and on New York he must have had his attention fixed, when he made this assertion as abable existence of Baaks: but to to the pr States, what other than a deleterious influ-ence can it have, when the specie must be drained constantly in payment of the dues to the United States, without any probability of au invigorating reflox?

It is due to the State and necessary to a restoration of our happy, prosperous, and honorable condition, as far as in our power, to mark with unquelified reprobation, this infingement on the rights and credit of the States-this war on the institutions and capi tal of the country. For when the accumulation of wealth is the result of industry, econoowner; and whether it-consists in land, chattels or stock, is unquestionably entitled to the stern protection of the law; and the person, matter not what his standing or position in society, who indulges in the practice of misrepresenting and detracting from the value of either, deserves its severest lash. Let us put the seal of reprobation on the unfaithful officer spirit. Let us inform the President that we consider the purposes of Government to mean something more important, as the regulator of "trade and commerce with the States," than merely picking out the gold and silver from the currency, in the discharge of the public dues, to pay out to the officers. That the currency of the country, no matter of what . it consists, must be the medium of exchange, and is as essential to "trade and commerce with the States," as the circulation of the blood is to the animal existence, and as necossary to a healthy State, to be regulated by a central power, as the other is to flow from the heart. Gold and silver are tests of the value of the currency be it what it may, and if so applied, are valuable; but their intrinsic value is of small consideration, compared to the advantages of bank notes, checks, and bills of exchauge, as a medium of exchange. What power should apply this regulator ?-Certainly the United States, for none other can.

The object to be attained, is a uniform currency throughout the Union, based on specie and on the credit of the States or of the United States. How can this be accomplished ? is the rightful enquiry. I have no fear in the answer, that it can only be effected by an arrangement entered into by law, between the State and Federal Governments, for improving and using the local banks, or by the establishment of a bank of the United States, with sufficient capital assigned to each

provements, equal, and perhaps superior, to commend the increase of capital of the Banks of the State and Cape Fear, one million of doly

Manufactures, sail and steam Ships, Rail of North Carolina and Internal Improvements, Roads and other inventions.

The operations of the Federal Government as can be spared from other purposes, provid-continuing to effect the Banks, ours as well ed the Banks will loan to the Wilmington and as many others, were a second time compell- Raleigh and Gaston Rail Road Companies rectness. The few who did not, complained for the period of ten years, unless these commy and skill, it is certainly honorable to the to cover their demands for the double interest, panies are enabled sooner to pay the the penalty imposed on our banks for retusing same.

specie when demanded. ed to the constant fulmination of spleen and and strict supervision, the more she will in- or neglect to build houses and improve town them. The Representative from the first dis- pointment of Edward Hall, of Warrenton, vituperation by certain partizan presses and spire public confidence, fill the subscription, lots?

fortunes by exciting popular prejudice, and ments and extend their usefulness. For the such a state of things? The President of tention. A copy of the report and map of present session; and they both entered imdiverting attention from their own misdeeds recommendation of increasing the capital of the United State informed us, in his message the survey were also forward-d to the Repre- mediately on the duties of their respective who viol des the Constitution in letter or in the popular clamor. And the usefulness our Banks and requiring their aid to the Rail at the extra session in 1837, that it was overof these institutions have no doubt been con- Roads, I would endeavor briefly to assign you trading, sumptuous living, and the issue of him at too late a period of the session to be siderably curtailed by these attacks. Surely my reasons.

the people, when they expected to acquire gratulating you on the completion of two Rail plicable to North Carolina. There has been work on Congress? I am decidedly of the if I remained silent. The resignations of they calculated greatly on the ignorance of either reputation of strength by such a course. Of what, I ask, consists the Banks of this State? The State has put into the stock about one million fifty thousand dollars. This with the regret of having to inform you that creased a small amount four years since, we and vessels, and the increase of the revenue; constitutes the Banking capital of North Ca- their cost and extra expenses have exceeded have about the same now we had 10 years and to the State, in enhancing immensely the rolina, and for every dollar actually paid in, their means. In short, they are in debt, and ago, exclusive of the capital of the branch of value of their lands and their products, and and propriety of being supplied; and I have two may be issued when prudent to do so, by turn to you for assistance; for there is no oth- the United States, which was employed in this securing a mart to a large section of the the Banks in their notes. At this time er source whence they can and should so State; during which time our demand has cer- country, which has now to seek elsewhere at a the election of these officers in your body. If their issues amount to about one balf of their rightfully seek it. No doubt they do so with tainly greatly increased. It is the want of greatly increased expense and hazard. No the range of the State were necessary to supcapitals. The interest they receive on loans reluctance, yet this but proves the urgency of Bank or other active capital which has been principle has been better established by prac- ply the higher order of talents, no change is limited to six per cent., per annum. Should their necessities.

