon the same subject, drove from general circulation the constitutional currency, and substituted one of paper in its place.

It was not easy for men engaged in the ordinary pursuits of business, whose attention had not been particularly drawn to the subject, to foresee all the consequences of a currency exclusively of paper; and we ought not on that account, to be surprised at the facility with which laws were obtained to carry into effect the paper system. Honest and even enlightened men, are sometimes misled by the specious and plausible statements of the designing. But experience has now proved the mischiefs and dangers of a paper currency, and it rests with you to determine whether the proper remedy shall be applied.

The paper system being founded on public confidence, and having of itself no intrinsic value, it is liable to great and sudden fluctuations; thereby rendering property insecure, and the wages of labor unsteady and uncertain. The corporations which create the paper money cannot be relied upon to keep the circulating medium uniform in amount. In times of prosperity when confidence is high, they are tempted by the prospect of gain, or by the influence of those who profit by it, to extend their issues of paper beyond the bounds of discretion and the reasonable demand of business. And when these issues have been pushed on, from day to day, until the public confidence is at length shaken, then a reaction takes place, and they immediately withdraw the credits they have given; suddenly curtail their issues; and produce an unexpected and ruinous contraction of the circulating medium, which is felt by the whole community. The banks, by these means, save themselves, and the mischievous consequences of their imprudence or cupidity are visited upon the public. Nor does the evil stop here. These ebbs & flows in the currency, and these illicit extensions of credit, naturally engender a spirit of speculation injurious to the habits and character of the people. We have already seen its effects in the wild spirit of speculation in the public lands, and various kinds of stock, which within the last year or two,

seized upon such a multitude of our citizens, and threatened to pervade all classes of society, and to withdraw their attention from the sober pursuits of honest industry. It is not by encouraging this spirit that we shall best preserve public virtue and promote the true interests of our country. But if your currency continues as exclusively paper as it now is, it will foster this eager desire to amass wealth without labor; it will multiply the number of dependants on bank accommodations and bank favors; the temptation to obtain money at any sacrifice will become stronger and stronger, and inevitably lead to corruption, which will find its way into your public councils, and destroy, at no distant day, the purity of your Government. Some of the evils which arise from this system of paper, press with peculiar hardship upon the class of society least able to bear it. A portion of this currency frequently becomes depreciated or worthless, and all of it is easily counterfeited, in such a manner as to require peculiar skill and much experience to distinguish the counterfeit from the genuine note. These frauds are most generally perpetrated in the smaller transactions of ordinary business; and the losses occasioned by them are commonly thrown upon the laboring classes of society, whose situation and pursuits put it out of their power to guard themselves from these impositions, and whose daily wages are necessary for their subsistence. It is the duty of every Government so to regulate its currency as to protect this numerous class as far as practicable from the impositions of avarice and fraud.—It is more especially the duty of the United States, where the Government is emphatically the Government of the people, and where this respectable portion of our citizens are so proudly distinguished from the laboring classes of all other nations, by their independent spirit, their love of liberty, their intelligence, and their high tone of moral character. Their industry, in peace is the source of our wealth; and their bravery in war, has covered us with glory; and the Government of the United States will but ill discharge its duties if it leaves them a prey to such dishonest impositions. Yet it is evident that their interests cannot be effectually protected, unless silver and gold are restored to circulation.

These views alone of the paper currency, are sufficient to call for immediate reform; but there is another consideration which should still more strongly press it upon your attention.

Recent events have proved that the paper money system of this country may be used as an engine to undermine your free institutions and that those who desire to engross all power in the hands of the few, and to govern by corruption or force, are aware of its power, and prepared to employ it. Your banks now furnish your only circulating medium, and money is plenty or scarce, according to the quantity of notes issued by them. While they have capitals not greatly disproportioned to each other, they are competitors in business, and no one of them can exercise dominion over the rest; and although, in the present state of the currency, these banks may and do operate injuriously upon the habits of business, the pecuniary concerns, and the moral tone of society; yet, from their number and dispersed situation, they

cannot combine for the purposes of political influence; and whatever may be the dispositions of some of them, their power of mischief must necessarily be confined to a narrow space, and felt only in their immediate neighborhoods.

