under laws which were passed long before the commencement of the contest; our citizens have traded equally with both, and their commerce with each has been alike protected by the government.

Respecting the attitude which it may be proper for the United States to maintain hereafter between the parties, I have no hesitation in stating it as my opinion, that the neutrality heretofore observed, should still be adhered to. From the change in the government of Spain, and the negotiation now depending, invited by the cortes and accepted by the colonies, it may be presumed that their differences will be settled on the terms proposed by the colonies. Should the war be continued, the United States, regarding its occurrences, will always have it in their power to adopt such measures respecting it, as their honor and interest may require.

Shortly after the general peace, a band of adventurers took advantage of this conflict, and of the facility which it afforded, to establish a system of buccaneering in the neighbouring seas, to the great annoyance of the commerce of the United States, and, as was represented, of that of other powers. Of this spirit, and of its injurious bearing on the United States, strong proofs were afforded, by the establishment at Amelia Island, and the purposes to which it was made instrumental, by this band in 1817 and by the occurrences which took place in other parts of Florida, in 1818, the details of which, in both instances, are too well known to require to be now recited. I am satisfied, had a less decisive course been adopted, that the worst consequences would have resulted from it. We have seen that these checks, decisive as they were, were not sufficient to crush that piratical spirit. Many culprits, though within our limits, have been condemned to suffer death, the punishment due to that atrocious crime. The decisions of upright and enlightened tribunals (equally so in all, whose cities subject them, by a fair interpretation of the law, to its censure. It belongs to the executive not to suffer the sentences, under these decisions, to transcend the great purpose for which punishment is necessary. The full benefit of example being secured, poney, as far as humanity, equally forbids that they should be carried further. I have acted on this principle, pardoning those who appear to have been led astray by ignorance of the criminality of the acts they had committed, and suffering the law to take effect on those only, in whose favor no extenuating circumstances could be urged.

Great confidence is entertained, that the late treaty with Spain, which has been ratified by both the parties, and the ratifications whereof have been exchanged, has placed the relations of the two countries on a basis of permanent friendship. The provisions made by it for such of our citizens as have claims on Spain, of the character described, will, it is presumed, be very satisfactory to them; and the boundary which is established between the territories of the parties, westward of the Mississippi, her future dispute, has, it is thought, been settled on conditions just and advantageous to both. But, to the acquisition of Florida, too much importance can not be attached. It secures to the U. States a territory important in itself, whose importance is much increased by its bearing on many of the highest interests of the Union. It opens to several of the neighbouring states a free passage to the ocean, through the province of Louisiana, by several rivers, having their sources high up within their limits. It secures us against all future annoyance from powerful Indian tribes. It gives us several excellent harbors in the Gulf of Mexico for ships of war of the largest size. It covers, by its position in the Gulf, the Mississippi and other great waters within our extended limits, and thereby enables the United States to afford complete protection to the vast and very valuable productions of our whole western country, which find a market through those streams.

By a treaty with the British government, bearing date on the twentieth of October, one thousand eight hundred and eighteen, the convention regulating the commerce between the U. States and Great Britain, concluded on the 3rd of July, one thousand eight hundred and fifteen, which was about expiring, was revived and continued for the term of ten years from the time of its expiration. By that treaty, also, the differences which had arisen under the treaty of Ghent, respecting the right claimed by the United States for their citizens, to take and cure fish on the coast of his Britannic majesty's dominions in America, were adjusted, other differences of important interest were adjusted, to the satisfaction of both parties. No agreement has yet been entered into respecting the commerce between the United States and the British dominions in the West Indies, and on the continent. The restraints imposed on that commerce by Great Britain, and reciprocated by the United States, on a principle of defence, continue still in force.

The negotiation with France for the regulation of the commercial relations between the two countries, which, in the course of the last summer, had been commenced at Paris, has since been transferred to this city, and will be pursued, on the part of the United States, in the spirit of conciliation, and with an earnest desire that it may terminate in an arrangement satisfactory to both parties.