they refuse to pay specie when demanded, the holder of their notes is entitled to 12 per cent. their officers of the prospects of profits to the into market for cash. More is actually re- al importance; and none, in my opinion, is and wishes of the people, we might be coninterest. Every six months they are requir- stockholders, the advantages to the State, to quired, not only to save property already ex- more clearly so in the United States, than tent with the present arrangement; but I am ed to pay to the stockholders whatever profit the farmer, the landholder near them, to the isting from changing hands at great and ruin- opening an inlet at Nag's Head. If we persuaded that neither the one or the other is may have been made ; and if the individual mechanics and laborers, and their great utility ous sacrifices, but to assist the manufacturer, turn to the estimates of the War Department effected. In every district, many men may stockholders derive any unusual advantages, for the diffusion of knowledge and for the trader, mechanic and laborer, in the va- for improvements, we shall find many vastly be found abundantly qualified to discharge it should be recollected that the State-the concentration of troops in cases of emergen- rious branches of business, and the im- inferior, under the patronage of the General the duties of Judge. When the claims of any people, participate in about one third of the cy, cannot now be questioned. Their desti- provement of natural advantages of the Government. It is, then, due to the State, section has heretofore been gratified, it has profits--that being the proportion of her nies seem now more or less identified with State.

stock-and also a tax on the individual the character and prosperity of the State. stock

NORTH CAROL

convertible as collected, with such other funds

too much Bank paper. But such reasons, acted on.

Under a resolution of your honorable body, MPiny patriotic persons have nobly put their at its last session, I addressed a communica- ment?

We need more, not only to develope the shoulders to the wheels, invested their mo- tion to the Governors of the several States, vast resources of our State, but to keep of the ney in the stocks of these works, and will for requesting information on the subject of Pennotes of other States, and supply our entire some time receive less compensation than itentiaries, Lunatic and Orphan Asylums, of Internal Improvements; to which I beg to conflicting interests of the different sections of circulation. I have been well situated to they might have done by other investments. and the Houses of Refuge; from whom seve- invite your especial attention. learn these facts. Many applications have If a few months operation of a Rail Road had ral interesting replies have been received; but been made to this office to borrow the funds given evidence of great profit and the Road not sufficient to enable me to give you has progressed considerably. The Pungo trict respectively. The law must, of course, of the Literary and Internal Improvement needed immediate assistance, would it be the much light on those subjects. I hand you Canal is finished, and the Alligator about be prospective, and the present opportunity Boards .- Those who contend that we have policy of the State to withhold it? I should herewith, marked B the information obtain- half completed. The lateral ditches on Pungo can furnish two vacant districts. It appears State to supply the amount of notes for all capital enough, I am persuaded, must have say not. Then how much more the necessity ed, and submit the following general remarks; Canal are now being cut, and some 15,000 to be due to the Bar, to the wants and conveconfounded capital with Bank issues, and of exerting this policy in granting assistance -That all seem to concur in their useful- acres nearly prepared for market. I see nience of the people, and to the Judges them-

the fact that our | improve their moral and mental condition, to | success. This appeared to be the favorite Suppose we should adme the fact that our improve their moral and mental condition, to Roads have not, so far met ablic expectation make them better and more valuable citizens, or even of the individual steckholders to the and inspire them with grateful feelings to their it executed. To the poverty of the country of the New York he must have taken places, agricultural and interior it have, when the specie must be it have taken place in Agriculture, i

