

The Lincoln Republican.

"The tendency of Democracy toward the elevation of the industrious classes, the increase of their comfort, the assertion of their dignity, the establishment of their power."

BY ROBERT WILLIAMSON, JR.

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Twenty-seventh Congress. CONGRESSIONAL ANALYSIS.

From the Globe of Jan. 6, 1842. IN SENATE.

The morning hour was taken up in the presentation of petitions, several of which were adverse to the repeal of the Bankrupt law.
Many bills were also reported back from committees, and others considered and ordered to be engrossed for a third reading.
The engrossed bill for the relief of Margaret Barnes, the widow of Elijah Barnes, was read the third time and passed.
The remainder of the day was occupied by Mr. Woodbury in the discussion of the Board of Exchequer bill, and the proposition to refer it to a select committee of nine. He dwelt briefly on the importance of the measure under discussion, and the propriety, considering the source from which it emanated, of giving it full, impartial, and mature consideration by a committee. He did not anticipate, however, that the labors of that committee would result in any important compromise between the friends and opponents of the measure. He did not believe that any measure could be matured by the committee or by Congress, to remove the present distress of the country. It was a distress pervading the whole commercial world, which he attributed to a reckless disregard of the proper principles of trade, and a failure to confine it to legitimate bounds. He was in favor of committing the plan, to see if there was any thing in its real essence, bones and muscles, without reference to its origin and parading, that could be made useful in safekeeping and disbursing the revenues. He opposed this plan, not only on grounds of expediency, but constitutionality; and maintained that there was no power under the Constitution authorizing the Government to make use of its means to deal in exchanges. As a regulator of the currency, he showed that it would not only not prove beneficial, but detrimental; that it would be adding to the present evils of a depreciated currency, as there was no visible means whereby the Government could redeem the paper proposed to be issued by it, and keep it at par. He drew a parallel between this scheme and the plan recommended by General Jackson, and showed that whilst this proposes that the Government shall turn broker and deal in exchanges, that plan wholly repudiated it; that whilst this proposes to make a paper currency by the Government, that was adverse to it. He was opposed to giving the custody of the public money and the regulating of the currency and exchanges into the hands of any Government Board of Control, but agreed, if it were necessary that there should be a board to regulate the currency and exchanges, it could better be done by the States or commercial cities, than by the National Government. He was in favor of separating the control of the revenues of the country entirely from the questions of currency and exchange; the first he believed belonged to the Government, and the latter to the commercial community. He showed that the exchanges could be conducted much cheaper by individual brokers and by banks than by the Government; and that if the Government should attempt, through a Board, to sell exchanges cheaper, it would be oppressive to the community—because, allowing the utmost capacity to this plan, it could only furnish one hundred millions of exchange, whilst the wants of the community required five hundred millions. Therefore, by selling the one hundred millions cheaper than it could be furnished by bankers and brokers—which no doubt would be done to political favorites—it would be to that extent he depressing four-fifths of the community to benefit one-fifth. Mr. W. saw no middle ground of compromise between the Sub-Treasury and a National Bank. The first, it was conceded by all parties, was constitutional; but the entire Democratic party believed a Bank of

the United States to be unconstitutional. Therefore he argued that the Democratic party could not compromise by yielding support to any scheme with the attributes of a Bank; but if there was any concession or compromise, it should be by the Whig party, who had no constitutional scruples about the Independent Treasury, which was the only measure, as a substitute, he believed the Democratic party could propose. He said the Bank of the United States had been vetoed, the State bank deposit system repudiated, and the Sub-Treasury repealed; and he therefore could fully appreciate the delicate situation of the President. There was not much left him to do under the circumstances. He could well sympathize and commiserate his position. Therefore, whilst he believed that if the States did their duty, by compelling the banks to resume the payment of specie, the evils of a depreciated currency would soon disappear, and the medium to equalize the exchanges be made good, yet he was willing to do all that his oath to support the Constitution would permit, to rid the country of the evils complained of.
After Mr. Woodbury concluded, Mr. Evans obtained the floor; but without proceeding.
The Senate adjourned till Monday.

