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## CIRCULAR.

### TO THE FREEMEN

Of the Tenth Congressional District of N. Carolina:  
WASHINGTON, March 6, 1835.

FELLOW CITIZENS: The twenty-third Congress having just terminated, permit me, before leaving Washington, to present you with a brief review of its proceedings. Many of them have been of a nature well calculated to claim, and I doubt not will receive your most serious consideration. Upon subjects of such deep national concern I shall not shrink from the discharge of my duty to the people, but shall speak the truth freely and fully. In the various changes which daily take place in the political world, I have endeavored to keep straight forward, without regard to men, in the support of the great principles upon which I came into public life, and which I am determined to maintain as long as I continue there.

On the great subject of the Tariff I need not detain you. Happily for the country, that vexed question has been amicably and fortunately settled. The Southern farmer is no longer to be ground into dust to enrich the manufacturer of the North.

Internal Improvement, by means of roads and canals, under the Federal Government, a twin-brother to the tariff, has been arrested in its fearful growth by the salutary Veto of the President. By the firm and patriotic exercise of this power, he has checked this wasteful and corrupt expenditure of public money, which threatened at one time to exhaust the public revenue, prevent the payment of the national debt, and the necessary reduction of the tariff which has followed. Upon these two important subjects the Administration deserves much praise. If it has not gone as far as we could have desired, it has gone much further than we had reason to expect.

The policy of the Administration towards our Indian tribes is both patriotic and humane. Under the Act of Congress of 1830, commonly called the Indian bill, the President is authorized to exchange lands west of the Mississippi with such tribes of Indians as may choose to exchange the lands where they now reside and remove thither. Under the provisions of this Act treaties have been formed with almost all the Indian tribes east of the Mississippi river, by which they agree to go to this new country, where they may enjoy their own laws and customs under the parental care and protection of the Federal Government. The Cherokees are the only considerable nation of Indians who have not yet agreed to treat; but they cannot long remain where they are, and must soon follow their red brethren to their new homes. On this subject there is now but one opinion. The enlightened of all parties unite in the belief that the removal of the Indians is the only means of giving peace to the States in which they now reside, and of saving from entire extinction these once powerful and warlike nations.

The Veto of the President, of 1832, to the bill rechartering the Bank of the United States, met with my hearty approbation and support. It is known to you that I voted against that bill, and my reasons were spread before you at great length. I have not since changed my opinion; but, on the contrary, subsequent reflection and experience has but confirmed me in my opposition to that institution. Independent of my objections to the conduct of the Bank and the provisions of the charter, I think it unwise to renew the charters of any Banks. If we must have Banks, and they have become a necessary evil, let us grant new charters rather than renew charters of old ones, and thereby perpetuate these moneyed monopolies: such monopolies are dangerous to free institutions, and should be guarded against. But I do not intend to go into this argument. My opinions are well known. The Bank of the United States cannot, and ought not to be rechartered. This brief review brings us to the summer of 1833, immediately after the passage of the great compromise bill, which fell like oil upon the troubled and angry waves of discontent, and restored peace and harmony to the whole country. The great conflicting interests of the North and the South were happily reconciled, and the sword which had been drawn in civil strife was peacefully returned to its scabbard—with peace came prosperity—your manufactures flourished—busy commerce whirled every sea—and the hand of plenty poured forth her abundance to gladden and reward the industry of the farmer. Never was there a brighter prospect. No patriot could look upon it without wishing it might be perpetual.

REMOVAL OF THE PUBLIC DEPOSITES.  
But this bright and joyous prospect was suddenly changed, and, during the whole succeeding winter, nothing was seen throughout our whole commercial community, but deep and wide spread embarrassment and distress. The main cause of this disastrous change in the condition of the country no one can doubt. It was the unexpected and unauthorized removal of the public money from the Bank of the United States, where it had been placed by authority of law, and from which it was removed by the President of the United States. The Secretary of the Treasury, who alone was authorized to remove the public money, refused to do it, and for that refusal was dismissed from office. The President, therefore, in the manifesto which he read to his Cabinet, told them that "the responsibility has been assumed by him," and he begged his Cabinet to consider the "measure as his own."—The President does not pretend that he had any authority to remove the public money, for he says that he assumed the responsibility; and, in his last annual message to Congress, he tells us very frankly that the public money is not now under the authority of law, and earnestly invites us to pass some law regulating the deposits in the State Banks. But, strange to tell, the majority in the House of Representatives who sustained the removal of the deposits from the Bank of the United States, where they were under authority of law, have neglected to pass any law for the safety of the public money in the State Banks, and even re-