Soon after the adjournment of the last ses-Roads; that few extensive works immediately last session of your honorable body, a survey sion of your honorable body, Daniel W. prove profitable; and that have been only a of Nag's Head has been procured. Under tew months in operation—certainly not long their resolution, directing a report to be made Courts, Esq, resigned his appointment as enough to test their worth to the stockholders? by some able and experienced Engineer the public Transurar of the State the vacancy To all their interests, their utility can be of Board of Internal Improvements appointed occasioned by which, was temporarily filled collection of their dealers. The wisdom of their choice I am not disposed to question.— Companies the State by mortgage, at a rate of in-Most persons seemed to acquiese in its cor- terest not exceeding 6 per cent, per annum, 50 per cent; land yet more; and lots in our sustains the propriety and importance of your In the course of the present year, the Hon. most favored places; scarcely selling for the inviting the attention of Congress to the open- R. M. Saunders and the Hon. John D. cost of improvements; very few farms yield ing an Inlet at that point as a national work Toomer, Judges of our Superior Courts of legal interest, and, in the aggregate, probably of the highest importance. The resolutions Law and Equity have resigned. The vacan-The higher the grounds upon which the not 3 per cent. on their value; yet who so bold claiming the attention of our Representatives cies thereby occasioned, have been supplied, State can place these Banks, by protection as to say that we should abandon the farm and Senators in Congress, were forwarded to under advice of Council of State, by the ap-

What, it may be asked, is the cause of the subject his prompt and unremitted atten- commissions will expire at the close of your

And although I have the pleasure of con- however apt for other places, are totally inap- Would it not be well again to urge this but I should not believe my duty discharged. the cause of sacrificing real estate and every tice, than the right and propriety of the Fed- ought to be made; or, if the yielding to sec-Whatever reports may be made now by other large amount of property, when forced eral Government to execute works of nation- tional considerations could meet the wants and particularly to that section, to urge the proved only for a short space of time-the inexecution of this work by the Govern-

The very able report, on this subject, by Major Gwynn, will be submitted by the Board cers. To remedy this defect, and quiet the

trict, in which Nag's Head is situated, gave and William H. Battle, of this City, whose

It is with great diffidence I venture on any observations relating to our Court system; valuable and indispensable officers. The East, West, North and South, claim the right no doubt these considerations will be felt in cumbent generally changing his location for convenience or health, and again the district is left destitute of one of those valuable offiour State, I would very respectfully recom-The work for draining the swamp lands mend the location of the Judges in each disno reason to doubt the wisdom of this im- selves, to make this alteration. The ridings might alternate as now, or the Judge be confined to the duties of his own district. The latter appears to me best. A person from the mountaias cannot ride in one of the seaboard districts in the fall with impunity. His risk of sickness and death is certainly alarming, and the result has been that the business of those districts is hurried over in a state of mind which must detract greatly from comfort and a satisfactory discharge of duty. The services of a most valuable officer has just been lost to the State by fear of riding the first district this fall. Allow me, gentlemen, to call your attention to the acts of 1836-'37, creating the Boards of Internal Improvements, and of the Literary Fund of North Carolina. Of both these Boards the Governor is a member, and exofficio President. Large sums of money are at their disposal, which they were required to invest in Bank stocks, and lend to individuals and corporations. These funds are daily increasing by appropriations, interest from loans, and Bank dividends. These laws are clearly defective, and should be altered. If it were intended to establish a loan-office, the necessary provisions should be made, and salaries. But it certainly never could have been intended to convert the Executive into a loan office, occupying more of the attention and responsibility of the Governor than all his other duties combined, and diverting him committed to his care. It is considered radically wrong in the State to adopt any law by which individuals become debtors to it. What spare funds the State may have, should be invested in stocks, or devoted to the improvement of the people and country. If no other alteration is made, it would be a matter of great relief to the Governor for a Union of those Boards. Such an alteration would curtail one half of his services, reduce the number of the members, and save expense to the State. Loans should be forbidden, and authority extended to investments State. This improvement would place at the in the stocks of rail road and manufacturing companies, by purchase or by subscription, as sales would seem to promise, and your tables would be exceeding painful to refuse. The standard weights, agreeably to an act of your last session, have been contracted for; and they are nearly completed, and being delivered to the several counties. No standard The proceedings of Georgia, South Carolina, and Virginia, herewith submitted in file

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useful and necessary purposes. One kind of bank notes, with a specie basis and ample guarantees, can alone meet the object and accomplish the purpose desired. Whereas at present, a large variety of Bank notes, issued from eight or nine hundred Banks, are thrown into circulation, experience has proved that they cannot stand on equal footing--actual and fictitious circumstances will produce degrees of value, totally destroying their worth as a national circulating medium.