HOUSE OF REPRESENTATIVES.
Mr. Fillmore offered a resolution authorizing the Committee of Claims to ascertain the number of appropriations which have usually been made without authority of law, and to report a general bill to legalize such as are necessary, dispensing with such as are not indispensable to the public service. This resolution, after some remarks from Mr. F. was adopted.
After reports from several of the standing committees.
Mr. Saltontall offered a resolution to authorize the Committee on Manufactures, of which he is chairman, to collect testimony in relation to the various branch of domestic industry, preparatory to their report on the subject of the tariff, that was referred to them by the House.
This resolution was advocated by Messrs. Salmonstall and Tillinghast, and opposed by Messrs. Johnson of Maryland, Habersham, and Wise, continuing to the expiration of the morning hour.
The orders of the day were then called, and several bills from the Senate were read, and referred to appropriate committees.
On motion by Mr. Fillmore, the House resolved itself into a Committee of the Whole on the state of the Union [Mr. Hopkins in the Chair.] and took up the bill providing for the issue of five millions of dollars of Treasury notes.
Mr. Fillmore briefly advocated and supported the bill.
Mr. Garret Davis made some remarks in opposition to it; and
Mr. Wise replied to Mr. D. suggesting, in the course of his remarks, an amendment which he submitted at the close of their providing that the proceeds of the sales of the public lands shall be applied to the discharge of the liabilities of the Government, and that no Treasury notes shall be issued so long as there are funds arising from the sales of the public lands in the Treasury; but that when there are no such funds in the Treasury, notes may be issued, &c.
Mr. Fillmore hoped his friend from Virginia would withdraw his amendment. The Treasury was in immediate want, and if, said he, we are to have a debate on the repeal of the Distribution bill, it will not be ended before the dog days. Mr. F. also opposed the amendment as out of order, because of its incongruity with the subject of the bill.
On motion by Mr. Weller,
The committee then rose and reported progress; when
The House adjourned.

REMARKS OF MR. CALHOUN, OF SOUTH CAROLINA, ON "THE EX-CHEQUER."
Mr. Calhoun said that his object in rising was neither to oppose the reference nor to discuss the merits of the subject proposed to be referred, but simply to avail himself of the opportunity of expressing his opinions briefly, but explicitly, in relation to it. He regarded such expression as due both to himself and those whom he represented.
He had read the report with care and attention, and with no unfriendly feelings whatever, and he believed it well merited the compliments bestowed on it by the Senator from Pennsylvania, [Mr. Buchanan.] It was an able paper; simple and explicit in its statements, and calm and moderate in its tone. It had a still higher and rarer merit; it was mainly in its admissions. He regarded its admissions as furnishing the most triumphant vindication of the course of the party with which he had acted since 1837.
The first of its admissions is, that a Bank of the U. S. would be inadvisable at this time, even if it were free from all constitutional objections; and this on the ground