Our relations with the Barbary powers are preserved in the same state, and by the same means, that were employed when I came into this office. As early as 1801 it was found necessary to send a squadron into the Mediterranean, for the protection of our commerce, and no period has intervened, a short term excepted, when it was thought advisable to withdraw it. The great interest which the United States have in the Pacific, in commerce and in the fisheries, have also made it necessary to maintain a naval force there. In disposing of this force, in both instances, the most effectual measures in our power have been taken, without interfering with its other duties, for the suppression of the slave trade, and of piracy, in the neighboring seas.

The situation of the United States, in regard to their resources, the extent of their revenue, and the facility with which it is raised, affords a most gratifying spectacle. The payment of nearly sixty-seven millions of dollars of the public debt, with the great progress made in measures of defence, and in other improvements of various kinds, since the late war, are conclusive proofs of this extraordinary prosperity, especially when it is recollected that these expenditures have been defrayed, without a burthen on the people, the direct tax and excise having been repealed soon after the conclusion of the late war, and the revenue applied to these great objects having been raised in a manner not to be felt. Our great resources, therefore, remain untouched, for any purpose which may affect the vital interests of the nation. For all such purposes they are inexhaustible. They are more especially to be found in the virtue, patriotism, and intelligence, of our fellow-citizens, and in the devotion with which they would yield up, by any just measure of taxation, all their property, in support of the rights and honor of their country.

Under the present depression of prices, affecting all the productions of the country, and every branch of industry, proceeding from causes explained on a former occasion, the revenue has considerably diminished; the effect of which has been to compel congress either to abandon these great measures of defence, or to resort to loans or internal taxes, to supply the deficiency. On the presumption that this depression, and the deficiency in the revenue arising from it, would be temporary, loans were authorized for the demands of the last and present year. Anxious to relieve my fellow-citizens in 1817, from every burthen which could be dispensed with, and the state of the treasury permitting it, I recommended the repeal of the internal taxes, knowing that such relief was then peculiarly necessary, in consequence of the great exertions made in the late war. I made that recommendation under a pledge that, should the public exigencies require a recurrence to them at any time while I remained in this trust, I would, with equal promptitude, perform the duty which would then devolve on me. By the experiment now making it will be seen, by the next session of congress, whether the revenue shall have been so augmented as to be adequate to all the necessary purposes. Should the deficiency continue, and especially should it be probable that it would be permanent, the course to be pursued appears to me to be obvious. I am satisfied that, under certain circumstances, loans may be resorted to with great advantage. I am equally well satisfied, as a general rule, that the demands of the current year, especially in time of peace, should be provided for by the revenue of that year. I have never sanctioned, nor shall I ever sanction, any expenditure for which I have been pressed, founding applications to the virtue and patriotism of my fellow-citizens, well knowing that they could never be made in vain, especially in times of great emergency, or for the purposes of high national importance. Independently of the exigency of the case, many considerations of great weight urge a policy having, in view a provision of revenue to meet, to a certain extent, the demands of the nation, without relying altogether on the precarious resource of foreign commerce. I am satisfied that internal duties and excises, with corresponding imposts on foreign articles of the same kind, would, without imposing any serious burthens on the people, enhance the price of produce, promote our manufactures, and augment the revenue, at the same time that they made it more secure and permanent.

The care of the Indian tribes within our limits has long been an essential part of our system, but, unfortunately, it has not been executed in a manner to accomplish all the objects intended by it. We have treated them as independent nations without their having any substantial pretension to that rank. The distinction has flattered their pride, retarded their improvement, and, in many instances, paved the way to their destruction. The progress of our settlements westward, supported, as they are, by a dense population, has constantly driven them back without the total sacrifice of the lands which they have been compelled to abandon. They have claims on the magnanimity, and, I may add, on the justice of this nation, which we must all feel. We should become their real benefactors, we should perform the office of their great father, the endearing title which they emphatically give to the chief magistrate of our Union. Their sovereignty over vast territories should cease, in lieu of which the right of soil should be secured to each individual, and his posterity, in competent portions, and, for the territory thus ceded by each tribe, some reasonable equivalent should be granted, to be vested in permanent funds for the support of civil government over them, and for the education of their children, for their instruction in the arts of husbandry, and to provide sustenance for them until they could provide it for themselves. My earnest hope is, that congress will digest some plan, founded on these principles, with such improvements as their wisdom may suggest, and carry it into effect as soon as it may be practicable.