fused to adopt the law which the Senate passed and sent to our House for its concurrence! What does this show? Does it not show that the great State of New York, having forty Representatives in Congress, and having most of the public money in their State Banks, are determined to keep it and use it as they may think proper, without paying to the Government one cent of interest, and without being controlled by any legal regulations? The Bank of the United States was established by Congress for the safe keeping of the public money. Before its establishment, the Government lost immense sums by the frauds and failures of State Banks.—The Bank paid for the use of the public deposits one million and a half of dollars. But this is not all. The Government has in the management of that Bank five Directors, and the right to inspect and supervise at all times the proceedings of the Bank. We, likewise, own in that Bank, stock to the amount of seven millions of dollars. Whatever advantage, therefore, the public money may be to the Bank, it is to the extent of our stock an advantage to us. This, then, fellow citizens, is a plain statement of the case. The public money has been taken from a Bank, which paid for the use of it one million and a half of dollars, in which we own stock to the amount of seven millions of dollars, and where it was known and admitted by all to be entirely safe, and it has been transferred, without authority of law, into numerous State Banks, about which we know but little; over which we have no control whatever; in which we own no stock, and where, in all probability, much of the public money will be lost, as some of it has already been. What man, let me ask, would so manage his own affairs? Who would transfer his own money from a Bank where it was known to be safe and place it where it might be unsafe? Who would take money from a Bank in which he had a large interest, and place it in Banks in which he had no interest? As well might a merchant transfer his custom from his own store, or a miller send his grain to another's mill. Would any discreet man so act, and if he were so to act, would you not pronounce him guilty of madness and folly? And I cannot believe you would have your public servant do with your money what no prudent and sensible man would do with his own.

In answer to these plain and conclusive arguments, I know it will be said, as it has been said, that the Bank has forfeited its charter, abused its powers, and been guilty of corruption. Suppose it were so; is that any reason why we should jeopardize the public money by placing it in unsafe hands? It is a good reason why the Bank should not be rechartered, but no reason why we should not use it as long as it exists as a safe depository of the public money. There are many men whose views we despise, whom, notwithstanding, we would trust with our money sooner than place it in unsafe hands? But can any one say that the newly selected State Banks have not been, and will not be guilty of more flagrant abuses and deeper corruption than any which have been found in the Bank of the United States. For one, I have no doubt of it, for I have the same opinion of all Banks. They all go for their own interest, and care not for the people, except so far as the people may contribute to swell their profits. They all, at times, abuse their powers; an evil inseparable from human institutions. But if the Bank has violated its charter let it be tried, like every other criminal is tried, according to law. That law authorizes the President to issue a *scire facias*, and have that fact tried by a court and jury. If found guilty, its charter is arrested at once. This course, however, has not been pursued; the Bank still exists, and will continue to exist till the end of its charter. As long, therefore, as it does exist, I felt it my solemn duty to use it for the convenience and benefit of the Government and people, as the best fiscal agent for the collection, safe keeping, and disbursement of the public money.

The public interest, therefore, seemed to demand that the public money should be continued where it had been placed by law, and where it was admitted to be safe. The immense losses formerly sustained by State Banks ought to have taught us a lesson not so soon to be forgotten. But there are other considerations of the most vital importance, and essentially involving the preservation of our free institutions.

Early in 1833 the President, as it was his duty, called the attention of Congress to the safety of the public money in the Bank of the United States. The subject was referred to a Committee, and examined. That Committee reported, "That the public money was safe in the Bank of the United States, and ought to be continued." The House confirmed that report by an overwhelming majority. The Secretary of the Treasury, at the suggestion of the President, appointed a special agent to examine into the condition of the Bank; that agent reported that the Bank was entirely sound, and the public money entirely safe. But still more. The President called a council of his own cabinet. In that council this whole matter was examined and discussed; and a majority of his own cabinet decided that the public money was safe, and ought to be continued where it was. In the face of all this, the President required the Secretary of the Treasury to remove the public money. The law had confided this power to the Secretary of the Treasury, and to him alone, and had made him amenable to Congress for the proper exercise of it. The Secretary, Mr. Duane, with a firmness and independence honorable to himself, refused to do that which he honestly believed to be improper, and which a large majority of the representatives of the people had said ought not to be done. For this refusal he was dismissed from office. And let me ask if there be a single friend of the President, free from party and free from passion, who does not sincerely regret this rash act, this proscription of an honest man for opinion's sake—this unjust punishment for doing what he honestly believed to be his duty to the country and to the people?