But when the charter for the Bank of the United States was obtained from Congress, it perfected the schemes of the paper system, and gave to its advocates the position they have struggled to obtain, from the commencement of the Federal Government, at down to the present hour. The immense capital, and peculiar privileges bestowed upon it, enabled it to exercise despotic sway, over the other banks in every part of the country. From its superior strength, it could seriously injure, if not destroy, the business of any one of them which might incur its resentment; and it openly claimed for itself the power of regulating the currency throughout the United States. In other words, it asserted (and it undoubtedly possessed) the power to make money plenty or scarce, at its pleasure, at any time and in any quarter of the Union, by controlling the issues of other banks, and permitting an expression or compelling a general contraction, of the circulating medium, according to its own will. The other banking institutions were sensible of its strength, and they soon generally became its obedient instruments, ready at all times to execute its mandates; and with the banks necessarily went, that numerous class of persons in our commercial cities, who depend altogether on bank credits for their solvency and means of business; and who are, therefore obliged, for their own safety, to propitiate the favor of the money power by distinguished zeal and denotion in its service. The result of the ill advised legislation which established this great monopoly, was, to concentrate the whole moneyed power of the Union, with its boundless means of corruption, and its numerous dependants, under the direction and command of one acknowledged head; thus organizing this particular interest as one body and securing to it unity and concert of action throughout the United States, and enabling it to bring forward, upon any occasion, its entire and undivided strength to support or defeat any measure of the Government. In the hands of this formidable power, thus perfectly organized, was also placed unlimited dominion over the amount of the circulating medium, giving it the power to regulate the value of property and the fruits of labor in every quarter of the Union; and to bestow prosperity or bring ruin, upon any city or section of the country, as might best comport with its own interest or policy.

We are not left to conjecture how the moneyed power, thus organized, and with such a weapon in its hands, would be likely to use it.—The distress and alarm which pervaded and agitated the whole country, when the Bank of the United States waged war upon the people in order to compel them to submit to its demands, cannot yet be forgotten. The ruthless and unsparring temper with which whole cities and communities were oppressed, individuals impoverished and ruined, and a scene of cheerful prosperity suddenly changed into one of gloom and despondency, ought to be indelibly impressed on the memory of the people of the United States. If such was its power in time of peace, what would it not

have been in a season of war, with an enemy at your doors! No nation but the freemen of the United States could have come out victorious from such a contest; yet if you had not conquered, the Government would have passed from the hands of the many to the hands of the few; and this organized money power, from its secret conclave, would have dictated the choice of your highest officers, and compelled you to make peace or war, as best suited their own wishes. The forms of your government might, for a time, have remained; but its living spirit would have departed from it.

The distress and sufferings inflicted on the people by the bank, are some of the fruits of that system of policy which is continually striving to enlarge the authority of the Federal Government beyond the limits fixed by the Constitution. The powers enumerated in that instrument do not confer on Congress the right to establish such a corporation as a Bank of the United States, and the evil consequences which followed may warn us of the danger of departing from the true rule of construction, and of permitting temporary circumstances or the hope of better promoting the public welfare, to influence in any degree, our decisions upon the extent of the authority of the General Government. Let us abide by the Constitution as it is written, or amend it in the Constitutional mode, if it is found to be defective.

The severe lessons of experience will, I doubt not, be sufficient to prevent Congress from again chartering such a monopoly, even if the constitution did not present an insuperable objection to it. But you must remember, my fellow citizens that eternal vigilance by the people is the price of liberty; and that you must pay the price if you wish to secure the blessing. It behoves you, therefore to be watchful in your States as well as in the Federal Government. The power which the moneyed interest can exercise, when concentrated under a single head, and with our present system of currency, was sufficiently demonstrated in the struggle made by the Bank of the United States. Defeated in the General Government, the same class of intriguers and politicians will now resort to the States and endeavor to obtain there the same organization, which they failed to perpetuate in the Union; and with specious and deceitful plans of public advantages, and State interests and State pride, they will endeavor to establish in the different States, one moneyed institution with overgrown capital, and exclusive privileges sufficient to enable it to control the operations of the other banks.—

Such an institution will be pregnant with the same evils produced by the bank of the United States, although its sphere of action, is more confined; and in the State in which it is chartered, the money power will be able to embody its whole strength, and to move together with undivided force, to accomplish any object it may wish to attain. You have already had abundant evidence of its power to inflict injury upon the agricultural, mechanical, and laboring classes of society; and over those whose engagements in trade and speculation render them depend-