Europe is again unsettled, and the prospect of war increasing. Should the flame light up, in any quarter, how far it may extend, it is impossible to foresee. It is our peculiar felicity to be altogether unconnected with the causes which produce this menacing aspect elsewhere. With every power we are in perfect amity, and it is our interest to remain so, if it be practicable on just conditions. I see no reasonable cause to apprehend variance with any power, unless it proceed from a violation of our maritime rights. In these contests, should they occur, and to whatever extent they may be carried, we shall be neutral; but, as a neutral power, we have rights which it is our duty to maintain. For slight injuries it will be incumbent on us to seek redress in a spirit of amity, in full confidence that, injuring none, none would knowingly injure us. For more imminent dangers we should be prepared, and it should always be recollected that such preparation, adapted to the circumstances, and sanctioned by the judgment and wishes of our constituents, cannot fail to have a good effect, in averting dangers of every kind. We should recollect, also, that the season of peace is best adapted to these preparations.

If we turn our attention, fellow-citizens, more immediately to the internal concerns of our country, and more especially to those on which its future welfare depends, we have every reason to anticipate the happiest results. It is now rather more than forty-four years since we declared our independence, and thirty-seven since it was acknowledged. The talents and virtues which were displayed in that great struggle were a sure presage of all that has since followed. A people who were able to surmount, in their infant state, such great perils, would be more competent, as they rose into manhood, to repel any which they might meet in their progress. Their physical strength would be more adequate to foreign danger, and the practice of self-government, aided by the light of experience, could not fail to produce an effect, equally salutary, on all those questions connected with the internal organization. These anticipations have been realized. In our whole system, national and state, we have studied all the defects which unceasingly preyed on the vitals and destroyed the ancient republics. In them, there were distinct orders, a monarch, a nobility, and a people, or the people governed in a body, or assembly. Thus, in the one instance, there was a perpetual conflict between the orders of society for the weak party, in which the victory of either terminated in the overthrow of the government, and the ruin of the state. In the other, in which the people governed in a body, a majority, assembling only a few days in a year, exercised the whole power of the government. It is great satisfaction to the friend of his country, and of the people, who experimentally a property in every improvement in the representative principle, as it is transferred from the state governments, in their respective powers, to the national government, to find that the change has been without opposition, and that the people, in their sovereignty, so readily sustain the distribution, and so perfectly control themselves. In truth, this exists necessary for all the purposes of free, intelligent, and efficient government. The whole system is perfect, the complete sovereignty being in the people, and every officer, in every department, deriving his authority from, and being responsible to, them for his conduct.

Our career has corresponded with this great outline. Perfection in such organization could not have been expected in the outset, either in the national or state governments, or in tracing the line between their respective powers. But no serious conflict has arisen, nor any contest but such as are managed by argument, and by a fair appeal to the good sense of the people, and many of the defects which experience had clearly demonstrated, in both governments, have been remedied. By steadily pursuing this course, in this spirit, there is every reason to believe that our system will soon attain the highest degree of perfection of which human institutions are capable, and that the movement, in all its branches, will exhibit such a degree of order and harmony, as to command the admiration and respect of the civilized world.

Our physical attainments have not been less eminent. Twe[illegible] years ago the river Mississippi [illegible]t up, and our western brethren [illegible]outlet for their commerce. W[illegible]n the progress since that time [illegible]r has not only become the p[illegible]f the United States from its [illegible]o the ocean, with all its t[illegible]ams, (with the exception of [illegible] of the Red river only,) [illegible] with a fair and liberal [illegible] western side, and the [illegible]e eastern, have been ced[illegible]he United States now enjo[illegible]ete and uninterrupted sover[illegible]r the whole territory from S[illegible]to the Sabine. New states, sett[illegible]mong ourselves in this, and i[illegible] parts, have been admitted into [illegible]nion, in equal participation in the [illegible]ional sovereignty with the origina[illegible]tates. Our population has augment[illegible]n an astonishing degree, and extend[illegible] in every direction. We now, fellow-citizens, comprise within our limits the dimensions and faculties of a great power, under a government possessing all the energies of any government ever known to the old world, with an utter incapacity to oppress the people.