that its stock, in the present state of things, would not be subscribed by individuals.— In this opinion he entirely concurred.— It was the ground he assumed during the late session; but he did not concur with the author of the report in attributing it to the cause he did, or in regarding the cause as of a temporary character. On the contrary, he believed it to be permanent; so much so, that he had no fear that there would be another U. S. Bank, during the present generation at least. The fact is, that the banking system, under its present modification, is running down, and is already greatly discredited; but a Bank of the United States has not only not partaken of the general discredit, but was still more depressed from causes peculiar to itself, which he need not explain. The fact was, that it is, from circumstances necessarily accompanying it, among the least responsible of all banks, as experience has proved.— Among these is the fact, that while its stockholders are scattered over our wide-spread region, with many in Europe, its place for business and control, as well as its direction, must be local. Now, when we take into consideration how small the interest of the direction, as stockholders, must be, to the aggregate amount of its capital, and how imperfect the knowledge of the stockholders, in their scattered situation, must be, both as to the character of those who may constitute the direction, or of their management, that there is no adequate hold, either from interest or responsibility, to restrict them to the faithful discharge of their trust. Why, then, should it be surprising that their powers should be abused; and that instead of being directed to advance the general interest of the concern, they should be perverted into the means of aggrandizing and enriching themselves and their friends? Here was a radical defect, which could not be overcome. The soundest and safest banks would be found in the end to be those located in the commercial cities, in which both stockholders and directors reside together, and where the character and management of the latter are well known to the former, and are held constantly under strict responsibility and supervision by them.
But there was another still more important admission. It recommends the Exchequer scheme which it proposes, on the grounds: first, that it is no corporation; and next, that it granted no special privileges; and, again, that Government would part with none of its powers, that is—what it was repeatable; and what is that but an admission that it is a just objection to any fiscal arrangement, that it is a corporation, or that it granted special privileges, or that it parted with the powers of the Government, and was not repeatable? And what is that but an admission that we on this side were right in resisting, as we did, the projects proposed at the extra session on these very grounds?
There is still another and not less important admission. It admits that the opinion is rapidly gaining ground, among the enlightened, that the two functions of discount and circulation are incompatible and cannot be safely trusted to the same hands. That is true. Their union is a fatal error, under which this country and a large part of Europe is now severely suffering. He had in the extra session of 1837 taken the same ground, and then ventured the assertion that among the changes which banks were destined to undergo, one at least would be the separation of the two functions, and that they would be divested of that of issue and circulation; and he was now happy to see this admission in the high quarter from which it comes. There were other, and not unimportant admissions, which he, for the present, would pass in silence. He viewed these admissions, with far more pleasure than pride. It marks the irresistible progress of truth.— What space it has passed over in the last four or five years! How much it has narrowed the interval between the ground on which he, and those with whom he acts, now occupy, from that on which those from whom this document comes, then stood! All that we have to do is to stand fast—time and reflection would be sure to bring our opponents to us. We have truth on our side.
But he owed it to candor to state that as much removed as the space is between us, we were still widely separated. There were many and decisive objections to the scheme proposed. They have been strongly and clearly pointed out by the Senator from Pennsylvania. He agreed with him, that it would be a Government Bank, not only in effect, but reality. As far as discounting bills of exchange is concerned, it would plainly be so. In this important branch of banking, it would clearly exercise all the functions of a bank, without stretching the powers which it would possess; and who does not see that almost the entire operation of banking may very readily assume this most dangerous of its forms? He also concurred with the Senator that it would, at no long interval, become a mere machine for issuing irredeemable paper.— The report itself, among its admissions, states that there is an almost irrepressible tendency on the part of banks to excess in their operations. It is true, but not the

less so, that there is the same tendency in all paper circulations; and, if possible, stronger in most of its forms than that of banks themselves. It is, said Mr. C., (holding up a small piece of paper of the size and shape of a bank note,) a tremendous power to invest any man, or body of men with, the power of converting a small and worthless piece of paper like this, into money; to make a hundred or a thousand dollars, by writing a few words, and attaching a few signatures to it, and send it forth in the community as goods, or gold and silver. It is a higher power than that, so long and ardently sought by the alchemists a power higher than ought to be conferred on mortal man, without effectual guards against abuse, if such indeed can be found. He finally concurred with the Senator that it would add greatly to the public debt, to which he had insuperable objections.
Either of these objections ought to be fatal to any scheme, in his opinion. Having stated them, he did not deem it necessary to advert to other objections at present; but he would take the opportunity of saying that he, for one, could not agree to any plan that would materially change the ground on which he heretofore has stood on this subject. We on this side had liberally, and with high and patriotic motives, selected our ground, and he felt that he could venture to say for those around him, as well as for himself, that we intend to adhere substantially to our position.— He had now briefly and frankly expressed his views of the report, and of the scheme it recommended. In giving utterance to his opinion, he had been actuated solely by a desire that there should be no mistake as to his views, on the part of those he represented, as well as those with whom he acted, and without the least unkind feelings towards the high quarter from which this paper emanated.