But further. By this act of Executive power the President has claimed and now exercises unlimited control over the public revenue. He has

taken it from its legal custody, and placed it in such Banks as he chose, upon such terms as he might think proper. Upon the same principle he can remove it to-morrow, and place it in other Banks, or in the hands of his own friends. Is not this substantially a violation of that article in the Constitution which declares that "no money shall be drawn from the Treasury but in consequence of appropriations made by law?" But the President, in his Protest, asserts his right to the custody of the public money, and declares that Congress cannot deprive him of it! Is it so? Is it true that the representatives of the people, who alone have the right to lay taxes and raise a revenue, have no right to take care of it when so raised?—The power to raise money implies the power to take care of it; and it would be worse than idle to impose upon Congress the power and duty of raising revenue, if, as soon as it is raised, the Executive could seize it and take it under his own control. In England, from which we borrow many of our institutions, the King has no more right to touch the public money than one of his subjects; and the people here have a security against oppression in the fact that, if the King abuse his powers, the Commons, who are the representatives of the people, can withhold supplies. And will it be contended, is any one so slavish as to admit, that in this land of liberty the President is entitled to exercise more power than the King of England can rightfully do?

In all Governments there are many great and dangerous, but necessary powers. The security to liberty consists in the proper division and distribution of these powers among the various departments of Government. The most important and dangerous of these is the money power, and the military power—the purse and the sword. The wisdom of our fathers, who framed our institutions, saw the necessity of keeping these two great powers separate. They therefore gave to Congress the power to raise revenue, and to the President the command of our army and navy. And, permit me to say, that whenever the purse and the sword shall become united in the same hands, and the people shall acquiesce in such a union, the days of American liberty are numbered. It is against this union, so fatal to our free institutions, that I have contended. The President, under the Constitution, brandishes an unsheathed sword in one hand—place but a well stuffed purse in the other, and no monarch would desire more. I have confidence in the patriotism of our present Chief Magistrate; I do not believe he would abuse these powers to oppress or enslave the people; but whatever power you concede to him you must concede to his successors, for power once gone from the people is never returned to them; and in the hands of some more youthful and ambitious chieftain, your liberties would be cloven down. It becomes us, therefore, to watch, to guard with jealousy against the encroachments of power, and to endeavour to transmit, unimpaired to posterity, the rich inheritance of liberty bequeathed us by our fathers.

But, fellow citizens, I cannot yet dismiss this subject. It is one full of interest to the people, and I must be allowed to speak with the freedom becoming the representative of freemen. I feel that I have no object but truth, and no motive but your welfare. The President, in his first annual message to Congress, declared himself in favor of a National Bank; and, in his Veto Message to Congress, in 1832, he says "a Bank of the United States is both convenient to the Government and useful to the people." So thought many of his best friends; I was of that number. Though opposed to the recharter of the present Bank, we were still in favor of a Bank of the United States, belonging exclusively to the people of the United States, under proper limitations, and with such provisions as should protect the rights of the States, and secure the people against the abuses which had been found in the existing Bank. The President, in his Veto Message, told Congress if he had been consulted he could have furnished the plan of such a Bank. At this day, it seems to me unnecessary to use arguments to show that such an institution is not only necessary for the collection, safe keeping, and disbursement of the public revenue, but indispensable to a sound currency, in which the great mass of the people are so deeply and vitally interested. Experience, worth more than argument, has convinced us of this truth. In 1812 the old Bank of the United States, which was established by the first Congress, and approved by the father of his country, expired. Congress refused to recharter that, or incorporate any other Bank. They made the experiment, which we are about to repeat, of depending entirely on the State Banks. That experiment was a fatal one. By the frauds and failures of these State Banks, the Government lost immense sums, but the loss to the Government was trifling compared with the loss sustained by the people from a deranged and depreciated currency. The State Banks every where stopped specie payment. Their notes fell to 25 and even 50 per cent. below par: our merchants who went abroad for the purchase of their goods, had to deduct this per cent. upon the whole amount of their purchase. But the loss fell not upon them, but upon you, their customers. So fatal was this experiment in all its parts, that Congress, in 1816, was compelled to establish the present Bank, which received the approbation of James Madison, then President of the United States, and the venerable author of the Constitution.

The first Bank of the United States came warm from the hands of those whose valor achieved our liberties, and whose wisdom laid the foundation of our institutions. The origin of the present Bank is not less respectable. It was established by the republican party, who ruled our councils during the last war, and who, in the darkest period of it, "stood by their country's glory fast, And nail'd her colors to the mast."