I would prefer an arrangement by which the local Banks would be remodeled to the establishment of a Bank of the United States, because the renewal of their charters could be made to happen successively, without producing the political convulsion which has twice attended the renewal of the charter of the National Bank ; because, too, some of the present institutions could be adopted, and the redundant merged into them, or allowed to expire at the end of their charters.

A Bank of the United States, of sufficient capital to supercede all the local Bauks, might be made an engine of oppression, and dangerous to our political institutions, which the local Banks could not. The superceding the local Banks by a National Bank, must unquestionably produce a revolution in the monetary affairs of the country to an immense extent and unforeseen consequences.

Capitalists in all countries, and more particularly in ours, are the pioneers of their own fortunes, and look with an eye single to their interests on the selection of the managers of institutions in which they 'invest their funds Nor are they usually combined with the politician, for their notions are antagonistical .-The study and success of the one, destroys that of the other. Stockholders are the managers of the local Banks. The funds of the Banks, divided over as great an extent of country as ours, and under the management of their own officers, presents an insuperable difficulty to the formation of political cabals or nny other, for the injury of the great interest of the country, with whose welfare they are so intimately connected and identified. A National Bank might fall into the hands of a clique, who, conscious of their power, might be tempted to interfere in federal policy to the great injury of its pecuniary affairs, and inflict a stab on the liberties of the country.

sixty-eight dollars 69 cents; showing the ad- terests of the country cannot be question- ciple and place upon which they shall be may be presumed that most would prefer those perty belonging to the State, to be made for The Banks in the North are much more vantages of a small active capital over heavy ed. erected; the appointment of a competent su- in the State, it would secure the profits which cash only. Should the contrary course be numerous than in any other section, being landed and personal property. That the stock The attack of the President of the United perintendent to visit the various establishments might otherwise accrue to our neighboring pursued, more money will be lost than credit established in most parts where money could in the present bank is good, requires no bet- States on hail Roads, is exceedingly strange of the kind and collect the necessary infor- States, and assist in obtaining the balance of be usefully employed, and in such sums as ter demonstration than that it continues at or and unjustifiable. In the transportation of both of Penitentiaries and Lunatic and Or- trade in our favor. At least, a fair competiwere demanded by the capacities of the counfilled with petitions for indulgence which above par, while all other property has been the mails, diffusion of knowledge and interphan Asylums, and to commence the work as tion would be afforded. The advantages to try; and they have been ably and successfulgreatly reduced. Borrowers generally, so far communication, the casy and quick conveysoon as the plan should be approved by the be derived in the purchase of West India proly managed; pushing and developing the naas I have been enabled to discover, prefer an ance of armies to points where the country Governor or a Board of Commissioners raised duce in Wilmington and Newbern, and their tural capacities of the country to a great state accommodation from the Banks to any other may be assailed, must be decidedly important for that purpose, and an appropriation to meet better facility for shipping, will more than of perfection, stand high in their own section source; and note-holders find abundant indem- and necessary to the Government, and favora- the expenditures, placed subject to the Gov- equal any advantages their competitors abroad where best known; yet we seldom ever see nity the penalty of twelve per cent. if specie ble to the liberty of the citizen. ernor's warrant. In the mean while, the nec- can offer. one of their notes in circulation in our State, for measures has yet been received from the is refused. I can then discover no sensible Where, then, can be the sense or propriety essary code of Laws might be prepared under It is probable the stock would be readily taand a greater part of them never pass out of Federal Government. reason to doubt their utility or to circumscribe of these attacks of spleen and enmity? I am a commission granted by your honorable boken by individuals if companies should be their immediate neighborhoods. The Banks their operations. satisfied your honorable body can entertain no dy for that purpose. of the Southern and Western States, have incorporated for that purpose, for the two-fifths This State participated less in speculations such feelings; but that you will afford such re-Most of the counties have adapted a com- or one-half of the amount, with proper privilpartaken of, and, no doubt, have been in-C, to your consideration, at the request of of the day than any other in the Union. We lief and succor as is commensurate with the fluenced by, the character of the country .-mon school system, and a few have received | eges of payment. their respective Governors, relative to the defelt for a while the influence of the general means and character of the State and the the States quota of money to aid them in this The rail roads in our State have not had, as mands of Georgia and Virginia, on the States Many have been established on false principrosperity of the country, from the Institutions | wants and merits of the work. most estimable object. The want of School- yet, sufficient opportunity to test the value of of Maine and New York, for the apprehenples and been hadly managed, and the result It may be contended that our Rail Roads masters is the only complaint which has such stock, and as for investments in turn- sion and delivery of fugitives from justice, and means of other States more than our own. could not be otherwise than disastrous to the stockholders, who had actual capital invested; Bank capital has increased but little for many have been injudiciously located, too expen-stockholders, who had actual capital invested; Bank capital has increased but little for many have been injudiciously located, too expen-sincle constructed and con stockholders, who had actual capital invested; but that appears not to have been the case to any very great extent. I have no doubt that those which have capital, and will take warn-those which have capital, and will take warn-plus, a small amount on loans and the credit first experiments, and made at a period when that and all other difficulties, I hope, may be the most peruicious kind, that these States ing from experience, will yet do a valuable of the State, the active capital has decreased the country was in more prosperous circum- overcome. The several counties which refus-