From the Richmond Enquirer.
THE FISCAL AGENT.
We calmly waited for the Secretary's plan—we carried it into our retirement—impartially viewed the whole project, and returned with the following impressions:— (We merely indicate these propositions today. We shall develop them more particularly hereafter.)
1st. We lay down as a broad principle, that the Federal Government has no authority under the Constitution to regulate the currency or exchanges, by means of a paper money. The power was proposed to be given in the Federal Convention to allow them to issue bills of credit, &c. it was refused. Whatever definition may be given to a bill of credit, all will agree that Government paper as a circulating medium for the people will come under that designation.
2d. That it is not therefore competent for the Federal Government to issue Treasury notes (to the amount of 15 millions) for the purpose of furnishing a circulating medium for the people.
3d. That the Exchange feature is utterly inadmissible.
[This power is calculated to increase the patronage of the Government, and dangerously to expand the credit system. It loans out the public moneys to favored individuals, who fly their kites the oftener, because the flight of each is shorter. It would, in other words, regenerate the old system of the drawing and issuing of the Scotch banks, so well exposed by Adam Smith. The wonder is, how Mr. Tyler should sanction this discounting on bills of exchange, after having repudiated it in his last Veto.]
4th. The deposit feature, and certificates of deposit to the amount of another fifteen millions, is liable to objections, if it were likely to be much used. But would it?— A man who has specie to pay for it, could buy a good private bill for remittance—and would he be willing to lend his specie to Government for its own certificate, when he could get no interest or profit by the transmission?
5th. It is (as a correspondent writes us on the 20th December) "a Government Bank, to all intents and purposes. It would discount bills, issue a paper currency, and receive deposits. The money of the people would be loaned out to favorites as it was by the pet banks."
6th. Its complicated machinery of Commissioners at Washington and triple agencies in all the States, is alarmingly calculated to enlarge the patronage of the Executive. "Here (says Mr. Buchanan) were five commissioners to be appointed at Washington, with fifty-two subordinate agencies all over the country, each requiring the additional appointment of three principal officers, to say nothing of subordinates.— Here was a corps of officers of at least two hundred individuals, presenting two hundred places very convenient indeed for the friends of any administration which might desire to secure and to reward their services. Mr. B. here again protested that he intended no personal reflection on the present Chief Magistrate in the remarks he now made. He did not entertain the remotest fear that President Tyler would ever abuse his trust. Public liberty was not in the least danger from him. Mr. B. was governed entirely, in the ground he now

took, by general principles of policy, and not by the slightest possible disrespect to the present Chief Magistrate."
Most of these features are not calculated to assist the financial operations of the Treasury, the only legitimate purposes which the Constitution permits. But does the scheme even contribute to keep safe the public treasure itself, when it exposes it to so many hands—and when the public is liable to lose upon so many bills of exchange, from the vicissitudes of commerce—and when it would have to insure the specie on deposit?
Of the gigantic scheme, then, what remains of its legitimate features? Two only, as far as we can see—1st. The right of the fiscal functionaries of the Government to draw bills on its own funds, from point to point where the funds are actually deposited, for the payment of its creditors; and 2d. The issuing of Treasury notes, as they have been recently issued, not for the purpose of creating a circulating medium, but as another form of borrowing money—a form that may be better than loans upon public stocks, because it confines the money to the country, instead of sending the interest in specie funds abroad; and because they are redeemable, and the debt is paid, whenever the Government is in possession of funds, instead of owing a public debt on stocks running for ten to fifteen years.
In fine, our true policy seems to be this: 1st. Cut down the public expenditures as low as possible. Away then with the eight millions of the Postmaster General for railroads; and let us beware of the magnificent scheme of the Secretary of the Navy—who would come to a navy half as large as that of Great Britain, and would begin with an annual expense of eight millions, instead of five or six; and, 2dly. Let us throw back into the Federal Treasury the proceeds of the sales of the public lands.
After these two measures have been adopted, then, if there be any deficit, let us resort to temporary Treasury notes, but not as a common medium for the country.
We lay these propositions before our readers, with every courteous and cordial feeling towards Mr. Tyler. We are aware of the difficulties which surround him. The whole subject is, per se, full of embarrassment. But independently of these intrinsic difficulties, it is impossible with his present Cabinet to avoid the influence of evil counsels in his Administration. So long as Mr. Webster remains the Premier, the disc of his immense orb must cast its dim eclipse around the Government. The expose of the Treasury, accompanying the bill, is said to be his.— Though liable to the criticism which Mr. Mangum makes upon it, it is still a masterly document. His great intellect is sweetly ed by his deep heart. Federal principles—and it operates upon all around him. He is attempting to carry out the pledge he has made to his Whig friends, in the letter which he wrote for the purpose of exusing his re-entrance in the Cabinet. This is the scheme which he then darkly shadowed forth—but unfortunately for himself, even his own Federal friends are the first to repudiate it. It is a great failure—and he will rue the consequences. But such will always be the case with the strong but perverted abilities of Daniel Webster.— The sooner he leaves Mr. Tyler to his own principles, and to his pure Virginia abstractions, the better for the Administration, and the better for the country!