It seemed to me, therefore, that, if experience was worth anything, it had taught us the folly of depending entirely on State Banks as a safe depository of the public money; and that if the sanction

of great names was worth any thing, we had the highest authority both for the constitutionality of a Bank of the United States, and its indispensable utility, in checking and controlling the spurious issues of State Banks, and in furnishing to the country a sound currency.

Such I understood to be the views of the President, and that at a proper time he would, as he had said, present us with the plan of a Bank, "both necessary to the Government and useful to the people." What, therefore, was the surprise and astonishment of his best friends, when upon the removal of the deposits he announced to the country that we were to have no National Bank, and that he intended to make another experiment of the State Banks; an experiment which in my opinion will prove as fatal as the other experiments on this subject have heretofore proven. What, let me ask, has produced this extraordinary change in the mind of the President? What magician's wand has struck the mind of the old hero, and changed his policy upon this important subject?—I have no hesitation in saying that it has been brought about by the intrigues of the friends of Mr. Van Buren. It is a New York measure, and well calculated to aggrandize New York, and make her the mistress of this Union, and the other States her handmaids. I beg the earnest attention of my fellow citizens to this important subject. The State of New York is a great commercial State. Most of our public revenue is collected in that State. The importing merchants there pay the duties upon their imports which are added to the price of the goods, and ultimately paid by those who consume them. I have shown that, when this revenue is deposited in the Bank of the United States it is used, until the Government has occasion for it, for the common convenience and benefit of the whole people of the United States, because the Bank has branches in every part of the Union, and because the Government owns a large amount of stock in that Bank. But how is it now? Most of the public revenue is placed in the State Banks of New York, kept and used without interest for the sole and exclusive benefit of the Banks and people of New York. You get none of this public money, nor your Banks, although you pay the tax in common with the people of New York. Is this just or equitable? But this is not all. There is another consequence of this fatal policy which will prove still more oppressive to us. Most of our merchants purchase their goods in the city of New York. At present these goods are bought with the notes of the Bank of the United States, upon which there is no discount. In the absence of a National Bank, our merchants, as formerly, must depend entirely on the State Banks, and, as formerly, the State Bank paper will be at a discount of from 5 to 25 per cent., perhaps more. The merchants will not lose this heavy discount; they will add it to the price of their goods and you must pay it. For whose benefit will you thus be compelled to pay this heavy indirect tax? For the benefit of the Banks, and brokers, and money shavers of New York. She has the free use of most of the public deposits, and will levy this additional indirect tax from every portion of the Union that trades with her. Well may she glory in such a system; while it will exhaust and oppress you, it will enrich and magnify her. She may then well be called the Empire State, and we her humble tributaries.—Fellow citizens! are you willing to such injustice? I know you have men among you who are willing, for party purposes, thus to degrade and enslave you, but it shall never be done by my consent or co-operation. I never will consent, for any purpose, to abandon your rights and your interests. Sincere and heartfelt pleasure it will at all times afford me, to sustain the Administration when I think it right, and equally determined am I to oppose it, whatever it may cost me, when I think it wrong. I belong to the legislative department. As your representative, I felt it my sacred duty to take care of the people's money. While, therefore, I voted against the recharter of the Bank of the United States, I also voted for the resolution declaring that the public money was safe in the Bank, and ought to be continued. That vote met your approbation, for it was before my last election. In opposition to this expressed will of the people, through their representatives, the President assumed a control over the public revenue and ordered it to be removed. It is this act of the President which I do condemn. Certain it is, that it has produced no good, and equally certain that it did produce, at that time, much evil. For the President I have the most entire respect. I believe him both patriotic and honest. I acquit him of any impure motives or ambitious designs in assuming to himself a control over the public revenue. But he has been misled, by the ambitious and designing intriguers by whom, unfortunately, he is surrounded. In his honest zeal to destroy the Bank of the United States, he has been misled by these men into the adoption of measures which, if sustained by the people, must change the character of our Government, and ultimately lead to its overthrow.

RECEIPTS AND EXPENDITURES.