Entering, with these views, the office which I have just solemnly sworn to execute with fidelity, and to the utmost of my ability, I derive great satisfaction from a knowledge that I shall be assisted in the several departments by the very enlightened and upright citizens from whom I have received so much aid in the preceding term. With full confidence in the continuance of that candor, and generous indulgence, from my fellow-citizens, at large, which I have heretofore experienced, and, with a firm reliance on the protection of Almighty God, I shall forthwith commence the duties of the high trust to which you have called me.

CONGRESS.

HOUSE OF REPRESENTATIVES.

Tuesday, February 27.

Mr. Smith, of Md from the joint committee appointed to wait on the president of the United States, and inform him of his re-election, reported, that they had performed that duty, and that the president informed the committee he would take the oath prescribed by the constitution, on Monday next.

Mr. A. Smyth, from the committee on military affairs, to which had been referred the amendments of the senate to the bill to reduce the military peace establishment, reported the same with sundry amendments thereto—one of which was a section adopting for the government of the army and militia, when in service, the system of regulations for the army, compiled by major general Scott—the other amendments were of a minor character.

The amendments reported by the military committee were severally agreed to.

Mr. Cocke moved to strike out the senate's amendment the provision for "one major general with two aids de camp," which motion was supported by Messrs. Cocke, Fort, Colden, Harvin, Little, Mallary and J. Moore, on principle and expediency and it was opposed by Messrs. Barbour, Storrs, Clay, and Nelson, of Va. on the ground that as the senate had made the amendment, they would probably adhere to it, and if disagreed to by this house, it might put the whole bill in jeopardy; that much would still have been done to the way of retrenchment even if this provision passed, and it would be better not to endanger the bill by rejecting its provision. Mr. Kinsey opposed the motion, on principles, commit a major general necessary to make the proposed system perfect and fully efficient. After an ineffectual call by Mr. Nelson of Va. for the previous question—the debate having continued some time—

The question was then taken on striking out the provision for a major general, and was determined by yeas and nays, as follows:

For striking out	73
Against it	79

Mr. Sterigere of Md moved to strike out the provision for one Judge Advocate with a salary of [illegible] dollars;" and the motion was agreed to, without a division.

Mr. Cannon then moved so to amend the amendments of the senate, as, instead of *four* regiments of artillery and *seven* regiments of infantry, to reduce the number of regiments to *two* of artillery and *four* of infantry, and to make the companies consist of [illegible], instead of 42 men. After some remarks by Mr. Cannon in support of his amendment, the motion was negatived without a division.

The amendments of the senate, as amended by this house, were then agreed to; and ordered to be returned to the senate for concurrence in the amendments of this house.

The house then resumed the consideration of the bill for the relief of the purchasers of the public lands—the following section proposed to be added to the bill, by Mr. Anderson, being still under consideration,

Sec. 4. *And be it further enacted*, That in all cases where complete payment of the whole sum due, or which may become due, for any tract of land, purchased from the United States as aforesaid, shall be made on or before the day of [illegible] a deduction at the rate of thirty-seven and a half per centum shall be allowed on the sum so remaining unpaid.

Mr. Crowell moved to fill the blank in the amendment with the 30th of September, 1823; which was negatived—ayes 49.

The blank was then, on motion of Mr. M'Lean, filled with the 30th of September, 1822.

Mr. M'Coy made an unsuccessful motion to strike out thirty-seven and a half, and insert twenty-five per cent.

These questions, as well as the merits of the amendment, were largely discussed, by Messrs. Anderson, Clay, Hardin, M'Coy, Cook, and *M'Lean*.

The amendment offered by Mr. Anderson was finally adopted, by yeas and nays—ayes 72, noes 62.