The National Intelligencer, remarking on this subject, says in this morning's paper:
"The necessary consequence of neglecting to act on the bill for changing the terms of the authorized loan, of which it is known not more than one-half was taken, has been to require the introduction of a bill yesterday, by the Committee of Ways and Means, to authorize a reissue of Treasury notes to a sufficient amount to meet the demands upon the Treasury until money enough for the purpose be realized from the revenue, or from the further execution of the loan. A copy of the bill they reported will be found in its proper place in our account of the proceedings of the House of Representatives."
This apology of the National Intelligencer for the sudden tack of the Whigs, is almost as ridiculous as the thing itself. It seems that "neglecting to act on the bill for changing the terms of the authorized loan, of which it is known not more than one-half was taken," is the cause of the compelled resort to the condemned Treasury notes. Well, whose neglect to act on the bill has brought this lamentable alternative for the Whigs, of exchanging their own reform, for the abhorred and repudiated course of their opponents? The Whig majority are responsible for neglecting to act on the bill. And whose fault is it that the "terms of the authorized loan" (the measure of the Whigs for supplying the Treasury) are such that no more than one-half was taken? The Whig majority prescribed the terms of that loan bill. But we must tell the National Intelligencer that the fault which prevented the negotiation of the loan is not only in the terms of the bill, but in the character of the Administration. The confidence necessary to sustain the Government, is wanting in the Administration. The world can have no confidence in the means of a Treasury, which are to be collected by such men as Curtis, at the great reservoir of the customs—in the stability of the finances, while such men as Webster control the destinies of the country for peace or war, at the head of its foreign affairs. It will be found, we fear, that even Treasury notes will not long maintain the credit and efficacy which made them a complete remedy for the temporary difficulties under the late Administration. Then they were used to anticipate revenue, and the public had confidence in the substance recommended and enforced by the late Administration as to new expenditures, which assured their prompt redemption. Now the alienation of the public domain—the increased expenditure—the doubts as to the honest management of the customs, as to skillful management of the finances—and above all, as to the continuance of peaceful relations under a timid retreating policy which invites aggression—all tend to weigh down the Treasury notes, with the character and credit of the country.
"THE PRESIDENCY.—A Washington Correspondent of the North American says: "The Locos will soon, it is said have their candidates in the field. They are now broken into four parts; one part for Mr. Calhoun, one for Col. Benton, one for Mr. Buchanan, and one for Mr. Van Buren. Three of them will have to give way, and rally on the fourth. And even then they will be defeated, if the Whigs stick together; but this is doubtful. No three whigs ever thought exactly alike yet. Each one seems to set up for himself or his candidate, and to carry on the war upon his own responsibility. Whether this is better than to have, as the Locos, a common conscience, is one of those questions in political morality which I shall not decide."
[Not so fast, gentlemen. No such "flattering union to your soul," we beg you. We (Loco loco, as you are pleased to call us) are not so destitute of discretion or of principles, as to rush into this miserable game of private ambition. We mean "to stick together," and not to divide about our Presidential candidate. "We are not quite soft enough for THAT!" It will be time enough for us to think of that question at the close of 1843, and to call a nominating Convention in the Spring of 1844. In the mean time, we have most important matters to engage our attention. We have the great principles of the old Republican party to re-establish. We have the infamous humbuggery of 1840, and the mischievous measures of the Extra Session of 1841, to undo. We are again to set up the landmarks of '98-'99. We have to fly that illustrious flag, under which all true States' Rights' Republicans are to rally. We have to run the broad line between Republicans and Federalism, and to run it deep. Who to that man, whoever he may be, who will at such a juncture turn aside from the path of duty, to indulge his own ambitious aspirations, and to press his own selfish pretensions upon the country.—We can have no such aspirant among us.—Prudence would restrain him, if principle did not. The man who now loses sight of himself, in order to save the principles of the Constitution, is in the best condition for serving his country, as well as for reaping the ultimate reward of his own disinterestedness.