The balance in the Treasury on the 1st of January, 1833, was \$2,011,777 55

The receipts into the Treasury during the year 1833, from

customs, were	\$29,032,508 01
From Public Lands	3,937,632 55
From stock in Bank U. S.	
(dividend and sales of principal)	610,255 00
From other sources	337,919 79
	33,918,426 25

Making with balances of 1st Jan. 1833, 35,930,203 80

The expenditures for the same year, exclusive of the payment of the public debt, were 22,713,755 11

There was applied to the payment of the public debt during that year 1,543,543 33

Leaving a bal. in Treasury on 1st Jan 1834, 11,702,905 31

The receipts during the year 1834, from various sources, were

From public land	15,914,957 15
From stock in U. S. Bank	4,837,800 69
From other sources	636,649 50
	182,728 21
	21,791,935 55

The expenditures for 1834, exclusive of public debt, were 18,485,445 55

There was paid towards the public debt, which extinguished it, 6,176,065 19

24,662,010 74

Leaving in Treasury on Jan. 1, 1835, \$8,832,550 12

The estimated receipts for 1835, are \$20,000,000 00

The estimated expenditures for same \$19,683,541 62

In this statement of our receipts and expenditures, there are two things which cannot fail to strike your attention; one is the entire extinguishment of the public debt, and the other the rapid and alarming increase in the public expenditures. While the first, I am sure, will afford you heartfelt satisfaction, the last must be a source of the deepest regret. In my address to you in 1832, I called your attention to this extraordinary increase in our public expenditures. I attempted then to explain the cause of this prodigality. I do not throw the entire blame upon the President, for in many respects he has done much to prevent it. But for his vetoes upon roads and canals it would have been much more. Congress is equally or more to blame. The whole tendency of the Government is towards prodigality; and unless some great and successful effort be made to arrest it, the Government will become more prodigal and corrupt than the most corrupt monarchy in Europe. The expenses of this Government, in the early history of it, did not amount to more than three millions of dollars.—Under the late Administration it had grown to what we then considered enormous—nearly twelve millions. It has now swelled to nearly twenty millions! What it will be in a few years more, no one can foretell. I must say for myself, however, that this immense expenditure has not been caused by any vote of mine, nor shall it receive from me any countenance or support. Economy is indispensable to a free government. Extravagance and profusion in our expenditures must, from necessity, oppress the people, and at the same time corrupt the Government; and corruption in the Government will destroy the spirit of liberty in the people. Sincerely delighted, therefore, should I be to see the Government return to that simplicity and economy which characterised its early history, and from which we have so woefully departed.

SURPLUS REVENUE.  
The public debt is extinguished, and the revenue is now greater than what is sufficient for the necessary wants of the Government. An overflowing Treasury invites to prodigality and corruption those who administer it. The most obvious policy would seem to be to reduce the taxes on imports, so as to bring the revenue down at once to the necessary wants of the Government. But this cannot be done before the year 1842. The compromise bill provides for a gradual reduction up to that period, and the peace of the Union demands that that compromise should not be disturbed.—There ought, therefore, to be a surplus revenue for several years to come. To dispose of this surplus so as to prevent the wasteful and dangerous use of it by the Federal Government, various plans have been proposed. One was to dispose of the revenue arising from the sale of the public lands among the States according to their representation in Congress. This was the object of Mr. Clay's celebrated Land Bill; and the plan seemed to be so equitable and just, that I regret it did not meet the approbation of the President. The public lands were either purchased by the Federal Government at great expense, or were originally given by the States to the Federal Government "for the common benefit of all the States." These were the terms upon which the lands were given, and I do not see how these terms could be more strictly and properly complied with, now that the public debt is paid, than by dividing their proceeds among the States in proportion to their representation in Congress. This would give to North Carolina not less than two hundred thousand dollars annually, which, while it would curtail the Federal Government of some of its dangerous patronage, would give to our State the means of carrying on all her improvements without taxing the people. Besides, it is believed that unless the public lands are disposed of in this way, they will in a few years, for party purposes, be given to the States in which they lie.—Such a disposition would be most unjust to the old States, who ought to have an equal share in them. I was, therefore, perfectly astonished that any representative from North Carolina, either here or in her Legislature, should vote against a measure so just, and so well calculated to promote the prosperity and happiness of the State.

It is for the people to say whether they will suffer their most important rights thus to be sacrificed for the sake of party—the public revenue given to one portion of the Union, and the public lands to another. Another proposition, having the same object in view, was presented by a distinguished Senator from South Carolina, (Mr. Calhoun); it was to amend the Constitution so as to authorize, for a given number of years, a division of the surplus revenue among the States, according to their representation in Congress. I regret, however, that this proposition could not be acted on for want of time.

POST OFFICE DEPARTMENT.  
The Post Office Department has been the subject of severe scrutiny. It was commenced by a Committee of the Senate at the first session. That Committee reported. That report disclosed a scene of mismanagement and abuse in office so unexampled and so startling, that many were unwilling to believe it, and set it down to the score of party opposition to the Administration. The department has become bankrupt, from the immense extra all