were induced to say so because the Banks to establish these Roads on such a footing ness; that by the establishment of a Penitenhad suspended specie payments. I have ever that they may freely and fully test their utili- tiary, the punishment of a crime may be more provement. understood that the more capital, either Bank ty.

or individual, a country possessed-the strong-The advantage from such improvements, er and richer it was considered. If our to the State, are of higher and loftier impor-Banks had more capital, I am satisfied they tance than can possibly accrue to her from could the sooner resume specie payments and any pecuniary profits, which her investment discounts. Can there be a question of a could yield. She is above all risk. But the fitted as to give satisfaction to public feeling. the mountains-and the construction of a large floating debt in the country, subjected Stockholders can derive or receive no other to the shaving process? In the place of pay- advantages but those arising from dividends,

ing six per cent, per annum at the Banks, and while these are devoted to the payment many debts are made at 10, 15 and 25 per of the debts and yielding no remuneration, many respectable persons should have no improvements alike demanded by the characcent. between individual debtors and credi- cannot reasonably be expected to enlarge weight. Although he may be satisfied that ter and interests of the State, to be accomtors. To obviate such an usurious shaving their investments.

It is generally admitted, and I believe, canprocess, more banking capital would be valuable to the State. Our merchants, unable to not be denied, that one half at least of the obtain discounts at home to make their pur- travel has been arrested by the disastrous he is not able to act satisfactorily to himself dit abroad, would not justify undertaking, at chases in New York with cash, are compelled | times brought upon the country, as I have ento submit to credit, and if not paid when due, deavored to show, by the acts of the Federal have to pay seven per cent. making a loss to Government. We may now trust that more the State in the regulation of the balance of prosperous times will, ere long, be restored,

trade of one per cent. and the travel resumed.

A difficulty is apprehended in obtaining On the "let us alone" principle, the recupesubscribers which may be so. Capitalists rative powers of this new country would soon have had such good reason to be alarmed for restore prosperity. But we may expect, in As they are generally used in all christian and a market to the farmer; and the work the safety of their funds, by the constant addition, the hearty co-operation of the foster senseless attacks on these institutions, and ing powers of the General Government in and the exposure of punishments, in obedience cost, than in more prosperous times. In what the instability of our laws, that they will part bringing about the highest state of national to the more advanced state of civilization and could the su plus money and credit of the with the management of their money, doubt- prosperity, rather assisting and relieving than refinement, profit and loss should not be a State be better employed, than by relieving competent officers appointed with adequate less with some apprehension and reluctance. distressing all the institutions of the country. But I hope those acts of usurpation, violence As the country becomes more thickly settled, and detraction, have passed never to return; travel must increase on the roads and enhance and that confidence and liberality will again the income in proportion. In proof of this, Regarding them, however, in an economical take their places, and that offering fair in-I have seen no report of the operations of Rail Roads in this country or Europe, which does ducements, capital will be drawn to the State, and from its hiding places again to afford the not show an increase of receipts; and their poor, but honest and enterprising man, the operations in our country will yield a greater ties. means to benefit himself and and country. increase on account of our disposition for