The amendments were then ordered to be engrossed, and with the bill, be read a third time to-morrow.

Mr. Nelson, of Va. from the committee on foreign relations, reported a bill for carrying into execution the recent treaty between the U. States and S[illegible] which was twice read and commi[illegible]

The house, on motion of Mr. [illegible]bour, of Va. resolved itself into a [illegible]mittee of the whole, on the bill to [illegible] the act for the gradual increase [illegible] navy, so as to reduce the annual [illegible]propriation thereof from one mill[illegible] half a million of dollars per annu[illegible] extend the term of appropriation [illegible] three to six years.

Mr. Barbour indicated his in[illegible] to propose an amendment to th[illegible] the object of which was to limit [illegible] duced appropriation to three ye[illegible] object being to have the ships c[illegible]plated to be built, so far comple[illegible] regarded the frames of them, as t[illegible] a state to be secured and covered [illegible] houses built over them. Mr. B. [illegible]ted at large his views of this s[illegible] the leading feature of which w[illegible] however advisable it might be t[illegible] more ships, it was not necessary [illegible] sent to put them afloat. He th[illegible] moved that the committee rise, [illegible] view to moving that the bill lie [illegible]ta le, giving notice that at 12 [illegible] to-morrow he should call it up, [illegible] view to moving the amendment [illegible] he had indicated.

Mr. Fuller rose merely to say [illegible] when the amendment should be [illegible] the house, he should endeavor t[illegible] why, in his opinion, the bill shou[illegible] be adopted at this session at least.

On motion of Mr. Smith, of M[illegible] bill further to amend the several [illegible]lative to the treasury, war, and n[illegible] partments, was taken up, and ord[illegible] be engrossed for a third reading.

Wednesday, February 28.

Mr. Kent, from the committee [illegible] district of Columbia, reported, [illegible] amendment, the bill from the se[illegible] continuing the charters of certain [illegible] in the District of Columbia.

[This bill provides for the co[illegible]tion of the charters of the bank [illegible] Metropolis, the bank of Washingt[illegible] Patriotic bank in the City of W[illegible]ton, the Union bank, the Farme[illegible] Mechanics' bank, the bank of Col[illegible] in Georgetown; the bank of Alex[illegible] and the Farmer's bank, in Alex[illegible] until the year 1836.—It authori[illegible] consolidation of the Union bank o[illegible]dria with the bank of Potom[illegible] extends the charter of the said [illegible]nk to the same term as the [illegible]. The Central bank is also well to p[illegible] forthwith to liquidate and close [illegible] concerns of the corporation, and t[illegible] purpose its corporate authority i[illegible]ued for five years.] This bill [illegible] some opposition, passed its third [illegible].

Mr. Phelps, from a select com[illegible] delivered in a report in relation [illegible] affairs of the post-office depa[illegible] which was ordered to be printed.

The bill from the senate to [illegible] the charters of certain banks in [illegible] of Columbia, was read the [illegible] time and passed—ayes 74, noes [illegible].

The house proceeded further to consider the bill to alter and amend the several acts relative to the treasury, war, and navy departments, which was read the third time, passed, and was sent to the senate for concurrence.

The bill from the senate, for the relief of the purchasers of public lands, was read the third time, as amended by this house, and passed, 97 votes to [illegible].

Mr. Baldwin moved that the house resolve itself into a committee of the whole on the bill concerning sales at auction; but the motion was negatived—ayes 53, noes [illegible].

Mr. Sergeant moved that the house proceed to the consideration of the bill from the senate to establish an uniform system of bankruptcy, on which motion Mr. Edwards, of N. C. demanded the yeas and nays.

The question was accordingly taken by yeas and nays, and decided in the affirmative—ayes 78, noes 59; and the bill was taken up.

Mr. Edwards then moved to commit the bill to a committee of the whole, which motion was opposed by Mr. Sergeant, as a course that would be fatal to the bill, from the delay it would produce, and was also unnecessary.

Mr. Clay said, to commit the bill would place it at the foot of the docket of business, and that course would be tantamount to a rejection of the bill. If gentlemen were sincere in a desire