Whatever might be the result to the owner of travel. capital, whether in the hands of individuals or

It would be idle, gentlemen, to talk to you stored away in Banks, its presence could not relative to the many advantages resulting to

possibly do the country any injury. of their value to the State, and during which like all other property, but if correctly located, would be equally strong. period the receipts from all other sources of economically constructed, and well managed,

correctly graduated to its atrocity. Under

prejudiced hands, in the absence of all inforthe side of mercy.

means of saving human life and obtaining ment of her natural advantages ? a mode of punishment adapted to the crime. point of view, it would probably be less burmode of confinement in the jails of the coun-

As regards Lunatic and Orphan Assylums, I presume that there can be but one opinion.

I am very clearly of the opinion that openour present code of criminal law, many pun- ing an inlet at Nag's Head-reclaiming the ishments are fixed, and others left to the ca- swamp lands-improving the Neuse river pricious estimate of the Judge; and to many as far as practicable, and thence the construccases neither the one nor the other appears so tion of a rail road to Raleigh, and turnpike to The result is, that in almost every case, a pe- rail road and turnpike; flanking South Carotition for pardon is perferred to the Executive, lina, from the head of the tide water, on the with whom it is idle to say that the petition of Cape Fear, to the West-from the system of petitions are generally drawn by partial and plished whenever her means will permit.

The depressed state of the pecuniary affairs mation which no law provides for his guide, of the country at home, and its impaired creor justly to the State or petitioner; but where a present, improvements of very great extent doubt is raised, he feels impelled to act on and magnitude; but as far as the means which the State can command will go, there

In the establishment of Penitentiaries and uever was a more appropriate period. The Laws for their government, punishments disbursements in the construction would becould be better graduated to the crime and netit every branch of business in its vicinity, leave less room for complaint and petition. by giving employment to laborers, mechanics, countries, to avoid shedding human blood could be executed more readily, and at less matter of consideration in providing the the distresses of her people, and the improve-

As an improvement particularly called for by the wants of the State, entirely within her means, and important as the connecting links thensome to the country than the present between her existing rail roads, the seaboard from the higher and more enlarged trusts and the interior. I would call your attention

to the improvement of the Nense river from Newbern as far up as practicable and useful; thence by rail road from the Wilmington and

Raleigh Rail Road to this place, for which the The returns of the Clerks and Sheriffs of country and material are best adapted; and the country from the establishment of Rail thirty-six counties show the number of Lu- thence to the mountains by turnpike, as best The four years I have been in office, the Roads. They have ceased to be experiments. natics to be two hundred and forty-nine of suited to the use and material of construction Banks, in Dividends and Taxes, have yield- Their facility in expedition afforded to travel- poor, wretched creatures, most of whom call of the country. This chain of improved comed to the State the sum of two hundred and lers, in connection with Steam Boats and strongly on our charity and philanthropy for munication and intercourse, is due to the fifty three thousand two hundred and one dol- Steam Ships, will ensure their construction shelter, food and nursing; and no doubt if State, and especially to the Northern tier of lars 87 cents, which has been paid into the where the current of trade and travel require. the number and condition of orphans could be counties, the trade of which has been diverted public Treasury, the most Conclusive proof They may be subject to mutations in profits, ascertained, the appeal to our sympathies from our own markets to one in a neighboring

The State is abundantly able to construct pleasure of the farmer one or many markets, of Taxation in the State amounts to three they must be good property to the Stockhol- the necessary buildings, and it only requires in or out of the State, with equal facility, and the Board may deem best for the interest of hundred and four thousand three hundred and ders; and if not, their utility to the other in- the action of your body to establish the prin- regain their lost relative position ; and as it the State, and all sales for the future of pro-